

Overview and Scrutiny Committee Agenda

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Date: Wednesday, 12th October, 2016 at 10.30am

Venue: Meeting Room, Cavendish House, Teesdale Business Park,
Stockton-on-Tees, TS17 6QY

Membership:

Councillor Phil Dennis - Chair (Stockton-on-Tees Borough Council)
Councillor Heather Scott – Vice Chair (Darlington Borough Council)
Councillor Ian Haszeldine (Darlington Borough Council)
Councillor Sonia Kane (Darlington Borough Council)
Councillor Stephen Akers-Belcher (Hartlepool Borough Council)
Councillor Marjorie James (Hartlepool Borough Council)
Councillor Kaylee Sirs (Hartlepool Borough Council)
Councillor Denise Rooney (Middlesbrough Council)
Councillor Jon Rathmell (Middlesbrough Council)
Councillor Jean Sharrocks (Middlesbrough Council)
Councillor Glyn Nightingale (Redcar and Cleveland Borough Council)
Councillor Bob Norton (Redcar and Cleveland Borough Council)
Councillor Philip Thomson (Redcar and Cleveland Borough Council)
Councillor Derrick Brown (Stockton-on-Tees Borough Council)
Councillor Norma Stephenson (Stockton-on-Tees Borough Council)

AGENDA

- 1. Introductions**
- 2. Apologies for absence**
- 3. Declarations of interest**
- 4. Minutes**

The minutes of the meeting held on 9th September 2016 for confirmation and signature

- 5. Proposed Training Plan**
- 6. Devolution Deal – First Payment**

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7. Tees Valley Strategic Economic Plan – Creation of New Jobs

Report attached

8. Overview & Scrutiny Committee Work Programme

Report attached

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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: Peter Bell – 01642 526188 – peter.bell@stockton.gov.uk

Members' Interests

Members (including co-opted Members) should consider whether they have a personal interest in any item, as defined in paragraphs 9 and 11 of the Tees Valley Combined Authority's (TVCA) code of conduct and, if so, declare the existence and nature of that interest in accordance with and/or taking account of **paragraphs 12 - 17** of the code.

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- relates to the determining of any approval, consent, licence, permission or registration in relation to the Member or any person described in **paragraph 17** of the code.

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

**Meeting Room , Cavendish House, Teesdale Business Park,
Stockton-on-Tees**

Friday, 9th September 2016 at 10.00am

MEETING

ATTENDEES

Members

Councillor Phil Dennis (Chair)	Stockton on Tees Borough Council	SBC
Councillor Ian Haszeldine	Darlington Borough Council	DBC
Councillor Sonia Kane	Darlington Borough Council	DBC
Councillor Heather Scott	Darlington Borough Council	DBC
Councillor Denise Rooney	Middlesbrough Borough Council	MBC
Councillor Jean Sharrocks	Middlesbrough Borough Council	MBC
Councillor Bob Norton	Redcar & Cleveland Borough Council	R&CBC
Councillor Phillip Thomson	Redcar & Cleveland Borough Council	R&CBC
Councillor Derrick Brown	Stockton on Tees Borough Council	SBC
Councillor Norma Stephenson	Stockton on Tees Borough Council	SBC

Apologies for absence

Councillor Stephen Akers- Belcher	Leader of Hartlepool Borough Council	HBC
Councillor Jon Rathmell	Middlesbrough Borough Council	MBC

Officers

<u>Andrew Lewis</u>	Managing Director TVCA	TVCA
Judith Trainer	Team Leader-Electoral & Scrutiny	SBC
Sharon Jones	Scrutiny Officer	SBC
Nigel Hart	Team Leader-Civic, Democratic & Member Services	SBC

Also in attendance

Mayor Budd	Middlesbrough Borough Council and Chair of the TVCA Board	MBC
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OSC 1/16 APOLOGIES FOR ABSENCE

Submitted on behalf of Councillors Stephen Akers-Belcher, Marjorie James, Kaylee Sirs (Hartlepool Borough Council); Jon Rathmell (Middlesbrough Borough Council); Glyn Nightingale (Redcar & Cleveland Borough Council).

