

**TEES VALLEY COMBINED AUTHORITY
OVERVIEW & SCRUTINY COMMITTEE**

**Cavendish House, Stockton-On-Tees, TS17 6QY
Thursday 25th October 2018 at 10.00am**

MEETING

ATTENDEES

Members

Cllr Norma Stephenson OBE (Chair)	Stockton on Tees Borough Council	SBC
Cllr Derrick Brown	Stockton on Tees Borough Council	SBC
Cllr Matt Vickers	Stockton on Tees Borough Council	SBC
Cllr Heather Scott OBE	Darlington Borough Council	DBC
Cllr Ian Haszeldine	Darlington Borough Council	DBC
Cllr Sonia Kane	Darlington Borough Council	DBC
Cllr Matthew Storey	Middleborough Borough Council	MBC
Cllr Vic Walkington	Middleborough Borough Council	MBC
Cllr Phillip Thomson	Redcar & Cleveland Borough Council	R&CBC
Cllr Glynn Nightingale	Redcar & Cleveland Borough Council	R&CBC
Cllr Neil O'Brien	Redcar & Cleveland Borough Council	R&CBC

Apologies for absence

Cllr Stephen Akers-Belcher	Hartlepool Borough Council	HBC
Cllr Mike McLaughlin	Hartlepool Borough Council	HBC
Cllr Rob Cook	Hartlepool Borough Council	HBC
Cllr Jean Sharrocks	Middlesbrough Borough Council	MBC

Officers

John Hart	Governance & Scrutiny Officer	TVCA
Julie Gilhespie	Interim Managing Director/Finance Director	TVCA/STDC
Martin Waters	Head of Finance, Resources and Housing	TVCA
Fran Manancourt	Strategic Transport Planning Officer	TVCA

Other Attendees

Cllr Stephen Harker	Portfolio Holder for Transport	TVCA/DBC
Cameron Brown	Special Advisor to the Tees Valley Mayor	TVCA
Craig Peacock	Communications and Marketing Manager	TVCA
Joan Stevens	Statutory Scrutiny Manager	HBC

<p>OSC 27/18</p>	<p>INTRODUCTION/APOLOGIES FOR ABSENCE</p> <p>The Chair opened the meeting by stating that members were now in receipt of a briefing statement from the Combined Authority on the subject of hydraulic fracturing, as requested by members.</p> <p>Apologies for interest were received from Councillors Akers-Belcher, Cook, McLaughlin and Sharrocks.</p>	
<p>OSC 28/18</p>	<p>DECLARATIONS OF INTEREST</p> <p>There were no interests declared.</p>	
<p>OSC 29/18</p>	<p>MINUTES</p> <p>The minutes of the meeting on 13th September 2018 were agreed and signed as a correct record.</p>	
<p>OSC 30/18</p>	<p>ANNOUNCEMENTS FROM THE INTERIM MANAGING DIRECTOR</p> <p>Julie Gilhespie, Interim Managing Director, updated members on:</p> <ul style="list-style-type: none"> • The Combined Authority’s ongoing prioritisation exercise. • An internal Culture, Vision and Values exercise, and how this exercise will inform the Combined Authority’s relationship with stakeholders and local authority partners. • The ongoing development by the Combined Authority of a Local Industrial Strategy – and it’s complimentary relationship with its existing Strategic Economic Plan – as part of a national pilot. • Reports to be considered at the 30th November meeting of the Tees Valley Combined Authority Cabinet. <p>ClIr Phillip Thomson suggested that in future the Committee receive prior notification of topics the Managing Director intended to brief the Committee on as part of this agenda item.</p>	
<p>OSC 31/18</p>	<p>UPDATE: SOUTH TEES DEVELOPMENT CORPORATION</p> <p>Julie Gilhespie, who also acts as Finance Director of the South Tees Development Corporation, updated the Committee on progress made by the Corporation over the past year, including:</p> <ul style="list-style-type: none"> • The signing of a partnership agreement with energy and utilities firm Sembcorp aimed at maximising investment opportunities on the site. • A supplementary planning document being agreed with Redcar & Cleveland Borough Council. • Assessment of the ground condition of 90% of the site, including the drilling of over 1500 holes. • Negotiations to acquire the Development Corporation land reaching an advanced stage, with plans for the Compulsory Purchase of the site also being developed as a contingency, although this was not the Corporation’s preferred course of action. • Over 100 expressions of interest have now been received from 	

