



Overview & Scrutiny Committee Agenda

Date: Friday 12th July 2019 at 1:30pm

Venue: Cavendish House, Teesdale Business Park, Stockton-On-Tees, TS17 6QY

Membership:

Cllr Norma Stephenson OBE – Outgoing Chair (Stockton-on-Tees Borough Council)
Cllr Matt Vickers (Stockton-on-Tees Borough Council)
Cllr Chris Barlow (Stockton-on-Tees Borough Council)
Cllr Doris Jones (Darlington Borough Council)
Cllr Mike Renton (Darlington Borough Council)
Cllr Stephen Harker (Darlington Borough Council)
Cllr Amy Prince (Hartlepool Borough Council)
Cllr Paddy Brown (Hartlepool Borough Council)
Cllr Brenda Loynes (Hartlepool Borough Council)
Cllr Denise Rooney (Middlesbrough Council)
Cllr Joan McTigue (Middlesbrough Council)
Cllr John Hobson (Middlesbrough Council)
Cllr Sue Jeffrey (Redcar and Cleveland Borough Council)
Cllr Chris Jones (Redcar and Cleveland Borough Council)
Cllr Robert Clark (Redcar and Cleveland Borough Council)

AGENDA

1. **Apologies for Absence**
2. **Declarations of Interest**
3. **Notes from previous meeting**
The notes from the meeting on 25th April 2019 for approval (Non-quorate)
4. **Election of Chair and Vice Chair**
5. **Welcome to Tees Valley Combined Authority**
6. **Assurance Framework Overview**
Attached
7. **Diversity and the Tees Valley Combined Authority – Draft report for approval**
Attached
8. **Meetings and Forward Plan for Civic Year 2019/2020**
Attached

9. Date and Time of Next Meeting:
TBC

Members of the Public - Rights to Attend Meeting

With the exception of any item identified above as containing exempt or confidential information under the Local Government Act 1972 Section 100A(4), members of the public are entitled to attend this meeting and/or have access to the agenda papers.

Persons wishing to obtain any further information on this meeting or for details of access to the meeting for disabled people please contact: Sharon Jones – 01642 524580 – Sharon.jones@teesvalley-ca.gov.uk

**Overview & Scrutiny Committee
Cavendish House, Stockton-on-Tees
25th April 2019 – 10.00am**

Meeting was inquorate so these are informal notes of what was discussed rather than formal minutes.

ATTENDEES

Members

Cllr Norma Stephenson OBE (Chair)	Stockton on Tees Borough Council	SBC
Cllr Derrick Brown	Stockton on Tees Borough Council	SBC
Cllr Sonia Kane	Darlington Borough Council	DBC
Cllr Ian Haszeldine	Darlington Borough Council	DBC
Cllr Phillip Thomson	Redcar & Cleveland Borough Council	R&CBC
Cllr Glyn Nightingale	Redcar & Cleveland Borough Council	R&CBC

Officers

Julie Gilhespie	Chief Executive	TVCA
Linda Edworthy	Strategy Director	TVCA
Martin Waters	Head of Finance, Resources & Housing	TVCA
Geraldine Brown	Policy Manager	TVCA
Sharon Jones	Governance & Scrutiny Officer	TVCA

Other Attendees

Cllr Christopher Akers-Belcher	Leader – Hartlepool Borough Council	HBC
David Soley	Deputy Chair LEP	LEP

APOLOGIES FOR ABSENCE

Apologies were received from Cllr Sharrocks, Cllr Walkington, Cllr Vickers, Cllr Nightingale, Cllr Paddy Brown, Cllr McLaughlin

DECLARATIONS OF INTEREST

None.

MINUTES

Minutes of the meeting held on 17th January 2019 could not be agreed as the meeting was inquorate. They will be carried forward to the next meeting.

CHIEF EXECUTIVES UPDATE

The Committee considered a report provided by the Chief Executive on the work of the TVCA since the last meeting. The Local Industrial Strategy was initially due for local sign off in May but there is additional work to be done on this and therefore it will be scheduled for July Cabinet.

The Chair stated that the Committee must play a significant role in future Overview & Scrutiny of DTVA. It was stressed that serious debate is needed as to what the role of O&S will be and that an arrangement needs to be in place to allow effective and timely scrutiny to be carried out.

It was noted that a plane carrying a banner regarding the purchase of the airport by the Mayor had been flying locally. A question was raised as to who had funded this. It was confirmed that this was funded by a private airport enthusiast and was not funded by TVCA or The Mayor.

The Committee have asked previously for a breakdown of the £46k spent on legal and financial advice in advance of the purchase of the airport. This information has yet to be provided. It was agreed that this breakdown will be circulated ASAP.

The matter of the committee not being quorate for the second time in a row was discussed. Members agreed that a letter should be sent to all Local Authority Chief Executives to try and ensure that future meetings are better attended. The Chair agreed to take this action forward. The Committee were advised that the structure of the Committee and the quorum arrangements are set in legislation and therefore these cannot be amended. It is therefore imperative that better attendance is ensured in future.

PORTFOLIO UPDATE: LOCAL ENTERPRISE PARTNERSHIPS

David Soley, as Deputy Chair of the LEP, gave a portfolio overview of the work of the LEP.

It was agreed that better communication is required between the LEP and O&S Committee. Moving forward The LEP will provide regular updates to the Committee and the LEP Chair or deputy Chair, or another member of the Committee will regularly attend O&S meetings where appropriate.

PORTFOLIO UPDATE; EDUCATION, EMPLOYMENT & SKILLS

Cllr Christopher Akers-Belcher provided an update as Portfolio lead for Education, Employment & Skills.

It was noted that the Portfolio of EES is mammoth. The budget for Adult Education alone is £30 million per year, which is double that of the entire TVCA devolution budget.

A question was raised regarding mental health services for children and exclusion from schools and whether TVCA can play a role in this area in conjunction with Academy's. Cllr Akers-Belcher advised that the NHS has pledged to provide mental health support in every school and we have yet to determine what this will look like locally. A representative from the NHS will be asked to attend TVCA Cabinet to advise on how this could be implemented in Tees Valley schools.

The plan for the Adult Education budget was discussed. Cllr Akers-Belcher confirmed that indicative awards have been notified to providers and these will be ratified at Cabinet in July. The number of providers has been reduced so we will see a smaller number of providers, but these will be nurturing the provision in the sectors that are most needed in the Tees Valley.

A question was raised regarding £40 million of currently uncommitted funds and the concept of this being used for a bursary scheme. Cllr Akers-Belcher explained that due to the ESF fund there are a number of different funding streams and this leads to a lot of duplication. TVCA needs to look at how we can address the skills gap and where to put the funding to create a centre of excellence within the Tees Valley. Education must lead to employment.

DIVERSITY AND THE TEES VALLEY COMBINED AUTHORITY

The Chair deferred this item to the next meeting due to an inquorate meeting

FINANCE & RESOURCES SUB COMMITTEE

The Vice Chair addressed the Committee regarding the work that the Finance and Resources sub-committee have carried out regarding the Investment Plan. He advised that he felt that by the budget and Investment plan not being presented together this made it difficult for the Committee to fully scrutinise the purchase of the airport. He advised that he felt that a better process is required moving forward to scrutinise where the money in the investment plan is being spent.

Comments were made that other members of the Sub Committee didn't agree with the views of the Vice Chair.

Moving forward the Committee will continue to scrutinise the financial aspects of the Combined Authority and will ask for full disclosure of information to allow effective scrutiny to take place.

OVERVIEW & SCRUTINY ANNUAL REPORT

As the meeting was not quorate the annual report could not be approved by the full Committee. However, as the report is for information only and is the report of the Chair this will be presented at the next cabinet meeting on 7th June.

FORWARD PLAN

This is to be agreed following the next meeting of the Committee. As there will be a new Committee following local elections an overview of the Assurance framework is to be added to the forward plan for the June meeting.

DATE OF NEXT MEETING

The next meeting will take place on 13th June 2019 at 10am – Cavendish House

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AGENDA ITEM 6**REPORT TO THE TEES VALLEY
OVERVIEW & SCRUTINY COMMITTEE****12 JULY 2019****REPORT OF THE STRATEGY DIRECTOR****TEES VALLEY ASSURANCE FRAMEWORK****SUMMARY**

This report attaches the revised Tees Valley Assurance Framework for the administration and decision making of the Tees Valley Investment Plan including all funding under the Combined Authority's control. The Assurance Framework is required for all Mayoral Combined Authorities and Local Enterprise Partnerships. It replaces the last published Assurance Framework (2016) and takes on board the national guidance published by the Ministry of Housing, Communities and Local Government for National Local Growth Assurance Framework (January 2019) which incorporates many of the recommendations of the national review of Local Enterprise Partnerships.

The draft Assurance Framework was agreed by Cabinet in March 2019 for submission to Government at the end of March 2019. This unlocked the release of funding for 2019/20.

RECOMMENDATIONS

It is recommended that the Overview & Scrutiny Committee note the contents of the Assurance Framework

DETAIL

1. The attached (APPENDIX 1) draft Tees Valley Assurance Framework sets out:
 - How the seven principles of public life shape the culture within the Combined Authority in undertaking its roles and responsibilities in relation to the use and administration of the Tees Valley Investment Fund, incorporating the Single Pot funding. This culture is developed and underpinned by processes, practices and procedures;
 - The respective roles and responsibilities of the Combined Authority, the Local Enterprise Partnership and the Section 73 Officer, in decision-making and ways of working and forms the published joint statement of the Combined Authority and the Local Enterprise Partnership;
 - The key processes for ensuring accountability, including public engagement, probity, transparency, legal compliance and value for money;

- How potential investments to be funded through the Tees Valley Investment Fund, incorporating the Single Pot, will be appraised, prioritised, approved, signed off and delivered;
 - The processes for oversight of projects, programmes and portfolios and how the progress and impacts of these investments will be monitored and evaluated.
2. The Assurance Framework covers all funds within the Tees Valley Investment Fund, incorporating the Single Pot under the Tees Valley Devolution Deal agreed with Government, and funds added to the Single Pot since the Devolution Deal, together with other sources of income such as Enterprise Zone business rates and loan repayments.
 3. The Assurance Framework will be reviewed on an annual basis with any revisions in place for April of the following year. Any agreed changes that require amendments to the Combined Authority Constitution will be agreed at the Combined Authority AGM in May each year. The next annual review of this document will take place in December 2019.
 4. The review will examine whether the assurance processes are operating effectively and identify any areas of improvement. Any changes to legal, funding, or other contextual changes that might require a change of assurance process will be taken into account, along with the impact on any other Combined Authority key strategies, policies or processes.
 5. The Assurance Framework covers all aspects of our processes, practices and engagement, ensuring that we operate in open and transparent ways, with clarity around everyone's roles and with appropriate accountability in place. At the heart of the Assurance Framework is our decision making process.

DECISION MAKING

6. Our decision making process and governance for the Tees Valley Investment Fund as set out in the Tees Valley Ten Year Investment Plan 2019-29 is as follows:

Strategic Economic Planning and Investment Planning

- The Combined Authority **Cabinet** provides the overall strategic direction for economic growth in Tees Valley - ***approves the Strategic Economic Plan and associated thematic strategies and plans;***
- The Combined Authority **Cabinet** sets out the investment priorities for the Tees Valley Investment Fund - ***approves the Tees Valley 10 Year Investment Plan***, including:
 - thematic allocations and
 1. named prioritised projects (identified in bold italics in the Investment Plan) – to be taken to full business case and due diligence;
 2. named projects / programmes without allocations agreed in the Investment Plan

Decision process for 1. named prioritised projects (identified in bold italics in the Investment Plan) – to be taken to full business case and due diligence

- For these programmes / projects the Combined Authority Cabinet has already agreed that the activity fits with our strategic objectives and has agreed a funding allocation to the activity. The detailed consideration of whether the programme / project represents value for money, has realistic delivery timescales and processes, will deliver the outputs and outcomes that we require etc. is undertaken through the development of a ***Business Case***.
- This is then appraised by Combined Authority staff (with external technical support if required). Consideration of ***business cases and the appraisal is delegated to the Combined Authority Chief Executive for approval in consultation with Tees Valley Management Group, the Section 73 Officer and the Monitoring Officer*** (unless the funding request exceeds the allocated funding in the Investment Plan by 10% or more). In the event the funding requested exceeds the original allocation by 10% or more the decision is referred to the Combined Authority Cabinet as this would have implications for the Investment Plan (with a recommendation provided by the Chief Executive on behalf of the Management Group, Mayor and Portfolio Holder);
- Decisions are reported to the Combined Authority Cabinet for information and to Overview & Scrutiny (all decisions are subject to the Overview & Scrutiny call in procedures).
- In considering the appraisal recommendations (including any conditions) on business cases the following supporting information will be provided:
 - The business case; and
 - The completed appraisal document
- Business cases and appraisal documentation will be published on the Combined Authority website.
- Consideration of expenditure in advance of business case approval is delegated to the Combined Authority Chief Executive in liaison with the Mayor and the thematic portfolio holder.

Decision process for 2. named programmes / projects without allocations agreed in the Investment Plan

- A Project Initiation Document will be required for programmes and projects that do not have a specific funding allocation identified within the Investment Plan. This will provide a brief description of the project, outputs, funding required and the timescales for delivery and will be prepared by the project sponsor with support from the Combined Authority.
- The Project Initiation Document will be used for Investment Planning purposes to enable more informed financial and output profiling across the initial four years (in line with the Medium Term Financial Plan) to be prepared. Once the Project Initiation Document is in place the Combined Authority will timetable in support for the development of the business case and appraisal and will work with the project sponsor to achieve the project timescales.
- If the project is ready to go straight to business case development and the delivery timescales are such that it is appropriate to do so the Combined Authority and project sponsor can agree to miss out the Project Initiation Document phase and go straight to Business Case development.
- Once the project has progressed to Business Case and the appraisal has been completed the Combined Authority Chief Executive will report to Cabinet with a

- recommendation on the programme / project for Cabinet consideration / decision.
- In considering the appraisal recommendations (including any conditions) on business cases the following supporting information will be provided:
 - The business case; and
 - The completed appraisal document
- Business cases and appraisal documentation will be published on the Combined Authority website.

Decision process for new programmes / projects not in the Investment Plan

- With a ten year Investment Plan new opportunities or challenges will arise and programmes / projects to address them will need to be considered. If they cannot be accommodated within an existing Investment Plan programme they will need to be considered by Cabinet for entry to the Investment Plan.
- An Expression of Interest will be submitted to the Combined Authority. This will then be considered by the Combined Authority Chief Executive, in consultation with the Tees Valley Management Group, the Mayor and the appropriate Thematic Portfolio Holder. All Expressions of Interest will be reported to the Combined Authority Cabinet with a recommendation on whether or not to accept it into the Investment Plan.
- Those that are accepted into the Investment Plan would then proceed to follow the Project Initiation Document through to Business Case development and be taken to the Combined Authority Cabinet for decision.

Additional Delegations

7. The Chief Executive has delegated authority agreed at July 2017 Cabinet (TVCA 25/17) to authorise expenditure up to £1m in consultation with the Mayor and the relevant portfolio holder;
8. Key decisions taken by the Combined Authority Cabinet and those taken under delegated arrangements are published within two working days of being made and the Overview and Scrutiny Committee are sent a copy of all such decisions at the same time and have the ability to call in decisions for review and scrutiny.
9. If a decision is taken that does not meet the Assurance Framework it will render the decision invalid on the basis of non-compliance.
10. The decision making process is illustrated on page 17 of the draft Assurance Framework.

FINANCIAL IMPLICATIONS

11. The Assurance Framework has been submitted to and agreed by Government. This unlocks our Investment Plan funding for 2019/20 and future years.

LEGAL IMPLICATIONS

12. The Combined Authority Constitution has been amended to reflect the Assurance Framework and was presented to the Combined Authority Cabinet at the June meeting.

RISK ASSESSMENT

13. This report is categorised as low risk. Drafts of the Assurance Framework have been shared with our local BEIS / Cities and Local Growth colleagues as it has developed.

CONSULTATION & COMMUNICATION

14. The Tees Valley Management Group, Local Authority Chief Executives and the Local Enterprise Partnership members were consulted on the draft Assurance Framework during its preparation. The Assurance Framework is now available on the Tees Valley website and to all partners, potential project sponsors and the public.

