

# Tees Valley Combined Authority (TVCA) Overview & Scrutiny Committee Meeting

Thursday 2<sup>nd</sup> March 2023 at 10.00am

These Minutes are in draft form until approved at the next Overview & Scrutiny Committee meeting and are therefore subject to amendments.

<b>Present:</b>
<b>Members</b> Cllr J Hobson (Chair – Middlesbrough Council) Cllr Smith (Vice Chair - Redcar & Cleveland Borough Council) Cllr Harker (Darlington Borough Council) Cllr Harrison (Hartlepool Borough Council) Cllr Branson (Middlesbrough Council) Cllr Nelson (Stockton Borough Council) Cllr Little (Hartlepool Borough Council) Cllr Nicholson (Hartlepool Borough Council) Cllr Riordan (Stockton Borough Council) Cllr Beall (Stockton Borough Council) Cllr Donoghue (Darlington Borough Council) Cllr Renton (Darlington Borough Council)
<b>Apologies for Absence:</b> Cllr C Hobson (Middlesbrough Council)
<b>Did Not Attend:</b> Cllr Robert Clark (Redcar & Cleveland Borough Council) Cllr Chris Jones (Redcar & Cleveland Borough Council)
<b>Officers in Attendance:</b> Mayor Ben Houchen Julie Gilhespie (Group Chief Executive) Emma Simson (Chief Legal Officer and Monitoring Officer, TVCA) Shona Duncan (Head of Education, Employment & Skills) Martin Waters (Business Growth Manager) Nicola Dean (Governance & Scrutiny Officer, TVCA)
<b>Also in Attendance:</b> Cllr Bob Cook, Leader of Stockton Borough Council and Education, Employment & Skills Portfolio Holder

<b>OSC 22/22</b>	<b>CHAIRS WELCOME &amp; APOLOGIES FOR ABSENCE</b>  The Chair welcomed Committee Members, the Mayor, Officers and the press to the meeting and a round table of introductions were made.
----------------------	---

	Apologies for absence were submitted as detailed above and it was confirmed that the meeting was quorate.
<b>OSC 23/22</b>	<p><b>DECLARATIONS OF INTEREST</b></p> <p>Cllr Bob Cook, (BC), Leader of Stockton Borough Council and Education, Employment &amp; Skills Portfolio Holder noted that in the interests of transparency as all LAs have a responsibility for Adult Education, an interest should be declared in this area. All Members noted the requirement and declared a general interest in this regard.</p>
<b>OSC 24/22</b>	<p><b>MINUTES OF MEETING HELD ON 12<sup>th</sup> JANUARY 2023</b></p> <p>The Minutes of the previous meeting were agreed as a true record.</p> <p><b>Resolved that: Members agreed the Minutes of the last meeting as a true record.</b></p>
<b>OSC 25/22</b>	<p><b>FORWARD PLAN</b></p> <p>It was noted that this meeting was the last of the civic year and because of upcoming elections, the Forward Plan of items for future meetings was yet to be confirmed.</p> <p>It was explained that the TVCA AGM is at end of June when membership to Committees would be approved, and it was agreed that an Overview &amp; Scrutiny Committee would be convened shortly after that.</p> <p><b>Resolved that: Members noted the completion of the Forward Plan and the drafting of a new Forward Plan with the Chair of the Committee.</b></p>
<b>OSC 26/22</b>	<p><b>GROUP UPDATE</b></p> <p>Julie Gilhespie (JG), Group Chief Executive, provided a summary of the Group Update detailing the key activities of the Combined Authority since the last Committee meeting, including updates in the following areas:</p> <ul style="list-style-type: none"> <li>• Teesworks</li> <li>• Freeport</li> <li>• Teesside International Airport</li> <li>• Tees Valley Business</li> <li>• Education, Employment &amp; Skills</li> <li>• Transport</li> <li>• Clean Growth &amp; Innovation</li> <li>• Creative Place</li> <li>• Business Investment</li> </ul> <p>The Committee suggested it would be useful to have a breakdown of figures provided in the report at an LA level. The Committee was informed that LA Officers receive that information monthly so this can be shared. JG shared figures on Grants received by businesses by LA between Apr 21 and Dec 22 and the Committee was reminded that the allocation of grants is market led so allocation relies on businesses applying for such grants. The Committee agreed there were a number of areas in the Report where it would be interesting to figures broken down into LA areas.</p> <p>Interest was raised in regard to Clean Growth and Innovation, and the Committee was advised that the Net Zero Strategy will be shared with Members.</p>