OSC 2/16 DECLARATIONS OF INTEREST

There were no interests declared.

OSC 3/16 OVERVIEW & SCRUTINY COMMITTEE-WORK PROGRAMME

Members of the Overview & Scrutiny Committee received a presentation from Mayor Budd, Chair of the TVCA, and Andrew Lewis, Managing Director of the TVCA, which provided:-

- An introduction to the TVCA, including its statutory duties and value add;
- Governance Arrangements, including definition of Scrutiny function;
- Key Areas of TVCA Responsibility;
- Progress on Devolution Deal;
- Projected Funding Sources for the TVCA 2016-21;
- Potential Priorities for the Scrutiny Work Programme.

It was noted that there was already extensive scrutiny best practice within the Tees Valley which could be built upon to assist the approach to be taken by this Committee; however, further legislation regarding the Scrutiny function was expected to be announced in the next few months and would be shared with this Committee at the earliest opportunity.

To ensure that the Committee carried out its responsibilities in an efficient and effective way, it was proposed that it choose a work programme comprising:-

- Investigating matters of strategic importance
- Performance Management Reporting
- Reviewing upstream work and plans of the TVCA
- Monitoring decisions to make recommendations for improvement.

It was noted that it may be appropriate to invite the relevant TVCA Board Portfolio leads to OSC meetings, however, these positions had not yet been fully determined and would be reviewed again following the election of the new Mayor of the Combined Authority.

The key areas of responsibility of the TVCA could be summarised as:-

- **Business Growth**; through inward investment and attraction of new investors within the Tees Valley; an emphasis on research

development and engineering opportunities; and through development of a high value, low carbon diverse and inclusive economy;

- **Education, Employment & Skills;** with new responsibilities and devolved funding granted to the TVCA in respect of Adult skills formerly administered by Colleges; as well as the opportunity to have an influence over employment programmes within the region;
- **Transport & Infrastructure;** with strategic responsibility to improve public services; and resources to improve infrastructure, rail services and bus services (legislation forthcoming);
- **Place;** working with the Homes & Communities Agency to encourage investment in our housing stock, improving our communities and town centres;
- **Culture & Tourism;** enhancing the cultural & tourism offer of the Tees Valley and increasing the number of visitors to the area.

Reference was made to the projected target that 25,000 jobs be achieved which was identified within the Strategic Economic Plan. There was a need for members of this Committee to be fully briefed on the content of the Plan in order to understand whether this target was achievable, realistic and sufficiently challenging; which sectors of employment were targeted, and what the timescale was for achievement.

Members noted the projected funding sources for the TVCA for 2016-21 currently estimated at a minimum of £450m. Of the promised £170m European Funding, £90m had so far been confirmed with the remainder subject to the outcome of the Chancellor's Autumn Statement. Members were mindful that decisions on the use of funding should be without the need for ratification from central Government as set out within the Devolution Deal, although it may take some time for these arrangements to be embedded in all Government departments. Familiarity with the terms of the Devolution agreement would therefore also be necessary for this Committee, as well as copies of the Heseltine Review presented previously to the Board.

RESOLVED that:-

1. The content of the presentation be noted.
2. Members of the Committee be provided with copies of the Strategic Economic Plan; the terms of the Devolution Deal, and the Heseltine Review. SJ
3. The TVCA present members of the Committee with an analysis of how the projected target of 25,000 jobs within the Strategic Economic Plan had been derived. AL

OSC Overview & Scrutiny Committee Work Programme

4/16 The Constitutional requirements of the OSC were noted along with the need for it to develop its own work programme which was intended to encompass upstream work reviewing the most important strategic decisions and the direction of the TVCA, and ensuring that any decisions made were in line with the TVCA's agreed policies.

