

# **The Tees Valley Combined Authority**

## **Constitution**

**April 2016**

TVCA Constitution Version Control  
Version 1 - April 2016

## Version Control Sheet

This document (version 1, April 2016) is the Constitution of the Tees Valley Combined Authority adopted on [1<sup>st</sup> April 2016].

To maintain effective version control, this version control sheet will accompany any future issue of the Constitution.

The version number is shown in the bottom left hand corner of each page of the Constitution.

An up to date version of the Authority's Constitution will be available on the Combined Authority's web site.

<b>Description</b>	<b>Date</b>	<b>Most Recent Version</b>
Constitution	April 2016	Version 1

### Making Changes to the Constitution

The Monitoring Officer is required to continuously review the operation of the Constitution at least annually. For details of how a Member or Officer can propose a change and the approval process please contact the Monitoring Officer.

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# Part 1

## Introduction

## **Introduction**

The five local authorities of Stockton-on-Tees, Darlington, Hartlepool, Middlesbrough and Redcar & Cleveland have come together to establish a Combined Authority for the Tees Valley area, to be named the Tees Valley Combined Authority. Building on the already nationally recognised unity and robust ability to work in unison, this Combined Authority will improve the economic prosperity of the Tees Valley area via its powers and reinforcing arrangements.

The Combined Authority recognises the importance of a strong LEP which effectively brings together the private and public sector in driving the economic prosperity of the Tees Valley. By making provision for continuing to work closely with the LEP, for example by integrating CA and LEP meetings, decisions taken by the CA will more fully reflect business views. These views, both in terms of shaping prioritisation and scheme design, will ensure that any public investment is targeted to maximise local business benefit which is key to economic growth.

*Draft Order laid before Parliament under section 117(2) of the Local Democracy, Economic Development and Construction Act 2009, for approval by resolution of each House of Parliament.*

## DRAFT STATUTORY INSTRUMENTS

**2016 No.**

## **LOCAL GOVERNMENT, ENGLAND**

## **TRANSPORT, ENGLAND**

## **The Tees Valley Combined Authority Order 2016**

*Made - - - - \*\*\**

*Coming into force in accordance with article 1*

This Order is made in exercise of the powers conferred by sections 103 to 105, 114 and 117 of, and paragraph 3 of Schedule 5A to, the Local Democracy, Economic Development and Construction Act 2009(a) (“the 2009 Act”).

The Secretary of State, having regard to a scheme prepared and published under section 109 of the 2009 Act considers that—

(a) the making of this Order is likely to improve the exercise of statutory functions in the area to which this Order relates, and

(b) any consultation required by section 110(2) of the 2009 Act has been carried out.

The Secretary of State is satisfied that the area to which this Order relates meets the conditions set out in section 103 of the 2009 Act.

In making this Order, the Secretary of State has had regard to the need to reflect the identities and interests of local communities, and to secure effective and convenient local government.

The councils for the local government areas of Darlington, Hartlepool, Middlesbrough, Redcar and Cleveland and Stockton-on-Tees have consented to the making of this Order.

A draft of this instrument has been laid before, and approved by a resolution of, each House of Parliament pursuant to section 117(2) of the 2009 Act.

Accordingly, the Secretary of State makes the following Order:

(a) 2009 c. 20. Section 103 was amended by sections 12 and 14 of the Cities and Local Government Devolution Act 2016 (c. 1). Section 104 was amended by sections 8 and 14 of, and Schedule 5 to, the Cities and Local Government Devolution Act 2016. Section 105 was amended by sections 6, 9 and 14 of the Cities and Local Government Devolution Act 2016. Section 114 was amended by Schedule 5 to the Cities and Local Government Devolution Act 2016. Section 117 was amended by section 13 of the Localism Act 2011 (c. 20) and Schedule 5 to the Cities and Local Government Devolution Act 2016. Schedule 5A was inserted by Schedule 3 to the Cities and Local Government Devolution Act 2016.

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## **PART 1**

### **General**

#### **Citation and commencement**

1. This Order may be cited as the Tees Valley Combined Authority Order 2016 and comes into force on either—

(a) 1st April 2016; or

(b) if the Order is made on or after 1st April 2016, on the day after the day on which the Order is made.

#### **Interpretation**

2. In this Order—

“the 2009 Act” means the Local Democracy, Economic Development and Construction Act 2009;

“combined area” means the area consisting of the areas of the constituent councils;

“the Combined Authority” means the Tees Valley Combined Authority as constituted by article 3;

“constituent councils” means the councils for the local government areas of Darlington, Hartlepool, Middlesbrough, Redcar and Cleveland and Stockton-on-Tees;

“financial year” means the period of 12 months ending with 31st March in any year; and

“the Local Enterprise Partnership” means the board of Tees Valley Unlimited.

## **PART 2**

### **Establishment of a combined authority for Tees Valley**

#### **Establishment**

3.—(1) There is established a combined authority for the combined area.

(2) The combined authority is to be a body corporate and is to be known as the Tees Valley Combined Authority.

(3) The functions of the Combined Authority are those functions conferred or imposed upon it by this Order or by any other enactment (whenever passed or made), or as may be delegated to it by or under this Order or any other enactment (whenever passed or made).

#### **Constitution**

4. Schedule 1 (which makes provision about the constitution of the Combined Authority) has effect.

#### **Funding**

5.—(1) The constituent councils must meet the costs of the Combined Authority reasonably attributable to the Combined Authority's exercise of the functions mentioned in article 7 (economic development and regeneration functions).

(2) The amount payable by each of the constituent councils in respect of the functions mentioned in article 7 is to be determined by apportioning the costs of the Combined Authority referred to in paragraph (1) between the constituent councils in such proportions as they may agree or, in default of such agreement, in the following shares between the constituent councils—

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Darlington 15.80%

Hartlepool 14.67%

Middlesbrough 20.89%

Redcar and Cleveland 20.97%

Stockton-on-Tees 27.67%.

(3) The constituent councils must meet the costs of the Combined Authority reasonably attributable to the Combined Authority's exercise of the functions mentioned in article 6 (delegation of transport functions).

(4) The amount payable by each of the constituent councils in respect of the functions mentioned in article 6 is to be determined by apportioning the costs of the Combined Authority referred to in paragraph (3) between the constituent councils in such proportions as they may agree or, in default of such agreement, the amount payable shall be in the same proportion to the amount that each of the constituent councils have spent on the functions mentioned in article 6 in the financial year ending on 31st March 2016.

## **PART 3**

### **Transport**

#### **Delegation of transport functions**

6. There are delegated to the Combined Authority—

(a) the functions of the constituent councils under Parts 4 and 5 of the Transport Act 1985(a); and

(b) the functions of the constituent councils as local transport authorities under Part 2 of the Transport Act 2000(b).

## **PART 4**

### **Additional functions**

#### **Economic development and regeneration functions**

7.—(1) The functions of the constituent councils set out in Schedule 2 are exercisable by the Combined Authority in relation to its area.

(2) The functions are exercisable concurrently with the constituent councils.

(3) Any requirement in any enactment for a constituent council to exercise such a function may be fulfilled by the exercise of that function by the Combined Authority.

#### **Incidental provisions**

8. The following provisions shall have effect as if the Combined Authority were a local authority for the purposes of those provisions—

(a) section 113 of the Local Government Act 1972(c) (power to place staff at the disposal of other local authorities);

(a) 1985 c. 67.

(b) 2000 c. 38.

(c) 1972 c. 70. Section 113 was amended by paragraph 151 of Schedule 4 to the National Health Service Reorganisation Act 1973 (c. 32); by section 66(1) of and paragraph 13 of Schedule 9 to the National Health Service and Community Care Act 1990 (c. 19); by paragraph 18 of Schedule 4 to the Health and Social Care (Community Health and Standards) Act 2003 (c. 43); by paragraph 51(a) of Schedule 1 to the National Health Service (Consequential Provisions) Act 2006 (c. 43); by

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(b) section 142(2) of the Local Government Act 1972(a) (power to arrange for publication of information etc relating to the functions of the authority); and  
 (c) section 222 of the Local Government Act 1972(b) (power to prosecute and defend legal proceedings).

**9.—(1)** The Combined Authority shall have the power to exercise any of the functions described in subsection (1)(a) and (b) of section 88 of the Local Government Act 1985(c) (research and collection of information) whether or not a scheme is made under that section.

(2) For the purposes of paragraph (1) of this article, paragraphs (a) and (b) of section 88(1) of the Local Government Act 1985 have effect as if a reference to “that area” were a reference to the combined area.

**10.** Section 13 of the Local Government and Housing Act 1989(d)(voting rights of members of certain committees) has effect in relation to the Combined Authority as if—

(a) in subsection (4) after paragraph (h) there were inserted—

“(i) subject to subsection (4A), a committee appointed by the Tees Valley Combined Authority;”; and

(b) after subsection (4) there were inserted—

“(4A) A person who is a member of a committee falling within paragraph (i) of subsection (4) or a sub-committee appointed by such a committee shall for all purposes be treated as a non-voting member of that committee or sub-committee unless that person is a member of one of the constituent councils as defined by article 2 of the Tees Valley Combined Authority Order 2016.”

**11.** In Part 2 of Schedule 3 (pension funds) to the Local Government Pension Scheme Regulations 2013(e) in the table insert at the end—

“An employee of the Tees Valley Combined

Authority established by the Tees Valley

Combined Authority Order 2016

Middlesbrough Borough Council”

Signed by authority of the Secretary of State for Communities and Local Government

*Name*

Parliamentary Under Secretary of State

Date Department for Communities and Local Government

paragraph 17 of Schedule 5, paragraph 3 of Schedule 7, and paragraph 3 of Schedule 17 to Health and Social Care Act 2012 (c. 7); by S.I. 2000/90; by S.I. 2002/2469; and by S.I. 2007/961.

(a) Section 142 was amended by the Local Government Act 1986 (c. 10), section 3(1)(a); there are other amendments which are not relevant to this instrument.

(b) To which there are amendments not relevant to this instrument.

(c) 1985 c. 51.