	<p>potential investors. Announcements were expected in the next 6 to 12 months, but remained commercially sensitive at this time.</p> <p>Cllr Vic Walkington asked if the Thai Banks were the only land owners with whom the corporation was currently negotiating. Julie Gilhespie stated that negotiations were also active with Tata Group.</p> <p>Cllr Glyn Nightingale asked if the completion of one of these negotiations would allow development to begin on this land before negotiations were completed with the other party. Julie Gilhespie confirmed that it could.</p> <p>Cllr Philip Thomson requested details of the tendering for the servicing of the site, and whether the result of the ground condition assessment investigations could be shared with the Committee. Julie Gilhespie stated that servicing of the site was the responsibility of the South Tees Site Company, owned by the Department of Business, Energy, and Industrial Strategy.</p> <p>Members held a discussion into the governance relationship between the Tees Valley Combined Authority and the South Tees Development Corporation with members being provided details of how the Corporation must refer decisions which may result in a financial, environmental or statutory liability to the Combined Authority for ratification, at which point it would be permissible for the Overview and Scrutiny Committee to consider the matter. Members were also provided with details of the Corporation's own governance arrangements, in particular its Audit & Risk Committee, upon which two members of the Combined Authority's Audit & Governance Committee sit.</p> <p>The Chair requested that members be provided with a copy of the Development Corporation Constitution.</p>	
<p>OSC 32/18</p>	<p>UPDATE: BUDGET 2019/20</p> <p>Martin Waters, Head of Finance, Resources and Housing, briefed the committee on the timetable for the setting of the Combined Authority Budget for 2019/20.</p> <p>Cllr Matt Vickers asked for confirmation that the Mayor of the Tees Valley was not intending to introduce a Mayoral Precept as part of this year's budget. Julie Gilhespie confirmed that this was the case.</p> <p>Cllr Ian Haszledine, Vice-Chair of the Committee and Chair of the Budget Sub-Committee stated that the Sub-Committee's areas of interest while scrutinising the budget were likely to include the impact of Brexit, the devolution of the Adult Education Budget, remediation work on the South Tees Development Corporation site and Durham Tees Valley airport, and reiterated the committee's desire for further details to be provided on the nature of legal advice procured with regards to the airport to date.</p> <p>A discussion by members – including Cllrs Heather Scott, Matt Vickers, Sonia Kane, Glynn Nightingale and the Chair – concluded</p>	

	<p>with the Chair stating that it may be necessary for the Committee to hold an extraordinary meeting on the subject of the airport – in private in the event of commercially and legally sensitive issues being discussed – as it had previously done in March 2018.</p>	
OSC 33/18	<p>PORTFOLIO UPDATE: TRANSPORT</p> <p>Cllr Stephen Harker, portfolio holder for Transport and leader of Darlington Borough Council introduced a portfolio update by highlighting the Combined Authority’s ambition to simultaneously improve the Tees Valley economy’s global connectivity and improve intra-region transport for residents.</p> <p>He drew the committee’s attention to:</p> <ul style="list-style-type: none"> • The need to upgrade Darlington Station in preparation for the arrival of HS2 in the region. • A recent meeting of Transport for the North critically assessing the performance of train operators and Network Rail. • Key actions relating to transport being developed by the Combined Authority, including a new Tees Crossing. <p>The Chair inquired if the Combined Authority had been involved in a recent meeting addressing the accessibility of Billingham Station to residents with a disability, as reported in the press. Julie Gilhespie confirmed that the Combined Authority was involved in this process but had not attended that specific meeting.</p> <p>Cllr Heather Scott requested timescales for the investigation into bus franchising as stated in the report. Fran Manancourt, Strategic Transport Planning Officer reported that the evidence-gathering necessary for this investigation was complicated and lengthy, but likely to be concluded within the next few months.</p> <p>Cllr Philip Thomson requested a more detailed timetable for the delivery of the new Tees Crossing. Cllr Stephen Harker stated that these timetables were dependent on Highways England but attempts would be made to provide this for the committee.</p> <p>Cllr Thomson asked if consideration was also being given to a further Tees Crossing to the east of the region. Fran Manancourt confirmed that a defeasibility study was being undertaken.</p> <p>The Chair congratulated Cllr Harker on his recent election to the position of leader of Darlington Borough Council and thanked him for his attendance.</p>	
OSC 34/18	<p>OVERVIEW AND SCRUTINY STUDY: DIVERSITY IN THE TEES VALLEY COMBINED AUTHORITY</p> <p>John Hart, Governance and Scrutiny Officer updated members on the progress of the study, and in particular the results of the recently concluded electronic survey of members of the Local Enterprise Partnership and the Constituent Local Authorities of the Tees Valley.</p> <p>Cllr Matt Vickers asked if the timing of meetings had been considered as part of the survey. The Governance and Scrutiny Officer confirmed</p>	

	<p>that it had.</p> <p>Cllr Heather Scott asked if the final report would be shared with members of the five Constituent Authorities. The Chair confirmed that it would.</p> <p>Cllr Ian Haszeldine thanked the Chair and the Governance & Scrutiny Officer for their work on the study to date.</p>	
OSC 35/18	<p>FORWARD PLAN</p> <p>Members agreed to the Forward Plan as presented, with the requested addition of a presentation on Combined Authority plans relating to the devolution of the Adult Education Budget.</p>	
OSC 36/18	<p>DATE OF THE NEXT MEETING</p> <p>6th December 2018 at 10.00am</p>	

Minutes agreed as a true record

Councillor Norma Stephenson OBE:.....

Date:.....