

TEES VALLEY COMBINED AUTHORITY BOARD

**Meeting Room 1, Cavendish House, Teesdale Business Park,
Stockton-on-Tees at 10.00am on Wednesday, 2 November 2016**

ATTENDEES

Members

Mayor David Budd (Chair)	Mayor of Middlesbrough Council	MBC
Councillor Bill Dixon	Leader of Darlington Borough Council	DBC
Councillor Christopher Akers-Belcher	Leader of Hartlepool Borough Council	HBC
Councillor Sue Jeffrey	Leader of Redcar and Cleveland Borough Council	R&CBC
Councillor Bob Cook	Leader of Stockton-on-Tees Borough Council	SBC
Paul Booth	Chair of Tees Valley LEP	LEP

Associate Members

Phil Cook	Member of Tees Valley LEP	LEP
David Robinson	Member of Tees Valley LEP	LEP
David Soley	Member of Tees Valley LEP	LEP

Apologies for absence

Paul Croney	Member of Tees Valley LEP	LEP
Ian Kinnery	Member of Tees Valley LEP	LEP
Alastair MacColl	Member of Tees Valley LEP	LEP
Naz Parkar	Member of Tees Valley LEP	LEP
Nigel Perry	Member of Tees Valley LEP	LEP

Officers

Gill Alexander	Chief Executive of Hartlepool Borough Council	HBC
Nigel Hart	Stockton-on-Tees Borough Council	SBC
David Bond	Monitoring Officer (TVCA)	TVCA
Ada Burns	Chief Executive of Darlington Borough Council	DBC
Garry Cummings	Section 151 Officer (TVCA)	TVCA
Linda Edworthy	TVCA	TVCA
Tony Parkinson	Interim Chief Executive of Middlesbrough Council	MBC

Julie Danks	Deputy Chief Executive of Stockton-on-Tees Borough Council	SBC
Amanda Skelton	Chief Executive of Redcar and Cleveland Borough Council	R&CBC

Also in attendance

Councillor Phil Dennis	Stockton-on-Tees Borough Council and Chair of the TVCA Overview and Scrutiny Committee
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Action

TVCA 55/16 DECLARATIONS OF INTEREST

There were no interests declared.

TVCA 56/16 ANNOUNCEMENTS FROM THE CHAIR

There were no announcements from the Chair.

TVCA 57/16 MINUTES

Consideration was given to the minutes of the meetings held on 24 August 2016.

RESOLVED that the minutes of the meetings held on 24 August 2016 be confirmed and signed as a correct record.

TVCA 58/16 DEVOLUTION – PROGRESS REPORT

Consideration was given to a report that updated the Members on progress in the implementation of the Tees Valley's devolution deal.

It was one year since the Tees Valley Leaders signed the Devolution Deal with government. The report very briefly took stock of recent developments.

Discussions continued with government departments to resolve the detailed arrangements for devolution of responsibilities. These included discussions with the Department of Education and Skills Funding Agency to prepare for the devolution of the adult education budget from 2018; with the Homes and Communities Agency on the enhanced delivery of programmes for housing growth; and with the Department of Work and Pensions to enhance local influence over the Work and Health Programme.

RESOLVED that the report be noted.

TVCA 59/16 EXTENDING THE YOUTH EMPLOYMENT INITIATIVE

Consideration was given to a report on extending the Tees Valley Youth Employment Initiative (YEI).

The YEI Programme, began delivering earlier in 2016. Total contracted allocations of YEI/ESF amounted to £19,837,962, leaving £3,094,308 of the overall YEI award (£22,932,000) unallocated. Some additional YEI/ESF monies may also be available from a central pot held by DWP.

The proposal was to secure the full uncommitted Tees Valley resource (£3,094,308), this required £1,031,436 locally as match. Based on additional match funding of £1.03m an additional 2,000 (minimum) young people (aged 15-29) who were not in education employment or training (NEET) would be provided with the opportunity to gain the skills and behaviours required to progress towards work. However, there was also potential to access additional YEI funding that cannot be utilised elsewhere in the country, for example it was understood that London had committed very little of their allocation. A case would also be developed to put to DWP as soon as possible as they would be considering the use of all uncommitted YEI during the autumn. Funds would be committed from the 2016/17 allocation but would be available in line with the YEI funding through to end of July 2018.