(d) 1989 c. 42. Section 13 was amended by paragraph 1 of Schedule 21(II) and paragraph 96 of Schedule 37(I) to the Education Act 1993 (c. 35); by paragraph 36 of Schedule 4(I) and by paragraph 1 of Schedule 9(I) to the Police and Magistrates’ Courts Act 1994 (c. 29); by paragraph 1 of Schedule 24 to the Environment Act 1995 (c. 25); by paragraph 96 of Schedule 37(I) and by paragraph 1 of Schedule 38(I) to the Education Act 1996 (c. 56); by paragraph 22 of Schedule 30 to the School Standards and Framework Act 1998 (c. 31); by paragraph 1 of Schedule 5(4) to the Children Act 2004 (c. 31); by paragraph 81 of Schedule 6 to the Local Democracy, Economic Development and Construction Act 2009; by paragraph 14 of Schedule 14 and by paragraph 1 of Schedule 22(4) to the Marine and Coastal Access Act 2009 (c. 23); by paragraph 15 of Schedule 8 to the Public Service Pensions Act 2013 (c. 25); by S.I. 2001/1517; and by S.I. 2010/1158.

(e) S.I. 2013/2356. Schedule 3 was amended by regulations 31 and 32 of the Local Government Pension Scheme (Amendment) Regulations 2015/755.

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## SCHEDULE 1 Article 4

### Constitution

#### Membership

**1.—(1)** Each constituent council must appoint one of its elected members to be a member of the Combined Authority.

(2) Each constituent council must appoint another of its elected members to act as a member of the Combined Authority in the absence of the member appointed under sub-paragraph (1) (“the substitute member”).

(3) The Local Enterprise Partnership must nominate one of its members to be a member of the Combined Authority.

(4) The Local Enterprise Partnership must nominate another of its members to act as a member of the Combined Authority in the absence of the member appointed under sub-paragraph (3) (“the substitute member”).

(5) The Combined Authority must appoint the member nominated by the Local Enterprise

Partnership under sub-paragraph (3) as a member of the Combined Authority (“Local Enterprise Partnership Member”).

(6) The Combined Authority must appoint the member nominated by the Local Enterprise Partnership under sub-paragraph (4) to act as a member of the Combined Authority in the absence of the member appointed under sub-paragraph (5) (“the substitute member”).

(7) A person ceases to be a member or substitute member of the Combined Authority if they cease to be a member of—

- (a) the constituent council that appointed them; or
- (b) the Local Enterprise Partnership that nominated them.

(8) A person may resign as a member or substitute member of the Combined Authority by written notice served on the proper officer of the constituent council that appointed them or, as the case may be, the chairman or vice-chairman of the Local Enterprise Partnership that nominated them, and the resignation takes effect on receipt of the notice by the proper officer of the council or chairman or vice-chairman of the Local Enterprise Partnership (as the case may be).

(9) Where a member or substitute member of the Combined Authority’s appointment ceases by virtue of sub-paragraph (7) or (8)—

- (a) the constituent council that made the appointment must, as soon as practicable, give written notice of that fact to the Combined Authority and appoint another of its elected members in that person’s place;
- (b) the Local Enterprise Partnership must, as soon as practicable, give written notice of that fact to the Combined Authority and nominate another of its members in that person’s place.

(10) A constituent council may at any time terminate the appointment of a member or substitute member appointed by it to the Combined Authority and appoint another one of its elected members in that person’s place.

(11) Where a constituent council exercises its power under sub-paragraph (10), it must give written notice of the new appointment and the termination of the previous appointment to the Combined Authority and the new appointment shall take effect and the previous appointment terminate at the end of one week from the date on which the notice is given or such longer period not exceeding one month as is specified in the notice.

(12) The Local Enterprise Partnership may at any time terminate the appointment of a Local Enterprise Partnership Member or substitute member nominated by it to the Combined Authority and nominate another of its members in that person’s place.

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(13) Where the Local Enterprise Partnership exercises its power under sub-paragraph (12), it must give written notice of the new nomination and the termination of the previous appointment to the Combined Authority.

(14) The Combined Authority must appoint a Local Enterprise Partnership Member nominated under sub-paragraph (13) and the new appointment shall take effect and the previous appointment terminate at the end of one week from the date on which the notice is given or such longer period not exceeding one month as is specified in the notice.

(15) The Combined Authority must appoint a Local Enterprise Partnership Member nominated under sub-paragraph (9)(b) or sub-paragraph (13) at the next meeting of the Combined Authority.

(16) For the purposes of this paragraph, an elected mayor of a constituent council is to be treated as a member of the constituent council.

#### **Chairman and vice-chairman**

2.—(1) The Combined Authority must in each year appoint a chairman and a vice-chairman from among its members and the appointments and the order of rotation of the chairman and the vice-chairman are to be the first business transacted after the appointment of members of the Combined Authority, at the first meeting of the Combined Authority, and in subsequent years at the annual meeting of the Combined Authority.

(2) A person ceases to be chairman or vice-chairman of the Combined Authority if they cease to be a member of the Combined Authority.

(3) If a vacancy arises in the office of chairman or vice-chairman, an appointment to fill the vacancy is to be made at the next ordinary meeting of the Combined Authority, or, if that meeting is to be held within 14 days of the vacancy arising, at the meeting following that meeting.

#### **Proceedings**

3.—(1) Subject to the following sub-paragraphs, any questions that are to be decided by the Combined Authority are to be decided by a majority of the members and substitute members,

acting in place of members, present and voting on that question at a meeting of the Combined Authority.

(2) No business is to be transacted at a meeting of the Combined Authority unless at least three members, or substitute members, appointed by the constituent councils are present at the meeting.

(3) Each member, or substitute member acting in that member's place, is to have one vote and no member or substitute member is to have a casting vote.

(4) If a vote is tied on any matter it is deemed not to have been carried.

(5) Members appointed from the Local Enterprise Partnership shall be non-voting members of the Combined Authority.

(6) Questions relating to the following matters require a unanimous vote in favour by all five members, or substitute members acting in place of those members, appointed by the constituent councils to be carried—

(a) adoption of an investment plan;

(b) adoption of a medium term financial plan, including the determination of any contributions from the constituent councils;

(c) setting of any transport levy under section 74 of the Local Government Finance Act 1988 and in accordance with regulations made thereunder; and

(d) such other plans and strategies as may be determined by the Combined Authority and set out in its standing orders.

(7) The proceedings of the Combined Authority are not invalidated by any vacancy among its members or substitute members or by any defect in the appointment or qualifications of any member or substitute member.

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#### **Committees**

4.—(1) The Combined Authority must appoint at least three members of each of the constituent councils to the overview and scrutiny committee appointed by the Combined Authority, so that the members of the committee taken as a whole reflect so far as reasonably practicable the balance of political parties for the time being prevailing among members of the constituent councils.

(2) An overview and scrutiny committee appointed by the Combined Authority may not include any substitute member of the Combined Authority.

(3) No business is to be transacted at a meeting of the overview and scrutiny committee unless at least seven members from at least three constituent councils are present at the meeting.

(4) Each member of the overview and scrutiny committee appointed from the constituent councils is to have one vote and no member is to have a casting vote.

(5) If a vote is tied on any matter it is deemed not to have been carried.

(6) The Combined Authority must appoint an appropriate person(a) who is a member of one of the constituent councils to be the chair of the overview and scrutiny committee appointed by the Combined Authority.

(7) Where an overview and scrutiny committee appointed by the Combined Authority makes a report or recommendation under paragraph 1(2)(b) of Schedule 5A to the 2009 Act the committee may—

(a) publish the report or recommendations;

(b) by notice in writing require the Combined Authority to—

(i) consider the report or recommendations;

(ii) respond to the overview and scrutiny committee indicating what (if any) action the Combined Authority proposes to take; and

(iii) if the overview and scrutiny committee has published the report or recommendations under paragraph (a), publish the response.

(8) A notice served under sub-paragraph (7)(b) must require the Combined Authority to comply with it within two months beginning with the date on which the Combined Authority received the reports or recommendations or (if later) the notice.

(9) The Combined Authority must comply with a notice given under sub-paragraph (7)(b).

(10) Sub-paragraphs (7)(a) and (9) are subject to section 9FG of the Local Government Act 2000(b) and to any provision made under section 9GA(8) and the Combined Authority is to be treated as a local authority for these purposes.

#### **Records**

5.—(1) The Combined Authority must make arrangements for the names of members and substitute members present at any meeting to be recorded.

(2) Minutes of the proceedings of a meeting of the Combined Authority, or any committee or

sub-committee of the Combined Authority, are to be kept in such form as the Combined Authority may determine.

(3) Any such minutes are to be signed at the same or next suitable meeting of the Combined Authority, committee or sub-committee as the case may be, by the person presiding at that meeting.

(4) Any minute purporting to be signed as mentioned in sub-paragraph (3) is to be received in evidence without further proof.

(5) Until the contrary is proved, a meeting of the Combined Authority, committee or subcommittee, a minute of whose proceedings has been signed in accordance with this paragraph, is

(a) See paragraph 3(5) of Schedule 5A to the 2009 Act

(b) 2000 c. 22. Sections 9FG and 9GA were inserted by the Localism Act 2011 (c. 20), section 21 and Schedule 2.

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deemed to have been duly convened and held, and all the members and substitute members present at the meeting are deemed to have been duly qualified.

(6) For the purposes of sub-paragraph (3) the next suitable meeting is the next following meeting or, where standing orders made by the Combined Authority provide for another meeting of the authority, committee or sub-committee, to be regarded as suitable, either the next following meeting or that other meeting.

#### **Standing orders**

6. The Combined Authority may make standing orders for the regulation of its proceedings and business and may vary or revoke any such orders.

#### **Remuneration**

7. No remuneration is to be payable by the Combined Authority to its members, other than allowances for travel and subsistence paid in accordance with a scheme drawn up by the Combined Authority.

## **SCHEDULE 2 Article 7(1)**

### **Economic development and regeneration functions**

1. The functions of the constituent councils under section 1 of the Localism Act 2011(a) to the extent that those functions are exercisable for the purpose of economic development and regeneration.

2. The power under section 144 of the Local Government Act 1972(b) (the power to encourage visitors and provide conference and other facilities).