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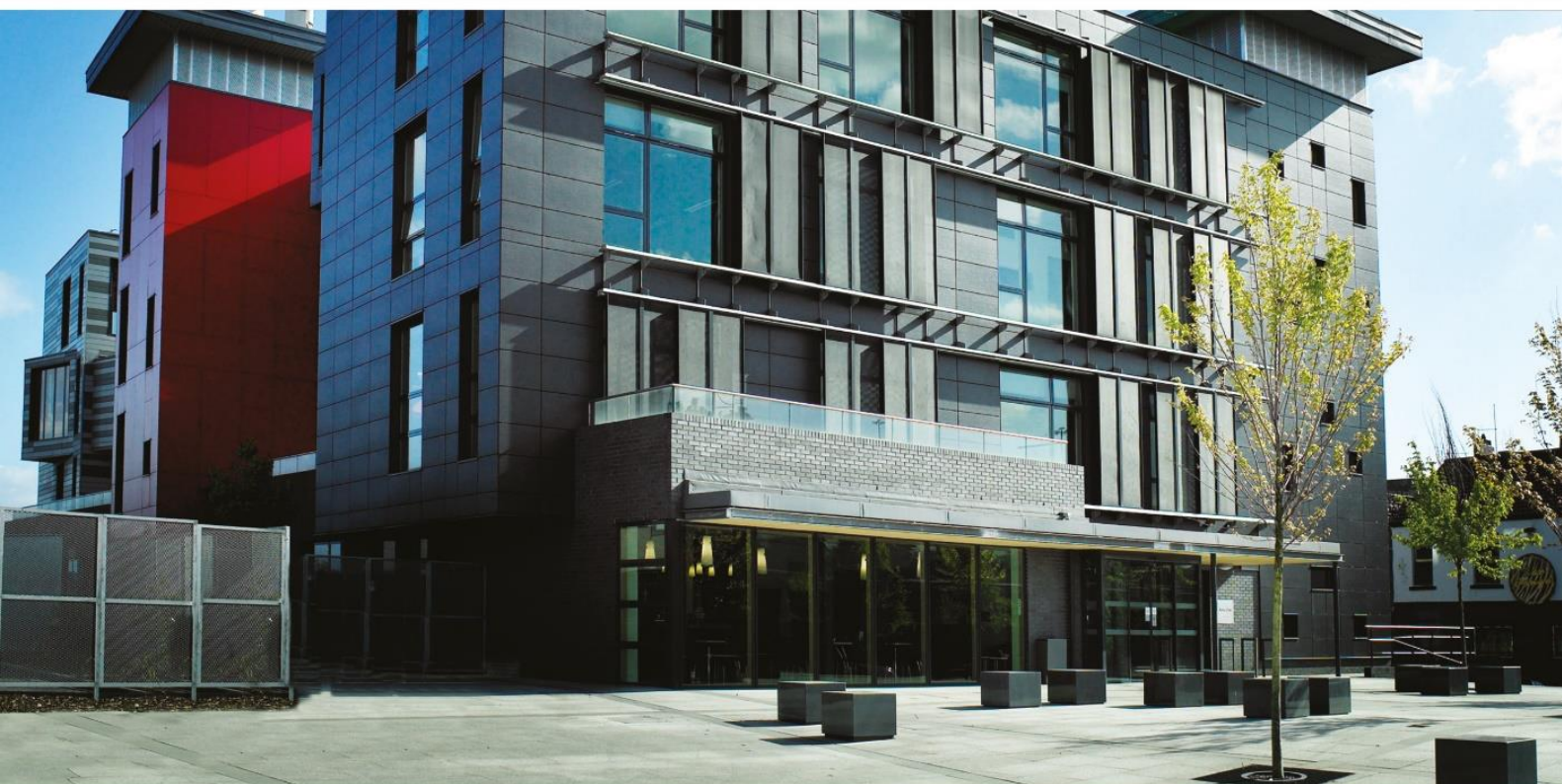
TEES VALLEY
COMBINED
AUTHORITY

TEES VALLEY MAYOR

JUNE 2019

ASSURANCE FRAMEWORK

2019-29



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1. Purpose of the Tees Valley Assurance Framework

1.1 The Assurance Framework sets out:

- How the seven principles of public life shape the culture within the Combined Authority in undertaking its roles and responsibilities in relation to the use and administration of the Tees Valley Investment Fund, incorporating the Single Pot funding. This culture is developed and underpinned by processes, practices and procedures;
- The respective roles and responsibilities of the Combined Authority, the Local Enterprise Partnership and the Section 73 Officer, in decision-making and ways of working and forms the published joint statement of the Combined Authority and the Local Enterprise Partnership;
- The key processes for ensuring accountability, including public engagement, probity, transparency, legal compliance and value for money;
- How potential investments to be funded through the Tees Valley Investment Fund, incorporating the Single Pot, will be appraised, prioritised, approved, signed off and delivered;
- The processes for oversight of projects, programmes and portfolios and how the progress and impacts of these investments will be monitored and evaluated.

1.2 The Assurance Framework sits alongside a number of other Tees Valley Combined Authority documents – most notably the Constitution of the Mayoral Combined Authority, including the Financial Regulations ([click here](#)), the Tees Valley Strategic Economic Plan ([click here](#)), the Tees Valley Investment Plan 2019-29 ([click here](#)) and the Monitoring and Evaluation Framework ([click here](#)). This Assurance Framework replaces the last published Assurance Framework (2016) and takes on board the national guidance published by the Ministry of Housing, Communities and Local government for National Local Growth Assurance Framework (January 2019).

1.3 The Assurance Framework covers all funds within the Tees Valley Investment Fund, incorporating the Single Pot under the Tees Valley Devolution Deal agreed with government, and funds added to the Single Pot since the Devolution Deal, together with other sources of income such as Enterprise Zone business rates and loan repayments.

Review of the Assurance Framework

1.4 The Assurance Framework will be reviewed on an annual basis with any revisions in place for April of the following year. Any agreed changes that require amendments to the Combined Authority Constitution will be agreed at the Combined Authority Cabinet. The next annual review of this document will take place in December 2019.

1.5 The review will examine whether the assurance processes are operating effectively and identify any areas of improvement. Any changes to legal, funding, or other contextual changes that might require a change of assurance process will be taken into account, along with the impact on any other Combined Authority key strategies,

policies or processes. Any changes with significant divergence from the approved local assurance framework will be agreed with MHCLG.

1.6 The remainder of this document is structured around the following sections:

- **Section 2** describes the Tees Valley Strategic Economic Plan, our Ten Year Investment Plan 2019-29 and clarifies the content of Tees Valley Investment Fund and the role of the Assurance Framework;
- **Section 3** describes the accountability and transparent decision making process and practices that we operate and the roles and responsibilities within it;
- **Section 4** describes how we make robust and evidenced decisions;
- **Section 5** explains the processes once programmes and projects are in the delivery phase; and finally
- **Section 6** explains how we will measure the success of our investments, realise the benefits of that investment and feed the evaluation outcomes back into the Investment Planning, and strategy and policy development processes.

2. Tees Valley Strategic Economic Plan and Investment Plan 2019-29

Tees Valley Strategic Economic Plan

- 2.1 The Tees Valley Strategic Economic Plan ([click here](#)) sets out the area's ambition to drive the transition to a high-value, low-carbon, diversified and inclusive economy and sets an ambition to unlock a net additional 25,000 jobs by 2026. It is essential that all Tees Valley residents can gain the skills and confidence they need and can travel to these job opportunities.
- 2.2 Our ambition incorporates economic, social and environmental priorities and will allow all partners to work towards a sustainable and socially responsible Tees Valley. Underlying this ambition is a commitment to improving the lifetime opportunities for local people, tackling some of the difficult challenges of social exclusion, providing opportunities across all the Tees Valley including rural areas and disadvantaged communities, thereby ensuring that all citizens are able to share in the benefits of economic growth.
- 2.3 The Strategic Economic Plan is focused around six growth generating themes and provides the strategic rationale and priorities for interventions and for investment:
1. **Transport:** to improve connectivity within Tees Valley, across the Northern Powerhouse, the UK and the world;
 2. **Education, Employment & Skills:** to increase educational attainment, produce the skilled workforce that businesses need and increase lifetime opportunities for our residents;
 3. **Business Growth (including enabling infrastructure):** to diversify the economy, support more business start-ups, develop high growth potential businesses and key growth sectors;
 4. **Culture:** to build cultural vibrancy in our communities and change external perceptions of Tees Valley through the arts, cultural and leisure offer whilst creating places that attract and retain businesses and business leaders and make the area more attractive to investors, workers and visitors;
 5. **Research, Development, Innovation & Energy:** to introduce new processes and practices which reduce carbon emissions, increase productivity and the availability of high value jobs; and
 6. **Place:** to accelerate the supply of good quality homes across the whole housing market, revitalise our town centres and urban cores, bring forward surplus public and blighted brownfield land for development and strengthen our commercial property offer.
- 2.4 Investments will only be made if they can demonstrate that they will support the delivery of the Strategic Economic Plan and also our more detailed thematic strategies and plans (where they are in place).

Tees Valley Investment Plan 2019-29

- 2.5 With the creation of the Combined Authority in 2016 and the Mayoral election in May 2017, the Devolution Deal with government in 2015 provides for the transfer of significant powers for employment and skills, transport, and investment together with the first Mayoral Development Corporation outside London. Through the deal the Combined Authority has the power to create an Investment Fund, bringing together funding for devolved powers to be used to deliver a 30-year programme of transformational investment in the region. This includes the control of a new £15m a year funding allocation over 30 years. The initial Tees Valley Combined Authority Investment Plan was agreed in March 2017 and set out the investment priorities for the period to 2021.
- 2.6 The Combined Authority has been developing its detailed strategies for key areas of activity including:
- Education, Employment and Skills with the publication of Inspiring our Futures ([click here](#))
 - Strategic Transport Plan
 - Culture Strategy
- 2.7 The productivity challenges and opportunities will be further detailed in our emerging Local Industrial Strategy to be published by the end of summer 2019. However, with much of this long-term thinking already in place, together with the significant uncertainties for the economy over the next few years, both nationally and locally, it is now critical that we make use of the devolution powers for long term investment planning. Therefore the Investment Plan agreed by Cabinet on 24th January 2019, sets out our investment strategy for the period 2019 – 2029 ([click here](#)).
- 2.8 The ten year Investment Plan (which will be reviewed annually) sets out at a high level the transformational investments that Tees Valley Combined Authority will commit resources to, subject to the detailed consideration and appraisal of project business cases. Some are still project ideas at this stage and might not be feasible, others are further advanced. It is not intended to be an exhaustive list of activity as new opportunities will arise during the period, but it identifies the key activities that we know now could be transformational and will need investment during the Plan period to unlock the opportunities they could bring. Prioritisation (process is detailed at page 26) has been undertaken to ensure that our investment goes into projects that will unlock transformational anchor projects that will have a significant impact on growing the whole Tees Valley economy. The initial priorities within the thematic areas are detailed in the Investment Plan **in bold italics**.

The Tees Valley Investment Fund

- 2.9 As part of the devolution deal, the Combined Authority has responsibility for a 'Single Pot' of funding, including:
- Gainshare (the devolution deal £15m p.a. for 30 years);
 - Local Growth Fund (LGF);

- Transforming Cities Fund (TCF); and
- Adult Education Budget (AEB).

- 2.10 However, the Combined Authority also has other sources of income, including Enterprise Zone business rates and loan repayments. The long term security of the gainshare funds and other income and the devolution deal powers for the Combined Authority means that the Combined Authority is able to borrow against future funds, to enable us to deliver transformational activity sooner rather than delivering smaller scale and less impactful activities based on a smaller annual allocation.
- 2.11 The Combined Authority does not distinguish between the different sources of funding for the purpose of Investment Planning, other than recognising that some sources of funding are restricted in what they can be used for. All funds (with the exception of the Adult Education Budget) are within the Tees Valley Investment Plan / Fund i.e. the use of the term Investment Fund (which is used by some to define the gainshare funding) in Tees Valley includes all funding sources and income currently available to the Combined Authority, not just the funds provided through the devolution deal. Whilst the Adult Education Budget is not within the Investment Plan / Fund it is covered within this Assurance Framework.
- 2.12 The Combined Authority recognises that the monitoring requirements for different sources of funding will differ and needs to meet the requirements of the funding body. The Investment Plan identifies the ten year investment priorities against all Combined Authority sources of income and applies the Assurance Framework consistently across all funds within the Investment Plan. The Assurance Framework clearly identifies the processes for securing funds from the Tees Valley Investment Fund and the requirements placed on delivery partners once their projects have been approved.
- 2.13 This means that any organisation seeking funding from the Combined Authority does not need to concern itself with the source of the funding and different rules and processes that will apply. These will be identified in the funding agreement with the delivery partner.

3. Accountability and Transparent Decision Making

- 3.1 Members of the Combined Authority are expected to act in the interests of the Tees Valley area as a whole when making investment decisions. A variety of controls are in place to ensure that decisions are appropriate and free from bias or perception of bias. Further details are provided in the following sections.

Roles and Responsibilities

- 3.2 The national Assurance Framework guidance requires a joint statement between the Combined Authority and the LEP which sets out their respective roles and responsibilities. This section sets out these roles and responsibilities, explains the relationship between the Combined Authority and the LEP and provides the clarity on accountability for public funding. This section therefore forms the joint statement.

Tees Valley Combined Authority

- 3.3 The Combined Authority was established to further the sustainable and inclusive growth of the economy of the Tees Valley. As a statutory local authority our governance, decision making and financial arrangements are in line with local authority requirements and standard checks and balances.
- 3.4 The Combined Authority was established in April 2016 with the Mayoral election held in May 2017. It has been built on a strong history of collaboration between the five Constituent Authorities (Darlington, Hartlepool, Redcar & Cleveland, Stockton on Tees and Middlesbrough) the private sector and other partners.
- 3.5 This effective joint working between the public and private sector that has been developed over a period of 20+ years, through various partnership models, and more recently through the Local Enterprise Partnership. In establishing the Combined Authority the five constituent local authorities wanted to ensure that this collaboration was embedded within the way the Combined Authority works. It was therefore agreed that the Local Enterprise Partnership would be fully integrated within the Combined Authority. The private sector members of the Local Enterprise Partnership are associate members of the Combined Authority and attend both informal and formal Cabinet meetings. The role of the private sector Local Enterprise Partnership members is detailed further below.
- 3.6 For the purposes of this document all references to the Combined Authority apply to the Local Enterprise Partnership unless explicitly referred to **separately**.
- 3.7 The Combined Authority therefore incorporates the role and responsibilities of the Tees Valley Local Enterprise Partnership and the roles defined in the devolution deal (in particular the Transport Authority, and non-statutory responsibilities such as the administration of the Adult Education Budget).
- 3.8 The Combined Authority is its own accountable body and provides the accountable body role for the LEP and employs the officers that support it.

Combined Authority Membership

3.9 The Combined Authority membership and status in our Cabinet is as follows:

Mayor (Chair) – voting.

Leaders of the five constituent local authorities:

- Darlington Borough Council – voting
- Hartlepool Borough Council – voting
- Redcar & Cleveland Borough Council – voting
- Stockton on Tees Borough Council – voting
- Middlesbrough Borough Council – voting.

Deputy Mayor – is held by one of the Local Authority Leaders on an agreed annual rotation.

Local Enterprise Partnership Chair – non-voting.

Local Enterprise Partnership other public and private sector members – associate members – non –voting.

Local Enterprise Partnership – business representation organisations – observers – non-voting.

The Role of the Mayor

3.10 The Constitution provides for a directly elected Mayor of the Tees Valley, required by government as a precondition for meaningful devolution, and who is the chair of the Combined Authority. The Mayoral arrangements will only gain the confidence of the electorate if they secure support from across our diverse communities, meet the highest standards of democratic accountability and are subject to robust checks and balances. The Constitution therefore provides for the Mayor's role to be embedded in the Combined Authority's collective decision-making arrangements.

3.11 The Mayor chairs the Cabinet which is made up of the leaders of the five constituent authorities, who together form the Combined Authority's decision-making body (voting members of Cabinet).

3.12 The Constitution sets out arrangements to ensure the effective conduct of the Combined Authority's business in this spirit of collaboration, mutual respect and transparency. All members strive to work on the basis of consensus, taking decisions through agreement. The Constitution requires Strategic Plans and the Investment Plan / Fund decisions to be by consensus agreement. These principles apply irrespective of the statutory basis for the exercise of those powers: whether through the powers and responsibilities of the Mayor, the Combined Authority, or the Local Enterprise Partnership. The powers of the Mayor are to be exercised through collaboration within the Combined Authority's Cabinet, and in partnership with all relevant stakeholders. The decision making process for the use of all funds within the Tees Valley Investment Fund is described at pages 14 – 16 including the role of the Mayor as the Chair of Cabinet.

- 3.13 The Mayor's term of office is initially for three years with the next election in May 2020 and then every four years.

The Role of the Local Authority Leaders

- 3.14 Leadership of the Combined Authority is driven by the Mayor and the five local authority leaders. The local authority leaders, represent the views of their constituent authorities at the Combined Authority Cabinet whilst putting the needs and opportunities of the Tees Valley at the forefront of all decisions. In addition, they each take a portfolio lead covering the growth themes within the Strategic Economic Plan and the Tees Valley Investment Plan. These portfolio lead roles are reviewed annually and are confirmed at the Combined Authority AGM.

Tees Valley Local Enterprise Partnership

- 3.15 Tees Valley is a well-established and successful functioning economic area. This was recognised by government in establishing the Mayoral Combined Authority in 2016, covering the same geography as the Local Enterprise Partnership and which has led to the Local Enterprise Partnership being fully integrated within the Combined Authority. There are no dependencies with other Local Enterprise Partnerships. However, Tees Valley actively collaborates with areas beyond its boundaries where there are synergies and added value.
- 3.16 The Tees Valley Local Enterprise Partnership is the principal forum for collaboration between the public and private sectors, for improving the economy of the Tees Valley. The membership of the Local Enterprise Partnership (set out in more detail below) mirrors the Combined Authority Cabinet. The private sector Local Enterprise Partnership members are responsible for ensuring that Tees Valley strategy and policy development and investment decisions are informed by the views of the business community. The Local Enterprise Partnership leads on engaging with local businesses and understanding the needs of different sectors and markets.
- 3.17 The other public and private sector members of the Local Enterprise Partnership support the Combined Authority's work by:
- Supporting and offering advice to the Combined Authority on their responsibilities;
 - Championing and promoting specific initiatives from the perspective of business;
 - Participating in Thematic Working Groups, as appropriate;
 - Influencing the development of the Combined Authority's strategies and policies;
 - Representing the Tees Valley nationally and internationally;
 - Ensuring a strong business influence over decision-making; and
 - Supporting the development and delivery of the Strategic Economic Plan.

- 3.18 Tees Valley is an active member of the national Local Enterprise Partnership Network and will continue to be so. This includes participation in both Local Enterprise Partnership Chair and officer level meetings.
- 3.19 Like the local authority leaders, private sector Local Enterprise Partnership members are nominated to a portfolio role which is reviewed annually and confirmed at the Combined Authority AGM.
- 3.20 In addition to attending the informal and formal Combined Authority Cabinet meetings, the full Local Enterprise Partnership membership meets in advance of the Combined Authority meetings to discuss items that are progressing to the Cabinet and to help shape strategy, policy and delivery, including influencing investment decisions. If considered appropriate the Local Enterprise Partnership Chair can also hold sessions of just the private sector members to discuss any items where it is felt appropriate without public sector members in attendance.
- 3.21 The other public and private sector members also have portfolio roles linked to their areas of expertise and interest. These are identified on the Combined Authority website.

