

Draft Order laid before Parliament under section 94 of the Local Transport Act 2008 and section 117 of the Local Democracy, Economic Development and Construction Act 2009, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2014 No.

**LOCAL GOVERNMENT, ENGLAND
TRANSPORT, ENGLAND**

The Durham, Gateshead, Newcastle Upon Tyne,
North Tyneside, Northumberland, South Tyneside
and Sunderland Combined Authority Order 2014

Made - - - - *****

Coming into force in accordance with article 1

This Order is made in exercise of the powers conferred by sections 84, 91 and 93 of the Local Transport Act 2008(1) and sections 103 to 105 and 114 to 116 of the Local Democracy, Economic Development and Construction Act 2009(2).

The Secretary of State, having regard to a scheme prepared and published under section 82 of the Local Transport Act 2008 and section 109 of the Local Democracy, Economic Development and Construction Act 2009, considers that the making of this Order is likely to improve—

- (a) the exercise of statutory functions relating to transport in the area to which this Order relates,
- (b) the effectiveness and efficiency of transport in that area,
- (c) the exercise of statutory functions relating to economic development and regeneration in that area, and
- (d) economic conditions in that area.

The Secretary of State is satisfied that the area to which this Order relates meets the conditions set out in section 103 of the Local Democracy, Economic Development and Construction Act 2009.

The Secretary of State has consulted—

- (a) the district councils for the area comprised in the Tyne and Wear integrated transport area,
- (b) the councils for the local government areas which are within the area for which the combined authority is to be established,
- (c) the Tyne and Wear Integrated Transport Authority,

(1) 2008 c.26.
(2) 2009 c.20.

(d) such other persons as the Secretary of State considered appropriate.

The councils whose areas are comprised in the Tyne and Wear integrated transport area have consented to the making of this Order.

In making this Order, the Secretary of State has had regard to the need to reflect the identities and interests of local communities, and to secure effective and convenient local government.

A draft of this instrument has been approved by a resolution of each House of Parliament pursuant to section 94 of the Local Transport Act 2008 and section 117 of the Local Democracy, Economic Development and Construction Act 2009.

Accordingly, the Secretary of State makes the following Order:

PART 1

General

Citation and commencement

1. This Order may be cited as the Durham, Gateshead, Newcastle Upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority Order 2014 and shall come into force on the day after the day on which it is made.

Interpretation

2. In this Order—

“the 2009 Act” means the Local Democracy, Economic Development and Construction Act 2009;

“combined area” means the area consisting of the areas of the constituent councils;

“the Combined Authority” means the Durham, Gateshead, Newcastle Upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority as constituted by article 3;

“the commencement date” means the date on which this Order comes into force;

“constituent councils” means the councils for the local government areas of Durham, Gateshead, Newcastle Upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland;

“the county councils” means Durham County Council and Northumberland County Council;

“financial year” means the period of 12 months ending with 31st March in any year;

“the ITA” means the Tyne and Wear Integrated Transport Authority; and

“the Local Enterprise Partnership” means the board of the North East Local Enterprise Partnership.

PART 2

Establishment of a combined authority for Durham, Gateshead, Newcastle Upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland

Establishment

3.—(1) There is established a combined authority for the combined area.

(2) The combined authority is to be a body corporate and to be known as the Durham, Gateshead, Newcastle Upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority.

(3) The functions of the Combined Authority are those functions conferred or imposed upon it by this Order or by any other enactment (whenever passed or made), or as may be delegated to it by or under this Order or any other enactment (whenever passed or made).

Constitution

4. Schedule 1 (which makes provision about the constitution of the Combined Authority) has effect.

Funding

5.—(1) The constituent councils must meet the costs of the Combined Authority reasonably attributable to the exercise of its functions relating to economic development and regeneration.

(2) The amount payable by each of the constituent councils is to be determined by apportioning the costs of the Combined Authority referred to in paragraph (1) between the constituent councils in such proportions as they may agree or, in default of such agreement, in equal shares between the constituent councils.