The TVCA had been asked by DWP to talk to the existing providers (New College Durham and Hartlepool Borough Council) about their ability to utilise the remaining Tees Valley YEI allocation and associated ESF match. The reason that the two providers were unable to take up the full allocation at the outset was the lack of available match funding, therefore making the local match available through the devolution funds would remove this barrier. Both providers had been made aware of the potential opportunity for additional funding and the associated requirement for additional outputs. Should funds become available, both lead providers had confirmed that they would be prepared to increase their delivery operations to draw down the additional funding.

DWP had also suggested that a further open call could be developed to identify appropriate delivery. However, due to the timescales for delivering the activity and achieving full spend by the end of July 2018, an open call process would leave very little time for new delivery partners to achieve a real impact. Therefore, the preference was to work with the existing providers to fund appropriate additional activities.

If agreed TVCA would ask each provider to come forward with proposals to either increase activity where it was already demonstrating positive impacts, or to identify new activity that wasn't able to be supported in the original programme, due to the lack of available match funding. These would then be put forward to DWP who would be requesting the approval of Treasury to secure additional YEI/ESF funding for the Tees Valley.

RESOLVED that the provision of up to £2.06m of TVCA funding be

approved to act as the 25% match as part of the overall programme budget. This would secure up to an additional £6.188m of YEI / ESF investment for young people within the area. Additional young people (aged 15-29) who were not in education employment or training (NEET) would gain skills and behaviours required to progress towards work.

TVCA 60/16 EXPANDING BROADBAND

Consideration was given to a report on expanding broadband in the Tees Valley.

The report marked the completion of Phase 1 of the rollout of superfast broadband under the Broadband Delivery UK (BDUK) project and the recommended next steps before potential commencement of Phase 2 and subsequent planning for Phase 3.

The BDUK contract in Tees Valley was being delivered by BT under contract to Digital Durham.

Phase 1 of the project had been delivered within budget and although only 89 out of 93 cabinets were enabled, a total of 15,556 premises (original target 11,000 premises) had access to broadband which equated to 93.1% coverage. This related to a cost per premise of £89.99 which when benchmarked to other market providers offered value for money.

BDUK had a target of 95% coverage of UK premises by 2019/2020. At the end of Phase 1 93.1% of Tees Valley premises potentially had access to superfast broadband, meaning that there was an approximate gap of 1.9% (which equated to 5,920 premises out of a total of 311,600 for the region) with only Hartlepool having exceeded the target. There was consequently a need for a second phase of the BDUK programme in Tees Valley.

Two Options for delivery of Phase 2:

- Existing Phase 2 Option; and
- Enhanced Phase 2 Option.

A table within the report reflected the existing submission (in terms of outputs) to BDUK for the possible delivery of Phase 2.

The enhanced Phase 2 Option had been developed to reflect identified good practice in County Durham (with its enhanced budget and aim to get 98.1% coverage at the end of Phase 2 and (almost) 100% coverage at the end of Phase 3 (utilising enhanced gain-share)) and the new financial opportunities afforded by the Devolution Deal. A table within the report summarised the two options.

Due to commercial sensitivity the appendix to the report was exempt.

RESOLVED that the enhanced Phase 2 be progressed and funded from the Tees Valley Investment Programme (no financial contributions

from composite Tees Valley Councils), subject to the following conditions:

- Digital Durham produce a comprehensive list of cabinets to be enabled and a clear timeline for their delivery; and
- A detailed marketing / promotional plan be put in place that ensures Tees Valley meets the requisite gain share target for both Phase 1 and Phase 2.

TVCA 61/16 BUSINESS ENGAGEMENT AND INVOLVEMENT

Consideration was given to a report on business engagement and involvement.

The report updated Members on the arrangements in place to engage the business community in the work of TVCA, and proposed the recruitment of new members for the Local Enterprise Partnership.

The TVCA and Local Enterprise Partnership, and their predecessor bodies, had a long history of close involvement with the local business community. Business leaders had helped to shape the strategic economic plan, to prioritise interventions for growth and jobs, and promoted the Tees Valley nationally and internationally. As the Combined Authority assumed greater responsibilities under devolution, the need for a strong partnership with business was becoming more important than ever.