Membership of the LEP

- 3.22 The Tees Valley Local Enterprise Partnership has been reviewing its membership in response to the national LEP review (Mary Nay, 2017) and government's response "Strengthened Local Enterprise Partnerships" (July 2018). The current membership (January 2019) comprises 21 members. This includes 14 representatives from the private sector (including the Higher Education and Further Education sectors as defined by government) and 7 representatives from the public sector (the Combined Authority Mayor, 5 Local Authority Leaders and an NHS Trust representative – as a major employer).
- 3.23 The Combined Authority Constitution sets out the role of the Local Enterprise Partnership within the Combined Authority, the principles of membership and the terms of office. The Mayor and the five local authority leaders are determined by democratic elections and therefore, are outside of the Local Enterprise Partnership's control. For other public and private sector members of the Local Enterprise Partnership the term of office is a two year period (from appointment) with the option to extend for a further two years.
- 3.24 "Strengthened Local Enterprise Partnerships" stipulated a maximum membership of 20 members with 2/3rds from the private sector and to aim to have a 50/50 gender balance by 2023. The initial two year term of office for several of the existing members ends in May 2019 at which point we will reduce the membership to 20. In considering the review guidance the Combined Authority agreed (at its meeting in September 2018) that it would aim to have a 50/50 gender balance by 2020. This reflects the Combined Authority's commitment to diversity ([click here](#)) which is not just about the gender balance but ensuring that the Combined Authority is reflective of the local community. The Combined Authority commissioned an Overview and Scrutiny review of equality and diversity within the Combined Authority and its constituent local authorities. As an integrated Local Enterprise Partnership this has included a review of the Local Enterprise Partnership. The Overview and Scrutiny Committee will present its findings and recommendations at the Combined Authority Cabinet in July 2019.

- 3.25 The end of the two year term for the majority of private sector members in May 2019 provides the opportunity to address the national requirements. Addressing the gender balance has been a concern of the Combined Authority before the national review and positive actions have been put in place to recruit more female members, with three new female members joining in 2018. Changes will be made to the Constitution to reflect the new arrangements. Proposed revisions to the Constitution will be taken to Cabinet for approval. This is in keeping with our established governance arrangements. In accordance with the recommendation in the Local Enterprise Partnership Review, a process for the appointment of a private sector Local Enterprise Partnership Chair has been agreed ([click here](#)) and will be incorporated in the Combined Authority Constitution to be agreed at the Annual General Meeting on 28th June 2019. The process has been developed in consultation with businesses, including existing Local Enterprise Partnership members and the wider Business Engagement Forum. It has also drawn on best practice from other areas.
- 3.26 The members of the Local Enterprise Partnership who have already completed two years will have their tenure extended for a further year at the Combined Authority AGM on 28th June 2019. This will provide the time for the Local Enterprise Partnership to plan its approach to the succession of the existing members who will stand down at the end of the year and will allow time to plan and address the gender gap in female members.
- 3.27 The appointment of a Deputy Chair for the Local Enterprise Partnership was agreed in 2018 ([click here](#)). The Deputy Chair is appointed from the current private sector members. The role of Deputy Chair is held for a standard duration of two years with the option to extend the tenure for a further two years only (this will be dependent on the period of membership that the individual has remaining, as an individual can only act as Deputy Chair if they are a serving member of the LEP). This will also be reflected in the Combined Authority Constitution.
- 3.28 Public sector members of the Local Enterprise Partnership are confirmed annually at the Combined Authority's AGM following the local council elections, with the timing of elections varying across the Tees Valley.
- 3.29 Several private sector members are from the SME community and have expertise and knowledge of our key sectors. These details together with the members' contact details will be published on the website to enable other businesses to contact the appropriate member for their query or to enable them to raise an issue. A response to 'How are SMEs represented on the LEP?' can be found at: ([click here](#)). The areas of interest and specialisms will be identified for all Local Enterprise Partnership members and published alongside the members' biographies on the Combined Authority website. This will include designated SME Champions.
- 3.30 All appointments for private sector Local Enterprise Partnership members are made through an open, transparent, competitive and non-discriminatory process using application forms and interview to judge experience, suitability and fit. When vacancies become available for private sector Local Enterprise Partnership members, they are advertised on the Combined Authority website. They appear on the job vacancies page and are shown as an open call for business champions to help deliver our economic plans. In addition social media is used to raise awareness of the opportunities, particularly among under-represented groups. A recruitment panel (including the Tees Valley Mayor and Local Enterprise Partnership Chair) assesses applications received and makes a recommendation to the Combined Authority Cabinet for approval of appointments.

- 3.31 There is an exception to the process for appointing private sector representatives from Higher Education and Further Education. Following the revised Assurance Framework Guidance (January 2019), Higher Education and Further Education will represent the private sector on the Local Enterprise Partnership. Representatives from these areas are put forward by Teesside University (Vice Chancellor) and a representative from the Further Education Colleges operating in Tees Valley. Appointments are confirmed annually at the Combined Authority AGM.
- 3.32 All Local Enterprise Partnership members (public and private) are expected to conduct themselves in accordance with The 7 principles of public life. This is set out under the Code of Conduct detailed at appendix viii in the Combined Authority Constitution and provided to all new Local Enterprise Partnership members in their induction information ([click here](#)). This induction information is reviewed on a regular basis with feedback from new members. In joining the Local Enterprise Partnership they sign up to the Code of Conduct.

Wider Business and Public Engagement

- 3.33 The Combined Authority and Local Enterprise Partnership recognise that the private sector members cannot represent the views of the 17,230 business in Tees Valley. Therefore a variety of engagement mechanisms are utilised to ensure that the broader business community has the ability to influence strategy and policy development, our investment priorities and to be actively engaged in the delivery of some of our activities, particularly around supporting careers development with schools. This includes a Business Engagement Forum, currently made up of ninety one businesses, who receive regular information from the Combined Authority and are invited to participate in strategy and policy development, such as the development of our emerging Local Industrial Strategy, and shaping delivery methods, and are consulted on plans and strategies.
- 3.34 Strategy and policy documents are developed through engagement with partners and key stakeholders and are subject to consultation. Each consultation will vary depending on the topic but will meet any statutory requirements. However, drafts are formally considered in public at the Combined Authority Cabinet with papers published in advance of the meeting. Additionally, all consultations are published on the Combined Authority website.

Decision Making for the Tees Valley Investment Fund

- 3.35 Tees Valley Combined Authority is its own Accountable Body for all funds received by government and is the Accountable Body for the Local Enterprise Partnership. The Chair of the Local Enterprise Partnership is a non-voting member of the Combined Authority Cabinet. Non-voting members of the Cabinet provide advice and guidance during the decision making process.
- 3.36 The Tees Valley Combined Authority Constitution March 2018 ([link](#)) sets out the basis of how decisions will be taken within our Combined Authority, in keeping with principles of democracy and transparency and with effective and efficient decision-making. The Constitution is being reviewed to ensure that it is up to date and takes on board the changes relating to the Local Enterprise Partnership as a result of the national Local Enterprise Partnership review. The revised Constitution will be considered at the Combined Authority Cabinet Annual General Meeting on 28th June 2019.

3.37 In summary our decision making process and governance for the Tees Valley Investment Fund as set out in the Tees Valley Ten Year Investment Plan 2019-29 is as follows:

Strategic Economic Planning and Investment Planning

- The Combined Authority **Cabinet** provides the overall strategic direction for economic growth in Tees Valley - ***approves the Strategic Economic Plan and associated thematic strategies and plans;***
- The Combined Authority **Cabinet** sets out the investment priorities for the Tees Valley Investment Fund - ***approves the Tees Valley 10 Year Investment Plan***, including:
- thematic allocations and
 1. named prioritised projects (identified in bold italics in the Investment Plan);
 2. named projects / programmes without allocations agreed in the Investment Plan

Decision process for 1. named prioritised projects (identified in bold italics in the Investment Plan) – to be taken to full business case and due diligence

- For these programmes / projects the Combined Authority Cabinet has already agreed that the activity fits with our strategic objectives and has agreed a funding allocation to the activity. The detailed consideration of whether the programme / project represents value for money, has realistic delivery timescales and processes, will deliver the outputs and outcomes that we require etc. is undertaken through the development of a ***Business Case*** (see page 28).
- This is then appraised by Combined Authority staff (with external technical support if required). Consideration of ***business cases and the appraisal is delegated to the Combined Authority Chief Executive for approval in consultation with Tees Valley Management Group, the Section 73 Officer and the Monitoring Officer*** (unless the funding request exceeds the allocated funding in the Investment Plan by 10% or more). In the event the funding requested exceeds the original allocation by 10% or more the decision is referred to the Combined Authority Cabinet as this would have implications for the Investment Plan (with a recommendation provided by the Chief Executive on behalf of the Management Group, Mayor and Portfolio Holder);
- Decisions taken under delegation are reported to the Combined Authority Cabinet for information and to Overview & Scrutiny (all decisions are subject to the Overview & Scrutiny call in procedures).
- In considering the appraisal recommendations (including any conditions) on business cases the following supporting information will be provided:
 - The business case; and
 - The completed appraisal document
- Business cases for projects or programmes over £5 and appraisal documentation will be published on the Combined Authority website. However, business cases for all transport schemes that represent functional standalone projects will be published on the TVCA website for 3 months prior to the decision being taken.
- Programmes of activity where several individual elements or projects will be delivered will have a Programme Management Framework detailed within the Business Case. This will identify the delegated arrangements for the approval of expenditure on each of the individual elements / projects. This approval process will be agreed as part of the Programme approval.
- Consideration of expenditure in advance of business case approval is delegated to the Combined Authority Chief Executive in liaison with the Mayor and the thematic portfolio holder.

Decision process for 2. named programmes / projects without allocations agreed in the Investment Plan

- A Project Initiation Document will be required for programmes and projects that do not have a specific funding allocation identified within the Investment Plan. This will provide a brief description of the project, outputs, funding required and the timescales for delivery and will be prepared by the Combined Authority staff in consultation with and agreed with the project sponsor (see page 28).
- The Project Initiation Document will be used for Investment Planning purposes to enable more informed financial and output profiling across the initial four years (in line with the Medium Term Financial Plan) to be prepared. Once the Project Initiation Document is in place the Combined Authority will timetable in support for the development of the business case and appraisal and will work with the project sponsor to achieve the project timescales.
- If the project is ready to go straight to business case development and the delivery timescales are such that it is appropriate to do so the Combined Authority and project sponsor can agree to miss out the Project Initiation Document phase and go straight to Business Case development.
- Once the project has progressed to Business Case and the appraisal has been completed the Combined Authority Chief Executive will report to Cabinet with a recommendation on the programme / project for Cabinet consideration / decision.
- In considering the appraisal recommendations (including any conditions) on business cases the following supporting information will be provided:
 - The business case; and
 - The completed appraisal document
- Business cases for projects or programmes over £5m and appraisal documentation will be published on the Combined Authority website. However, business cases for all transport schemes that represent functional standalone projects will be published on the TVCA website for 3 months prior to the decision being taken.
- Programmes of activity where several individual elements or projects will be delivered will have a Programme Management Framework detailed within the Business Case. This will identify the delegated arrangements for the approval of expenditure on each of the individual elements / projects. This approval process will be agreed as part of the Programme approval.
- For a funding decision to be agreed all voting members of the Cabinet (including the Mayor) must be in agreement.

Decision process for new programmes / projects not in the Investment Plan

- With a ten year Investment Plan new opportunities or challenges will arise and programmes / projects to address them will need to be considered. If they cannot be accommodated within an existing Investment Plan programme they will need to be considered by Cabinet for entry to the Investment Plan.
- An Expression of Interest will be submitted to the Combined Authority. This will then be considered by the Combined Authority Chief Executive, in consultation with the Tees Valley Management Group, the Mayor and the appropriate Thematic Portfolio Holder. All Expressions of Interest will be reported to the Combined Authority Cabinet with a recommendation on whether or not to accept it into the Investment Plan.

- Those that are accepted into the Investment Plan would then proceed to follow the Project Initiation Document through to Business Case development and be taken to the Combined Authority Cabinet for decision.

Additional Delegations

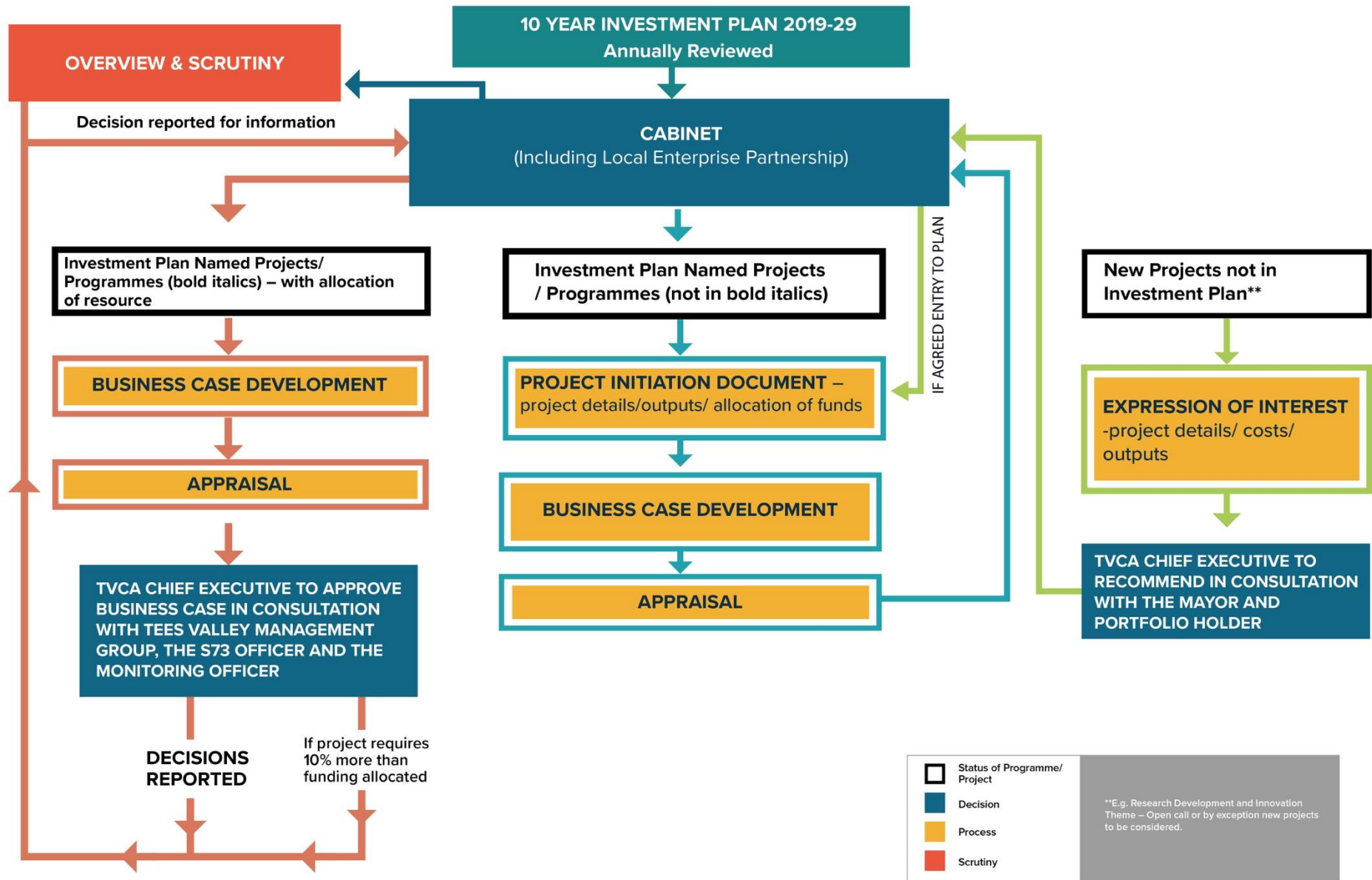
- The Chief Executive has delegated authority to authorise expenditure up to £1m in consultation with the Mayor and the relevant portfolio holder;

3.38 Key decisions taken by the Combined Authority Cabinet and those taken under delegated arrangements are published within two working days of being made and the Overview and Scrutiny Committee are sent a copy of all such decisions at the same time and have the ability to call in decisions for review and scrutiny.

3.39 If a decision is taken that does not meet the Assurance Framework it will render the decision invalid on the basis of non-compliance.

3.40 This decision making process and governance arrangements are illustrated in the diagram below.

DECISION MAKING



Role of the Tees Valley Management Group

- 3.41 The Tees Valley Management Group is made up of members of the Combined Authority's Senior Leadership Team (Chief Executive and Directors) and the Directors of Economic Growth / Regeneration from the five constituent Local Authorities. The Management Group meets twice a month and has an oversight role of the work of the Combined Authority, in particular the thematic advisory groups and it also constitutes the Place Advisory Group (see below).
- 3.42 As detailed above the Chief Executive is delegated to approve business cases (for those programmes and projects identified in bold italics in the Investment Plan), in consultation with the Tees Valley Management Group, the S73 Officer and the Monitoring Officer, for programmes and projects, unless they exceed the agreed funding allocation by 10% or more. In this case they will be considered by the Combined Authority Chief Executive, in consultation with the Tees Valley Management Group and a recommendation will be made to the Combined Authority Cabinet by the Chief Executive.