(3) Subject to paragraphs (4) to (7), the costs of the Combined Authority reasonably attributable to the exercise of its functions relating to transport shall be met by means of three separate levies issued by the Authority to—

- (a) the district councils in the county of Tyne and Wear;
- (b) Durham County Council; and
- (c) Northumberland County Council,

under section 74 of the Local Government Finance Act 1988(3), and in accordance with regulations made thereunder.

(4) In determining the amount of the levies to be issued to the county councils for a financial year, no account may be taken of the cost of meeting any liabilities or expenses, including the pension liabilities referred to in article 11(6), incurred by the Combined Authority or to be incurred in consequence of article 6 (abolition of the ITA and transfer of functions, property, rights and liabilities).

(5) Without prejudice to the generality of article 11, a levy issued by the ITA under section 74 of the Local Government Finance Act 1988 to the district councils in the county of Tyne and Wear

(3) 1988 c. 41. Section 74 was amended by the Local Government Finance Act 1992 (c. 14), Schedule 13, paragraph 72(1); by S.I. 1994/2825; by the Greater London Authority Act 1999 (c. 29), section 105; by the Courts Act 2003 (c. 39), Schedule 8, paragraph 305(a); by the Fire and Rescue Services Act 2004 (c.21), Schedule 1, paragraph 68; by the Local Government and Public Involvement in Health Act 2007 (c. 28), Schedule 1, Part 1, paragraph 16(2) and Schedule 7, Part 4; and by the Local Democracy, Economic Development and Construction Act 2009 (c. 20), Schedule 6, paragraphs 74 and 75 and Schedule 7, Part 4.

in respect of the financial year beginning 1st April 2014 has effect for that year from and after the commencement date as if it had been so issued by the Combined Authority.

(6) No levy shall be issued to Durham County Council or Northumberland County Council for that financial year, but each of those councils must pay a contribution to the Combined Authority.

(7) Each contribution must bear the same proportion to the amount that the relevant Council has budgeted to spend on the functions transferred under article 8 in that financial year as the number of days in that financial year from and including the commencement date bears to the total number of days in that year.

PART 3

Transport

Abolition and transfer of functions etc.

6.—(1) The Tyne and Wear integrated transport area is dissolved and the ITA is abolished.

(2) On the abolition of the ITA—

- (a) its functions; and
- (b) its property, rights and liabilities,

are transferred to the Combined Authority.

Adaptation of enactments — integrated transport authority

7.—(1) This article has effect in consequence of article 6.

(2) In any enactment (whenever passed or made)—

- (a) any reference to an integrated transport area; or
- (b) any reference which falls to be read as a reference to such an area,

is to be treated as including a reference to the combined area.

(3) In any enactment (whenever passed or made)—

- (a) any reference to an integrated transport authority; or
- (b) any reference which falls to be read as a reference to such an authority,

is to be treated as including a reference to the Combined Authority.

Transfer of functions — county councils

8. There are transferred to the Combined Authority—

- (a) the functions of the county councils under Parts 4 and 5 of the Transport Act 1985(4); and
- (b) the functions of the county councils as local transport authorities under Part 2 of the Transport Act 2000(5).

Adaptation of enactments

9.—(1) This article has effect in consequence of article 8.

(4) 1985 c. 67.

(5) 2000 c. 38.

(2) In relation to any function transferred under article 8, any reference in any enactment (whenever passed or made) to a county, or to any class of area which includes a county, is to be treated as including a reference to the combined area.

(3) In any enactment (whenever passed or made) any reference in relation to any function transferred under article 8 to a county council, or to any class of body which includes a county council, is to be treated as including a reference to the Combined Authority.

Passenger Transport Executive

10.—(1) In this article “the Executive” means the Tyne and Wear Passenger Transport Executive.

(2) The Executive is to be an executive body of the Combined Authority for the purposes of Part 5 of the Local Transport Act 2008 and Part 6 of the 2009 Act.