The Committee took a keen interest in Education, Employment and Skills and queried what schools and academy schools were engaging in the EES programmes by LA and SD advised that this information can be shared with the Committee. The Mayor informed the Committee on a recent Headteachers Careers Education event which was held at Teesworks Academy where Headteachers were invited to the site to see opportunities/skills being created and the potential to provide this information to pupils and young people in colleges. Unfortunately, only 6 schools out of 71 schools and colleges attended. It was explained that although we understand there are other priorities for schools the buy-in and senior leadership within each school and college for careers education is critical to improve the outcomes of our young people. The Committee was encouraged, if they were engaging with schools, to ask their senior leaders to engage where they can as this leadership is needed. The Committee requested attendance representation figures by LA at the Teesworks Skills Academy careers events. This will be forwarded to Members.

Positive feedback was received regarding the efforts made to understand and remedy the reasons for the low uptake of the events. It was agreed there is a need to spend time on why schools' senior leaders aren't engaging in this area. Concerns were raised that it could be that there were no appointed staff to oversee what is being done around careers/work experience and it suggested disengagement. Cllr Sue Little (SL) noted that she would ask the Chair to bring the issue to Hartlepool's Children's Services Committee as there is representation from schoolteachers at those meetings and was keen this area should be pushed. It was advised that representation from TVCA could be arranged for attendance at any meetings and JG advised if Members felt it be of use, they could visit the Skills Academy.

Consideration was given to issues preventing Career Leads engaging and ways in which engagement with schools could be improved. It was suggested to use Youth Clubs as a way of getting the message out. The Mayor agreed this was a good idea and invited Members that, if someone wanted to bring 40 children from a youth club, that could be facilitated in the summer. SD noted she would pick this up.

SD informed the Committee there is a significant programme for 11-18-year olds with 71 schools, including SEND (Special Educational Needs and Disability), and all engage effectively in the EES programme, but it appears the engagement at senior level is limited. It was explained that when we try to increase the engagement to be more impactful, there is difficulty. The Committee agreed it was critical to get careers education promoted on the agenda in schools so children can consider what they want to do at the end of their time at school.

BC suggested LAs could contact the National Careers service for more information on support that could be provided for post-16 education and also in schools, with contact details to be passed on. Cllr David Branson, (DB), said he would follow up on this and queried what the take-up is in Middlesbrough and where the issues are being experienced. SD advised the take up is generally good but where individual schools are assessed against National Careers Education Gatsby Benchmarks, it comes down to the detail of figures in relation to that and can pick this up with DB following the meeting.