Thematic Advisory Groups

- 3.43 The Combined Authority utilises Thematic Advisory Groups made up of appropriate stakeholders from across Tees Valley and where appropriate including representation from the broader North East, north or national geographies. These thematic groups reflect the Strategic Economic Plan and Investment Plan growth themes. The membership of these groups are reviewed annually and are agreed at the Combined Authority AGM. These are not statutory or decision making groups and are therefore not detailed in the combined Authority Constitution. These groups ensure that the Combined Authority's strategies, policies and investment plans are developed with a broad range of local stakeholders and delivery bodies that are involved in the theme, together with other statutory bodies and government officials. These groups support the development of strategies, plans and proposals for delivery which then feed up through the Governance mechanisms towards the Combined Authority Cabinet for approval.
- 3.44 As detailed in the previous sections both the Cabinet local authority leaders and the private sector members have thematic portfolio leads and are involved in the Advisory Groups. Details of the Advisory Groups, including current membership can be found on the Combined Authority website ([click here](#)).

Decision Making for the Adult Education Budget

- 3.45 Investment decisions on the use of the Adult Education Budget will be made with full consideration to the statutory entitlements:
- English and maths, up to and including level 2, for individuals aged 19 and over, who have not previously attained a GCSE grade A* to C or grade 4, or higher, and /or
 - First full qualification at Level 2 for individuals aged 19 to 23, and / or
 - First full qualification at level 3 for individuals aged 19 to 23

- 3.46 The Combined Authority submitted its Strategic Skills Plan to government in May 2018 as part of the readiness conditions requirements set by the Department for Education. Further iterations have been shared with the Department for Education, and the current version is available on our website ([click here](#)).
- 3.47 It is anticipated that further work will be undertaken with key stakeholders to develop this plan and further iterations will also be published. Local and national partners have been fully engaged throughout the development phase for the processes and priorities for the funding award and during the funding award phase. This has included providing regular communications via our website, hosting two strategic events for all local and national providers, and implementing a Steering Group that met regularly during 2017 and 2018. The Steering Group comprised local Further Education and local authority providers, the Education and Skills Funding Agency and the Association of Colleges. In addition the Combined Authority attended meetings of the Tees Valley Independent Training Providers Network to engage with and consult on implementation plans.
- 3.48 The Combined Authority's Cabinet will be the final decision making body for funding awards. A grant commissioning process was launched on 1st December 2018 and closed on 1st February 2019. Appraisals were carried out on the submitted delivery plans requesting funding by the Combined Authority appraisal officers and policy officers. A moderation panel of internal senior managers considered recommendations and final recommendations for approval will be submitted to Cabinet in May 2019. The appraisal approach for the Adult Education Budget is consistent with that for the Combined Authority Investment Fund as detailed in section 4.
- 3.49 During the funding award process a web enabled portal has included the ability for all potential providers to submit questions. These have been developed into a Q+A section on the portal so that the same information is available to all potential providers.

Statutory Committees

- 3.50 As a Mayoral Combined Authority we are constitutionally required to have the following Committees within our Governance structures:
- **Overview & Scrutiny Committee:** Reviews decisions made, to ensure they meet the needs of the people of the Tees Valley and are made in line with our agreed policies, making recommendations where necessary. It has the power to "call in" and delay the implementation of decisions made by Cabinet. The membership of the Committee comprises fifteen members, three nominated from each of the Constituent Authorities. Members of the Committee appointed reflect, so far as reasonably practicable, the balance of political parties for the time being prevailing among members of the Constituent Authorities collectively.
 - **Audit & Governance Committee:** Ensures we are spending public money properly and have the right systems in place to manage our finances correctly and meet our legal and regulatory responsibilities. The Committee also reviews the corporate risk register on a quarterly basis. The membership of the Committee is one member from each Constituent Authority. Members of the Committee appointed reflect, so far as reasonably practicable, the balance of political parties for the time being prevailing among members of the Constituent Authorities collectively.

- **Transport Committee:** Reviews our transport strategy and policy, reviews local transport services and oversees our representation on external transport bodies. The membership of the Committee is the executive members with political responsibility for transport within each Constituent Authority. It is chaired by the Combined Authority Cabinet member for transport.

3.51 The terms of reference and membership of these Committees is detailed in the Combined Authority Constitution.

The Role of the Statutory Officers

3.52 The Combined Authority appoints four Statutory Officers who each have a formal role of discharging the duties and obligations on its behalf. The roles are detailed in the Combined Authority Constitution but briefly comprise:

- **Head of Paid Service** – The TVCA Chief Executive fulfils the role of the Head of Paid Service. The Head of Paid Service discharges the functions in relation to the Combined Authority as set out in section 4, Local Government and Housing Act 1989 and act as the principal advisor to the LEP.
- **Section 73 Officer** – The Finance Director fulfils the role of Section 73 Officer in accordance with the Local Government Act 1985 to administer the financial affairs of the Combined Authority and LEP. The Section 73 Officer is responsible for ensuring value for money and providing the final sign off for funding decisions. The Section 73 Officer will provide a letter of assurance to government by 28th February each year regarding the appropriate administration of government funds under the Tees Valley Investment Fund.
- **Monitoring Officer** – The Monitoring Officer fulfils their role in accordance with the Local Government Act 1972 to administer the Legal duties of the Combined Authority and LEP.
- **Scrutiny Officer** – to promote the role of and provide support to the Overview and Scrutiny Committee.

3.53 In addition to these statutory roles the Combined Authority has nominated officers to ensure that we meet our obligations under the Data Protection Act 2018 and information governance. These are:

- **Senior Information Risk Officer (SIRO)** - The SIRO is the officer responsible in the Combined Authority for Information Governance. The SIRO is responsible for the Strategy, acts as an advocate for good practice and is required to provide a statement of assurance as part of the Combined Authority's Annual Governance Statement.
- **Data Protection Officer** – to provide advice and guidance on the Data Protection Act 2018.

3.54 All six appointments are agreed annually at the Combined Authority AGM.

Supporting Policies and Procedures

Working Arrangements, Meeting Frequency and Transparency

3.55 The Combined Authority is subject to a robust transparency and local engagement regime aligned to that of its constituent Local Authorities. The Combined Authority's constitution includes a publication scheme, which sets out how agendas, minutes and papers will be made available to the public and when. It also set out any exceptions to the standard scheme.

3.56 The Combined Authority Cabinet:

- is subject to the Transparency Code applied to local authorities;
- will ensure all meetings of the Combined Authority Cabinet and other statutory committees are open to the public and appropriately accessible;
- will make sure all meeting agendas, papers (when not exempt), and minutes are published on the Combined Authority website, within the minimum statutory timescales – an agenda will be published five clear working days before the meeting. Draft minutes will be published within ten clear working days of the meeting taking place and final minutes within ten clear days of approval.
- will make clear the approach to making investment decisions on the Combined Authority website;
- all business cases over £5m are published on the Combined Authority website. However, business cases for all transport schemes that represent functional standalone projects will be published on the TVCA website for 3 months prior to the decision being taken;
- will publish (online) all funding decisions, including funding levels;
- will receive regular dedicated updates on Investment Plan performance, which are published as dedicated papers for Combined Authority meetings - details of project progress – with links to the key documents for each project, are made available in an easily accessible / searchable way on the Combined Authority website; and
- as the accountable body for Local Enterprise Partnership funding will hold a record of all relevant documentation relating to this government funding allocated to the area.

3.57 For ease of access the Combined Authority website has a transparency section and a separate meetings section which contain all information on the Combined Authority governance arrangements, agendas and papers and the Combined Authority Cabinet Forward Plan.

3.58 The Combined Authority Cabinet meets every two months but additional meetings are arranged where the need arises. The Combined Authority publishes a Forward Plan on the Combined Authority website, which is a legally-required and published statement of key decisions we plan to take over the next **four months**. Confirmed items are published **28 days** in advance of a decision with indicative items listed for the following three-month period.

- 3.59 In addition to the Combined Authority Cabinet and informal meetings, the Local Enterprise Partnership meets every month. These monthly Local Enterprise Partnership meetings are not held in public and it enables commercially confidential items to be discussed and for open and frank exchanges of information and views to be expressed that might not otherwise be expressed in an open forum. This forms an important element within the Combined Authority governance arrangements. Minutes of these meetings will be published on the Combined Authority website in line with our publication procedures.
- 3.60 The Combined Authority believes in transparency and operates on the principle of making as much information publically available as possible. However, very occasionally it may be necessary for specific details of an item on the Forward Plan to remain confidential, for example if they relate to information about particular individuals, ongoing legal proceedings or are commercially sensitive. In this instance, the item must still appear on the Forward Plan, which will state that this item is confidential as it will involve the disclosure of exempt information as defined in the relevant **paragraph of part 1 of schedule 12A to the Local Government Act 1972**.
- 3.61 Information regarding activity being undertaken by the Combined Authority is available on the website. This includes the publication of key documents such as the Strategic Economic Plan, the Tees Valley Investment Plan 2019-29, and the Combined Authority Local Assurance Framework, as well as details of a regular programme of events to provide ongoing engagement with public and private partners across the Tees Valley area. Regular news updates on activity underway are also provided through dedicated pages on social media outlets including LinkedIn, Twitter and Facebook. Additionally, when investment decisions are taken they are published through the use of press releases and social media.

Publication of Financial Information

- 3.62 The Combined Authority is subject to the same financial arrangements as a Local Authority and is legally required to publish its annual accounts, external audit letter and annual governance statement by the end of July each year. The required information is considered first by the Audit and Governance Committee, and is then approved formally by the CA Cabinet, prior to publication. The annual governance statement is signed by the Mayor, LEP Chair and the Chief Executive for the Combined Authority. It is also used as part of the Annual Conversation each year, to supplement the information provided and discussed on governance arrangements.

Remuneration and Expenses

- 3.63 The Combined Authority publishes information on the following on its website ([click here](#)):
- Confirmation of the allowance payable to the Mayor (agreed annually by the Cabinet);
 - Members' expenses scheme (agreed annually by Cabinet);
 - Confirmation of expenses paid to Members (published annually);
 - Salaries of senior officers earning more than £50,000k (published annually);
 - The Pay Policy Statement for the CA (agreed annually by Cabinet).

Freedom of Information

3.64 The Combined Authority is subject to the Freedom of Information Act 2005 and the Environmental Impact Regulations 2004. As Accountable Body for the Local Enterprise Partnership the Combined Authority will also fulfil these functions on behalf of the Local Enterprise Partnership. The Combined Authority will hold records and will be the focal point for statutory information requests. Applicants are made aware of their right to access information through the Combined Authority, which will deal with the request in accordance with the relevant legislation ([click here](#)). As set out in this section, the Combined Authority aims to publish as much information as possible so that Freedom of Information requests are less necessary.

Conflicts of Interest

3.65 The Combined Authority has a conflict of interest policy, which is available within their Constitution ([click here](#)). This policy applies to all members of the Combined Authority (incorporating the Local Enterprise Partnership) and all members of the Combined Authority governance mechanisms, including the Tees Valley Management Group and the Thematic Advisory Groups.

3.66 Each member of the Combined Authority is also required to complete a written declaration of interest for the purposes of their organisations and their individual personal interests covering a broad range of activities / ownership. Individual declarations of interest forms are completed annually following members' appointment at the Combined Authority AGM. The register of interests ([click here](#)) is published on Combined Authority website. However, recognising that these might change during the year and to ensure that individuals are not playing a role in decision making when they are conflicted, declarations of interest are requested at the start of each meeting, and declared and recorded within the minutes. The register of interests are updated, as appropriate, following each Combined Authority meeting.

Gifts and Hospitality

3.67 The Combined Authority has a procedure for the declaration of gifts and hospitality which applies to both members and officers ([click here](#)). All offers of gifts and hospitality of £25.00 or more in value, including any offers of sponsorship for training or development, whether or not they are accepted, must be recorded promptly (and by no later than 28 days from the date of the offer) in a register held by the Combined Authority.

Complaints and Whistleblowing

3.68 If it is alleged that the Combined Authority is (a) acting in breach of the law, (b) failing to adhere to its framework, or (c) failing to safeguard public funds, complaints (from stakeholders, members of the public or internal whistleblowers) are to be directed to the Combined Authority's Monitoring Officer or the Governance Manager. They will address the allegation following the protocols set out in the Combined Authority's Constitution and detailed policy which is provided on the Combined Authority website. Anonymous reporting is also covered in the policy.

- 3.69 Where the Combined Authority cannot resolve the issue locally to the complainant's satisfaction, and the matter relates to the Tees Valley's Single Pot funding, the issue may be passed to the Ministry of Housing, Communities and Local Government for Communities and Local Government (MHCLG) or other relevant departments, such as the Department for Transport (DfT), as appropriate to the complaint in question. If the complainant is not satisfied with the response they can raise it with the Local Government Ombudsman.
- 3.70 The above complaints ([click here](#)) and whistleblowing ([click here](#)) procedures are set out in detail on our website.

Diversity Statement

- 3.71 As detailed previously the Combined Authority is fully committed to diversity and equality. This commitment is set out in our Diversity Statement ([click here](#)).

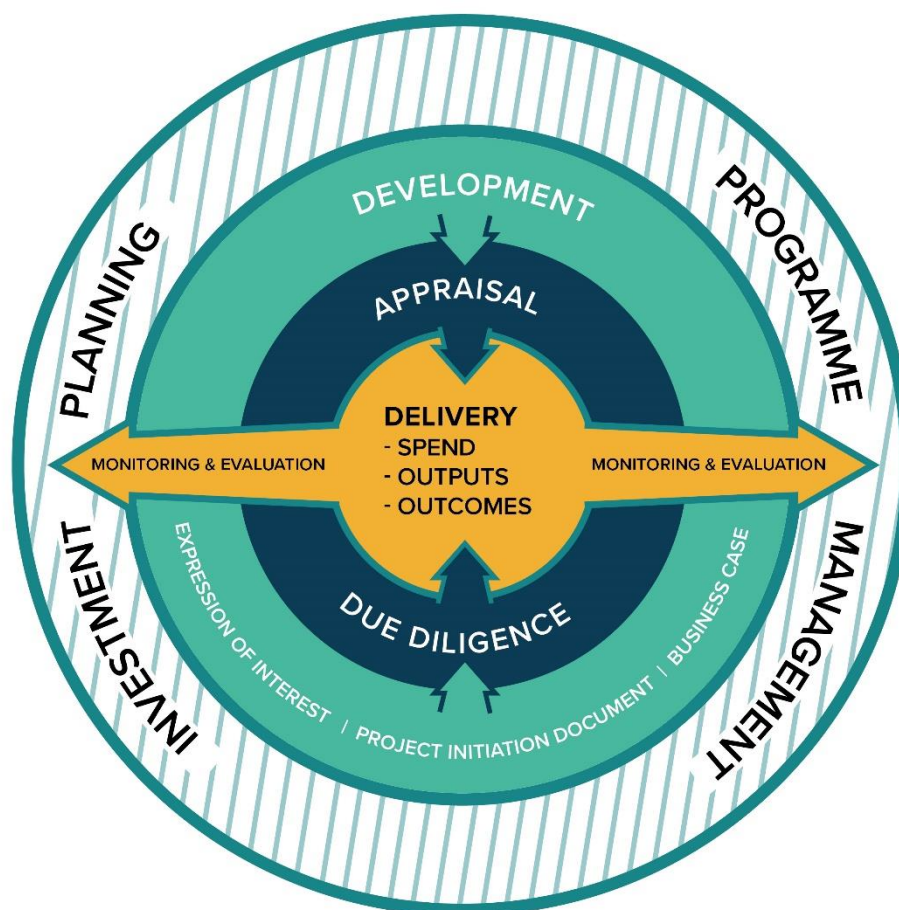
4. Robust Decision Making

Principles

4.1 This section details the processes and procedures that are in place to ensure we make robust investment decisions. These are in addition to those identified in the Accountability, Openness and Transparency section above. The processes and procedures will:

- Achieve best value in spending public money - recognising that sometimes the best investments offer long-term outcomes - with the expectation that only in exceptional circumstances will proposed investments not offer at least a Benefit Cost Ratio above 2 and taking into account significant non-monetised impacts and key uncertainties, and in all cases the benefits exceed the cost of intervention over the projected timeframe. Exceptional circumstances will include where the wider economic benefits are of significant economic importance to the area (for example a transport intervention which has significant benefits in terms of supporting another Strategic Economic Plan priority such as enabling access to an economic development site, educational access or a cultural / tourist venue) and they cannot be adequately reflected in the wider economic benefits BCR;
- Ensure an appropriate separation between project development and project appraisal;
- Appraise projects in a way which is consistent with the Green Book 'five cases' model and proportionate to the funding ask in terms of processes required;
- Ensure that the money spent results in delivery of outputs and outcomes in a timely fashion, and in accordance with the conditions placed on each investment, and by actively managing the Investment Fund to respond to changing circumstances (for example, scheme slippage, scheme alteration, cost increases etc.);
- Implement effective evaluation to demonstrate where programmes and projects have achieved their stated aims and using feedback appropriately to refine the priorities and the decision-making process; and
- Ensure that the use of resources is subject to the usual local authority checks and balances as well as normal local government audit accounting and scrutiny requirements.

4.2 The diagram below illustrates the process of investment planning and programme management for the Investment Fund, with the stages for programme and project development through to appraisal delivery and monitoring and evaluation. Further detail on each stage can be found below.



Prioritisation of the Investment Fund / Programmes and Projects

- 4.3 The Combined Authority approved the ten year Investment Plan 2019-2029 in January 2019. The Plan outlines the thematic allocations across a £588.2m Investment Fund over the ten year period. These allocations are based on strategic need and opportunity and the outcomes that the area need to be delivered, to achieve our Strategic Economic Plan outcomes through a series of key transformational investment projects and programmes. The allocations were determined using both a bottom-up (project demand / need) and a top-down strategic view.
- 4.4 The ten year Investment Plan is to be reviewed annually to reflect any changes in the local environment, new opportunities and challenges, together with lessons learnt from monitoring and evaluation of activity and good practice from elsewhere.
- 4.5 Programme and project prioritisation is based on those schemes which can contribute the most to the growth of the economy, deliver outputs aligned to the SEP objectives and provide good value for money and to do this in a way that is objective, consistent and transparent.
- 4.6 The process is founded on the principles of HM Government Green Book and prevailing guidance for the type of investment that is to be made. The process for prioritisation was agreed by the Combined Authority Cabinet at an informal meeting during 2018.