The Committee was presented with the following outline of possible priorities for its work programme:-

Immediate Focus

- Overview – Discussion with the Chair and Managing Director on overall priorities, ambition and capacity to deliver.
- Transport investment priorities
- Deliver of the “single pot” approach to investment, prioritisation and assurance
- Partnership with Business
- Response to the Heseltine Review
- Budget process and financial management (as part of the Budget setting process for 2017-18)

Medium-term developments

- Establishment of the role of Tees Valley Mayoral Combined Authority and proposed Constitution
- Devolution of Adult Skills and Apprenticeship programmes
- Devolution of Employment Programmes

Longer-term developments

- Public transport – improvements to local rail services, through Rail North, and the prospect of new responsibilities through the Buses Bill
- Local Growth Fund delivery
- Opportunities for future devolution

In addition to the above, Members had also identified at the previous informal meeting (the notes of which were submitted) an examination of how the TVCA would align with the Northern Powerhouse, the implications of Brexit, Housing Growth and the attraction of sovereign funds.

Members also suggested the need for the Committee to have an understanding as soon as possible of the Combined Authority's Medium Term Financial Plan and budget process. Members were invited to send any further potential work programme topics to the Scrutiny Officer in order that they could be brought back to

the next meeting for further consideration.

It was also suggested that the following information be provided for members:-

- Dates of TVCA meetings;
- Copies of TVCA Board & Committee papers when published;
- Future schedule of dates of the OSC reproduced within each set of agenda papers;
- Contact details for both members and officers of the TVCA.

Clr Kane, newly appointed to the Committee, also requested copies of all previous agendas/minutes of the TVCA and Transport Committee already supplied to members of the OSC.

Members also expressed a wish to meet initially on a 6 weekly cycle and for these meetings to be rotated around the region. Clarification was also sought as to whether the Committee could appoint substitute members to attend on their behalf.

The next meeting of the Committee would also see consideration given to its Training & Development programme.

RESOLVED that:-

1. The following information be provided for members:-
SJ
 - Dates of TVCA meetings;
 - Copies of TVCA Board & Committee papers when published;
 - Future schedule of dates of the OSC reproduced within each set of agenda papers;
 - Contact details for both members and officers of the TVCA.
2. Members of the OSC receive a presentation regarding the the Combined Authority's Medium Term Financial Plan and budget process at the earliest opportunity.
AL
3. Future meetings of the OSC be based around a 6 weekly cycle and the venues for the meetings be rotated around the region.
SJ
4. Clarification of the position regards substitute members attending the OSC be confirmed at the next meeting.
SJ
5. The potential topics identified to date for inclusion within the Committee's Scrutiny Work Programme be presented to the next meeting for consideration, along with any other topics identified by members following this meeting and notified to the Scrutiny Officer.
SJ

6. A report on the draft OSC Training & Development Programme be presented at the next meeting.

SJ/AL

AGENDA ITEM 7

REPORT TO THE TEES VALLEY COMBINED AUTHORITY OVERVIEW AND SCRUTINY COMMITTEE

DATE 12 OCTOBER 2016

REPORT OF MANAGING DIRECTOR

Tees Valley Strategic Economic Plan – Creation of New Jobs

SUMMARY

The report discusses the refreshed Tees Valley Strategic Economic Plan (SEP) and the aim to create 25,000 new jobs between 2016 and 2026.

RECOMMENDATIONS

That the report be noted.

DETAIL

At the Overview and Scrutiny Committee held on 9th September 2016 reference was made to the principal target of the refreshed Strategic Economic Plan: the creation of 25,000 net jobs by 2016. Members requested that the Overview and Scrutiny Committee be fully briefed on the content of the Plan in order to understand whether this target was achievable, realistic and sufficiently challenging; which sectors of employment were targeted, and what the timescale was for achievement.

The refreshed Tees Valley Strategic Economic Plan (SEP) aims to create 25,000 new jobs between 2016 and 2026. The rationale for the jobs target (quantum and sectoral composition) was informed by the City Deal negotiations in 2013 and quantified by EkosGen (Economic Consultants) for the 2014 Strategic Economic Plan. This was subsequently reassessed by EkosGen to inform the refreshed SEP target for 2016-2026.