**RESOLVED that: Members noted the Report.**

<p><b>OSC 27/22</b></p>	<p><b>DRAFT OVERVIEW &amp; SCRUTINY ANNUAL REPORT 2022-2023</b></p> <p>A DRAFT of the Overview &amp; Scrutiny Annual Report 2022-2023 was provided to Members in advance of the meeting. Members were informed this Report would be presented to Cabinet AGM in June detailing the work of the Overview &amp; Scrutiny Committee in the last civic year.</p> <p>Members were asked to provide feedback on content and agree for the report to be submitted at the June Cabinet meeting.</p> <p>Members discussed time constraints of the Committee in covering the areas on the Agenda and that there were occasions where items were put forward to the following meeting. It was suggested it would be useful to add this point to the Annual Report and note what is going to be done to alleviate that issue in future.</p> <p>ES reminded the Committee that its function is to scrutinise, and a lot of time is spent considering the Group Update so there is a need to get the balance right to avoid this issue in the future. Members considered whether the length of the meeting was correct or whether there should there be more meetings.</p> <p>The Mayor suggested the need for a clear focussed Forward Plan and that, as a Committee, it may be of use to consider what areas they want to do a deep dive into, rather than covering a different topic at each meeting, and that areas could be covered over a series of meetings.</p> <p>The Committee agreed the need to talk about what is to be covered in the Forward Plan and agreed that the June meeting should be used to set the areas to be reviewed in the next year. It was agreed that ES would support on that, and it was suggested it would be useful to provide something in advance of the June meeting to inform the Committee on what has happened in the last year and then the Committee can determine what they want to look at. It was agreed to put that meeting in the Forward Plan.</p> <p>The Committee agreed when the Forward Plan is formulated, there should still be some flexibility to change or make additions to the content.</p> <p>There was discussion around the scheduling of future meetings in order to enable the Mayor to attend. The Committee was informed that at the June meeting the new Committee would ordinarily set the dates for the next civic year and then those dates would be added to the Mayor’s calendar. It was explained that the further in advance something is planned, it would be hoped it would be easier to get it confirmed in his diary.</p> <p><b>RESOLVED that: 1) Members endorsed the Annual Report for submission to the June TVCA Cabinet AGM subject to the requested amendments and 2) The Monitoring Officer and Scrutiny Officer would progress actions to support the Committee in formulating its Forward Plan and clarifying the remit of their scrutiny functions with a view to holding an informal work planning meeting before June</b></p>
<p><b>OSC 28/22</b></p>	<p><b>UK SHARED PROSPERITY FUND – BUSINESS UPDATE (UKSPF)</b></p>

Martin Waters (MW), TVCA Business Growth Manager, delivered a presentation to the Committee on the Supporting Local Businesses element of the UK Shared Prosperity Fund.

The thematic areas of UKSPF were explained to members pertaining to Community and Place, Supporting Local Businesses and People and Skills, with the objective to meet local needs in each area.

The Committee requested that the slides be sent to them.

The main elements of the presentation detailed the key challenges/opportunities to the business community and were covered as detailed below:

- Economic Challenges
- Ecosystem Challenges
- Economic Opportunities
- Ecosystem Opportunities
- Support Programme to start, scale and grow businesses
- Open Calls

The open call bidding process was discussed and it was queried when it would go live. MW explained that timescales were devised around the approval of the Investment Plan which was endorsed by Government in early January and work is ongoing to finalise documentation for the open call. MW advised the Committee that in terms of supporting business, a lot of areas are already being ran in the ERDF (European Regional Development Fund) programme and we wouldn't want two of the same type of programme running simultaneously. The Committee was informed that the timescales were therefore designed around the phasing out of previous funding and the phasing in of UKSPF. MW confirmed the intention is that the open call will be published this month, and there are information events planned to talk to interested parties as well as briefing sessions to be held. Clarification was provided that the timelines shared with the Committee were for getting the support in place to deliver the programmes and not for small businesses to bid into for grants.

A suggestion was given that a video message may be useful to show how businesses were helped in the past from such funding to encourage them to engage. JG agreed and explained that when organisations bid into the open call, this type of engagement will be a consideration to determine how effectively a company may engage with businesses.

Supply and demand were considered alongside whether the funding was sufficient to meet this demand. MW explained this programme is designed in a way to determine what the opportunities and challenges are to the business community, what the priority areas are and what types of support are needed. This programme can be flexed up and down to deliver support, but it was noted that demand is high. It was explained that the UKSPF allocation is definitive, so we need to look at priorities and expectations of government and maximise that. The Committee was advised there is a need to bear in mind that for the first 2 years, the funding allocation is not all of the funding and it is only in year 3 that it escalates to full funding of £28m for the Tees Valley.

The importance of openness and transparency was discussed, and JG informed the Committee on the process of proposing an Investment Plan to detail what would be spent, and this was signed off by Cabinet and then Government. Members were advised that

there is also an independent Partnership Group that oversees UKSPF delivery in the Tees Valley. It was explained that this Group has representatives from all LAs and is chaired by the Chief Executive of Middlesbrough Council. It was confirmed that this area could be subject to scrutiny by the Committee and it was agreed it may be useful to have a meeting specifically on that and have members on that Committee present in the future.