Investment Planning

- 4.7 The Combined Authority Investment Planning Team will work with colleagues in the delivery and monitoring and evaluation team to prepare monthly investment plan performance reports. These will monitor the Plan's performance at the overall plan level, at the thematic level and will report by exception the highlights (good news and bad news) about programme and project performance.
- 4.8 This performance information will enable the Combined Authority to ensure that activity is on track and where it isn't put in place actions to address this. It will identify if programmes / projects are falling out of the Plan (for whatever reason), give consideration to deallocating resources linked to underperformance, and consider new activity to enter the Plan to replace any deallocations.

Process for Developing and Appraising Programmes and Projects

- 4.9 The decision making framework is set out in the previous sections. This section identifies how programmes and projects are developed and appraised within that decision making framework.

Separation of Development and Appraisal Functions

- 4.10 The responsibility for supporting programme and project sponsors (including the Combined Authority) to develop their proposals through to the appraisal process is separated within the Combined Authority functions. There are separate teams responsible for supporting programme and project sponsors to develop their proposals whilst a different team is responsible for the appraisal of programmes and projects.

Expressions of Interest / Open Calls

- 4.11 Expressions of interest are only required for programmes or projects that are not already covered by the Investment Plan. With the exception of the Research, Development and Innovation theme, most of the funding is already allocated to programmes and projects within the Investment Plan. Therefore, it is unlikely that there will be many Expressions of Interest ([click here](#)) in the first year of delivery, unless additional funding sources are secured. The Combined Authority might use an Open Call process where appropriate within the Investment Plan and where new funding is secured Expressions of Interest will be invited through an Open Call. An Open Call would be publicised on the Combined Authority website and promoted through the appropriate Advisory Group. The open call documentation will set out the selection criteria and the decision making process and timescales that will be followed. The Combined Authority will not normally provide officer support for the development of Expressions of Interest at this stage. The appraisal of the Expressions of Interest will be coordinated by the Investment Planning team, with inputs from the appropriate policy lead, legal, procurement and financial officers.

Project Initiation Documents

- 4.12 Project Initiation Documents are required for programmes and projects that are named in the Investment Plan but do not have an agreed funding allocation and for those projects that have been accepted into the Investment Plan through the Expression of Interest route. The details in the Expression of Interest document may suffice for the Project Initiation Document but should be reviewed once it has been accepted into the Plan. The template for the Project Initiation Document can be found on our website ([click here](#)). Once approved (through the decision process set out earlier) these documents are used to programme the Investment Plan expenditure, outputs and outcomes.
- 4.13 Both Expressions of Interest and Project Initiation Documents provide a first view of the 'how, what and when' the project will deliver against the Strategic Economic Plan and Ten Year Investment Plan 2019-29 outcomes. The Expression of Interest and Project Initiation Document will include:
- Project sponsor;
 - Project description including objectives and vision;
 - Project outputs and outcomes against the Strategic Economic Plan and Ten Year Investment Plan 2019-29;
 - High level timescales;
 - High level cost of project; and
 - Initial funding required, whether grant or commercial loan, any confirmed or unconfirmed match funding.

Business Cases

- 4.14 All programmes and projects with approved allocations within the Investment Plan or that have been approved in principle through the Expression of Interest or Project Initiation Document process are required to complete a detailed Business Case.
- 4.15 The Assurance Framework is designed to ensure that the appraisal and evaluation of programmes and projects is done in a way that is proportional to the relative size of the investment required. This is crucial so that project sponsors are not put off by an overly burdensome and costly application process when applying for a small amount of investment for a low value project.
- 4.16 Similarly, it is crucial so that large investments are scrutinised and tested appropriately. The Combined Authority's approach to proportionality is to build some flexibility into its funding application process by setting thresholds to determine the timescales involved and the information required. The thresholds are based on scale of funding and level of risk (assessed by degree of innovation):
- Comprehensive business case (£5m and above or programmes/projects classified as high risk); and
 - Proportional business case (Low risk and/or £5m or less).

4.17 The Business Case templates and guidance can be found on our website ([click here](#)). This will be in line with the HM Treasury Green Book guidance and will include:

- Strategic case: contribution to Tees Valley strategic objectives and contribution to national policy objectives;
- Economic case: impact on local growth (and for larger schemes the UK level impact, accounting for displacement) , plus social, distributional and environmental impacts, assessment of the value the project adds;
- Financial case: cost estimate and sources of funding e.g. identified scheme promoter, private sector and other contributions;
- Commercial case: proven market place for the project, certainty in outcomes, procurement processes and commercial viability; and
- Management Case: demonstrates the project is capable of being delivered successfully, including delivery plans, statutory processes, programme, risk management (with appropriate mitigation plans) and benefit realisation. Depending on the nature of the scheme, the Business Case document will also be required to meet with best practice in the relevant thematic area including any requirements of the appropriate government Department.

4.18 DfT guidance for transport schemes is also available ([click here](#)).

4.19 The Business Case is submitted to the Combined Authority, who review the funding source and provide an initial check as to which element of funding within the single pot would be most appropriate. The purpose of this is to provide a check to ensure that the funding requirements of the component elements of the Single Pot are being met, and also to enable the effects and outcomes of the component elements of funding within the Single Pot to be tracked.

4.20 To meet the DfT requirements all business cases for transport schemes that represent functional standalone projects will be published on the TVCA website for 3 months prior to the decision being taken. This will enable external comments and scrutiny of proposals prior to funding decisions being taken and the consideration of the comments received will form part of the business case appraisal process. Funding for the early stage development and feasibility works does not of itself constitute a scheme.

4.21 The Business Case is then appraised with initial reviews by the relevant Policy Lead in the Combined Authority. Appraisal will be proportionate to either the estimated scale of budget and/or the level of innovation/risk associated with the programme and in line with established guidance, where appropriate, as set out by HM Government, including:

- HM Treasury Green Book [click here](#)
- MHCLG Appraisal Guide [click here](#)
- HM Treasury Magenta Book [click here](#)
- Infrastructure UK Route map [click here](#)

- 4.22 Where a conflict of interest exists, full independent due diligence will be sought. Additionally, the Combined Authority will appoint an independent organisation, through appropriate procurement, to undertake external due diligence when required. The independent organisation works directly with the project applicant to undertake due diligence which then follows the decision making process detailed at page 17.
- 4.23 In cases where the investment is to match central government funding, the assessment and due diligence will be undertaken by the relevant government department. The Combined Authority will in these cases, complete an Assurance Summary which sets out what assurance has taken place and this will be published on the Combined Authority website.

Relationship with Project Sponsors – Development to Decision

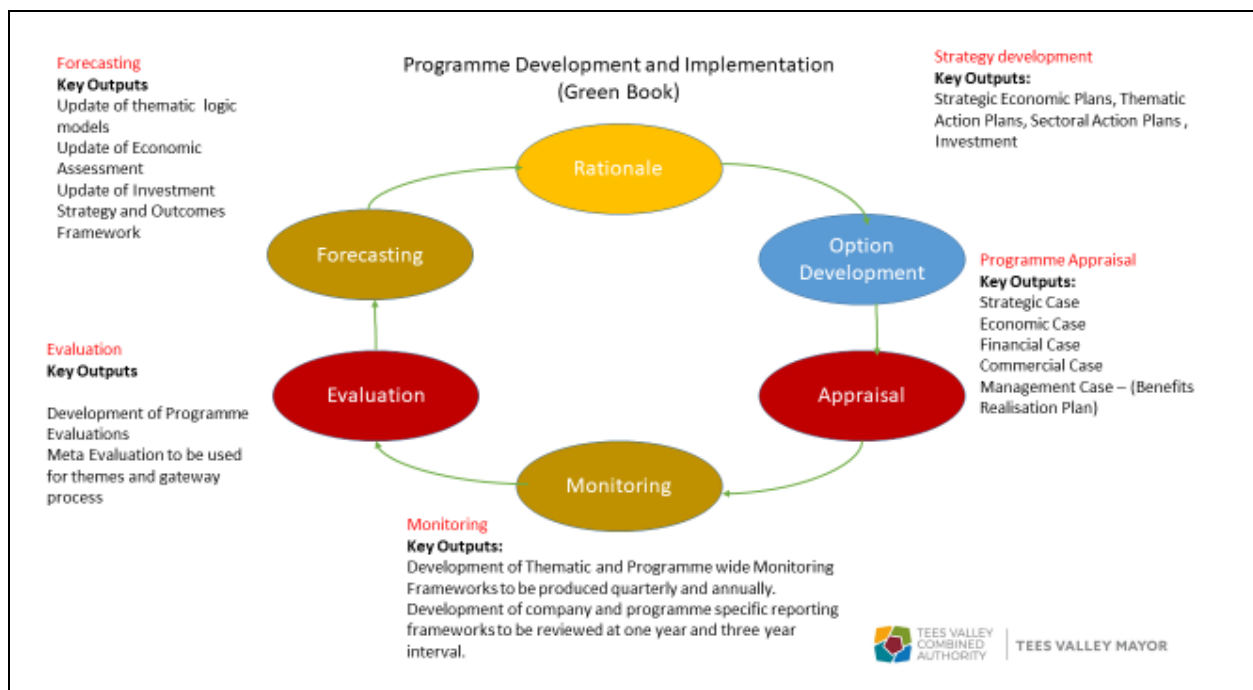
- 4.24 The Combined Authority will keep in regular contact with project sponsors throughout the development of Project Initiation Documents, Business Cases and through the appraisal process. A named development officer will be assigned to each programme / project and they will work with the project sponsor and keep in contact with them to gain any further information to feed into the appraisal process. If a Business Case is approved the Project Sponsor will be advised and the recommendations, including the appraisal summary, will be published on the TVCA website.
- 4.25 If the Business case is not approved the Project Sponsor will receive feedback. The decision made under delegation or through the Cabinet process is final and there is no appeal process. All decisions are subject to the scrutiny process as detailed at page 19.

Ensuring Value for Money

- 4.26 The Combined Authority has developed this Assurance Framework in line with HM Treasury Green and Magenta Book Guidelines¹, specifically the whole life assessment of value for money across its entire portfolio of investment in line with the ROAMEF life cycle model².
- 4.27 As applied in the Tees Valley, the ROAMEF model not only stresses the importance of demonstrating the additionality and value for money of specific programmes/projects at key milestones in their own delivery, but also provides a critical means of assessing the complementarity and cumulative impact of the entire suite of support enabled by investment from the Combined Authority.
- 4.28 The following table demonstrates the application of the ROAMEF model:

¹ HM Treasury Green Book: Appraisal and Evaluation in Central Government, Treasury Guidance (2018)

² ROAMEF- Rationale, Option Development, Appraisal, Monitoring, Evaluation and Forecasting.



Source: HM Treasury Green Book Guidelines on Appraisal 2018

4.29 The key objective of the Assurance Framework is to support the Combined Authority to make judgements about the value for money of potential investments and to accept or reject investments accordingly. However, it is just one of a range of complementary strategic guidance developed by the Combined Authority to inform decision making. The following table, identifies, describes and provides a relevance assessment for all complementary strategic guidance:

Document Name	Function	Date Published
Strategic Economic Plan 2016-2026 – The Industrial Strategy for the Tees Valley	<ul style="list-style-type: none"> Key strategy document for the region. Sets high level targets (jobs and GVA) for the Combined Authority and develops the rationale for intervention across the region (six themes and seven priority sectors) 	June 2016
Local Industrial Strategy	<ul style="list-style-type: none"> With a particular focus on productivity the Local Industrial Strategy articulates how the region and its priority industries will contribute to the successful delivery of the UK Industrial Strategy and the key interventions necessary to enable productivity growth in Tees Valley. 	July 2019 (pending)
Sector Action Plans	<ul style="list-style-type: none"> Provides a more granular evidence base and rationale for intervention across the area for the seven priority sectors. 	November 2017
Ten Year Investment Plan 2019-29	<ul style="list-style-type: none"> Sets output targets both in terms of spend and impact for the six themes in the SEP. 	January 2019
Thematic Strategies and Action Plans	<ul style="list-style-type: none"> Including Inspiring our Futures (Education, Employment and Skills) Strategic Transport Plan Culture Strategy 	2018 Pending Pending

Draft Monitoring and Evaluation Plan	<ul style="list-style-type: none"> Provides for each theme a capital and revenue logic model including key market failures to be addressed, and a range of indicative activities, outputs, outcomes and impacts, tied back to the achievement of the key performance indicators specified in the SEP. 	February 2019 (updated annually)
Economic Assessment	<ul style="list-style-type: none"> Provides the evidence base for the Local Industrial Strategy and the baseline information for all outputs and outcomes identified in the thematic logic models detailed in the draft monitoring and evaluation plan. 	March 2019 (updated annually)

4.30 This documentation is used as supporting evidence in the development of the Expressions of Interest, Project Initiation Documents, and the Business Cases. The Assurance Framework specifically assesses value for money using the following three criteria: Economy (i.e. minimisation of resource usage or “spending less”); Efficiency (i.e. the relative level of outputs and the resources used to produce them, or “spending well”); and, Effectiveness (i.e. the relationship between the intended and actual results of public spending, or “spending wisely”).

4.31 As detailed earlier the Section 73 Officer has specific responsibility for ensuring value for money in all funding decisions.

Value for Money for Transport Schemes

4.32 For transport infrastructure schemes, the Department for Transport requirements ([click here](#)) will be met. This includes the use of WebTAG ([click here](#)) which will be applied proportionately, based on the cost of the scheme and the scale of the impacts. To facilitate this, an Appraisal Scoping Report will be developed, comprising:

- Level of analytical detail to be applied to approve a scheme against overarching government transport objectives (proportional to the scheme’s impact) and the rationale for this;
- Modelling tools to be applied;
- Alternative interventions to be considered;
- Timescales for business case development;
- Transport requirements, including;
 - Use of WebTAG for all transport schemes will be applied to appraisal and scrutiny (but with a proportionate approach to low cost schemes) by scheme promoters in business case development and by the organisation appointed to undertake independent due diligence is mandatory;
 - Use of NTEM (Department for Transport’s planning dataset) as the basis for core forecast in scheme appraisal / due diligence;
 - Production of a value for money statement at each approval stage (which is undertaken by an independent organisation), which will be in line with Department for Transport requirements and is signed off by the

Combined Authority Chief Executive and the Section 73 officer (In the instance that this presents conflict of interest concerns, another senior officer, either from a constituent authority or a separate part of the Combined Authority, will sign off value for money statements);

- Transport schemes will represent a Benefit Cost Ratio above 2 and accounting for significant no-monetised impacts and uncertainties (as defined by Department for Transport guidance), and this will be ensured through business case development and due diligence processes. Only in exceptional circumstances will projects not meeting this Benefit Cost Ratio be approved (see para 4.1); and,
- All transport schemes (over £5m) will have the economic case assessed at each approval stage.

Project Approval – Funding Agreement

- 4.33 Following approval of a Business Case it may be necessary to complete a range of statutory processes to ensure the project is actually ready to start. For example, planning permission, a Compulsory Purchase Order, or it may be necessary to satisfy a number of conditions agreed as part of the Business Case. Where this is the case, full approval to enter into a funding approval will be carried out as a separate stage. Due diligence of such processes / conditions will then be carried out by the Investment Planning Team as required prior to the Combined Authority issuing a Funding Agreement letter (formal legal contract).
- 4.34 Funding agreement letters set out the monitoring, claims, branding (to meet the government branding for each element of funding within the Tees Valley Investment Fund) and evaluation requirements. Funding agreements also set out the clawback arrangements in the event of underperformance.

5. Delivery Phase

Release of Funding, Cost Control and Contract Management

- 5.1 Once a formal funding agreement is in place the programme / project enters the delivery phase. Funding to project sponsors will be capped and any overspend beyond the approved amount needs to be met by the project sponsor.
- 5.2 The Combined Authority's Section 73 officer must certify that funding can be released under the appropriate conditions. Each funding claim is crosschecked against the approved project baseline information as part of the monthly reporting processes combined to quarterly claims. Payments will be released quarterly in arrears unless otherwise agreed.
- 5.3 A mechanism for 'claw-back' provision is in place to ensure funding is only to be spent on the specified scheme and linked to delivery of outputs and outcomes. Payment milestones are agreed between the project sponsor and the Combined Authority based upon the complexity, cost and timescales of the scheme. This forms part of the programme management role of the Combined Authority, which is subject to external audit.

Performance Reporting

- 5.4 In line with reporting guidelines specified in the Monitoring and Evaluation Framework, Benefit Realisation Plans are prepared for all programmes and projects at the Business Case stage, detailing the mechanism, responsible officer and reporting frequency for all attributable outputs and outcomes. All programmes and projects are monitored (see page 36) and monthly Investment Fund performance reports are considered by the Combined Authority Chief Executive with the Tees Valley Management Group, the Local Enterprise Partnership (monthly) and at each Combined Authority Cabinet. These performance reports detail the performance against spend and outputs / outcomes at the Investment Fund level, the thematic level and reporting by exception on projects (highlights including goods news and bad news) and consideration of the risk register for the Investment Fund. Any variation to the funding agreement needs to be agreed by the Combined Authority.

Risk Management

- 5.5 The Combined Authority has a comprehensive issue and risk management approach, with risk identification, mitigation, escalation and reporting templates written into its Business Case Development Guidance. This has been developed in accordance with Government Green Book guidance and other project management guidance.
- 5.6 It is important that the level of risk taken on any project and programme is understood from an early stage alongside the associated cost implications. Through our robust approach to risk, the Combined Authority will reduce the need to de-scope schemes from the Investment Plan because of cost overruns. Project sponsors are required to include risk / contingency as part of funding requests, which should reduce as a proportion as the project case is developed.

- 5.7 Throughout the Investment Fund management lifecycle risk will be managed in accordance with the three-stage process illustrated below. A key element of our approach is that all parties have a responsibility to contribute to the management of risk.