The assessment of the 2014 target was based upon two key considerations:

- Quantifying the job gap (i.e. how many jobs are required to match national employment levels); and
- Reviewing the scale of change in the last major growth period.

The first part of the analysis helped to ensure that the target was suitably stretching and would result in a step change for the economy, while the latter set the target of 25,000 into context and helped to test how realistic this scale of growth was in more challenging economic conditions (particularly in the early years of the 10 year timeframe).

The initial assessment concluded that a target of 25,000 net new jobs appeared credible, although the challenge in achieving this should not be underestimated.

Detailed analysis was also undertaken to identify and quantify the sources of growth. This drew on a wide range of sources including national standard datasets and local reports and papers to determine:

- The current baseline employment number for each sector;
- The scale of growth in each sector in the last growth period (1996-2006);
- Future market trends / drivers of change, which will alter growth patterns in the coming economic cycle (e.g. technological changes, consumer demand etc);
- Patterns in exporting, inward investment and business start-ups; and
- The assets and opportunities in Tees Valley.

Since the work was undertaken, there have been a number of important economic changes and events locally and nationally, such as the closure of SSI, which are impacting on the economic potential of each sector. Taking 2009 as a baseline¹, the following two tables compare first, Tees Valley against employee levels for England and then the sectoral change in Tees Valley:

Employee Numbers 2009-2014								
	2009	2010	2011	2012	2013	2014*	Change 09-14	% change 09-14
Tees Valley	256,800	260,000	252,700	252,400	251,900	261,000	4,200	1.6%
England	23,064,700	23,085,300	23,073,200	23,256,000	23,560,800	24,299,900	1,235,200	5.4%

Source: Business Register and Employment Survey
* Provisional data

In aggregate, the fluctuations in employee numbers mean that the number of employees is 1.6% higher in Tees Valley than it was in 2009 (an annual growth rate of 0.3%), whilst nationally over the same period, employee numbers have risen by 5.4% (an annual growth rate of almost 1.1%) .

Employee Numbers by Sector, 2009-2014							
	2009		2014*		Change 2009-2014*		
	No.	% of total	No.	% of total	No.	%	% England
Healthcare	32,200	12.7%	40,300	15.7%	8,100	25.1%	10.6%
Logistics	15,100	6.0%	17,400	6.8%	2,200	14.8%	3.8%
Advanced Manufacturing	17,600	7.0%	19,800	7.7%	2,200	12.5%	2.9%
Business & Prof. Services	33,200	13.1%	34,500	13.4%	1,300	4.0%	14.5%
Culture and Leisure	18,100	7.1%	18,400	7.2%	400	2.0%	10.5%
Process, Chemical, Energy	7,500	2.9%	7,800	3.0%	300	4.2%	5.3%
Digital and Creative	7,100	2.8%	6,800	2.6%	-300	-4.5%	13.5%
Other Services	90,000	35.6%	89,100	34.6%	-900	-1.0%	-0.1%
Other Manufacturing	12,000	4.8%	9,800	3.8%	-2,200	-18.7%	1.4%
Construction	20,300	8.0%	13,400	5.2%	-6,900	-34.1%	-7.9%
Total					4,100**	1.6%	5.5%

Source: Business Register and Employment Survey
* Provisional data ** Rounding difference
Sectors defined using TVU definitions

In general, the increase in employment post-recession has surprised many commentators, and employment in England is now at an all-time high. However, the following should be noted for Tees Valley:

- Tees Valley continues to have an employment profile which differs markedly from the national profile, indicating that there is continued scope to re-balance the economy towards fast-growing private service sectors;

¹ 2009 was selected as the baseline for the 2014 report. Going forward we will utilise 2015 as the baseline for the refreshed SEP.