(3) In the application of section 101 of the Local Government Act 1972⁽⁶⁾ (arrangements for the discharge of functions) to the Combined Authority, the Executive is to be treated as if it were an officer of the Combined Authority.

Continuity

11.—(1) Nothing in articles 6 to 9 affects the validity of anything done, before the commencement date, by or in relation to—

- (a) the ITA with respect to the functions, property, rights and liabilities transferred under article 6; or
- (b) a county council with respect to the functions transferred under article 8.

(2) There may be continued by or in relation to the Combined Authority anything (including legal proceedings) which is in the process of being done by or in relation to the ITA or to a county council immediately before the commencement date and which relates to any of—

- (a) the functions, property, rights and liabilities transferred to the Combined Authority from the ITA; or
- (b) the functions transferred to the Combined Authority from a county council.

(3) Anything which is in effect immediately before the commencement date, and which was made or done by or in relation to—

- (a) the ITA for the purposes of or otherwise in connection with any of the functions, property, rights and liabilities transferred under article 6; or
- (b) a county council for the purposes of or otherwise in connection with any of the functions transferred under article 8,

has effect as if made or done by or in relation to the Combined Authority.

(4) The Combined Authority shall be substituted for the ITA or a county council in any instruments, contracts or legal proceedings which are made or commenced before the commencement date and which relate to any of—

- (a) the functions, property, rights and liabilities transferred under article 6; or
- (b) the functions transferred under article 8.

(5) A reference in this article to—

- (a) anything made or done by or in relation to the ITA or to a county council includes a reference to anything which by virtue of any enactment is to be treated as having been made or done by or in relation to the ITA or to a county council;

(6) 1972 c. 70.

- (b) a county council is a reference to either of the county councils.
- (6) Without prejudice to the generality of this article, the Combined Authority, as Scheme employer for the purposes of the Local Government Pension Scheme Regulations 2013⁽⁷⁾ in place of the ITA, shall be—
- (a) responsible for meeting the liabilities of the Tyne and Wear Pension Fund in respect of benefits due to or in respect of the ITA’s employees or former employees, or any liabilities of any predecessor authority;
 - (b) substituted for the ITA as the relevant Scheme employer in respect of—
 - (i) any admission agreement to which the ITA (or any predecessor authority) was a party immediately before the coming into force of this Order;
 - (ii) the actuarial valuation of the assets and liabilities of the fund as at 31st March 2013 obtained by the administering authority under regulation 36(1)(a) of the Local Government Pension Scheme (Administration) Regulations 2008⁽⁸⁾; and
 - (iii) the rates and adjustments certificate obtained by the administering authority of the fund under regulation 36(1)(c) of those Regulations.

PART 4

Additional functions

Economic development and regeneration functions

12.—(1) The functions of the constituent councils set out in Schedule 2 are exercisable by the Combined Authority in relation to its area.

(2) The functions are exercisable concurrently with the constituent councils.

(3) Any requirement in any enactment for a constituent council to exercise such a function may be fulfilled by the exercise of that function by the Combined Authority.

Incidental provisions

13. The following provisions shall have effect as if the Combined Authority were a local authority for the purposes of these provisions—

- (a) section 142(2) of the Local Government Act 1972 (the power to arrange for publication of information etc relating to the functions of the authority); and
- (b) section 222 of the Local Government Act 1972 (the power to prosecute and defend legal proceedings).

14.—(1) The Combined Authority shall have the power to exercise any of the functions described in subsection (1)(a) and (b) of section 88 of the Local Government Act 1985⁽⁹⁾ (research and collection of information) whether or not a scheme is made under that section.

(2) For the purposes of paragraph (1) of this article, paragraphs (a) and (b) of section 88(1) of the Local Government Act 1985 shall have effect as if a reference to “that area” were a reference to the combined area.

⁽⁷⁾ [S.I. 2013/2356](#).

⁽⁸⁾ [S.I. 2008/239](#); there are no relevant amendments.

⁽⁹⁾ [1985 c.51](#).