- 5.8 The corporate risk register ([click here](#)) which incorporates the risks associated with the Investment Fund is reviewed monthly by the Combined Authority Senior Leadership Team and is considered by the Audit and Governance Committee quarterly.
- 5.9 Senior Officers of the Combined Authority (Chief Executive and Finance Director) are responsible for the identification and management of risk. As well as the Corporate Risk register a high-level risk register is maintained for the Investment Plan. The Investment Plan high-level risk register is used as the basis for discussions with our local Relationship Manager from the Cities and Local Growth Unit on a monthly basis and is provided as part of a wider programme update on a fortnightly basis.
- 5.10 At the project level, all projects are expected to outline in detail any identified risks during the business case development and due diligence processes. Once in delivery, projects maintain an ongoing risk register and this is reported to the Combined Authority during the financial claims process and is also reported in the wider programme update.

6. Measuring Success – Realising the Benefits

The Importance of Monitoring and Evaluation

6.1 The Combined Authority is committed to implementing effective monitoring and evaluation so that it is able to:

- **Provide local accountability to the public, partners and local stakeholders** by demonstrating: how devolved funding is spent, ensuring value for money and that all benefits are identified, tracked and achieved in line with the Refreshed Strategic Economic Plan: the Industrial Strategy for the Tees Valley;
- **Comply with external scrutiny requirements** i.e. to satisfy conditions of the Devolution Deal. Specifically the monitoring and evaluation framework will provide a useful feedback loop and enable this to be communicated to relevant stakeholders;
- **Providing not only a summative, but a formative function. Summative Function:** Identify the impact of the project to date against the outcomes identified in the preliminary logic model and benchmarked to other comparable programmes: and
- **Formative Function:** Review the continuing need/ fitness of purpose of key interventions piloted under the programme and develop recommendations for future delivery; and
- **Develop an evidence base for input into future business cases.** The monitoring and evaluation framework will collate, benchmark and analyse data which can be utilised for future work.

6.2 Our Monitoring and Evaluation Framework ([click here](#)) was initially prepared in relation to the Combined Authority's devolution deal monitoring and evaluation requirements. However, the approach set out in the Framework will be utilised for all sources of funding within the Tees Valley Investment Plan, accepting that some government departments will have slightly different requirements which will be met. The Framework builds on the National Evaluation Framework for devolution funds, prepared by SQW and agreed with devolution areas and government.

6.3 The Combined Authority's approach is based on the following principles:

- Focus upon conducting meaningful evaluation to better inform the selection of future intervention, the allocation of funds and the prioritisation of schemes and measures. We will use the national evaluation panel to provide a meta-evaluation of the combined interventions within the plan;
- Data is collected once and used many times. We advocate the use of open data techniques to develop innovative solutions, whilst at the same time ensuring the privacy of those it relates to;

- Automation will be exploited, wherever possible to reduce resource burden e.g. using our smart region/open data approach to source up to date information, which reflects demand within the Tees Valley;
- Lessons learnt and data generated in evaluation will also be used to inform future policy development and provide the evidence base for future interventions;
- Reporting requirements and associated evaluation will be proportional to investment impact and in line with current guidance;
- As appropriate, a baseline will be set for each metric at the development of the intervention logic model;
- Ex-post data collection will take place at appropriate intervals depending on the type of outcome/impact expected and the time for stabilisation of behaviours or benefits lag associated with each outcome or impact; Lessons learnt and data generated in evaluation will also be used to inform future policy development and provide the evidence base for future interventions;
- Interim findings should be available at least 12-18 months after completion, depending on whether seasonality needs to be allowed for;
- Useable by and /or comparable to, data collected by other stakeholders so it contributes to the wider evidence base;
- Credible, valid and reliable to the extent possible within available resources;
- Ethical e.g. in relation to data consent and protection;
- Economic impacts should be reportable three to five years after completion of any policy interventions and/or projects aimed at delivering new jobs and increased productivity;
- All projects will be subject to monitoring and evaluation, regardless of funding source;
- **All projects must have a signed off logic model, the outputs and outcomes of which must be recorded on the Combined Authority's management information system and for our business database for company specific outputs**

Our Logic Models for Understanding Impact

6.4 The logic models in the Tees Valley Framework builds on those in the national framework and supplements it with the local framework for areas of activity, such as culture and place that were not covered by the national framework. The logic models have been completed on a thematic basis (reflecting the six themes of the Tees Valley Strategic Economic Plan) and respective Thematic Heads review annually, content, clarity of definitions and supporting baseline evidence base (produced in the Annual Economic Assessment Document) with the Economist, Investment Manager and wider Thematic Working Group.

Programme and Project Monitoring

6.5 Funding agreement letters set out the programme or project spend and output profile together with the monitoring arrangements (financial, benefits and risk), including a clear timeline for the delivery of the following monitoring activities:

- **Project Delivery Meetings:** A designated Claims and Monitoring Officer will visit the project to undertake the Project Delivery Visit, shortly after the Funding Agreement has been signed off and before the first claim is issued. The purpose of the visit is to go through all the requirements detailed in the Funding Agreement and support the project lead to ensure they have the necessary systems and procedures in place to submit claims and manage the project appropriately. The Claims and Monitoring Officer will complete a Project Delivery Visit Checklist and Action Plan, a copy of which is sent to the applicant for sign off following the visit;
- **Monitoring Visit:** A 6-month monitoring visit will be undertaken with all project sponsors. Further visits can be carried out at any point during the delivery and will be dependent on project performance, risk etc. Therefore, some projects may need to receive more than one monitoring visit through-out the lifetime of the project;
- **Financial Completion Audit:** Will be undertaken once the project has achieved full spend. This will involve verifying evidence of spend/defrayal and any outputs achieved to date, along with checking that procurement processes have been adhered to, milestones achieved, and evidence is maintained (if applicable) to satisfy approval conditions;
- **Practical Completion Audit:** A follow up practical completion audit will be required if the project had outstanding outputs to be claimed/achieved following the financial completion audit; and
- **Marketing and Promotional Activity:** A marketing and publicity plan is developed as part of the Business Case and articulates all proposed marketing and promotional activity in support of delivery and will be monitored throughout the period. Project sponsors will be required to inform the Combined Authority of the planned publicity of the completion of any key milestones two weeks prior to publication. All social media and publicity around the project will need to acknowledge the role and support of all key funders including the required government branding, the Combined Authority and the Mayor and be accessible to all target groups.
- Any changes or variances to the spend profiles or key milestones will need to be reported by the project sponsor and approved by the Combined Authority. On approval a variation letter to the Funding Agreement will be issued.

Project Evaluation

- 6.6 The benefits realisation plan, agreed between the Combined Authority and the project sponsor, clearly defines those outputs which may be captured through routine monitoring. The plan goes on to specify the remit, timing and funding for any independent evaluation, usually to capture wider impacts for summative evaluation purposes and also to inform subsequent policy design/implementation through formative evaluation.
- 6.7 Evaluations of all programmes and projects will be reported to the Combined Authority Cabinet as part of the Investment Fund performance reporting and will be published on the Combined Authority website.

Adult Education Budget Monitoring and Evaluation

- 6.8 The Adult Education Budget reporting will be included within the Combined Authority monitoring and evaluation submissions as required under the devolution agreement. The Combined Authority has already submitted our policies for adult education as part of the readiness conditions and they were published as part of the commissioning process. They will continue to be updated and will be published more broadly during the academic year 2019/20.
- 6.9 The Combined Authority's Monitoring and Evaluation Framework will be used for the Adult Education Budget activity including the use of logic models. The first formal annual evaluation will be undertaken after year 1 i.e. academic year 2019/20 delivery and completed by December 2020. It will meet the national requirements as set out in the National Assurance Framework, together with locally determined requirements so that it can be used to inform and shape the criteria for future funding awards.



TEES VALLEY
COMBINED
AUTHORITY

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AGENDA ITEM 7

**REPORT TO THE TEES VALLEY
COMBINED AUTHORITY OVERVIEW & SCRUTINY COMMITTEE**

JULY 12 2019

**REPORT OF THE
STRATEGY DIRECTOR**

**OVERVIEW & SCRUTINY STUDY: DIVERSITY IN THE TEES VALLEY
COMBINED AUTHORITY MEMBERSHIP**

SUMMARY

At its 7th June 2018 meeting the Committee agreed to the Tees Valley Combined Authority Cabinet's request that an Overview & Scrutiny Study be carried out into the diversity of the membership of the Cabinet and Statutory Committees of the Tees Valley Combined Authority.

This Study is now complete, and a draft report has been prepared for approval by the Committee.

RECOMMENDATION

The Committee is asked to:

- i. Approve and publish the attached draft report "Genuinely representing the Tees Valley: Seizing the opportunity to write equality into the Constitution of the Tees Valley Combined Authority" and the recommendations detailed within.
- ii. Refer the report to the Tees Valley Combined Authority Cabinet with a request that a formal response be received within two months of the Cabinet Meeting at which it is received.

DETAIL

1. At its Annual General Meeting on 1st June 2018 members of the Tees Valley Combined Authority requested that Overview & Scrutiny Committee carry out a study into a perceived lack of diversity in gender, sexuality, disability and ethnicity in the membership of the Tees Valley Combined Authority Cabinet and Committee membership. The Committee agreed to this request at its meeting of 7th June 2018.
2. This work has been conducted by a working group consisting of the Chair and Vice Chair of the Committee and Cllr Matthew Storey, supported by the Combined Authority Strategy Director and Governance & Scrutiny Officer.

3. At its meeting of July 19th 2019 the Committee agreed to a recommendation that a completed report containing recommendations be presented to Cabinet before the commencement of the pre-election period in March 2019.
4. Over the past year the working group has taken evidence from the Mayor of the Tees Valley, the Leaders and Mayor of its Constituent Authorities, the Chair and other members of the Local Enterprise Partnership, the Chief Executives and Managing Director of its Constituent Authorities, a survey completed by 78 local councillors and 7 individual members of the Local Enterprise Partnership and the Regional Secretary of the Trades Union Congress. The working group has also examined relevant academic research and studied best practice from other Combined and Local Authorities.
5. Key findings of the investigation include:
 - i. The observation of an overwhelming and unanimous desire for both the Tees Valley Combined Authority and the five Tees Valley Councils to have memberships which more closely represent the communities they serve – and a recognition that this is currently not being achieved.
 - ii. Evidence that although women make up an above average percentage of the total number of Tees Valley councillors, they appear not to be progressing into leadership roles and roles in which they regularly engage with the Combined Authority– with councillors surveyed citing a lack of confidence and a perceived lack of knowledge as the reasons for this.
 - iii. The suggestion of a lack of engagement with and understanding of the Tees Valley Combined Authority’s purpose and ambitions, which even extends to councillors.
6. The working group subsequently met to develop a list of recommendations aimed at tackling these issues, including:
 - i. The creation of a second Deputy Mayor of the Tees Valley, of a differing gender or protected characteristic group to the incumbent Mayor and with a specific responsibility for driving the diversity and equality agenda across the Tees Valley.
 - ii. The introduction of named substitutes for the Overview and Scrutiny Committee, where practicable of a different gender or from a different protected characteristic group to the regular member.
 - iii. That the Tees Valley councils should immediately begin recording and reporting the ethnicity, gender and sexuality of members in the same way as they already do with staff members.
 - iv. TVCA should commit itself to the ambition of becoming the first Combined Authority to secure Diversity Champion status.
 - v. Asking Local Authority Leaders to publicly commit to a gender balanced cabinet and committee system where practicable and acknowledge the risk of unconscious bias influencing the allocation of portfolios.
7. This report asks the full committee to endorse these recommendations and to approve the draft Scrutiny Study.

8. Article 7 of the Constitution of the Tees Valley Combined Authority states that where the Overview & Scrutiny Committee makes a report or recommendations, the committee may:
- i. Publish the report or recommendations;
 - ii. By notice require the Combined Authority or the Mayor to consider the report or recommendations, respond to the committee indicating what (if any) action the Combined Authority proposes to take; and if the Committee has published the report or recommendations, to publish the response.
 - iii. The Combined Authority or Mayor is required to comply with the above “within two months beginning on the date on which the Combined Authority or the Mayor received the report or recommendations”.
9. This report therefore asks the Committee to agree to the publication of the Scrutiny Study and that the study be referred to the Tees Valley Combined Authority Cabinet with a request that a formal response be received within two months of the Cabinet Meeting at which it is received, as per the requirements of the Constitution.

FINANCIAL IMPLICATIONS

10. Implementation of some of the recommendations would incur modest financial costs to the Combined Authority, subject to plans coming forward for formal approval.

LEGAL IMPLICATIONS

11. Not Applicable.

RISK ASSESSMENT

12. Not Applicable

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Genuinely representing the Tees Valley

Seizing the
opportunity to write
equality into the
Constitution of the
Tees Valley
Combined Authority

A Scrutiny Study Conducted by
the Tees Valley Combined
Authority Overview & Scrutiny
Committee – August 2018-
January 2019

1. Chair's Executive Summary

Women and minorities have historically been under-represented in public life. Whilst devolution deals offer a new way forward for public services, they have so far done nothing to make public bodies more representative of the communities they serve.

In June of 2018 the Cabinet of the Tees Valley Combined Authority requested that the Overview and Scrutiny Committee carry out an in-depth scrutiny study into the diversity of its membership, struck by how appointments to its statutory and non-statutory committees were extraordinarily male-dominated and undeniably unrepresentative of our region's population.

Over the past year a working group of three councillors, supported by two officers, has taken evidence from the Mayor of the Tees Valley, the Leaders and Mayor of its constituent authorities, the Chair of the Local Enterprise Partnership, the Chief Executives and Managing Director of its constituent authorities, a survey of 78 local councillors and 7 individual members of the Local Enterprise Partnership and the Regional Secretary of the Trades Union Congress. The working group has also examined relevant academic research and studied best practice from other Combined and Local Authorities.

Amid all this research, one particular quote stands out.

"This is overdue. This is an issue I have flagged up again and again. Just look at the pictures of the signing of the devolution deal... its all grumpy old men! You still see that in meetings and you still see it too often. From Tees Valley Unlimited to the LEP to the Shadow Combined Authority we've never been representative of our communities and we need to be"

The key findings of this study are as follows:

- **There is an overwhelming and unanimous desire for both the Tees Valley Combined Authority and the five Tees Valley Councils to have memberships which more closely represent the communities they serve– but that at this moment this is not close to being achieved. In gender especially, the Authority and its constituent authorities remain significantly unrepresentative - and this will not be addressed without action.**
- **Although women make up an above average percentage of the total number of Tees Valley councillors, they appear not to be progressing into leadership roles – with councillors surveyed citing a lack of confidence and a perceived lack of knowledge.**

- **There exists a lack of engagement with and understanding of the Tees Valley Combined Authority's purpose and ambitions within the region, which even extends to councillors.**

Paragraph 2.6 of the Constitution of the Tees Valley Combined Authority states that the Overview and Scrutiny Committee itself must make “specific efforts to engage with those groups who would otherwise be excluded”.

We have to acknowledge as a Committee that our membership is not achieving that goal, and it is debatable how well the Tees Valley Combined Authority as whole is currently delivering on it.

Whilst recognising that the ability of the Tees Valley Combined Authority to take unilateral action to address an unbalanced elected membership coming forward from its constituent councils is highly limited, its ability to show leadership in this area is unmatched.

The Combined Authority has already taken measures to improve diversity of its Associate Cabinet Membership level through aiming to achieve a 50/50 gender balance of the Local Enterprise Board by 2020 and proactively recruiting three new female members. But more needs to be done.

This report sets a number of practical and realistic recommendations – **including the creation of a second Deputy Mayor, additional to the existing Deputy Mayor, with a specific responsibility for driving the diversity and equality agenda across the Tees Valley** – which the committee believes represent a reasonable roadmap toward more representative politics in the region, which offers the Combined Authority an opportunity to cement its place as a role model for other mayoral and combined authorities, enhance its profile and reputation inside and outside of the Tees Valley and even to deliver more emphatically on its strategic aims.

Other recommendations include:

- **Named substitutes for the Overview and Scrutiny Committee should be introduced, where practicable of a different gender or from a different protected characteristic group to the regular member.**
- **Tees Valley councils should immediately begin recording and reporting the ethnicity, gender and sexuality of members in the same way as they already do with staff members.**
- **TVCA should commit itself to the ambition of becoming the first Combined Authority to secure Diversity Champion status.**

- **Asking Local Authority Leaders to publically commit to a gender balanced cabinet and committee system where practicable and acknowledge the risk of unconscious bias influencing the allocation of portfolios.**
- **The Combined Authority should lobby central government to extend entitlement to time off from work for the conduct of public duties to Combined Authorities, Local Authorities and Local Enterprise Partnerships and to conduct a review of financial disincentives preventing political engagement, in particular by currently under-represented groups.**
- **The Combined Authority must comprehensively define the roles and responsibilities of portfolio positions and provide job descriptions to portfolio holders.**
- **Recommending both TVCA and its constituent authorities consult on the most appropriate timing of meetings to maximise attendance, and investigate what technological solutions are available to allow remote attendance at meetings.**
- **The Tees Valley Combined Authority should commission an independent audit of its premises to ensure accessibility, and seek to secure Disability Confident status at the earliest opportunity.**
- **The Tees Valley Combined Authority should ensure that all Cabinet reports include a thorough and meaningful Equalities Impact assessment, and that this assessment is carried out only by suitably qualified staff.**

As another interview subject noted:

“If we get this right it will make the Combined Authority more visible and relevant, and it will encourage other businesses and organisations to be the same. A lot of people look to us for leadership, we have to be an exemplar and put it at the heart of what we do”

Cllr Norma Stephenson OBE, Chair of Overview and Scrutiny Committee

2. Why this matters

Achieving more representative membership of the Tees Valley is not about window-dressing. There are significant organisational benefits to achieving a more representative membership.

Better Decision Making

The Tees Valley Combined Authority exists to better meet the employment and transport needs of the people of the Tees Valley – but these needs vary, for example, between genders.