- Growth rates across sectors have diverged considerably from those experienced nationally, suggesting that national growth rates do not necessarily provide a guide to the performance of sectors within Tees Valley; however
- Tees Valley is subject to the same wider drivers and sector trends as other areas and these, together with the strength and competitiveness of the existing business base, will determine future employment growth or decline at the local level.

The table below shows the original sectoral split set out in the Strategic Economic Plan, and the revised split:

Net Job Creation, 2016-2026		
	Original	Revised
Low Carbon / Process, chemical and energy ¹	+2,500	+2,000
Advanced Manufacturing	+2,500	+1,500
Other Manufacturing	-5,000	-4,000
Construction	+4,000	+3,000
Professional and business services	+8,000	+7,000
Logistics	+2,000	+3,000
Digital	+2,000	+3,000
Higher Education ²	+1,000	+1,000
Health and social care ³	+4,000	+3,500
Services ⁴	+4,000	+2,000
Culture and leisure ⁵	-	+3,000
Total	+25,000	+25,000

Source: Tees Valley Strategic Economic Plan, 2014

¹Sector re-named and re-defined

²Now included in Other Services sector definition (see table overleaf)

³Including non-residential care

⁴Sector re-defined and re-named Other Services

⁵Newly defined sector

Based on the UK growth forecasts, if Tees Valley were to match national rates of growth over the next ten years, the number of employees would increase by just under 11,000. To reach the 25,000 target, Tees Valley will therefore have to out-perform the UK growth rate in a number of sectors, and see significantly smaller declines in others.

The table below shows the revised sectoral split (updated to align with the Tees Valley sector definitions), and provides a brief commentary on how the sector targets have changed, and the justification for this:

Revised Sectoral Split of the 25,000 Jobs Target			
	Employment Change, 2016-2026		Notes
	Number	%	
Business and Professional Services	7,000	+20.3%	Reduced by 1,000 from original sector split. The business and professional services sector is expected to have the highest growth rate nationally but Tees Valley has experienced very limited growth over the past two years. The 7,000 figure implies the sector in Tees Valley growing nearly 1.5 times as fast as nationally, and considerably faster than in recent years.
Construction	3,000	+22.4%	Reduced by 1,000 from original sector split. The construction sector is expected to be the third fastest growing nationally. Employment has declined significantly in Tees Valley over the past two years. This figure assumes that these losses will be recovered in the coming decade and the sector will therefore grow nearly twice as fast in Tees Valley as nationally.

Healthcare	3,500	+8.7%	Reduced by 500 from the original sector split. Note that this figure includes non-residential care, which is expected to grow rapidly as a result of the ageing population.
Logistics	3,000	+17.3%	Increased by 1,000 from the original sector split. Reflects changes in the retail and distribution sectors, with increased e-commerce and greater focus on major distribution centres and last mile delivery models, and recent growth out-performing the England average.
Other Services	2,000	+2.2%	Not directly comparable to previous sector split, this sector includes retail, public administration, personal service and education, including higher education. This sector will be subject to differing drivers, with retail and public administration jobs likely to decline, whilst higher education is expected to grow.
Digital and Creative	3,000	+44.4%	An increase on the 2,000 employees expected in the original sector split. This sector is expected to have one of the fastest growth rates nationally, and the 3,000 figure depends on Tees Valley out-performing the national growth rate significantly. Tees Valley has a growing digital and creative business base, but needs to convert this into increased employment.
Culture and Leisure	3,000	+16.3%	Not directly comparable to the previous sector split, this sector includes accommodation and food (previously included in the services sector), as well as cultural and leisure activities. Nationally, the sector is expected to grow by 10% over the next ten years; an increase of 3,000 employees in Tees Valley would imply a growth rate of 1.5 times the national rate.
Advanced Manufacturing	1,500	+7.6%	Reduced by 1,000 from the original sector split. Despite efforts to re-balance the UK economy, forecasts suggest a continued fall in advanced manufacturing employment. Growth of 1,500 employees would require Tees Valley to counter this long-term decline despite the loss of major assets such as SSI.
Process, Chemical, Energy	2,000	+25.8%	Referred to as 'low carbon' in the previous sector split, the new name more accurately represent sector coverage. Employment in this sector has remained relatively stable since 2009, with growth to 2013 offset by a decline in employment 2013-14. National forecasts indicate a 10% reduction in employment over the next ten years. Achieving a 2,000 increase in employees would require Tees Valley to reverse the national trend.
Other Manufacturing	-4,000	-40.9%	Employment decline reduced from -5,000 in original sector split. National forecasts suggest 10% decline in employment. -4,000 employees figure assumes a faster decline in Tees Valley, based on higher employment base and loss of key companies such as SSI, the full effects of which are yet to be felt throughout the supply chain.