15. Section 13 of the Local Government and Housing Act 1989⁽¹⁰⁾ (voting rights of members of certain committees) shall have effect as if—

(a) in subsection (4) after paragraph (h) there were inserted—

“(i) subject to subsection (4A), a committee appointed by the Durham, Gateshead, Newcastle Upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority;”;

(b) after subsection (4) there were inserted—

“(4A) A person who is a member of a committee falling within paragraph (i) of subsection (4) or a sub-committee appointed by such a committee shall for all purposes be treated as a non-voting member of that committee or sub-committee unless that person is a member of one of the constituent councils as defined by article 2 of the Durham, Gateshead, Newcastle Upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority Order 2014.”

16. The Apprenticeship, Skills, Children and Learning Act 2009⁽¹¹⁾ shall have effect as if the Combined Authority were a local authority for the purpose of section 84(2).

17. Regulation 64 of the Local Government Pension Scheme Regulations 2013 shall have effect as if after paragraph (8) there were inserted—

“(8A) Paragraph (8B) applies where the exiting employer is the Tyne and Wear Integrated Transport Authority (“the ITA”) and the liabilities of the fund in respect of benefits due to the ITA’s current and former employees (or those of any predecessor authority) have been or are to be transferred to the Durham, Gateshead, Newcastle Upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority as a result of the establishment of the combined authority by article 3(1) of the Durham, Gateshead, Newcastle Upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority Order 2014.

(8B) Where this paragraph applies, no exit payment is due under paragraph (1) and paragraph (2) does not apply.”.

18.—(1) The Local Government Pension Scheme Regulations 2013 are amended as follows.

(2) In Part 1 of Schedule 2 (Scheme employers), after paragraph 23 insert—

“**24.** The Durham, Gateshead, Newcastle Upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority established by the Durham, Gateshead, Newcastle Upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority Order 2014.”.

(3) In Part 2 of Schedule 3 (appropriate administering authority)—

(a) in column 1 of the table insert at the end—

“An employee of the Durham, Gateshead, Newcastle Upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority established by the Durham, Gateshead, Newcastle Upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority Order 2014.”;

(b) in column 2 of the table insert at the end—

“South Tyneside Council.”.

(10) 1989 c.42.

(11) 2009 c.22.

Draft Legislation: This is a draft item of legislation. This draft has since been made as a UK Statutory Instrument: The Durham, Gateshead, Newcastle Upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority Order 2014 No. 1012

Signed on behalf of the Secretary of State for Communities and Local Government

Date

Name
Parliamentary Under Secretary of State
Department for Communities and Local
Government

SCHEDULE 1

Article 4

Constitution

Membership

1.—(1) Each constituent council shall appoint one of its elected members to be a member of the Combined Authority.

(2) Each constituent council shall appoint another of its elected members to act as a member of the Combined Authority in the absence of the member appointed under sub-paragraph (1) (“the substitute member”).

(3) The Local Enterprise Partnership shall nominate one of its members to be a member of the Combined Authority (“Local Enterprise Partnership Member”).

(4) The Local Enterprise Partnership shall nominate another of its members to act as a member of the Combined Authority in the absence of the member appointed under sub-paragraph (3) (“the substitute member”).

(5) The Combined Authority shall appoint a member nominated by the Local Enterprise Partnership as a member of the Combined Authority (“Local Enterprise Partnership Member”).

(6) The Combined Authority shall appoint another member nominated by the Local Enterprise Partnership to act as a member of the Combined Authority in the absence of the member appointed under sub-paragraph (5) (“the substitute member”).

(7) For the purposes of this Schedule any reference to a member is to be treated as including a reference to the Local Enterprise Partnership Member.

(8) A person ceases to be a member or substitute member of the Combined Authority if they cease to be a member of—

- (a) the constituent council that appointed them; or
- (b) the Local Enterprise Partnership that nominated them.

(9) A person may resign as a member or substitute member of the Combined Authority by written notice served on the proper officer of the constituent council that appointed them or, as the case may be, the chairman or vice-chairman of the Local Enterprise Partnership, and the resignation shall take effect on receipt of the notice by the proper officer of the council or chairman or vice-chairman of the Local Enterprise Partnership (as the case may be).