In employment terms, women in the Tees Valley earn 20% less as a whole and 13.9% less an hour than men. They are 6.8% more likely to be economically inactive. They are three times more likely to work part-time (source: Office of National Statistics)

In transport terms, the North East is the only region in the country where women undertake longer commutes than men. Women are twice as likely as men to commute as a car passenger and are twice as likely as men to commute by bus. Men are five times more likely to commute by bicycle (source: Office of National Statistics)

It would be unfair to suggest that councillors are capable only of representing people whose attributes match their own, but there can be little debate that the Tees Valley would benefit from a wider range of human experience being represented within its elected membership.

Delivering Organisational Priorities

Research from consultants McKinsey has shown a significant relationship between more diverse leadership teams and the elevated presence of women in the organisation and corporate performance.

Companies in the top quartile of racial diversity are 35% more likely to record above average financial returns. More diverse companies appear better able to win top talent and improve customer and employee satisfaction and decision-making. The study concludes that its findings indicate “that companies that commit to diverse leadership are more successful”.

There is also the possibility that improved organisational diversity could even contribute towards the Combined Authority’s strategic aims. For example 31% of Tees Valley IT employers have reported a skills shortage – compared to 6% nationally. Over the past three years the percentage of females starting apprenticeships has however consistently fallen – prominent women in organisations such as ours have the power to inspire younger women, to aspire to the sorts of careers in which the Tees Valley’s economy needs them to aspire to.

Bridging the Confidence Gap

A Combined Authority is new concept which is not yet fully embedded in the consciousness of the region. If it is to achieve this the Tees Valley Combined Authority need to command the confidence of and appear credible to the people it serves.

To do that it needs to look like its local communities or risk under-represented groups believing that their needs have been overlooked or are unimportant, causing them to disengage from both the organisation and the democratic process in general.

3. Initial Findings from surveys of memberships of Constituent Authorities and Combined Authorities.

Diversity and elected representation in the Tees Valley

52% of people in the Tees Valley are women – but only 42% of its councillors, and **15% of councillors involved in the Tees Valley Combined Authority**

Although the regions proportion of female councillors is **higher than the national average of 33% and equivalent to the average of 45% found in other metropolitan boroughs**, it thins out dramatically at the top of our political organisations and does not translate into leadership positions and cabinet positions, where:

- **80% of Tees Valley Council Leaders are male**
- **100% of Deputy Leaders are male**
- **70% of Cabinet Members are male**

	Total Councillors	Total Male Councillors	Total Female Councillors	Percentage Male Councillors	Percentage Female Councillors
Darlington	49	28	21	57	43
Hartlepool	33	22	11	67	33
Middlesbrough	46	25	21	54	46
Stockton	56	31	25	55	45
Redcar & Cleveland	58	33	25	57	43
TEES VALLEY	242	139	101	58	42

As a result, when the elected Mayor is included in these figures, **81% of elected members** on the Tees Valley Combined Authority Cabinet are male.

At the start of this study, just **14% of the Tees Valley Combined Authority Cabinet**, 13% of its Local Enterprise Partnership board and **16% of the members of its statutory committees** were female.

	Total Members	Total Male Members	Total Female Members	Percentage Male Members	Percentage Female Members
DBC Cabinet	7	5	2	71	29

HBC Policy Committee Chairs	6	5	1	83	17
MBC Cabinet	9	5	4	56	44
SBC Cabinet	7	5	2	71	29
R&BC Cabinet	8	6	2	75	25
Total LA Cabinet	37	26	11	70	30
TVCA Cabinet	7	6	1	86	14
LEP Board/Associate Cabinet Members	12	10	2	83	17
Total Cabinet	19	16	3	84	16
Overview & Scrutiny Committee	15	11	4	73	27
Audit & Governance Committee	8	6	2	75	25
Transport Committee	6	6	0	100	0
Total TVCA Committees	48	39	9	81	19

It should be noted that since the commencing of this study, the Local Enterprise Partnership (associate members of Cabinet) has publically committed itself to achieving a 50/50 gender balance by 2020, and undertaken a recruitment campaign aimed at diversifying its membership. This process culminated in the appointment of 3 additional female members at the Cabinet meeting of November 2018.

According to the Office of National Statistics, as of November 2018, 5% of the working age population of the Tees Valley were classified as being members of ethnic minorities, breaking down on an area-by-area basis as follows:

- **Middlesbrough 11%**
- **Stockton 5%**

- **Darlington 4%**
- **Hartlepool 2%**
- **Redcar & Cleveland 1%**

At a council level it is impossible to say with any authority how representative Tees Valley elected memberships are, as this data is regrettably not recorded by councils.

We estimate that in the region of 3% of Tees Valley councillors are from ethnic minority backgrounds, slightly lower than the population as a whole. On an area-by-area basis these figures break down as follows:

- **Middlesbrough 7%**
- **Darlington 4%**
- **Hartlepool, Stockton and Redcar & Cleveland 0%**

It was not possible to identify any Black, Asian or Minority Ethnic members represented in the Cabinets of the five Constituent Authorities, the Tees Valley Combined Authority Cabinet or any of the statutory committees of the Combined Authority, and just one member of the Local Enterprise Partnership.

It was also not possible to identify any members of these groups who considered themselves to have a disability.

On an officer level, the Combined Authority has a very good story to tell on diversity. Out of 105 staff members employed by the organisation in November 2018, **62% were women** and **6%** came from BAME backgrounds.

At a management level, **75% of directors** (including the Chief Executive, Strategy Director and the Investment Director) and 42% of Heads of Service and Managers were women. This is replicated at local authority level where two of the five Tees Valley council Chief Executives are currently women, a figure scheduled to rise to three out of five early in 2019.

The Annual Population Survey published by the Office of National Statistics found that 2% of UK residents over the age of 16 identify as lesbian, gay or bisexual.

At a council level it is again near-impossible to say with any authority how representative Tees Valley elected memberships are in terms of LGBT+ members as this data is also not recorded by councils.

How this compares with other local authorities

The gender balance of the Tees Valley council membership is currently better or in line with other councils, as demonstrated in the below table (source LGIU)

	Percentage Councillors Male	Percentage Councillors Female
Tees Valley	58	42
North East Councils	59	41
UK Councils	67	32
UK Metropolitan Boroughs	64	36

The Fawcett Society Local Government Commission (July 2017 and September 2018) however painted a stark picture of the lack of progress being made toward equality in council memberships, reporting:

- **3000 women councillors must be elected in order to reach 50/50 gender balance.**
- **At current rates of progress it will take English County Councils 48 years to reach equality.**
- **17% of council leaders are women.**
- **6 in 7 of council cabinet jobs that lead to the leadership go to men.**
- **Men out-number women in 97% of councils.**
- **30% of councils returned fewer women in 2018 than 2017**

These findings prompted Sam Smethers from the Fawcett Society to state: *“This is really disappointing. We are literally crawling along. As we mark the centenary of women’s suffrage, women’s representation across local government is stuck in the past”*

In response, Cllr Marianne Overton, from the Local Government Association noted: *“This report rightly recognises that progress must be made at a faster pace to ensure a greater representation of women in our local authorities... local government must be at the forefront of driving change”.*

The now-disbanded Centre for Women and Democracy in 2011, made a number of key observations about the councils and their leadership, including:

- **76% of leaders appointed that year were men replacing men.**
- **Women leaders are “very unlikely to have children of school age” – just 4%**

- **From a total of 2804 portfolio-holders in England, only 26% of positions are held by women.**
- **There is no correlation between the number of women councillors and the number of women portfolio holders.**

The Green Park 500 Public Leadership survey, a review of diversity of the UK's public sector also reported that **“the presence of ethnic minorities at the highest level of local government remains well short of parity”**, with 4.1% of the leadership of metropolitan boroughs of the kind found across the Tees Valley from non-White British backgrounds, compared to 13% of the wider population.

How this compares with other Combined Authorities.

The diversity of the membership of the Tees Valley Combined Authority is broadly in line with those of the fully-established Mayoral Combined Authorities, in which:

- **100% of Elected Mayors of Combined Authorities are men**
- **88% of Combined Authority Cabinet Members are Men**
- **68% of Combined Authority Committee Elected Members are Men**

As with our own figures it is difficult to accurately assess the ethnic background of members of other Combined Authorities, but it would superficially appear that those Authorities representing areas of higher diversity have higher subsequent representation at Combined Authority level.

Other Combined Authorities have made high profile efforts to improve the diversity of their membership, including:

- Constitutionally recognised Deputy Mayors of differing gender to the incumbent mayor (Greater London, Greater Manchester)
- Each Constituent Authority contributes two Cabinet Members (one man, one woman) to the Cabinet with second member acting as deputy portfolio holder (Liverpool City Region)
- The co-option of more representative Associate Cabinet Members (Greater Manchester)
- Co-opted committee members (West Midlands/Cambridge and Peterborough).

4. Findings from interviews with Local Authority Leaders and Chief Executives, Local Enterprise Partnership Members and the Mayor of the Tees Valley.

Between August and November 2018, the Committee held formal face-to-face interviews with the following key stakeholders of the Tees Valley Combined Authority.

- Ben Houchen, Tees Valley Mayor
- Cllr Stephen Harker, Leader of Darlington Borough Council
- Paul Wildsmith, Managing Director of Darlington Borough Council
- Cllr Christopher Akers-Belcher, Leader of Hartlepool Borough Council
- Gillian Alexander, Chief Executive of Hartlepool Borough Council
- David Budd, Mayor of Middlesbrough
- Tony Parkinson, Chief Executive of Middlesbrough Council
- Cllr Bob Cook, Leader of Stockton on Tees Borough Council
- Neil Schneider, Chief Executive of Stockton on Tees Borough Council
- Cllr Sue Jeffrey, Leader of Redcar & Cleveland Borough Council
- Amanda Skelton, Chief Executive of Redcar & Cleveland Borough Council
- Paul Booth, Chair of the Tees Valley Local Enterprise Partnership
- Siobhan McArdle, Member of the Tees Valley Local Enterprise Partnership
- Angela Howey, Member of the Tees Valley Local Enterprise Partnership
- Beth Farhat, Secretary of the Trades Union Congress North and Member of the Tees Valley Combined Authority Education, Employment and Skills Partnership Board.

Although a wide range of views were voiced, a number of key themes and observations emerged from this process.

1. Stakeholders unanimously recognised that the current membership of the Tees Valley Combined Authority is inadequately representative of the population of the region.

Not a single interview subject expressed the view that the current membership of the Tees Valley Combined Authority was desirable or representative of the population it exists to serve.

Indeed, many stakeholders frequently expressed pronounced frustration with the lack of progress being made in this area and its potential negative impact upon the reputation and effectiveness of the Combined Authority.

“We’re definitely not representative... a retired men’s club? You’re not far wrong”

“Any public body should reflect the community it serves in terms of gender – not just men and women but other genders too –and other under-represented groups...When it comes to diversity, ours is very poor, one of the worst”

“The ideal gender balance should be 50/50. Females are currently under-represented on the LEP and TVCA and I feel you are not close to achieving this. TVCA and the LEP do need to take a more pro-active approach to encouraging females to sit on the board. Presently it is full of white middle-class males who have been long-serving members so it feels like a clique”

“This is overdue. This is an issue I have flagged up again and again. Just look at the pictures of the signing of the devolution deal... its all grumpy old men! You still see that in meetings and you still see it too often. From Tees Valley Unlimited to the LEP to the Shadow Combined Authority we’ve never been representative of our communities and we need to be”

“The gender split should be 50/50”

“You’ve got to...make people see that this organisation is open to everyone... TVCA is the opposite of that. It’s overwhelmingly male”

“Ideally we should be reflecting the make-up of the population, which is 51% female and 49% male but half the population think it’s just an old boys club. When you see publicity photos I think people switch off because they think ‘it’s nothing to do with people like me’”

“I’m not saying we need a 50/50 gender split but it would be good for the Cabinet to have more lady members and ethnic minorities. We need to represent everyone in the Tees Valley. You can see that we don’t have that diversity by looking around the room”

Interview subjects also noted that their experience of their own organisations demonstrated that improved diversity could only be achieved through pro-active effort and not a patient belief in organic progress.

“When I was appointed I asked for a report into how under-represented women were at senior level and how under-represented other groups were too. It didn’t tell us anything we didn’t already know. I gave a senior staff member a specific corporate role for changing things”.

2. Interview subjects universally recognised the value of a more representative Combined Authority membership to both the organisation itself and the wider Tees Valley region.

A significant proportion of those interviewed agreed that a more representative membership could have a significantly positive impact on the quality of policy and decision-making by the Tees Valley Combined Authority, assist in the delivery of its strategic vision for the region and improve the visibility and reputation of the organisation.

“We want a diverse range of views, but we have a homogenous group of people from similar backgrounds, which churns out very similar ideas about what we need to do”

“When we put out publications I get very frustrated because all the images are male. Men in hard hats, men in hi-vis jackets. Imagery is important and this just reinforces that. It’s a self-fulfilling prophecy... If we’re going to have a broader economy we need a much more diverse workforce”

“If we get this right it will make the Combined Authority more visible and relevant, and it will encourage other businesses and organisations to be the same. A lot of people look to us for leadership, we have to be an exemplar and put it at the heart of what we do.... when we send all male panels to conferences it reflects us as a region”

“If you have a male-dominated management team you are definitely missing something”

“You don’t get better policy coming forward if you exclude 50% of the population from the process. You get better decisions from a more diverse group of people”

“Whilst the number of women interested in technology-related career falls, the tech job market is growing faster than any other. If we’re going to meet the technology workforce needs, then we need to start appealing more to the gender that makes up 51% of the population. When it comes to recruitment, diversity can help you build your business and attract talent that wouldn’t normally apply for positions with your company. If you can build a leadership team to have a fair gender representation you can inspire other females to aim higher in their career”

3. Representatives of both the Combined Authority and its Constituent Authorities reported the existence of significant obstacles making it hard for them to deliver on aspirations of a more representative elected membership.

It is beyond question that improving representation in the elected element of the Tees Valley Combined Authority is a far from simple process. The vast majority of positions are constitutionally granted to council leaders and cabinet portfolio holders. As 80% of Tees Valley Council leaders are men, 100% of deputy leaders and 75% of cabinet members, there is very little room for manoeuvre at Combined Authority level when it comes to achieving a balanced cabinet.

Subjects were quick to point out that improving the diversity of elected membership was more difficult in practice than in theory, in particular highlighting both a lack of female and minority councillors to seek such positions, and a lack in particular of willingness from female members to put themselves forward.

Put simply, stakeholders pointed out that there are simply not enough women and even fewer ethnic minority members within their elected memberships to choose from, fewer still wish to or feel able to be chosen.

“It’s up to the Local Authorities to put forward their members. All political parties should be getting better representation of women. Councils should be doing much more, but we are at the whim of those councils”

“We elect on portfolios and women don’t put themselves forward for positions like resources or regeneration. Where women perceive their focus to be, or other people perceive their focus to be, tends to be ‘softer’ areas like Children’s Services”

“In an ideal World you’d have an equal split, but the difficulty is where your councillors come from. Cabinet has always been dominated by men. It’s usually 2 or 3 women. I did have a conversation with my deputy about how we could have a gender balanced leader, deputy and cabinet, but then we have the problem of who would be able to do it and who would want to do it. I only have 29 people to choose from”

“We need more women leaders of councils. That’s what we really need”

“It’s difficult for me in a committee system. I can’t select a 50/50 cabinet, although I have to intervene at some points I allow committees to select their own Chair. I try to encourage gender balance but a lot of people don’t want the responsibility of being Chair”

“The way I select my Cabinet is very simple – who can do the job! We have to play around with factors like geography and even availability; it’s a lot like juggling. When you come to the end you think ‘look at that, that’s not great for equality’”

“It’s difficult to get women to put themselves forward. As a group we need to think about how to make all members put their names forward”

“The problem is the gender balance of the leaders. The long term solution is to get more women involved in politics, which will percolate upwards”

Although as one respondent noted, with sufficient will, these obstacles can be overcome.

“We have equality written into our Constitution. It’s hard for some of our (constituent groups) who don’t have a lot of female members – but it’s about making them think about bringing through members who are women, minority, trans and LGB”.

4. There was widespread acknowledgement that the purpose and significance of the Tees Valley Combined Authority is yet to become fully embedded in the consciousness of the population of the region – including its councillors.

A tangential but significant theme to emerge from discussions is a concern of stakeholders that progress being made by TVCA is being hampered to some extent by a lack of awareness of its role and the value of engagement, and that this lack of understanding extends not just to the population as a whole but councillors of its constituent authorities.

With particular regard to this study, this factor is perceived as a reason why the membership of statutory committees such as the Overview and Scrutiny Committee itself are so lacking in diversity.

“Nobody wants to come onto the Combined Authority. It takes a lot of pressing to make people aware of the importance of being here. They think because it’s in its infancy there’s no point in being part of it”

“There is an issue about how seriously members beyond the leaders take the Combined Authority and whether or not they want to engage with it constructively. There is a lack of understanding... and a legacy of people who don’t believe in the Authority or the elected Mayor”

“I think people are still working out what these roles are as people haven’t grown up with a Combined Authority. It’s not something people have grown up wanting to do... Members are chosen by the Labour Group but they can only do that on the basis of who volunteers. I don’t exactly have to encourage people but an explanation is often required as to why it’s necessary and why it’s important”

“If you are asked to represent your area on a Combined Authority it can be very daunting. It’s complex and technical and people may not feel able to do it”

“TVCA’s profile is driven by the mayor. People are aware of the person but lack understanding of what the body does”

“More work has to be done explaining to members more about what we do and how it is relevant to them and their communities. We need people to understand that it’s a positive thing”

“In terms of people coming onto TVCA one councillor put his hand up as he has always had an interest in scrutiny. As for the rest of the group, there was very little interest”

5. Interview subjects recognised a significant value of inspiring improved diversity through the promotion of prominent role models.