3. The duties under sections 15ZA, 15ZB, 15ZC, 17 and 18A(1)(b) of the Education Act 1996(c) and the power under sections 514A and 560A of that Act (duties and powers related to the provision of education and training for persons over compulsory school age).

4. The duty under section 69 of the 2009 Act (duty to prepare an assessment of economic conditions).

#### **EXPLANATORY NOTE**

*(This note is not part of the Order)*

This Order establishes the Tees Valley Combined Authority.

Part 6 of the Local Democracy, Economic Development and Construction Act 2009 (“the 2009 Act”) provides for the establishment of combined authorities for the areas of two or more local authorities in England. Combined authorities are bodies corporate which may be given power to exercise specified functions in their area.

(a) 2011 c. 20.

(b) Section 144 was amended by section 81 of and Schedule 2 to the Local Government (Miscellaneous Provisions) Act 1976 (c. 57); by section 194 of and Schedule 34 to the Local Government, Planning and Land Act 1980 (c. 65); and by sections 1 and 102 of and Schedule 17 to the Local Government Act 1985 (c. 51). There are other amendments which are not relevant to this instrument.

(c) 1996 c. 56. Sections 15ZA, 15ZB, 15ZC, 18A, 514A and 560A were inserted by the Apprenticeships, Skills, Children and Learning Act 2009 (c. 22), sections 41, 42, 45 to 48 and by S.I. 2010/1158. Section 15ZA was amended by paragraph 5 of Schedule 3(1) to the Children and Families Act 2014 (c. 6) , by paragraph 44 of Schedule 14(2) to the Deregulation Act (c. 20) and by S.I. 2015/1852. Section 15ZC was amended by S.I. 2015/1852. Section 18A was also amended by the Education Act 2011 (c. 21), sections 30 and 82 and by paragraph 8 of Schedule 3(1) to the Children and Families Act 2014 . Section 514A was amended by paragraph 50 of Schedule 3(1) to the Children and Families Act 2014 . Section 560A was amended by paragraph 54 of Schedule 3(1) to the Children and Families Act 2014.

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The Secretary of State may only establish a combined authority for an area where a scheme for such an authority has been published under section 109 of the 2009 Act. This Order has been made following the publication of such a scheme on 6th May 2015 by the constituent councils whose areas together make up the combined area of the new authority. The scheme is available at: [https://www.teesvalleyunlimited.gov.uk/media/308031/governance\\_review.pdf](https://www.teesvalleyunlimited.gov.uk/media/308031/governance_review.pdf).

*Part 2* of the Order establishes the new authority, to be known as the Tees Valley Combined Authority, and makes provision for its constitution and funding.

*Article 4* of and *Schedule 1* to the Order make provision for the constitution of the Tees Valley Combined Authority. This is supplemental to the provision that is made by Part 1A of Schedule 12 to the Local Government Act 1972 (see paragraph (6A) of that Schedule, as amended by the 2009 Act).

*Article 5* makes provision for the funding, by the constituent councils, of the costs of the Combined Authority. *Part 3* concerns the transport functions of the Combined Authority. *Article 6* provides for the delegation of specified transport functions of the constituent councils to the Combined Authority.

*Part 4* confers additional functions on the Tees Valley Combined Authority. *Article 7* confers functions of the constituent councils relating to economic development and regeneration. These are set out in Schedule 2 to the Order and are to be exercised concurrently with the constituent councils. *Articles 8 to 11* make some general, incidental provisions relating to the Tees Valley Combined Authority to enable it to carry out its functions effectively.

A full regulatory impact assessment has not been prepared as this instrument will have no impact on the costs of business or the voluntary sector.

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## 1. The Constitution

In this Constitution:

“the Combined Area” means the area consisting of the areas of the Constituent Authorities.

“the Constituent Authorities” means the local authorities of Darlington, Hartlepool, Middlesbrough, Redcar & Cleveland and Stockton-on-Tees, referred to in the Order as Constituent Councils.

“the Combined Authority Board” means the Board of the TVCA as detailed below.

“Members” means members of the Combined Authority Board, including the LEP Member, and where appropriate the members of the Overview and Scrutiny Committee”.

“the Order” means The Tees Valley Combined Authority Order 2016 (SI [2016] No.[ ]) annexed hereto at page 6 hereof

“TVCA” means the Tees Valley Combined Authority

This Constitution sets out how the Tees Valley Combined Authority operates, how decisions are made, and the procedures that are followed to ensure that the TVCA operates efficiently, effectively and is both transparent and accountable.

The Constitution is made up of 6 parts.

The TVCA will exercise all of its powers and duties in accordance with the law and this Constitution.

A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.

The Combined Authority Board will monitor and evaluate the operation of the Constitution as set out below.

## 2. The Tees Valley Combined Authority (TVCA)

The TVCA was established pursuant to the Order and came into existence on [1 April 2016] as the Combined Authority for the Combined Area with the aim of improving:-

- a) the exercise of statutory functions relating to transport in the Combined Area;
- b) the effectiveness and efficiency of transport in the Combined Area;
- c) the exercise of statutory functions and general powers relating to economic development and growth in the Combined Area; and
- d) economic conditions in the Combined Area.

The TVCA is responsible for a number of transport functions and economic development and growth across the Combined Area. The functions of the TVCA conferred or imposed upon it by the Order are set out in Part 2 of this Constitution.

### **3. Members of the TVCA Combined Authority Board (Combined Authority Board)**

Each of the Constituent Authorities shall appoint its Leader or Locally Elected Mayor to be a Member of the Combined Authority Board and another Member to act in the absence of the appointed Member (the Substitute Member). All appointments shall be for a one year term.

Tees Valley Unlimited (the "LEP") will nominate the Chair of the LEP to be a Member of the Combined Authority Board and another Member to act in the absence of the appointed Member (the Substitute Member). The Combined Authority Board will appoint the LEP member and the LEP Substitute Member to act in the absence of the LEP Member. Each appointment shall be for a [one] year term.

Although the LEP Member and the LEP Substitute Member shall be non voting members, they shall be granted a scheme by TVCA to permit them voting rights on certain issues to be determined by the CA.

A person will cease to be a Member or a substitute Member of the Combined Authority Board if they cease to be a Member of the Constituent Authority that appointed them or the LEP that nominated them, and the relevant Constituent Authority or LEP shall nominate and appoint a replacement as soon as practicable.

Each of the Constituent Authorities and the LEP may at any time terminate the appointment of a Member or substitute Member appointed by it to the Combined Authority Board. Where a Constituent Authority exercises this power it shall provide written notice of the new appointment and termination of the previous appointment and the new appointment shall take effect and the previous appointment shall terminate at the end of one week from the date on which the notice is given or such longer period not exceeding one month as may be specified in the notice.

All Members of the Combined Authority Board will:-

- a) collectively be the policy makers of the Combined Authority Board;
- b) bring the views of their respective communities into the decision making process; and
- c) maintain the highest standards of conduct and ethics.

Members will act in the best interests of the Combined Area taking into account all relevant matters.

Members will at all times observe the Code of Conduct for Members as set out in Part 6.2.1 of this Constitution.

### **4. Chairing the Combined Authority Board**

The Combined Authority Board will appoint a Chair from the Constituent Authority Members and Vice Chairs from amongst its Members.

The Chair and Vice Chair shall be appointed annually for a one year term from amongst the representative Members of the Constituent Authorities, and the positions shall rotate between the Constituent Authorities on an annual basis.

The procedure for the appointment of the Chair and Vice Chairs is set out in the Rules of Procedure at Part 4.1 of this Constitution.

## **5. Meetings and Procedure**

The Combined Authority Board will meet bi-monthly but additional meetings may take place should the need arise.

There are three types of meeting:

- a) The Annual Meeting
- b) Ordinary meetings; and
- c) Extraordinary meetings

All meetings will be conducted in accordance with the Rules of Procedure set out in Part 4 of this Constitution.

## **6. Responsibility for Functions**

The functions of the TVCA are those conferred upon it by the Order. Only the Combined Authority Board will exercise the functions set out in Part 3.1 of this Constitution.

The Combined Authority Board has the power to delegate its functions, which are not reserved to it, to committees, sub-committees, officers, joint committees or other local authorities pursuant to section 101 of the Local Government Act 1972, section 9EA of the Local Government Act 2000 and regulation 5 of the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012.

## **7. Tees Valley Unlimited (the “LEP”)**

The LEP is a cross-sector partnership with membership drawn from the public sector (the 5 Constituent Authorities), the private sector, as well as higher and further education, whose vision is to promote and develop economic growth in the Tees Valley.

The key roles of the LEP are:

- Supporting enterprise and private sector business growth;
- Building on key economic strengths;
- Improving skills and performance;
- Strengthening transport, connectivity and infrastructure.
- Liaising with the Combined Authority for the execution of the above
- Any other functions as the LEP and the Constituent Authorities agree.

The Combined Authority Board will appoint the LEP Member and substitute Member as set out in paragraph 3 above.

The LEP may at any time terminate the appointment of a member or substitute Member nominated by it to the Combined Authority Board and nominate another of its members in that person's place.

## **8. Committees of the TVCA**

The TVCA will establish:

- a) a Transport Committee as a sub-committee of the TVCA to discharge the roles and functions set out in Part 3.2 of this Constitution.
- b) An Overview and Scrutiny Committee to discharge the roles and functions set out in Part 3.6 of this Constitution.
- c) an Audit and Governance Committee to discharge the roles and functions set out in Part 3.3 of this Constitution.

The Combined Authority Board may establish such other committees as it thinks fit to discharge its functions.

## **9. Joint Arrangements**

The TVCA has power pursuant to section 101(5) of the Local Government Act 1972 to make arrangements with other local authorities to discharge their functions jointly.

Such arrangements may involve the discharge of those functions by a joint committee of such authorities or by an officer of one of them.

## **10. Officers**

### **Chief Officers and Chief Officers**

The TVCA will engage persons who will be designated as Chief Officers in accordance with Part [3.6] of this Constitution.

Officers will comply with the Code of Conduct for Officers set out in Part 6.2 of this Constitution.