(10) Where a member or substitute member’s appointment ceases by virtue of sub-paragraph (8) or (9)—

- (a) the constituent council that made the appointment shall, as soon as practicable, give written notice of that fact to the Combined Authority and appoint another of its elected members in that person’s place;
- (b) the Local Enterprise Partnership shall, as soon as practicable, give written notice of that fact to the Combined Authority and nominate another of its members in that person’s place.

(11) A constituent council may at any time terminate the appointment of a member or substitute member appointed by it to the Combined Authority and appoint another one of its elected members in that person’s place.

(12) Where a constituent council exercises its power under sub-paragraph (11), it shall give written notice of the new appointment and the termination of the previous appointment to the Combined Authority and the new appointment shall take effect and the previous appointment terminate at the end of one week from the date on which the notice is given or such longer period not exceeding one month as is specified in the notice.

(13) The Local Enterprise Partnership may at any time terminate the appointment of a member or substitute member nominated by it to the Combined Authority and nominate another of its members in that person's place.

(14) Where the Local Enterprise Partnership exercises its power under sub-paragraph (13), it shall give written notice of the new nomination and the termination of the previous appointment to the Combined Authority.

(15) The Combined Authority shall appoint a member nominated under sub-paragraph (14) and the new appointment shall take effect and the previous appointment terminate at the end of one week from the date on which the notice is given or such longer period not exceeding one month as is specified in the notice.

(16) The Combined Authority shall appoint a member nominated under sub-paragraph (10)(b) or sub-paragraph (14) at the next meeting of the Combined Authority.

(17) For the purposes of this paragraph, an elected mayor of a constituent council is to be treated as a member of the constituent council.

Chairman and vice-chairman

2.—(1) The Combined Authority must in each year appoint a chairman and a vice-chairman from among its members and the appointments are to be the first business transacted after the appointment of members of the Combined Authority, at the first meeting of the Combined Authority, and in subsequent years at the annual meeting of the Combined Authority.

(2) A person ceases to be chairman or vice-chairman of the Combined Authority if they cease to be a member of the Combined Authority.

(3) If a vacancy arises in the office of chairman or vice-chairman, an appointment to fill the vacancy is to be made at the next ordinary meeting of the Combined Authority, or, if that meeting is to be held within 14 days of the vacancy arising, at the meeting following that meeting.

Proceedings

3.—(1) Subject to the following sub-paragraphs, any questions that are to be decided by the Combined Authority are to be decided by a majority of the members and substitute members, acting in place of members, present and voting on that question at a meeting of the Combined Authority.

(2) No business shall be transacted at a meeting of the Combined Authority unless at least two members or substitute members appointed by the constituent authorities are present at the meeting.

(3) Each member, or substitute member acting in that member's place, is to have one vote and no member or substitute member is to have a casting vote.

(4) If a vote is tied on any matter it shall be deemed not to have been carried.

(5) Members appointed from the Local Enterprise Partnership shall be non-voting members of the Combined Authority.

(6) Questions relating to the following matters require a unanimous vote in favour by all seven constituent council members, or substitute members acting in place of those members, to be carried—

- (a) adoption of any strategic growth plan as provided for in the Combined Authority's standing orders;
- (b) adoption of any local transport plan under section 108(3) of the Transport Act 2000;
- (c) approval of the Combined Authority's annual budget;
- (d) setting of any transport levy under section 74 of the Local Government Finance Act 1988 and in accordance with regulations made thereunder;

- (e) allocation of local transport plan funding to the individual constituent authorities;
- (f) approval of growth schemes set out in any adopted strategic growth plan, including the local major schemes devolved funding;
- (g) approval of borrowing limits, treasury management strategy including reserves, investment strategy and capital budget of the Combined Authority; and
- (h) such other plans and strategies as may be determined by the Combined Authority and set out in its standing orders.