A significant proportion of stakeholders questioned put forward the notion that the prominent female and minority figures were essential to encouraging more women and people from ethnic minority groups to engage with the political process.

“I feel a more prominent female member of the TVCA would be beneficial, i.e. Deputy Mayor”

“We have to have more role models. At one time we had a full female line-up on the top table of our council, leader, mayor, Chief Executive, opposition leader and the MP too. You’ve got to use that to make people see that this organisation is open to everyone, this could be you, it isn’t just an exclusive male club”

“The Combined Authority is not just a small group of people in this building, people need to see that”

“We need people to look up and say ‘I could get there’. With people like Sue Jeffrey or Amanda Skelton and Gill Alexander those people are out there but we could have more. A female Deputy Mayor could have the benefit of doing that”

6. Stakeholders recognised a need for the Combined Authority, its Constituent Authorities and local political parties to engage far better with ethnic minority communities of the Tees Valley.

“Our council isn’t very diverse or representative of (the borough). But it depends on who the candidates are. For example, we have a Bangladeshi community but they aren’t party members”

“Is our council representative? Nothing like it. We have two BAME members, one Asian and one Caribbean, and they are both standing down”

“BAME members are a lot more difficult to engage with. With Asian groups in particular there seems to be a scepticism of local bodies. We have to change that.”

“As a council we have a BAME population of 3 or 4%, but we have a lot less employed by the council. We need to do more to encourage those communities to apply for jobs and ensure they have the skills and qualifications to apply for those jobs”

7. Interview subjects – including previous and current role-holders - agreed that the current Deputy Mayoral system is vague, undefined and under-utilised.

Whilst the Constitution of the Tees Valley Combined Authority explicitly states that the Mayor must appoint a Deputy, and that this Deputy be appointed from the leadership of the Constituent Authorities, almost no further instruction as to purpose of this role is provided. As a result, Cabinet Members questioned the value of the role in its present form.

Indeed, some Cabinet members felt that their own portfolio roles were equally under-developed, contributing towards them being sceptical towards the value of the establishment of junior cabinet roles introduced by other Combined Authorities.

“Very early on we looked at the appointment of Deputy Mayors, concerned in part by a lack of diversity – but the idea was not well received and the Constitution makes it difficult. It doesn’t make sense to me that there is no strategy or agenda for who we have doing that. It seems very arbitrary to me”

“The Deputy Mayor position is not defined at all. There was no role apart from it being a statutory requirement. I think I opened one project, which was in my area, when the Mayor couldn’t make it and maybe chaired a couple of meetings when he was away. It is pointless having a statutory Deputy Mayor if they have nothing to do. It needs defining”

“Our portfolio role is so under-developed anyway what would a deputy portfolio holder do?”

“I’m not sure I’d increase the number of positions. What would they do? We don’t want jobs that don’t do anything because, who would want those jobs?”

“I think the Mayor should be allowed to appoint deputies, people expect that”

There was however one significant observation from a Cabinet Member relating to this issue.

“We need to make sure that the narrative is all about equality, not just gender. I’m set to become Deputy Mayor next year and as a gay man if I was moved aside for a woman would that serve equality?”

5. Findings of survey of elected members of the Tees Valley and Local Enterprise Partnership members.

Between August and September of 2018 electronic surveys were circulated to the all councillors of the Tees Valley councils and members of the Tees Valley Local Enterprise Partnership in order to learn more about the gender, sexuality and ethnic background of the memberships, and to see if members felt their background impacted upon their council and board duties and engagement with the Tees Valley Combined Authority.

Of particular interest to the working group was ascertaining what factors prevent female and minority councillors from progressing from the backbenches of councils to positions of leadership and which prevent them from coming into contact with the Combined Authority.

78 council members completed the survey – 33% of the total.

7 Local Enterprise Partnership Members completed the survey – 58% of the total at the time.

Full results are attached as Appendix 1, but significant findings are detailed below.

What is clear from the survey is that a significant number of female councillors feel held back by their caring responsibilities, not feeling qualified to participate in the TVCA and not having enough confidence to participate.

We have also learned that Tees Valley Councillors are already in many case working full-time or more than full-time hours in their council responsibilities, ethnic minority members believe their backgrounds hold them back and LGBT+ members believe TVCA does not do enough to engage with their community.

What is also highly worthy of note is how LEP members unanimously believed the aims and objectives of TVCA are unclear to wider communities.

- **What the survey tells us about the membership of the Tees Valley councils**
 - 63% of Tees Valley Councillors are over 60
 - 64.5% identify as Christian, 32.9% as having no religion, 1.3% Muslim and 1% are an “other” religion.
 - 97% of councillors identify as “white British” or “white other” with 1.3% identifying as “British Asian”.
 - 100% of these “British Asian” councillors believe their ethnic background has held them back, and 100% believe TVCA would be more representative and effective with BAME people represented at cabinet or committee level.

- 25% of councillors have a caring responsibility (possibly as high as 30% when 'prefer not to say' results are included)
 - 52% of councillors are spending 21-50 hours on their council duties, equivalent to a full-time or mostly-full-time job.
 - 22% believe themselves to have a disability, but 88% of those respondents do not believe it has made it more difficult for them to progress as councillors. 69% of those councillors felt the CA would be more effective or representative with people with disabilities represented at cabinet or committee level,
 - 5% of councillors are bisexual, 1% gay, 0% lesbian and 2.7% would rather not disclose their sexual orientation.
 - 80% of these councillors do not think the CA does enough to engage with their community.
 - 11% of councillors – 8 in total – do not identify as being the gender they were assigned at birth.
- **The obstacles faced by female councillors in the Tees Valley**
 - 26% of female councillors thought their gender was an obstacle to progress.
 - Obstacles female members reported included:
 - Caring commitments (43%)
 - Not feeling qualified (57%)
 - A lack of confidence (29%)
 - Professional commitments (14%)
 - A lack of interest (14%)
 - Obstacles they thought other women faced included:
 - Caring commitments (50%)
 - Professional commitments (36%)
 - A lack of confidence (36%)
 - Not feeling qualified enough (29%)
 - A lack of interest (29%)
 - Sexism (18%)

- 87% think it is important to increase the number of women in Cabinet and Committee roles.
- 43% believed senior appointments were made with an intentional or unintentional gender bias.
- **What do councillors think should be done?**
 - 48% believe proactive steps should be taken to promote prominent female role models
 - 62% backed the creation of junior portfolio roles
 - 31% supported help with caring expenses
 - 17% backed specific positions or positions for women, 21% a dedicated equalities portfolio holder, 21% an equalities committee
 - 44% supported additional training and 41% mentoring opportunities.
 - 45% supported more flexible meeting times.
 - 34% supported the use of technology to attend meetings remotely.
- **What the survey tells us about the membership of the Local Enterprise Partnership**
 - 86% of LEP board members identified as White British, 14% as “Other”.
 - 43% identified as Christian, 43% as having no religion and 14% would prefer not to say.
 - 100% gave their sexual orientation as “heterosexual”
 - 1 member reported that their gender was different to the one assigned at birth.
 - 71% were male, 29% female (indicating that 100% of women on the LEP board at the time of the survey participated)
 - 100% reported that they were working full-time.

- 66% of LEP members reported that they work in their substantive jobs for at least 41 hours a week, and in the case of 33% more than 61 hours.
- 43% felt materials such as recruitment adverts and personal specifications gave potential candidates a false impression that they are not qualified or experienced enough to join the LEP.
- Reasons LEP members believe prevented people from applying to serve on the LEP Board – women and ethnic minorities in particular included:
 - A lack of understanding about the role and responsibilities of the LEP (100%)
 - Not feeling the role is for people like us (71%)
 - Not having the time to commit (71%)
 - Family or personal reasons (43%)
 - Disagreeing with the concept of the LEP or the Tees Valley Combined Authority (14%)

6. Recommendations

Having considered the evidence gathered through an extensive research-gathering process, the Overview and Scrutiny has the following recommendations to make.

As laid out in the Constitution of the Tees Valley Combined Authority it requests that a formal response be received within two month of this report's presentation to Cabinet.

1. The Tees Valley Combined Authority should introduce an additional Deputy Mayor – who constitutionally must be of a different gender or protected characteristic group to the incumbent Mayor.

This study has not just revealed a need and desire for more prominent representation at the heart of the leadership of the Tees Valley Combined Authority, but the need for enhanced capacity within the organisation for engaging with communities and promoting the work and significance of the Combined Authority. The creation of the position for a prominent, high profile and credible Deputy Mayor, in addition to the existing local authority deputy mayor, would be the ideal way of meeting these needs.

This study has also revealed that many female and ethnic minority councillors – and prospective councillors - feel held back by a lack of expertise and a lack of confidence. Although some individual councils reported making efforts to address these issues, provision was inconsistent and lacking in central leadership and drive. Again, a prominent, high profile and credible Deputy Mayor would be ideally placed to co-ordinate work tackling these issues and lead on a regional level on removing the structural barriers to progress.

This position would be in addition to and not in replacement of the existing Deputy Mayor (Local Authority) who would continue to substitute for the Mayor as required.

Although the precise role and responsibilities of this post holder would be subject to wider consultation and development, we envisage this individual having a specific portfolio responsibility for Equalities and Opportunity and being tasked collaborating with local councils, community, faith and interest groups and businesses to overcoming the obstacles to public participation with politics revealed by this study, adding value to the work of the Mayor and the wider Combined Authority in engaging with communities and councils across the Tees Valley and working with Local Authorities to co-ordinate the development of networks, training programmes and mechanisms aimed at inspiring and creating a new generation of local leaders better reflecting the population of the region and proactively seek out women and minority councillors and potential councillors for leadership programmes.

“How do you get more women involved? It has to come from the organisations who are sending people forward” said one Cabinet Member interviewed for this study. The appointment of such a Deputy Mayor would allow the Combined Authority to empower its constituent councils to do just that.

In preparation for the creation of this position we additionally recommend that Local Authorities consult with the Chair of Overview and Scrutiny to comprehensively establish existing support aimed at attracting, retaining and developing under-represented councillors with a view to establishing how best the Combined Authority could add value to these efforts.

2. Constituent Authorities should nominate named substitutes for the Tees Valley Overview and Scrutiny Committee, where practicable of a different gender or from a different protected characteristic group to the regular member. These substitute members would also be invited to attend Committee meetings as non-voting members.

TVCA's 5 constituent council's currently nominate 3 councillors from their elected membership to sit on TVCA's Statutory Overview and Scrutiny Committee.

This committee does not currently require the local authorities to nominate substitute members to attend in the absence of full members, as it does with other statutory committees. As a result, achieving quorum has from time to time been problematic and representation from the differing local authorities varies significantly from an average membership of 2.8 members for one council to 0.8 to another.

Not only would the nomination of substitute members potentially tackle these attendance issues, by inviting them to attend and even participate in meetings it would encourage more councillors to participate more actively in the working of Combined Authority, in a limited and manageable capacity, and allow newer and less experienced councillors to develop their skills, confidence and familiarity of local government in preparation for progressing to more prominent roles.

3. The Tees Valley's Constituent Authorities Councils should commit to immediately recording and reporting of the ethnicity, gender and sexuality of members in the same way as they do with staff members.

It is not possible to assess the representativeness of council membership in terms of BAME and LGBT+ membership as no reliable statistics exist.

This study has been unable to comprehensively assess how representative the councillors of the Tees Valley are of the communities they serve as none of those councils are currently

recording details of their councillor's ethnicity, gender and sexual orientation in the same manner as they are legally required to for staff members. This is an unfortunate oversight which could and should be rectified almost overnight.

- 4. The Tees Valley Combined Authority should lobby government to extend the legal entitlement to time off work for public duties enjoyed by public role holders such as magistrates, to councillors carrying out activities relating to Combined Authorities, Local Authorities and Local Enterprise Partnerships and to conduct a review of financial disincentives preventing political engagement, in particular by currently under-represented groups.**

"It's relatively difficult to find women to stand in the first place, there are a huge number of ways in which we don't make it easy for councillors"

"Would remuneration help? Remuneration is a dilemma. There are some people where it would be true, especially people in low paid jobs or who can't afford to go part-time. But people outside of the process still see it as something that should be done in a voluntary capacity. But that doesn't buy food or pay the mortgage. There's a conversation to be had with the electorate who don't see the complexity and commitment of being a councillor"

It is clear that significant obstacles exist preventing willing volunteers from maximising their participation in public life – issues such as domestic and caring duties and attendant cultural attitudes, and working and financial commitments which tend to disproportionately affect female, younger, less affluent and working councillors.

Whilst it goes beyond the ability of the Combined Authority or its constituent authorities to address these issues alone, the committee believes a national conversation is necessary about what we expect from our councillors and what practical measures can be implemented to allow them to better exercise their duties.

- 5. The Tees Valley Combined Authority must comprehensively define the roles and responsibilities of portfolio positions and provide job descriptions to portfolio holders.**

Portfolio holders reported a lack of clarity with regards to the specific expectations and responsibilities of their roles. Once this work is carried out, it will be possible to accurately assess what support those portfolio holders require in this role, including but not exclusive to additional political support.

Although the Committee is stopping short at this stage of outright recommendation of the introduction of assistant portfolio holder roles, this may be revisited at a later date. In the meantime we would ask Council Leaders to consider formally mentoring a junior councillor from their own authority, whose responsibilities may include assisting with work relating to the Tees Valley Combined Authority.

6. Both the Tees Valley Combined Authority and its Constituent Authorities should consult with members on meeting times to ensure that they are as accessible as possible to all members.

Given the prevalence of shift-work in the Tees Valley and the comparative decline of the traditional nine-to-five employment, alternative meeting times alone should not be considered a panacea to improved political engagement from currently under-represented groups, but it cannot be overlooked that 44% of councillors surveyed endorsed more flexible meeting times as a means of addressing gender imbalance.

Both the Combined Authority and Local Authority should commit to carrying out periodic reviews that all meetings are timetabled or order to maximise accessibility and attendance of both members and prospective members.

7. Both the Tees Valley Combined Authority and its Constituent Authorities should investigate potential use of technology to enable the remote attendance of meetings.

It is clear that many elected members face practical difficulties in terms of physically attending meetings both their own councils and the Combined Authority, related to professional and caring commitments and even mobility.

In 2019 this should not be physically necessary for members to attend these meetings in person when adequate and affordable technology allows them to participate remotely, and both TVCA and its constituent councils should investigate the procurement of such technology if they have not already done so.

8. The Tees Valley Combined Authority should commission an independent audit of its premises to ensure accessibility, and seek to secure Disability Confident status at the earliest opportunity.

88% of survey respondents identifying as having a disability led reported that their disability did not prevent them from engaging with the TVCA, but there is nonetheless significant merit in commissioning of independent analysis of TVCA premises, and even more value in being able to publically emphasise that this is an organisation which takes disability rights seriously.

9. The Tees Valley Combined Authority should set itself the ambition of becoming the first Combined Authority to secure Diversity Champion status.

The Tees Valley Combined Authority is uniquely placed in both the Tees Valley, the North East and other Combined and Mayoral Authorities to offer leadership on LGBT+ equality. Working with the charity Stonewall to become the first Combined Authority to achieve the recognised standard organisational excellence in LGBT+ equality, Diversity Champion status, represents the ideal way of catalysing this work.

10. The Tees Valley Combined Authority should ensure that all Cabinet reports include a thorough and meaningful Equalities Impact assessment, and that this assessment is carried out only by suitably qualified staff.

The Combined Authority must guard against the temptation of assuming that issues like gender are irrelevant in economic development decisions and ensure that all relevant staff have the appropriate training to factor these issues into their proposals.

11. Constituent Authority Leaders are asked to publically commit to a gender balanced cabinets and committees in their councils, where practicable, and acknowledge the risk of unconscious bias influencing the allocation of portfolios. Constituent Authority Leaders should also commit to reviewing mental health support offered to councillors.

At present just 30% of local authority cabinet members are women, and those women are overwhelmingly to be found in the same “caring” portfolios with little interaction with TVCA.

43% of those surveyed believed that the appointment of senior councillors was made with an intentional or unintentional gender bias.

While acknowledging the practical difficulties leaders face when building balanced cabinets and the interests and ambitions of individual councillors, leaders should be aware of how striking it is that only two female Tees Valley Cabinet members currently hold portfolios

relating to economic development, resources, transport and housing – the most likely portfolios to engage with the Combined Authority and statistically the most likely positions from which cabinet members progress to council leadership.

12. The Tees Valley Combined Authority should consider how existing local authority-specific events showcasing the diversity of the Tees Valley – such as Pride and Mela- can be developed into region-wide events.

The individual authorities of the Tees Valley have a good deal to be proud of in terms of specific cultural events showcasing our region's diversity. The Combined Authority should use its position and leverage to add maximum value, capacity to these events, driving their popularity and profile.

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Tees Valley Combined Authority Overview & Scrutiny **Proposed Work Programme 2019/20**

Standing Items

Minutes from the Previous Meeting
Announcements from the Chief Executive
Delegated Decisions
Forward Plan
Date and Venue of the Next Meeting

Date	Venue	Item / Responsible Officer
12 th July 2019 at 13.30pm	Cavendish House Teesdale Business Park Stockton On Tees TS17 6QY	Election of Chair and Vice Chair Introduction to Tees Valley Combined Authority – Julie Gilhespie, Chief Executive Assurance Framework overview – Linda Edworthy, Strategy Director Equality & Diversity Report – for approval Meetings and Forward Plan for Civic Year 2019/2020
Dates of future meetings to be confirmed	Cavendish House Teesdale Business Park Stockton On Tees TS17 6QY	TBC

Proposed Items to be scheduled

- Annual Financial Statements & Annual Report
- Transport Plan
- Combined Authority Budget – Quarterly updates
- Combined Authority Investment Plan & Budget 2020/2021
- Portfolio Lead updates
- LEP Update
- Durham Tees Valley Airport
- Updates from Finance and Resources Sub Committee (where applicable)

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