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.