(7) The proceedings of the Combined Authority are not invalidated by any vacancy among its members or substitute members or by any defect in the appointment or qualifications of any member or substitute member.

Committees

4.—(1) The Combined Authority shall appoint one or more committees as an overview and scrutiny committee, or as the case may be committees, of the Combined Authority.

(2) The Combined Authority shall appoint at least one member of each of the constituent councils to each overview and scrutiny committee appointed by the Combined Authority.

(3) An overview and scrutiny committee appointed by the Combined Authority may not include any member or substitute member of the Combined Authority.

(4) Each member of the overview and scrutiny committee appointed from the constituent councils is to have one vote and no member is to have a casting vote.

(5) If a vote is tied on any matter it shall be deemed not to have been carried.

(6) An overview and scrutiny committee appointed by the Combined Authority shall have the power to—

- (a) invite members or substitute members of the Combined Authority to attend before it to answer questions;
- (b) invite other persons, including members of the public, to attend meetings of the committee;
- (c) review or scrutinise decisions made, or other action taken, in connection with the discharge of any functions which are the responsibility of the Combined Authority;
- (d) make reports or recommendations to the Combined Authority with respect to the discharge of any functions which are the responsibility of the Combined Authority.

(7) The power to review or scrutinise a decision made but not implemented under sub-paragraph (6)(c) includes the power to recommend that the decision be reconsidered by the Combined Authority.

(8) Where an overview and scrutiny committee appointed by the Combined Authority makes a report or recommendation under sub-paragraph (6)(d) the committee may—

- (a) publish the report or recommendations;
- (b) by notice in writing require the Combined Authority to—
 - (i) consider the report or recommendations;
 - (ii) respond to the overview and scrutiny committee indicating what (if any) action the Combined Authority proposes to take;
 - (iii) if the overview and scrutiny committee has published the report or recommendations under paragraph (a), publish the response.

(9) A notice served under sub-paragraph (8)(b) must require the Combined Authority to comply with it within two months beginning with the date on which the Combined Authority received the reports or recommendations or (if later) the notice.

(10) The Combined Authority shall comply with a notice given under sub-paragraph (8)(b).

(11) Sub-paragraphs (8)(a) and (10) are subject to section 9FG of the Local Government Act 2000⁽¹²⁾ and to any provision made under section 9GA(8) and the Combined Authority shall be treated as a local authority for these purposes.

Records

5.—(1) The Combined Authority must make arrangements for the names of members and substitute members present at any meeting to be recorded.

(2) Minutes of the proceedings of a meeting of the Combined Authority, or any committee or sub-committee of the Combined Authority, are to be kept in such form as the Combined Authority may determine.

(3) Any such minutes are to be signed at the same or next suitable meeting of the Combined Authority, committee or sub-committee as the case may be, by the person presiding at that meeting.

(4) Any minute purporting to be signed as mentioned in sub-paragraph (3) shall be received in evidence without further proof.

(5) Until the contrary is proved, a meeting of the Combined Authority, committee or sub-committee, a minute of whose proceedings has been signed in accordance with this paragraph, is deemed to have been duly convened and held, and all the members and substitute members present at the meeting are deemed to have been duly qualified.

(6) For the purposes of sub-paragraph (3) the next suitable meeting is the next following meeting or, where standing orders made by the Combined Authority provide for another meeting of the authority, committee or sub-committee, to be regarded as suitable, either the next following meeting or that other meeting.

Standing orders

6. The Combined Authority may make standing orders for the regulation of its proceedings and business and may vary or revoke any such orders.

Remuneration

7. No remuneration is to be payable by the Combined Authority to its members, other than allowances for travel and subsistence paid in accordance with a scheme drawn up by the Combined Authority.

SCHEDULE 2

Article 12(1)

Economic development and regeneration functions

1. Such functions of the constituent authorities as are exercisable for the purpose of economic development and regeneration in reliance on the general power of competence under section 1 of the Localism Act 2011⁽¹³⁾.