## **11. Decision Making**

### **11.1 Responsibility for decision making**

The TVCA will issue and keep up to date a record of what part of the TVCA or which individual has responsibility for particular types of decisions or decisions relating to particular areas or functions. This record is set out in Part 3 – Responsibility for Functions of this Constitution.

### **11.2 Budget and Policy Framework**

The Budget and Policy Framework includes the Budget and those plans and strategies which cannot be decided upon by the Combined Authority Board without having complied with the Budget and Policy Framework Rules of Procedure set out in Part 4.3 of this Constitution. These rules of procedure ensure consultation with Councillors who are not members of the Combined Authority Board (mainly the members of the Overview and Scrutiny Committee) on initial proposals for these plans so that their views can feed into the development of these plans and strategies.

The Monitoring Officer will maintain a publicly accessible list of all of those plans and strategies contained in the Policy Framework.

### **11.3 Principles of decision making**

All decisions of the TVCA will be made in accordance with the following principles:

- a) Proportionality (meaning that the action must be proportionate to the desired outcome).
- b) Consideration of professional advice from officers.
- c) Due consultation.
- d) Consideration of the legal and financial implications.
- e) A presumption in favour of openness.
- f) Consideration of available options and outlining reasons for decisions.
- g) Respect for human rights.
- h) Promoting equality.
- i) Preventing crime and disorder.
- j) Environment and sustainability.
- k) Risk management.
- l) Reasonableness.
- m) The purpose of the Constitution.

### **11.4 Decisions reserved to the Combined Authority Board**

Decisions relating to functions listed in Part 3.1 of this Constitution will be made by the Combined Authority Board and will not be delegated. The Combined Authority Board meetings will follow the Combined Authority Board Rules of Procedure set out in Part 4.1 of this Constitution when considering any matter.

### **11.5 Decision making by Committees and Joint Committees established by the TVCA**

Committees and Joint Committees established by the TVCA will follow the Procedure Rules set out in Part 4 of this Constitution.

### **11.6 Decision Making by Officers**

Officers will exercise their delegated authority in accordance with the Scheme of Delegation to Officers set out in Part 3.5 of this Constitution and other provisions of this Constitution, and in particular will have regard to the relevant principles of decision making set out at paragraph 11.3 above.

## 11.7 Records

The TVCA must make arrangements for the names of Members and Substitute Members present at any meeting to be recorded.

- a. Minutes of the proceedings of a meeting of the TVCA, or any committee or sub-committee of the TVCA, are to be kept in such form as the TVCA may determine.
- b. Any such minutes are to be signed at the same or next suitable meeting of the TVCA, committee or sub-committee as the case may be, by the person presiding at that meeting.
- c. Any minute purporting to be signed as mentioned in sub-paragraph (b) is to be received in evidence without further proof.
- d. Until the contrary is proved, a meeting of the TVCA, committee or sub-committee, a minute of whose proceedings has been signed in accordance with this paragraph, is deemed to have been duly convened and held, and all the members and substitute members present at the meeting are deemed to have been duly qualified.
- e. For the purposes of sub-paragraph (b) the next suitable meeting is the next following meeting or, where standing orders made by the TVCA provide for another meeting of the authority, committee or sub-committee, to be regarded as suitable, either the next following meeting or that other meeting.

## 12. Costs

The amount payable by each of the Constituent Authorities in relation to the running and administration of the Combined Authority shall be apportioned between the Constituent Authorities in such proportions as they may agree, or in the absence of agreement in the following proportions:

Darlington 15.80%  
Hartlepool 14.67%  
Middlesbrough 20.89%  
Redcar and Cleveland 20.97%  
Stockton-on-Tees 27.67%.

The amount payable by each of the Constituent Authorities in relation to the costs reasonably attributable to the TVCA's functions relating to economic development and growth and regeneration will be apportioned between the Constituent Authorities in such proportions as they may agree, or in default of such agreement in the proportions detailed above in relation to the running costs.

The amount payable by each of the Constituent Authorities in relation to the costs reasonably attributable to the TVCA's functions relating to transport may be met:

- a) by means of a levy issued by the Combined Authority to the Constituent Councils under s74 of the Local Government Finance Act 1988, and in accordance with regulations made thereunder; or
- b) may be apportioned between the Constituent Authorities in such proportions as they may agree; or

- c) or in default of such agreement, shall be apportioned in relation to the proportion of funding connected with transport functions which is committed to the Combined Authority by each constituent council on 1st April 2016

Any change in the contributions paid by the Constituent Authorities to the TVCA will be agreed between the Combined Authority Board and the Constituent Authorities.

TVCA will have the power to access other sources of funding as they become available.

### **13. Financial Management**

The management of the TVCA's financial affairs will be conducted in accordance with the Financial Regulations set out in Part 5 of this Constitution.

### **14. Legal proceedings**

The Monitoring Officer is authorised to:

- a) institute, defend or participate in any administrative action and/or in any legal proceedings;
- b) sign any document in any case where such action will facilitate the carrying out of decisions of the TVCA; or in any case where the Monitoring Officer considers that such action is necessary to protect the TVCA's interests, or to further or achieve the objectives of the TVCA; and
- c) settle or otherwise compromise any such administrative action or legal proceedings if they have been commenced or there are reasonable grounds for believing such actions or proceedings may be contemplated.

Such powers may be exercised by an officer in their own name once authorised by the Monitoring Officer.

Any notices to be served on the TVCA are to be sent to the TVCA Monitoring Officer at [address], which for the purposes of section 231 of the Local Government Act 1972 and any other enactment shall be regarded as the principal office of the TVCA.

### **15. Review and Revision of the Constitution**

The Monitoring Officer will monitor and review the operation of the Constitution on an annual basis.

# **Part 2**

## **Powers and Functions**

## **Part 2 Powers and Functions**

This part of the Constitution sets out the legislative background of the powers and functions transferred to the TVCA.

### **Part 2.1 Transport Functions of the Constituent Authorities transferred to the TVCA**

The transport functions of the TVCA are set out at Part 3 of the Order annexed hereto

### **Part 2.2 Economic Development and Regeneration**

The economic development and regeneration functions are set out at Part 4 of the Order annexed hereto.

# **Part 3**

## **Responsibility for Functions**

## Part 3.1 The Combined Authority Board

Membership – 6 (one Member for each Constituent Authority and a non-voting LEP Member)

Quorum – 3 Constituent Authority Members, or Substitute Members..

In the absence of specific delegations to other bodies referred to in the Constitution, all functions remain with the Combined Authority Board.

When making decisions, the Combined Authority Board will always aim to reach consensus on any matter before it.

The voting system shall be un-weighted based on one member one vote, with no casting vote for the Chair or Vice Chair. If a vote is tied, it shall be deemed not to have been carried.

TVCA shall not have the power to incur expenditure on behalf of the Constituent Authorities, nor the power to place additional risks on the Constituent Authorities over and above expenditure and risk that is a result of what is agreed by each of the Constituent Authorities and covered by this Constitution, including the investment, business and financial plans.

Decision-making shall be structured to ensure that issues of critical importance to the Boroughs, such as those which placed costs or risks on the Constituent Authorities, are taken only by Leaders and the Locally Elected Mayor.

Questions relating to the following matters require a unanimous vote in favour by all five Members, or Substitute Members acting in place of those members, appointed by the constituent councils to be carried:

- (i) adoption of an investment plan;
- (ii) adoption of a medium term financial plan, including the determination of any contributions from the constituent councils;
- (iii) setting of any transport levy under section 74 of the Local Government Finance Act 1988 and in accordance with regulations made thereunder; and
- (iv) such other plans and strategies as may be determined by the Combined Authority and set out in its standing orders.
- (v) Amendments to the Combined Authority Constitution save for amendments necessary due to legislative change of grammatical corrections pursuant to delegated powers MO4 and MO5 detailed at Part 3.5(D) hereto.

Beyond the above, each matter arising at a meeting of the TVCA shall be determined by a majority of the votes of the Members present and voting.

The proceedings of the Combined Authority are not invalidated by any vacancy among its members or substitute members or by any defect in the appointment or qualifications of any member or substitute member.

## Part 3.2 Tees Valley Transport Committee (TVTC)

Membership – 7, which shall comprise:

- 1 voting representative nominated by each Constituent Authority (or substitute member as appropriate);
- 1 non-voting Chair, who must be a Leader or Locally Elected Mayor of a Constituent Authority
- 1 non-voting LEP member (or substitute LEP member, as appropriate), who may be granted voting rights by the TVCA on certain matters as determined by TVCA.

Quorum – 3 Constituent Authority representatives

Voting shall be on the basis of one member one vote. Any votes which are tied shall not be carried.

### Annual Meetings

1. An annual meeting shall be held in either February or March in each calendar year. The function of the annual meeting shall be:
  - a. To agree any transport related business plans as the TVCA may delegate to the TVTC.
  - b. To agree national representation (including substitutes) on transport Boards and influencing groups where a Tees Valley representative is required.
  - c. To delegate any appropriate transport functions by unanimous vote to Constituent Authorities.
2. There shall also be a mid-year review in September or October of each calendar year of the Business Plan and programme.

### Ad-hoc Meetings:

3. Ad-hoc meetings may be called at other times by a quorum to report on matters as agreed by the TVTC and at any appropriate milestones, including briefings on any national or Tees Valley programmes.
4. The Tees Valley Transport Infrastructure Group ('TIG') are to be an advisory group to the TVTC on transport and infrastructure matters.
5. It is hereby agreed that any Local Transport Plan ('LTP') monies received by TVCA shall be paid in full directly to each Constituent Authority, and that only on the basis of a unanimous vote by all Constituent Authority members shall the LTP money or a portion thereof be retained by TVCA.

## Part 3.3 Audit and Governance Committee

Membership – 7, which shall comprise:

- 1 voting representative nominated by each Constituent Authority (or substitute member as appropriate);
- 1 non-voting Chair, who must be a Leader or Locally Elected Mayor of a Constituent Authority
- 1 non-voting LEP member (or substitute LEP member, as appropriate), who may be granted voting rights by the TVCA on certain matters as determined by TVCA.
- At least one Independent Person on standards matters only where required by the Localism Act 2011 (see clause 2 of Information below)

Quorum – 3 Constituent Authority representatives

Voting shall be on the basis of one member one vote. Any votes which are tied shall not be carried.