The key growth sectors include:

- Business and professional services (+7,000 employees) – expected to be the fastest growing sector nationally. The number of employees is still only two-thirds of what would be expected if Tees Valley matched the national share of employment in this sector, and growth has been below expectations in recent years;
- Construction (+3,500 employees) – one of the sectors forecasted to grow fastest nationally, employee numbers in Tees Valley have not yet bounced back from the 2008 recession, indicating that there is the potential for significant growth linked to the major investment planned in the sub-region; and
- Digital and creative (+3,000 employees) – the proposed sectoral split of the 25,000 jobs target would result in the digital and creative sector having the fastest growth rate in Tees Valley. Recent growth in the sector has been based on the creation of new businesses – achieving 3,000 additional employees will require support to enable these businesses to grow and take on new workers.

Conclusion

The aforementioned methodology was used to inform the refreshed SEP, however TVCA is currently developing detailed Sector Action Plans, which will provide a 'bottom up' and attributable job creation target, based on the aggregation of activities supported under the refreshed SEP.

RECOMMENDATIONS

That the report be noted.

FINANCIAL IMPLICATIONS

This is a high level policy document, there are no direct financial implications related to the delivery of the recommendation.

LEGAL IMPLICATIONS

This is a high level policy document and therefore does not constitute a legal agreement.

RISK ASSESSMENT

The policy note is categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.

CONSULTATION

This policy note has been developed from primary and secondary research undertaken by external consultants for the refresh of the Strategic Economic Plan. The consultation exercise for the refresh of the SEP involved a number of thematic and sectoral workshops with the public, private, community and voluntary sector across the Tees Valley.

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Name of Contact Officer: Keith Wilson

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AGENDA ITEM 8

REPORT TO THE TEES VALLEY COMBINED AUTHORITY OVERVIEW AND SCRUTINY COMMITTEE

DATE 12TH OCTOBER 2016

REPORT OF SCRUTINY OFFICER

OVERVIEW AND SCRUTINY COMMITTEE WORK PROGRAMME

SUMMARY

This report provides members with the opportunity to specify a work programme for the Overview & Scrutiny Committee for 2016/17

RECOMMENDATIONS

That the committee considers the proposed topics to be included in the work programme for 2016/17 and endorses the programme, subject to new and emerging issues arising throughout the year.

BACKGROUND INFORMATION

1. At the last meeting of the Tees Valley Combined Authority (TVCA) Overview and Scrutiny Committee held on 9th September discussion took place around options for the work programme for 2016/17
2. As stated in previous reports the work programme of the Scrutiny Committee is intended to encompass upstream work reviewing the most important strategic decisions and the direction of the TVCA, and ensuring that any decisions which are made by the TVCA are in line with its agreed policies. There will also be opportunities to invite Leaders with portfolio responsibilities, with relevant officers, to attend meetings to discuss specific Combined Authority responsibilities.
3. To ensure the Committee carries out its responsibilities in an efficient and effective way it is proposed that a work programme is set for 2016/17 comprising:
 - Investigating matters of strategic importance
 - Performance Management Reporting
 - Reviewing upstream work and plans of the TVCA
 - Overviews of portfolios and key responsibilities

WORK PROGRAMME PROPOSALS

4. A list of suggested topics for review was presented to the Scrutiny Committee and this was considered by members. In addition to this questions and discussion took place following a presentation by Andrew Lewis – Managing Director TVCA and Mayor David Budd – Chair of TVCA