The way in which business was engaged would also need to develop as devolution moved forward. These issues were discussed at an event on 19th October hosted by the North East of England Chamber of Commerce, the Confederation of British Industry, the Engineering Employers Federation, the Tees Valley Business Club, the Federation of Small Business and the Entrepreneurs' Forum. Over 100 people from different sectors attended the event and welcomed the opportunity to ensure business had maximum involvement in ambitious devolution proposals. Feedback from the event would help determine the basis on which the Combined Authority and business community developed this relationship.

The Local Enterprise Partnership was the key forum for joint working between the five councils, the business community and education sector. Part of a national network of 38 LEPs, the Tees Valley LEP had an excellent reputation for effective leadership. The creation of the Combined Authority had inevitably had implications for the role of the LEP. The LEP was constituted as an integral part of the Combined Authority, with a shared officer support, and LEP private sector board members given Associate Member status of the Combined Authority.

The Combined Authority was the accountable body for the Local Enterprise Partnership. This close integration maximises the Tees Valley business voice, and ensured the Combined Authority could tap into expertise from experienced business leaders committed to shared objectives. LEP members also played a prominent national role, with opportunities to promote the interests of the Tees Valley with ministers, investors and national bodies.

With a number of vacancies amongst the nine places for private sector members of the LEP, it was appropriate to launch recruitment for LEP members. TVCA will seek a range of business leaders from different sectors and backgrounds. Proposals for appointments to the LEP Board would be brought forward to the Combined Authority at a future meeting, with the aim of having a new board in place at the beginning of 2017.

It was important that the Combined Authority's engagement with the business community was not solely through the members of the LEP. Wider groups of business leaders were keen to be engaged. It was therefore recommended that, alongside the LEP membership, a larger number of business figures were identified and supported to make a difference; according to their interest and experience.

To initiate this process, a leaflet had been developed, which could be used to promote the opportunities for involvement and encourage business leaders to come forward.

RESOLVED that:-

1. The positive engagement of the business community be noted.
2. A recruitment process for new LEP Board members be launched, as well as a wider group of business leaders who would be involved in the TVCA work.

TVCA 62/16 APPOINTMENT OF A COMBINED AUTHORITY RETURNING OFFICER

Following parliamentary approval of the Tees Valley Combined Authority (Election of Mayor) Order 2016, the Combined Authority must appoint one of its officers, or one of the officers of a constituent council, to be the combined authority returning officer in relation to the election.

RESOLVED that Combined Authority appoint David Bond the Local Returning Officer of Stockton-on-Tees Borough Council as the Combined Authority Returning Officer in relation to the Tees Valley Combined Authority Mayoral Election.

TVCA 63/16 APPOINTMENTS TO TVCA POSITIONS

Consideration was given to a report on nominations from Constituent Authorities to some of the remaining vacancies on the TVCA's Committees and Panel.

RESOLVED that the following appointments be approved:-

TRANSPORT COMMITTEE

Substitute Members

Cllr Janice Brunton - Middlesbrough Council

Cllr Marjorie James - Hartlepool Borough Council

Cllr David Walsh - Redcar and Cleveland Borough Council
Cllr Mike Smith - Stockton-on-Tees Borough Council

AUDIT AND GOVERNANCE COMMITTEE

Substitute Members

Cllr Paul Baldwin – Darlington Borough Council
Cllr Paul Beck - Hartlepool Borough Council
Cllr Lewis Young - Middlesbrough Council
Cllr Bob Norton - Redcar and Cleveland Borough Council
Cllr Chris Barlow - Stockton-on-Tees Borough Council

OVERVIEW AND SCRUTINY COMMITTEE

Member

Cllr Sonia Kane – Darlington Borough Council

INDEPENDENT REMUNERATION PANEL

Members

Cllr Ian Hazeldene - Darlington Borough Council Representative
John Taylor – Hartlepool Borough Council Representative
Jim Whiston - Middlesbrough Council Representative
Mr M Sedlatschek - Redcar and Cleveland Borough Council
Representative
Tony Campbell - Stockton-on-Tees Borough Council Representative

TVCA 64/16 FORWARD PLAN

Consideration was given to the TVCA Board Forward Plan.

RESOLVED that the TVCA Board Forward Plan be noted.

TVCA 65/16 DATES OF THE NEXT MEETINGS

The date of the next meetings on 25 November and 21 December 2016 were noted.