The Audit and Governance Committee is a key component of the TVCA's corporate governance arrangements and is an important source of assurance about the organisation's arrangements for managing risk, maintaining an effective control environment; reporting on financial and other performance; and for the promotion and maintenance of high standards of conduct by its Members.

The Committee will also monitor complaints made against Members in respect of alleged breaches of the Members' Code of Conduct in accordance with agreed adopted local arrangements (see Part 6 of the Constitution).

### Terms of reference

The following functions are the responsibility of the Audit and Governance Committee:

#### Audit

1. To consider the effectiveness of the TVCA's risk management arrangements, the control environment and associated anti-fraud and anti-corruption arrangements, and seek assurance from the Chief Officers, Internal Audit and External Audit that action is being taken on risk related issues within the organisation.
2. To consider internal audit annual reports and opinions; and consider a review of the effectiveness of the system of internal audit.

#### Standards

3. To promote and maintain high standards of conduct by TVCA members and co-opted members.

4. To ensure the TVCA members and co-opted members observe the Members' Code of Conduct.
5. To advise the Combined Authority Board on the adoption or revision of the Members' Code of Conduct.
6. To monitor complaints received by the TVCA in respect of Member conduct.
7. To conduct hearings following investigation and determine complaints made against members and co-opted members.
8. Where a member or co-opted member is found to have failed to comply with the Code of Conduct to take such action as may be necessary to promote and maintain high standards of conduct, in accordance with the powers available to the Committee.

Information:

1. Nothing in these terms of reference shall confer upon the Audit and Governance Committee the power to regulate or control the finances of the TVCA, in order to ensure that section 102(3) of the Local Government Act 1972 is not contravened.
2. The Localism Act 2011 requires the TVCA to appoint at least one Independent Person for their views to be sought and taken into account before the Audit and Governance Committee makes its decision on an allegation about a Members' conduct which has been investigated and at other times when considered appropriate. An Independent Person's views may also be sought by a Member who is the subject of a misconduct complaint.
3. The Members' Code of Conduct and all codes and protocols can be found in Part 6 - Codes of Conduct and Protocols.

## Part 3.4 Chief Officers

Section 112(1) of the Local Government Act 1972, provides that the TVCA shall appoint such officers as it thinks necessary for the appropriate discharge by the Combined Authority Board of such of its functions as fall to be discharged by them.

There are a number of specific references in the 1972 Act and the 1985 Local Government Act, which call for functions to be undertaken by what is termed the 'Proper Officer'. The following lists such references and identifies the Chief Officers responsible for their discharge.

### A Head of Paid Service

The Head of Paid Service is responsible for the corporate and overall strategic management of the TVCA's staff in accordance with section 4 of the Local Government and Housing Act 1989.

The Head of Paid Service cannot be the Monitoring Officer.

### B Monitoring Officer

Under the provisions of the Local Government and Housing Act 1989, the Combined Authority Board shall appoint a Monitoring Officer who will be responsible for promoting and maintaining high standards of conduct. The Monitoring Officer will provide advice on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity and budgetary issues to all Members and provide a comprehensive administrative service to the TVCA.

The Monitoring Officer to the TVCA is appointed the Proper Officer in relation to the following under the Local Government Act 1972:

- a) Determination of those reports which should be available for public inspection prior to a meeting of the Combined Authority Board, the TVTC, the Audit and Governance Committee and any Committee or Sub-committee of the Combined Authority Board and those which are likely to be heard in private and consequently which should not be released to the public (section 100B (2)).
- b) Provision of documents to the press, additional to committee reports (section 100B (7)).
- c) Preparing written summaries of proceedings (section 100C (2)).
- d) Making arrangements for list of, and background papers to reports, to be made available for public inspection (section 100D (1)).
- e) Determination of documents disclosing exempt information which may not be inspected by Members (section 100F (2)).
- f) Signature of Summonses to the TVCA (paragraph 4 (2) (b) of Schedule 12).
- g) Receipt of notices regarding address to which Summonses to meetings of the TVCA are to be sent (paragraph 4 (3) of Schedule 12).
- h) Declaration and Certificates with regard to securities (section 146 (1)(a) and (b)).
- i) Deposit of documents (section 225 (1)).

- j) Certifications of photographic copies of documents (section 229 (5)).
- k) Issuing and signing of formal notices (section 234 (1) and (2)).
- l) Serving copies of Byelaws (section 236 (9) and (10)).
- m) Certification of Byelaws (section 238).

The Monitoring Officer will maintain an up to date Register of Member's interests and an up to date version of the Constitution and will ensure that it is widely available for consultation by Members, officers and the public.

The Monitoring Officer will contribute to the promotion and maintenance of high standards of conduct and be the Proper Officer for receipt and acknowledgement of complaints of failure by a Member of the TVCA to comply with the Members Code of Conduct.

The Monitoring Officer is also responsible for promoting the role of the authority's overview and scrutiny committee (including the appointment of a separate Scrutiny Officer if necessary); providing support to the authority's overview and scrutiny committee and its members; and to provide support and guidance to members and officers of the authority in relation to the functions of the overview and scrutiny committee.

The Monitoring Officer cannot be the Head of Paid Service or the Chief Finance Officer.

### **C Chief Finance Officer**

The Chief Finance Officer has responsibility for ensuring lawfulness and financial prudence of decision making. The Chief Finance Officer is appointed Proper Officer in relation to the following:

- a) receipt of money due from officers (Local Government Act 1972, section 115 (2); and
- b) proper administration of the financial affairs of the TVCA (Local Government Act 1985 section 73).

### **D General**

All officers in whose name reports are submitted to the Combined Authority Board, the TVTC, the Audit and Governance Committee and any Committee or Sub-committee of the Combined Authority Board via the Monitoring Officer and Chief Finance Officer are appointed the Chief Officers in relation to the following under the Local Government Act 1972:

- a) Compilation and retention of lists of background papers and copies of the relevant documents and reports (section 100D (1) (a)).
- b) Identifying and determining what are background papers (section 100D (5)).

## Part 3.5 Scheme of Delegation of Functions to Chief Officers

1. Section 101 of the Local Government Act 1972 enables the TVCA to delegate any of its functions to its officers. This part of the Constitution specifies those powers of the Combined Authority Board which, for the time being, are exercisable from time to time by officers of the TVCA, and stating the title of the officer in question by whom the powers are exercisable.
2. Chief Officers in the context of this Constitution mean the Head of Paid Service, the Chief Finance Officer and the Monitoring Officer.
3. The delegated powers of Chief Officers set out in this Scheme may be exercised by other officers authorised by the Chief Officer with the delegated power to act on their behalf and in their name, provided that administrative procedures are in place to record the authorisation and monitor decisions taken.
4. The exercise of delegated powers by officers is required to be in accordance with:
  - a) Statute or other legal requirements, including the principles of public law, the Human Rights Act 1998, statutory guidance and statutory codes of practice;
  - b) this Constitution, the Combined Authority Board's Rules of Procedure and Financial Regulations currently in force;
  - c) the revenue and capital budgets of the TVCA, subject to any variation thereof which is permitted by the TVCA's Financial Regulations; and
  - d) any policy or direction of the Combined Authority Board, the TVTC or any other committee acting in exercise of powers delegated to that committee by the TVCA.
5. Officers may **not** exercise delegated powers where:
  - a) the matter is reserved to the Combined Authority Board by law or by this Constitution;
  - b) the matter is a function which cannot by law be discharged by an officer;
  - c) the Combined Authority Board, or a committee, sub-committee or joint committee to which the TVCA is a party, has determined that the matter should be discharged otherwise than by an officer;
6. Where, in relation to an item before the Combined Authority Board, the TVTC or a joint committee, committee or sub-committee, a Chief Officer is given specific authority to determine a particular matter, the officer should ensure that there is an appropriate audit trail to evidence such determination.
7. Any reference in this Scheme of Delegation to any enactment shall include a reference to any amendment or re-enactment of the same.

### A General Delegations to all Chief Officers

- GD1 The day to day routine management, supervision and control of services provided for the TVCA by staff under their control in accordance with the Rules of Procedure and Financial Regulations of the TVCA.

## **Contracts and Accounts**

- GD2 The disposal of surplus or obsolete equipment to the person submitting the highest quotation up to a limit of [£10,000] in value.
- GD3 The acceptance of the lowest tender or quotation:
- a) For the supply of goods, materials or services for which financial provision has been made in the TVCA's Revenue Budget up to a limit of [£100,000] in value for any one transaction, and
  - b) For building and civil engineering works provided that the value of the tender is within the estimate previously approved by the Combined Authority Board and does not exceed [£250,000].
- GD4 The invitation of quotations for contracts not exceeding [£25,000] in value for the supply of goods, materials or services or the execution of works from at least three persons, subject to financial provision having been made in the Revenue or Capital Budget of the TVCA.
- GD5 The provision of services or the purchase of materials or minor items of equipment up to a total of [£10,000] within one order or series of related orders for which provision has been made in the revenue estimates.

## **B. Delegations to the Head of Paid Service**

- HPS1 To discharge the functions of the Head of Paid Service in relation to the TVCA as set out in section 4 of the Local Government and Housing Act 1989.
- HPS2 To engage officers on behalf of the Combined Authority to coordinate its functions.
- HPS3 To discharge any function of the TVCA which has not been specifically delegated to another officer, Committee or reserved to the Combined Authority Board under Part 3.1 of this Constitution.
- HPS4 Take any action which is required as a matter of urgency in the interests of the TVCA, in consultation (where practicable) with the Chair of the Combined Authority Board, the Monitoring Officer and the Chief Finance Officer.
- HPS5 Nominate, appoint and remove, in consultation with the Chair of the Combined Authority Board, TVCA representatives on the board of companies, trusts and other bodies, and to agree constitutional arrangements for such companies, trusts and other bodies, and give any necessary consent required within relevant constitutions.