5. The topics that were highlighted as of interest to the committee members and those that were agreed as needing further information and discussion have been added to the proposed work plan (Appendix 1) – these topics are:

- Creation of additional jobs
- Apprenticeships
- Financial planning & Budgets
- Heseltine Review
- Alignment with the Northern Powerhouse

6. The Committee should consider the most effective format and approach to any review, ensuring that it is tailored to the particular subject (i.e. not just carrying out all reviews in a Town Hall committee room, receiving officer presentations or commenting on official reports). There are different approaches that the Committee may wish to use to carry out their work. It may be appropriate to invite the Managing Director or his staff or staff from the Constituent Councils to a meeting to give a briefing on an issue, giving Members of the Committee an opportunity to ask questions. The Committee are able to invite other parties as witnesses to give evidence. Where the Committee decides to carry out a more substantial investigation, this can be undertaken by:

- An in-depth review, receiving evidence at formal meetings
- A focussed Task & Finish review, either carried out by a smaller group of members appointed by the Committee separate to the formal meetings, or by the full Committee

Future Developments

7. As you will be aware the remit and powers of the overview and scrutiny committee established under the Combined Authority's current constitution will be broadened with the creation of the Mayoral Combined Authority. Effective scrutiny is one of the important checks and balances needed to ensure that the Mayoral arrangements are efficient, transparent, and coordinated effectively with the roles of the partner councils. We expect the government to bring forward a legislative Order, setting the statutory basis for scrutiny of Mayoral Combined Authorities, including the powers to review decision-making. Further information will be provided to the Committee once the draft legislation is made available.

Next Steps

8. Once the forward plan has been agreed it will be shared with TVCA board and relevant officers to notify them of the intended work programme. Any additional meetings required for evidence gathering etc. will be programmed in accordingly.
9. Committee members have requested further training and development is arranged to assist them with their knowledge of TVCA and Scrutiny skills. A programme of training is currently being developed, in partnership with the Centre for Public Scrutiny, which will be rolled out once completed.

FINANCIAL IMPLICATIONS

Support to the Overview and Scrutiny Committee is provided by officers of the Combined Authority, including a designated Scrutiny Officer employed part-time for this purpose.

LEGAL IMPLICATIONS

None.

RISK ASSESSMENT

This (subject matter of report) is categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.

CONSULTATION

See above.

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Background Papers None

Members' Interests

Members (including co-opted Members) should consider whether they have a personal interest in any item, as defined in **paragraphs 9 and 11** of the Tees Valley Combined Authority's (TVCA) code of conduct and, if so, declare the existence and nature of that interest in accordance with and/or taking account of **paragraphs 12 - 17** of the code.

Where a Member regards him/herself as having a personal interest, as described in **paragraph 16** of the code, in any business of the TVCA he/she must then, **in accordance with paragraph 18** of the code, consider whether that interest is one which a member of the public, with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice the Member's judgement of the public interest and the business:-

- affects the members financial position or the financial position of a person or body described in **paragraph 17** of the code, or
- relates to the determining of any approval, consent, licence, permission or registration in relation to the member or any person or body described in **paragraph 17** of the code.

A Member with a personal interest, as described in **paragraph 18** of the code, may attend the meeting but must not take part in the consideration and voting upon the relevant item of business. However, a member with such an interest may make representations, answer questions or give evidence relating to that business before the business is considered or voted on, provided the public are also allowed to attend the meeting for the same purpose whether under a statutory right or otherwise (**paragraph 19** of the code)

Disclosable Pecuniary Interests

It is a criminal offence for a member to participate in any discussion or vote on a matter in which he/she has a disclosable pecuniary interest (and where an appropriate dispensation has not been granted) **paragraph 20** of the code.