The high turnover of businesses at Hartlepool Marina was highlighted and it was queried if there was scope to engage stakeholders that have influence on this as it was suggested that this was due to new businesses being unable to afford rent. MW advised the service wouldn't re-negotiate rent for a business but could provide help and support on finances as well as signposting services.

Skills and knowledge requirements for business owners were discussed, including writing contracts and cashflow. MW agreed that cashflow is a major issue for SMEs and is one of the things that constrains growth. When the support is in place, providing advice and guidance to businesses, securing investment and debt finance is important. Enabling businesses to attract the right finance is important and we want to build in a network of professionals across the Tees Valley to support in this. It was agreed that there is a need to tap into that better and link with the business community. It was advised that there is a small element of targeted grants in these programmes and what SMEs need is know-how and expertise so harnessing this through free, at the point of delivery support is critical.

The need for promotion of the service to raise awareness was highlighted, especially to new startups. MW explained this service was established in lockdown and there were constraints in networking, but the team has been doing more work with awareness raising at business centres and hubs and inviting people to give talks, as well as using social media. It was suggested that Town Centres could be a good way to promote services such as this. The Mayor agreed the schemes can be improved and will be refined over coming months to make people aware of the support available.

Consideration was given to low business density in the Tees Valley, but it was recognised that longevity is better than across the UK and the Committee sought to understand why lower business density was a problem. The Mayor informed the Committee that the issue is that, in having fewer businesses, we are less resilient as a local economy. It was explained that while businesses are resilient in the Tees Valley, they have a tougher time so those businesses that get through the first phase are more resilient but then of those that fail in year 1 or 2, if they had the opportunities, they may have succeeded. Business startups were noted to be a direct correlation of a successful local economy, number of jobs and rate of wages.

The Committee discussed the absence of an accompanying Report to this item. Emma Simson, (ES), Acting Chief Legal Officer (Monitoring Officer), discussed the requirement for the Committee to understand its role and which areas a presentation may fit in as opposed to a report to be scrutinised. It was explained this may need to be considered for the future so the Committee understands how items are presented and what information we can provide. It was advised that this item was intended to be an update and if it's something Members want more information on, this can be brought to a future meeting.

Developing business clusters was considered as a means to help businesses develop. The Mayor explained that in the Tees Valley our USP is clean, green growth technology and the major businesses coming to the area, such as Net Zero Teesside and SeAH Wind, are

all decarbonised clean growth technologies. Whilst it was noted these are great for investment and creating jobs, the future issue will be to address how local and existing supply chains can take advantage of that and how to feed in the skills element for all those areas, once those services are operational. It was confirmed that the majority of cluster plans, as launched in the Net Zero Strategy, are around that area as our cluster.

11:30am Cllr Tony Riordan left the meeting.

Members further discussed future plans for the Committee in terms of how it functions and plans its work programme. It was suggested that at the June meeting it would be helpful to look at what the role of the Committee is, and to have a longer meeting to look at potential areas to be focused on. The Mayor agreed that the Committee needs flexibility and suggested it may be worthwhile for them to review an area, then do some follow up meetings including a deep dive and challenge decisions in that area. Cllr Steve Nelson, (SN) informed the Committee on the process that SBC adopts with a call out to Members to ask what areas they want to look at, then Officers and Councillors meet to decide which topics go forward and dates are diarised and evidence collated. JG noted that one of the challenges for this Committee is that TVCA operates differently to LAs and while TVCA offers a Member Induction, an understanding of the remit of TVCA is required. JG suggested if, in advance of the June meeting, a briefing was provided to members on the areas TVCA are involved in and what work is being done that could inform the formulation of the Forward Plan. Members agreed a 1 Agenda item meeting would be of use in coming weeks, with ES to organise this.

Cllr Pauline Beall (PB) commented that the purpose of the Committee should not just be about challenge, but also adding value and that the format of a presentation at one meeting and then a deep dive and report with more detail at another, may be of more benefit. The Committee agreed the importance of having a mix of presentations/reports to provide background. PB suggested it may be useful to share some details on how Stockton's Overview & Scrutiny Committee works.

11:45am Mayor Houchen left the meeting.