## **C Delegations to the Chief Finance Officer**

- CFO1 To effect the proper administration of the TVCA's financial affairs particularly in relation to financial advice, procedures, records and accounting systems, internal audit and financial control generally.
- CFO2 The taking of all action required on borrowing, investment and financing subject to the submission to the Combined Authority Board of an annual report of the Chief Finance Officer on treasury management activities and at six-monthly intervals in accordance with CIPFA's Code of Practice for Treasury Management and Prudential Codes.
- CFO3 To effect all insurance cover required in connection with the business of the TVCA and to settle all claims under such insurances arranged for the TVCA's benefit.
- CFO4 To discharge the functions of the TVCA under the Accounts and Audit (England) Regulations 2011 (with the exception of Regulations 4(3), 6(4) and 8(3)).
- CFO5 To sign certificates under the Local Government (Contracts) Act 1997.
- CFO6 To be the officer nominated, or to nominate in writing another officer, as the person to receive disclosures of suspicious transactions for the purposes of the Proceeds of Crime Act 2002 and any Regulations made thereunder.
- CFO7 To exercise the responsibilities assigned to the Chief Finance Officer in the Financial Regulations and the Contract Procedure Rules.

## **D Delegations to the Monitoring Officer**

- MO1 The Monitoring Officer is authorised to:
  - a) institute, defend or participate in any administrative action and/or in any legal proceedings;
  - b) sign any document in any case where such action will facilitate the carrying out of decisions of the Combined Authority Board; or in any case where the Monitoring Officer considers that such action is necessary to protect the TVCA's interests, or to further or achieve the objectives of the TVCA; and
  - c) settle or otherwise compromise any such administrative action or legal proceedings if they have been commenced or there are reasonable grounds for believing such actions or proceedings may be contemplated.
- MO2 After consulting with the Head of Paid Service and Chief Finance Officer, to report to the Combined Authority Board if he/she considers that any proposal, decision or omission would give rise to unlawfulness or if any decision or omission has given rise to maladministration as determined by the Local Government Ombudsman. Such a report will have the effect of

stopping the proposal or decision being implemented until the report has been considered.

- MO3 To accept on behalf of the Combined Authority Board in-year changes to the membership of committees, sub-committees and joint committees. These changes must be notified in writing to the Monitoring Officer and will be effective when receipt of the notification is acknowledged in writing by the Monitoring Officer.
- MO4 To make minor changes to the Constitution and its associated documents in order to reflect organisational or legislative change when the power remains unaltered.
- MO5 To make any textual or grammatical corrections to the Constitution and its associated documents.

### **Supporting the Standards Regime**

- MO6 To be the Proper Officer for receipt and acknowledgement of complaints of failure to comply with the Members' Code of Conduct under the TVCA's adopted local arrangements.
- MO7 To review complaints received in respect of any alleged breach by a Member of the Code of Conduct for Members and to act in accordance with the TVCA's adopted local arrangements.
- MO8 The Monitoring Officer will either conduct or arrange for investigations to be conducted into alleged breaches of the Members' Code of Conduct referred to him/her by the Head of Paid Service or appropriate Officer
- MO9 The Monitoring Officer will undertake, at the request of the Head of Paid Service, informal resolution of such complaints in accordance with the TVCA's adopted local arrangements.
- MO10 Authentication of documents and the use of the corporate seal

## Part 3.6 Overview and Scrutiny Committee

Membership:	15	Three members of each of the Constituent Authorities, so that the members of the committee taken as a whole reflects so far as reasonably practicable the balance of political parties for the time being prevailing among members of the Constituent Authorities. Wherever possible members will be reflective of the diversity of population within the Tees Valley. Members shall also have the ability to co-opt non-voting members to the Overview and Scrutiny Committee.
Quorum:	7	Which must include members from at least 3 Constituent Authorities

1. 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.
2. The Chair of the Scrutiny Committee shall rotate between Constituent Authorities together with and on the same basis as the Chair of the TVCA.
3. The Overview and Scrutiny Committee appointed by the Combined Authority is to have the power to:
  - a. require members or substitute members of the Combined Authority to attend before it to answer questions;
  - b. invite other persons, including members of the public, to attend meetings of the committee;
  - c. review or scrutinise decisions made, or other action taken, in connection with the discharge of any functions which are the responsibility of the Combined Authority;
  - d. make reports or recommendations to the Combined Authority with respect to the discharge of any functions which are the responsibility of the Combined Authority;
  - e. make reports or recommendations to the Combined Authority on matters that affect the authority's area or the inhabitants of the area.
4. The power to review or scrutinise a decision made but not implemented under sub-paragraph (3)(c) includes the power to recommend that the decision be reconsidered by the Combined Authority.
5. Where the Overview and Scrutiny Committee makes a report or recommendation under sub-paragraph (3)(d) the committee may:
  - a. publish the report or recommendations;
  - b. by notice in writing require the Combined Authority to:
    - i. consider the report or recommendations;
    - ii. respond to the overview and scrutiny committee indicating what (if any) action the Combined Authority proposes to take; and
    - iii. if the overview and scrutiny committee has published the report or recommendations under paragraph (a), publish the response.

6. A notice served under sub-paragraph (5)(b) must require the Combined Authority to comply with it within two months beginning with the date on which the Combined Authority received the reports or recommendations or (if later) the notice.
7. The Combined Authority must comply with a notice given under sub-paragraph (5)(b).

### **Proceedings**

The Overview and Scrutiny Committee will conduct their proceedings in accordance with Part 4.2 – Overview and Scrutiny Committee Rules of Procedure

## **Part 4 Rules of Procedure**

These Rules apply to all meetings of the Combined Authority Board, the TVTC, or the Audit and Governance Committee as appropriate and should be read in conjunction with other parts of this Constitution.

References in these Rules to the 'Chair' mean the member of the Combined Authority Board, joint committee, committee or sub-committee for the time being presiding at the meeting.

These Rules are subject to any statute or other enactment whether passed before or after these Rules came into effect.

### **4.1 Combined Authority Board Rules of Procedure**

#### **The Annual Meeting**

The first Annual Meeting will take place in April, and thereafter each subsequent Annual Meeting will take place in May.

The Annual Meeting will:

- a) elect a person to preside if the Chair of the Combined Authority Board is not present;
- b) elect the Chair of the Combined Authority Board ;
- c) elect the Vice Chairs of the Combined Authority Board;
- d) approve the minutes of the last meeting;
- e) receive any announcements from the Chair and/or the Head of Paid Service;
- f) appoint the Overview and Scrutiny Committee and any other committee or sub-committee considered necessary and agree a timetable of meetings;
- g) agree the membership of TVTC and any other relevant committee or joint committee as nominated by each appropriate Constituent Authority;
- h) appoint the Chair of any of the bodies referred to in f) above;
- i) appoint the Vice Chair(s) of any of the bodies referred to in f) above;
- j) select the Chair and Vice Chair(s) of any of the bodies referred to in g) above;
- k) agree any delegation of functions to the bodies referred to in f) and g) above;

- l) approve the policies and strategies to be included in the policy framework; and
- m) conduct any other business reserved for its Annual Meeting as set out in Part 3 - Responsibility for Functions in accordance with the following procedure rules.

### **Ordinary Combined Authority Board Meetings**

Ordinary meetings of the Combined Authority Board will take place in accordance with a programme decided by the Combined Authority Board.

Ordinary meetings will:

- a) elect a person to preside if the Chair and Vice Chairs are not present;
- b) approve the minutes of the last meeting;
- c) receive any declarations of interest from Members;
- d) receive any announcements from the Chair and/or the Head of Paid Service;
- e) deal with any uncompleted business from the last Combined Authority Board meeting;
- f) receive and consider reports from its Committees and Sub-committees;
- g) conduct any business reserved for it in accordance with Part 3 - Responsibility for Functions and specified in the summons to the meeting in accordance with the following procedure rules; and
- h) authorise the sealing of documents.

#### **1. Chair and Vice Chairs**

The Chair and Vice Chairs shall be selected annually by the Combined Authority Board from amongst its Members and shall, unless they resign, cease to be members of the TVCA or become disqualified, act until their successors become entitled to act as Chair or a Vice Chair.

The Chair shall rotate annually between the Constituent Authorities in the following order:

1. Darlington Borough Council
2. Hartlepool Borough Council
3. Redcar & Cleveland Borough Council
4. Middlesbrough Council
5. Stockton Borough Council

The election of the Chair and Vice Chairs shall be the first item of business at the Annual Meeting of the Combined Authority Board.

Subject to any Rules made by the Combined Authority Board, anything required to be done by, to or before the Chair may be done by, to or before a Vice Chair.

At a meeting of the Combined Authority Board the Chair shall preside. If the Chair is absent a Vice Chair shall preside. If both the Chair and all Vice Chairs are absent, such other Member present may choose to preside with the agreement of the other Members present.

Any power or duty of the Chair in relation to the conduct of a meeting may be exercised by the person presiding at the meeting.

The ruling of the Chair on the interpretation of these Rules in relation to all questions of order and matters arising in debate shall be final.

## **2. Meetings of the Combined Authority Board**

In addition to the Annual Meeting and any meeting convened by the Chair or by Members, meetings for the carrying out of general business shall be held in each year at the times and on the dates fixed at the Annual Meeting.

## **3. Extraordinary Meetings**

An Extraordinary Meeting may be called by complying with the provisions of the Local Government Act 1972 or any other relevant statutory provision.

## **4. Summons**

At least five clear days before a meeting the Monitoring Officer shall arrange for a notice of the time and place of the intended meeting to be published at his/her office. Where the meeting is called by Members that notice is to be signed by those Members and specify the business proposed. A summons to attend the meeting, specifying the proposed business and signed by the Monitoring Officer, is to be left at, or sent by post to, the usual place of residence of every Member or to such other place as may be requested by a Member.

Except in the case of business required by statute to be transacted at the Annual Meeting no business shall be transacted at a meeting other than that specified in the summons.

## **5. Quorum**

The quorum of the Combined Authority Board shall be 3 members save for items of business that require a unanimous decision or matters upon which only the Constituent Authority Members may vote upon, in which case the quorum is five voting members comprising one member from each of the Constituent Authorities. No business shall be transacted at any meeting unless a quorum is present.