Members are required to comply with any procedural rule adopted by the TVCA which requires a member to leave the meeting room whilst the meeting is discussing a matter in which that member has a disclosable pecuniary interest (**paragraph 21** of the code)

Tees Valley Combined Authority Overview & Scrutiny

Proposed work programme 2016/17

Standing Items

Minutes from the Previous Meeting
Announcements from the Chair
Forward Plan
Date and Venue of the Next Meeting

Date	Venue	Item / Responsible Officer
1 st August 2016 at 2.00pm Informal Meeting	Meeting Room 1, Cavendish House, Teesdale Business Park, Stockton-on-Tees, TS17 6QY	Proposed Overview & Scrutiny Committee work programme 2016/2017 to include possible priorities – Margaret Waggott.
9 th September 2016 at 10.00am Inaugural Meeting	Meeting Room 1, Cavendish House, Teesdale Business Park, Stockton-on-Tees, TS17 6QY	Presentation – Introduction to the Tees Valley Combined Authority – Andrew Lewis & David Budd Overview & Scrutiny Work Programme 2016/2017 – Judith Trainer
12 th October 2016 at 10.30am	Meeting Room 1, Cavendish House, Teesdale Business Park, Stockton-on-Tees, TS17 6QY	Creation of additional jobs Keith Wilson – Economic strategy & intelligence manager TVCA Overview & Scrutiny work programme Sharon Jones, Scrutiny Officer TVCA
24 th November 2016 at 10.30am	Mandela Room Town Hall Albert Road Middlesbrough TS1 2QJ	Budget process and financial management Andrew Lewis – Managing director TVCA
10 th January 2017 at 10.30am	TBC Hartlepool	Apprenticeships Sue Hannan – Employment & Skills manager TVCA (TBC) Portfolio Briefing – TBC

23rd February 2017 at 10.30am	TBC Redcar & Cleveland	Response to the Heseltine Report – TBC Alignment with the Northern Powerhouse – TBC
4 th April 2017 at 10.30am	TBC Committee Room 2 Town Hall Darlington	TBC

Items to be scheduled:

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POSSIBLE PRIORITIES FOR THE TVCA OVERVIEW AND SCRUTINY COMMITTEE WORK PROGRAMME

The TVCA has an ambitious programme, with complex partnership relationships, and opportunities for devolution from central government.

As a democratic-led organisation, Overview and Scrutiny has a critical role in challenging and overseeing this work programme. But these arrangements are new, and largely untested in other parts of the country. It is therefore helpful if, at its first meeting, the TVCA Overview and Scrutiny Panel could give consideration to its priorities for an initial work programme. Following this initial discussion, firmer proposals can be developed for agreement at the first public meeting of the Committee, on 9th September 2016.

This note provides a “menu” of possible lines of enquiry which Members will wish to consider in establishing that work programme. It is recommended that, for maximum influence, the immediate focus is on particular “live” issues which are on the current priorities of TVCA. This is not an exhaustive list, and Members may wish to propose other issues which fall within the TVCA remit for consideration.

Immediate Focus

- Overview – Discussion with the Chair and Managing Director on overall priorities, ambition and capacity to deliver.
- Transport investment priorities
- Deliver of the “single pot” approach to investment, prioritisation and assurance
- Partnership with Business
- Response to the Heseltine Review
- Budget process and financial management (as part of the Budget setting process for 2017-18)

Medium-term developments

- Establishment of the role of Tees Valley Mayoral Combined Authority and proposed Constitution
- Devolution of Adult Skills and Apprenticeship programmes
- Devolution of Employment Programmes

Longer-term developments

- Public transport – improvements to local rail services, through Rail North, and the prospect of new responsibilities through the Buses Bill
- Local Growth Fund delivery
- Opportunities for future devolution

Items raised in previous O&S Meetings by members

- Strategic Economic Plan – creation of jobs
- TVCA alignment with the Northern Powerhouse
- Implications of Brexit
- Housing Growth and the attraction of sovereign funds.
- Combined Authority's Medium Term Financial Plan and budget process.
- Understanding of Portfolio's
- Apprenticeships programmes
- Education & skills – alignment between education & business