**RESOLVED that: Members noted the content of the presentation.**

OSC  
29/22

## EDUCATION, EMPLOYMENT AND SKILLS (EES) UPDATE

Cllr Bob Cook, (BC), Education, Employment & Skills Portfolio Holder, and Shona Duncan, (SD), Head of Education, Employment and Skills at TVCA presented a report to the Committee with an update on the activity to date and the planned activity in this area:

- Adult Education Budget
- Skills Bootcamps
- L3 Skills Programme
- Careers Education
- Multiply Programme
- Skills for Growth Project
- Apprenticeship Grants for Businesses

The Committee sought clarification on the number of apprentices in the Tees Valley and what work was being undertaken to promote apprenticeships. SD informed the Committee there is high demand in the Tees Valley from businesses for apprenticeships with around 500 live vacancies at this time. It was however noted that there has been a significant decrease in numbers from around 2015/2016 and the Tees Valley has been affected as this is a national issue. In terms of programmes and support available, the Committee was informed that a lot of work is done on the promotion of the value of apprenticeships through the Business Growth team and through EESs. The business grant was identified to further encourage the creation of apprenticeships to help alleviate the cost to businesses. SD explained there is engagement with larger businesses who have an unspent apprenticeship levy (where businesses over a certain size contribute) and as a result that can be drawn down to be used elsewhere. The Committee was encouraged to share ideas with TVCA on how to increase apprentice take-up.

It was noted that there was some really good work going on in EES and the Committee was keen there was further growth and the work was sustainable. Feedback received from Members was that Multiply was a really good scheme but a further breakdown of the figures into LA areas would be useful to see progress across the Tees Valley. It was agreed this would be arranged and shared with the Committee.

Members discussed the breadth of coverage within the Tees Valley where courses and providers were concerned. BC advised the Committee that Hartlepool is the lead authority in this area with others involved across the Tees Valley. It was clarified that organisations received funding following an application process and that they can deliver to any resident across the Tees Valley and were not limited to certain areas. It was confirmed that colleges and LA Adult Education services deliver a lot of Multiply and Learning Curve was confirmed to be delivering in the Hartlepool area.

Concern was raised around ensuring that the support provided to businesses was relevant and Members discussed engagement with the 17k small businesses to determine what they need. SD explained European Social Funded (ESF) programmes for Skills and Business Growth is a business support element so that team will pick that up. It was confirmed that more detail would be provided to the Committee on how it's working. Members were reassured it has been proven that it has over-succeeded in terms of expectations and demand so that was why there is a People lot in the business support theme for UKSPF that aims to support businesses to recruit and retain their workforce.



	<p>It was asked if feedback could be passed on appropriately to the Department of Education that the term 'Skills Bootcamps' suggests a negative connotation of military training for bad behaviour and a bias towards men. SD confirmed this would be fed back appropriately.</p> <p>Consideration was given to the incompleteness of courses and Members queried what the figures were in this area, and that there is a need for measures to assess the satisfaction of customers/the industries that are gaining from it. SD re-assured the Committee that a condition of the Adult Skills Funding is the undertaking of learner and employer surveys. It was agreed that this information would be returned to the Committee. In terms of drop-off, SD explained that levels vary across all courses with over 47k enrolments on courses. It was confirmed that the figures on this would also be returned to the Committee. Members were reassured that both sets of data are collected on a regular basis and that there is a significant monitoring process in place. SD emphasised the need to ensure we are getting value for money, addressing skills gaps in businesses and to be confident we are achieving in terms of outcomes for learners.</p> <p><b>RESOLVED that: Members noted the Report.</b></p>
<p><b>OSC 30/22</b></p>	<p><b>DELEGATED DECISIONS</b></p> <p>A report was circulated to members detailing the Delegated Decisions taken by the Combined Authority since the last meeting.</p> <p><b>RESOLVED that: the details of the Report were noted.</b></p>
<p><b>OSC 31/22</b></p>	<p><b>DATE &amp; TIME OF NEXT MEETING</b></p> <p>It was explained that the date and time of the next Committee couldn't be confirmed at this point until after June when the new Committee membership will have been approved by LAs and ratified by TVCA Cabinet.</p>