During any meeting if the Chair counts the number of Members present and declares there is not a quorum present, then the meeting will adjourn immediately.

Remaining business will be considered at a time and date fixed by the Chair. If the Chair does not fix a date, the remaining business will be considered at the next ordinary meeting.

## **6. Duration**

At any meeting the Chair shall have discretion to adjourn the meeting for a short period of time unless the majority of Members present, by vote, determine it shall stand adjourned to another day, the date and time of which shall be determined by the Chair.

## **7. Declaration of Interests in Meetings**

Where a Member attends a meeting of the Combined Authority Board they must declare personal interests and disclosable pecuniary interests as defined in the Members' Code of Conduct either at the start of the meeting, or otherwise as soon as the interest becomes apparent in the course of the meeting.

In addition, where in relation to any meeting a Member has declared an interest in a matter, and the criteria contained in paragraph 16 of the Members' Code of Conduct apply, the Member must leave the room for the duration of the discussion on that matter.

## **8. Access to information**

In accordance with the Local Government Act 1972 as amended:

- a) All meetings of the Combined Authority Board, its joint-committees, committees and sub-committees shall be open to the public unless it is likely in view of the nature of the business to be transacted that either confidential information (as defined in section 100A(3) of the 1972 Act) or information falling within one of the categories of exempt information in Schedule 12A (as amended) of the 1972 Act would be disclosed.
- b) Members of the public and media may take photographs, film, audio-record or report via social media the proceedings of any meeting of the Combined Authority Board, its joint-committees, committees and sub-committees where the meeting is open to the public. The Chair of the meeting may withdraw consent to film, record or photograph a meeting at any time in the event that it is carried out in a manner that interferes with the proper conduct of the meeting.
- c) Copies of the agenda, and reports open to the public will be available for public inspection at least five clear days before a meeting. If an item is added to the agenda later, the revised agenda and any additional report will be open to inspection from the time it was added to the agenda.
- d) The TVCA will make available for public inspection for six years after a meeting the minutes of the meeting (but excluding any part of the minutes when the meeting was not open to the public or which disclose confidential or exempt information), a summary of any proceedings not open to the public

where the minutes open to inspection would not otherwise provide a reasonably fair and coherent record, the agenda for the meeting and reports relating to items when the meeting was open to the public.

- e) The author of any report will set out in it a list of those documents (called background papers) relating to the report which in his/her opinion disclose any facts or matters on which the report is based and which have been relied on to a material extent in preparing the report (except for documents which are published works or which disclose confidential or exempt information). Such background papers will remain available for public inspection for four years from the date of the meeting.
- f) Where information is withheld under these provisions the fact must be made known to the member of the public concerned who shall be advised of the categories of information being withheld and the way in which the withholding can be challenged.

## **9. Disturbance**

No member of the public shall interrupt or take part in the proceedings of any meeting. If any member of the public interrupts or takes part in the proceedings at any meeting, the Chair shall warn him/her and if he/she continues the interruption the Chair shall order his/her removal.

The Chair may at any time, if he/she thinks it desirable in the interests of order, adjourn or suspend a meeting for a time to be named by him/her.

## **10. Voting**

Subject to the provisions of any enactment the Combined Authority Board will apply unweighted voting based upon one vote for one member, with no casting vote for the Chair or Vice Chair.

If any Member wishes to have his/her name recorded as having voted against any resolution, he/she may require the Monitoring Officer to do so.

## **11. Minutes**

The Chair will sign the minutes of the proceedings at the next suitable meeting. The Chair will move that the minutes of the previous meeting be signed as a correct record. Discussion of the minutes must be limited to their accuracy.

## **12. Code of Conduct and Protocols**

Members shall comply with the TVCA's Code of Conduct for Members at Part 6.1 of this Constitution and any other Codes or Protocols approved by the Combined Authority Board.

## **13. Officers' Interests**

If it comes to the knowledge of an officer engaged by the TVCA, that a contract in which he/she has a pecuniary interest, whether direct or indirect has been, or is

proposed to be, entered into by the TVCA he/she shall as soon as practicable give notice in writing to the Monitoring Officer of the fact that he/she has an interest.

An officer shall be treated as having indirectly a pecuniary interest in a contract if he/she would have been so treated by virtue of Section 95 of the Local Government Act 1972 had he/she been a member of the TVCA i.e. the other party to the contract is a company or other person or body (other than a public body) of which the officer or his/her spouse/partner is a member or employee or partner.

#### **14. Committees**

The Combined Authority Board shall at its Annual Meeting each year appoint such committees as are required to be appointed by or under any statute and may at any time appoint such other joint committees, committees or sub-committees as are necessary to carry out the work of the TVCA but, subject to any statutory provision, may at any time dissolve a joint committee, committee, sub-committee or alter its membership.

## Part 4.2 Overview and Scrutiny Committee Rules of Procedure

### PROTOCOL FOR SCRUTINY ARRANGEMENTS FOR THE TEES VALLEY COMBINED AUTHORITY

1. Protocol
  - 1.1. This protocol provides a framework for carrying out joint scrutiny work of the Tees Valley Combined Authority (“TVCA”).
  - 1.2. This protocol will be reviewed annually to ensure it remains relevant.
2. Objectives of scrutiny of the TVCA
  - 2.1. These arrangements have been established to act as a focus for the scrutiny of the Combined Authority Board and decision making of the TVCA, and for investigating matters of strategic importance to residents within the combined administrative area covered by the Constituent Councils;
  - 2.2. The role of these arrangements will include:-
    - 2.2.1. monitoring the decisions of the TVCA and to make recommendations for improvement and/or change;
    - 2.2.2. investigating matters of strategic importance to residents of the Constituent Councils and reporting with recommendations to the TVCA
    - 2.2.3. Reviewing the strategic upstream work and plans of the TVCA.
3. Operation of Scrutiny Arrangements TVCA
  - 3.1. A committee of elected members (the “ Overview and Scrutiny Committee”) will be established which will comprise of 3 councillors from each of the Constituent Councils.
    - 3.1.1. Appointees to the Overview and Scrutiny Committee must not be members of the Combined Authority Board, or the TVCA (including substitute members).
    - 3.1.2. Wherever possible members will be reflective of the diversity of the population within the Tees Valley.
    - 3.1.3. No Overview and Scrutiny Committee Member may also be a Member of the TVCA.
    - 3.1.4. Each Overview and Scrutiny Committee Member is to have one vote and there is to be no casting vote.
    - 3.1.5. In the event that a vote is tied on any matter it is taken not to have been carried.
  - 3.2. Appointments to the Overview and Scrutiny Committee by the Constituent Councils will be made in accordance with the principles of political balance set out in Section 15(5) of the LGHA 1989 so that the members of the Overview and Scrutiny Committee so far as is reasonably practicable reflect the balance of the political parties for the time being prevailing amongst the members of the Constituent Councils.
  - 3.3. Any elected member appointed to the Overview and Scrutiny Committee under these scrutiny arrangements who is also appointed to any Committee or Sub Committee of the TVCA cannot participate in the operation of the scrutiny arrangements on any issues which were taken at any meeting of the TVCA or any Committee or Sub Committee of the TVCA at which they were present.
  - 3.4. The term of office for members of the Overview and Scrutiny Committee will be one year from the date of the annual council meeting of the Constituent Council that appoints them to the Overview and Scrutiny Committee unless:-

- 3.4.1. they cease to be an elected member of the Constituent Council that appointed them;
  - 3.4.2. they wish to no longer participate in these arrangements; or
  - 3.4.3. the TVCA is advised by any of the Constituent Councils that it wishes to change one or more of its appointees to the Overview and Scrutiny Committee in accordance with paragraphs 3.1-3.3 of this Clause 3.
- 3.5. Non-voting members may be co-opted to participate in these arrangements from other organisations as the Overview and Scrutiny Committee members may decide.

#### 4. Meetings of Overview and Scrutiny Committee

- 4.1. The members appointed to the Overview and Scrutiny Committee under Clause 3 above will hold at least three meetings per annum and may convene additional joint meetings in accordance with these arrangements.
- 4.2. At the annual joint meeting the Overview and Scrutiny Committee will:
  - 4.2.1. elect a Chair and Vice Chair. The Chair and Vice Chair must come from different political groups. The Chair of the Scrutiny Committee shall rotate between Constituent Authorities together with and on the same basis as the Chair of the TVCA.
  - 4.2.2. determine the areas of review and scrutiny that they wish to pursue during the ensuing 12 months.
- 4.3. The quorum for this annual meeting and any other joint meetings held under this Clause 4 will be 7, and must include representatives of at least 3 of the Constituent Councils.
- 4.4. The principle of decision making at any such joint meeting shall be that, wherever possible decisions will be made by agreement, without the need for a vote. If a vote is necessary it will be a simple majority of those present and the Chair will not have a casting vote.
- 4.5. The venue for each annual meeting and any other joint meetings held under this Clause 4 will be decided by the Chair and notified to Constituent Councils for inclusion on their Council web sites.
- 4.6. Notice of the annual meeting and any other joint meetings held under this Clause 4 will be sent to each Overview and Scrutiny Committee member in accordance with the requirements of the Local Government Act 1972.
- 4.7. The Chair will approve the agenda for each annual meeting and any other joint meetings held under this Clause 4; however, any member of the Overview and Scrutiny Committee will be entitled to require an item to be placed on the agenda for the meeting.