2. The power under section 144 of the Local Government Act 1972 (the power to encourage visitors and provide conference and other facilities).

⁽¹²⁾ 2000 c. 22. Sections 9FG and 9GA were inserted by the Localism Act 2011 (c. 20), section 21 and Schedule 2.

⁽¹³⁾ 2011 c.20.

3. The duties under sections 15ZA, 15ZB, 15ZC, 17A and 18A(1)(b), of the Education Act 1996(14) and the power under sections 514A and 560A of that Act (duties and powers related to the provision of education and training for persons over compulsory school age).

4. The duty under section 69 of the 2009 Act (duty to prepare an assessment of economic conditions).

EXPLANATORY NOTE

(This note is not part of the Order)

This Order establishes the Durham, Gateshead, Newcastle Upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority.

Part 6 of the Local Democracy, Economic Development and Construction Act 2009 (“the 2009 Act”) provides for the establishment of combined authorities for the areas of two or more local authorities in England. Combined authorities are bodies corporate which may be given power to exercise functions relating to transport and to economic development and regeneration in their area.

The Secretary of State may only establish a combined authority for an area where a scheme for such an authority has been published under section 109 of the 2009 Act. This Order has been made following the publication of such a scheme on 31st July 2013 by the constituent councils whose areas together make up the combined area of the new authority. The scheme is available at: www.gateshead.gov.uk/la7-governance.

Part 2 of the Order establishes the new authority, to be known as the Durham, Gateshead, Newcastle Upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority on the day after the day on which the Order is made, and makes provision for its constitution and funding.

Article 4 of and Schedule 1 to the Order make provision for the constitution of the Durham, Gateshead, Newcastle Upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority. This is supplemental to the provision that is made by Part 1A of Schedule 12 to the Local Government Act 1972 (see paragraph (6A) of that Schedule, as amended by the 2009 Act).

Article 5 makes provision for the funding, by the constituent councils, of those costs of the Combined Authority that relate to the exercise of its economic development and regeneration functions. The transport expenses are to be met from separate levies on the metropolitan district councils in the county of Tyne and Wear, on the Durham county council and on the Northumberland county council. In determining the levies on Durham and Northumberland no account is to be taken of costs and liabilities flowing from the transfer of the functions, rights and liabilities of the abolished integrated transport authority. Transitional provision is made for determining the contributions for the first financial year of the Combined Authority.

Part 3 concerns the transport functions of the combined authority. Article 6 abolishes the Tyne and Wear integrated transport area and its integrated transport authority and transfers the authority’s functions, property, rights and liabilities to the combined authority. Article 7 makes adaptations

(14) 1996 c.56. Sections 15ZA, 15ZB, 15ZC, 17A, 18A, 514A and 560A were inserted by the Apprenticeships, Skills, Children and Learning Act 2009 (c. 22), sections 41, 42, 45 to 48 and by S.I. 2010/1158. Sections 17A and 18A were also amended by the Education Act 2011 (c. 21), sections 30 and 82.

Draft Legislation: This is a draft item of legislation. This draft has since been made as a UK Statutory Instrument: The Durham, Gateshead, Newcastle Upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority Order 2014 No. 1012

to enactments consequential upon *article 6*. *Article 8* transfers specified transport functions of the Durham and Northumberland county councils to the Combined Authority. *Article 9* makes adaptations to enactments consequential upon *article 8*. *Article 10* makes the Tyne and Wear Passenger Transport Executive an executive body of the Combined Authority and *article 11* contains general continuity provisions.

Part 4 confers additional functions on the Durham, Gateshead, Newcastle Upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority. *Article 12* confers functions of the constituent councils relating to economic development and regeneration. These are set out in Schedule 2 to the Order and are to be exercised concurrently with the constituent councils. *Articles 13 to 18* make some general, incidental provisions relating to the Durham, Gateshead, Newcastle Upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority to enable it to carry out its functions more effectively.

A full regulatory impact assessment has not been prepared as this instrument will have no impact on the costs of business and the voluntary sector.