#### 5. Publication of Notice of Decisions

- 5.1. The committee may:
  - 5.1.1. publish the report or recommendations;
  - 5.1.2. by notice in writing require the Combined Authority to—
    - 5.1.2.1. consider the report or recommendations;
    - 5.1.2.2. respond to the overview and Overview and Scrutiny Committee indicating what (if any) action the Combined Authority proposes to take; and
    - 5.1.2.3. if the overview and Overview and Scrutiny Committee has published the report or recommendations, publish the response.
- 5.2. A notice served under sub-paragraph 5.1.2 must require the Combined Authority to comply with it within two months beginning with the date on which the Combined Authority received the reports or recommendations or (if later) the notice.
- 5.3. The Combined Authority must comply with a notice given under sub-paragraph 5.1.2

## 6. Key principles for the operation of the scrutiny arrangements

- 6.1. The Constituent Councils will work together to maximise the exchange of information and views, to minimize bureaucracy and make best use of the time of members and officers of other bodies or agencies.
- 6.2. Members of the Overview and Scrutiny Committee will, when considering reviews, determine whether the issue is more appropriately dealt with by one of the Constituent Councils or elsewhere and will not duplicate the work of existing bodies or agencies.
- 6.3. Subject to prior consultation, the Constituent Councils will respond positively to requests for information, or for the attendance of a member or officer at any meetings set up under these arrangements.
- 6.4. While it is ultimately for each Constituent Council to decide who it considers the most appropriate person(s) to speak on its behalf at any meetings set up under these arrangements consideration will be given to meeting specific requests.
- 6.5. Dates and times for officer and member attendance at any meetings set up under these arrangements should be by agreement.
- 6.6. Members appointed under these arrangements may request the attendance of officers employed by the Constituent Councils to answer questions and give evidence at any meetings set up under these arrangements. All such requests must be made via the Chief Executive of the relevant Constituent Council. If any request is declined by the Chief Executive, he/she must state the reasons for so doing.

## 7. Reviews and recommendations

- 7.1. The process of joint scrutiny will be an open and transparent process designed to engage the Constituent Councils, their residents and other stakeholders.
- 7.2. Meetings will be held in public unless the meeting decides to convene in private in order to discuss confidential or exempt information, in accordance with the relevant provisions of the Local Government Act 1972 or Local Government Act 2000.
- 7.3. The terms of reference, timescale and outline of any review will be agreed by Overview and Scrutiny Committee members appointed at their annual meeting.
- 7.4. Different approaches to scrutiny reviews may be taken in each case but members will seek to act in an inclusive manner and will take evidence from a wide range of opinion. The Scrutiny Committee will make specific efforts to engage with hard to reach groups.
- 7.5. The primary objective of the Overview and Scrutiny Committee established under these arrangements will be to reach consensus on its recommendations, but where a minimum number of 5 members express an alternative to the majority view, they will be permitted to produce a minority report.
- 7.6. Voting if needed will be by a show of hands and a simple majority will be required to approve any recommendation.

## 8. Budget and Administration

- 8.1. The annual meeting of Overview and Scrutiny Committee members will establish which of the Constituent Councils shall provide the necessary support work, resources and administrative staff to support the operation of these arrangements in the forthcoming year and will submit this to the TVCA for agreement. It is anticipated that the necessary support work, resources and staff will be met by the Constituent Council of the current Chair, which shall rotate between the Constituent Councils annually.

- 8.2. Any additional contributions to the costs or resources of the joint scrutiny arrangements shall be determined by apportioning the costs in such proportions as the Constituent Councils unanimously agree.
- 8.3. The decisions and recommendations of the Overview and Scrutiny Committee will be communicated to the TVCA and other Overview and Scrutiny Committee members and Constituent Councils as soon as possible after resolution by those appointed to any such Overview and Scrutiny Committee.

## **Part 4.3 Budget and Policy Framework Rules of Procedure**

### **1. Introduction**

The Budget and the Policy Framework is the collective name given to the budget and a number of the major plans and strategies of the TVCA that must be considered by Combined Authority Board before they are finally approved.

This part of the Constitution sets out how the Combined Authority Board will decide on which plans and strategies are in the Policy Framework. It also sets out how it will make decisions on the content of the budget and those plans and strategies contained in the Framework where such plans and strategies are brought forward.

Once a budget or policy is in place it is the responsibility of the Combined Authority Board to implement.

### **2. Content of the Budget and Policy Framework**

The Budget and Policy Framework will comprise:

#### **a) The Budget**

The budget includes the allocation of financial resources to different services and projects, proposed contingencies, earmarked and unearmarked reserves, the transport levy and decisions relating to the control of the Combined Authority's borrowing requirement, the control of its capital expenditure and the setting of virement limits.

The budget also includes the Treasury Management Strategy. Treasury Management is the management of the Authority's cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities and the pursuit of optimum performance consistent with those risks.

The Treasury Management Strategy aims to protect the Authority from market-related risks by monitoring interest rates, economic indicators and UK and overseas government finances. The prime objective of the Authority's investment strategy is to maintain capital security whilst ensuring that there is the necessary liquidity to carry out its business.

#### **b) The following plans and strategies:**

- The Local Transport Plan

The Combined Authority Board will review the composition of the Policy Framework annually as part of the review of the Constitution and the relevant provisions will be amended to take account of the outcome of any review. The TVCA will also publish a timetable for consideration of those plans and strategies included in the Framework.

### **3. The Budget**

The process described below aims to ensure that appropriate and effective consultation takes place with all Members and other stakeholders on the content of the Budget.

### **a) Initial proposals**

At least [2] months before the calculations on the transport levies need to be finalised the Combined Authority Board will produce initial outline proposals. These initial proposals will be accompanied by:

- (i) a summary of information that has been taken into account in producing the initial proposals (including specific reference to consideration of any reviews/studies previously carried out by the Overview and Scrutiny Committee);
- (ii) detailed information on how it is intended to consult with the Constituent Authorities, stakeholders, residents and others;
- (iii) a clearly stated timetable for the consultation and the preparation of final proposals for consideration by the Overview and Scrutiny Committee and the Combined Authority Board.
- (iv) proposals on the extent of virement permitted within the Budget as part of an annual review of the Combined Authority's Financial Regulations.

The initial proposals and accompanying information will then be referred to the Overview and Scrutiny Committee. The Overview and Scrutiny Committee will at this stage examine the consultation proposals and timetable and make recommendations on these, where it is considered appropriate, to the Combined Authority Board.

### **b) Finalising proposals**

The Combined Authority Board will consider any recommendations made by the Overview and Scrutiny Committee and, where it is considered appropriate, amend the consultation process and/or timetable accordingly.

Once the consultation process has been completed, details of the finalised proposals will be referred to the Overview and Scrutiny Committee together with the relevant background information on which the proposals have been based. It is the responsibility of the Chair of the Combined Authority Board and relevant officers to ensure that the Overview and Scrutiny Committee has sufficient background information to enable it to evaluate the proposals against that background information.

The proposals will then be referred back to the Combined Authority Board, together with any recommendations and/or observations from the Overview and Scrutiny Committee.

### **c) Consideration of final proposals**

The final proposals will then be considered by the Combined Authority Board, which may or may not include the recommendations and/or observations from the Overview and Scrutiny Committee.

The Combined Authority Board must approve the final proposals unanimously.

**d) After the Budget has been agreed**

A notice of the decision will be prepared by the Chief Finance Officer and given to each Constituent Authority.

#### **4. Plans and Strategies (The Policy Framework)**

The process described below aims to ensure that appropriate and effective consultation takes place with all Members and other stakeholders on the content of any of the major plans or strategies within the Policy Framework.

**a) Initial proposals**

At least 2 months before any plan or strategy needs to be finalised, the Combined Authority Board will produce initial proposals. These initial proposals will be accompanied by:

- (i) a summary of information that has been taken into account in producing the initial proposals and any consultation undertaken (including specific reference to consideration of any reviews/studies previously carried out by the Overview and Scrutiny Committee);
- (ii) detailed information on how it is intended to consult with Members and others;
- (iii) a clearly stated timetable for the consultation and the preparation of final proposals for consideration by the Overview and Scrutiny Committee and the Combined Authority Board ; and
- (iv) proposals on the degree of changes to the plan or strategy that can be approved by the Combined Authority Board during the life span of the plan or strategy.

The initial proposals and accompanying information will be referred to the Overview and Scrutiny Committee. The Overview and Scrutiny Committee will examine the consultation proposals and timetable and make recommendations on these, where it is considered appropriate, to the Chair of the Combined Authority Board.

**b) Finalising proposals**

A second draft of the policy, taking into consideration comments received through the consultation process on the initial proposals will be approved by the Combined Authority Board and referred again to the Overview and Scrutiny Committee together with the relevant background information on which the final proposals

have been based.

Any recommendations and/or observations from the Overview and Scrutiny Committee will be considered by the Combined Authority Board.

**c) Submission of final proposals to the Combined Authority Board**

The final proposals will then be considered by the Combined Authority Board, which may or may not include the recommendations and/or observations from the Overview and Scrutiny Committee.

The Combined Authority Board must approve the final proposals unanimously.

**5. Decisions that contravene the Budget or the plans or strategies in the Policy Framework**

TVCA's Financial Regulations contain provisions allowing virement. Subject to those provisions, the Combined Authority Board, committees of the Combined Authority Board and/or any officers or joint committees discharging functions are only authorised to take decisions in line with the approved Budget and/or the approved plans or strategies in the Policy Framework. Only the Combined Authority Board can take a decision that wholly or in part does not accord with the approved Budget or plans or strategies in the Policy Framework.

Decision makers must take the advice of the Monitoring Officer and/or Chief Finance Officer where it appears to them that a decision they wish to make would be contrary to the approved plans or strategies in the Policy Framework or not wholly in accordance with the approved Budget. Where advice is given that the decision would be contrary to the approved plans or strategies in the Policy Framework or not wholly in accordance with the Budget then that decision must be referred to the Combined Authority Board.

Decisions of the Combined Authority Board, its committees, sub-committees or a joint committee or officers, must be in line with the policies set by the Combined Authority Board. These decision makers may only make changes to any of the policies in the Policy Framework in the following circumstances:

- a) where the TVCA has a budgetary constraint and changes are made to the policies in the Policy Framework to meet that constraint. This may involve the closure or discontinuance of a service;
- b) changes necessary to ensure compliance with the law, ministerial direction or government guidance; or
- c) changes to a policy which would normally be agreed annually or periodically by the Combined Authority Board following consultation, but where the existing policy document is silent on the matter under consideration.

## Part 4.4 Officer Employment Rules of Procedure

The Officer Employment Rules of Procedure set out the Authority's governance arrangements for the recruitment and dismissal of, and the taking of disciplinary action against, officers.

This section should be read in conjunction with the Scheme of Delegation of Functions to Chief Officers (Part 3.6).

The Authority's Chief Officers and Deputy Chief Officers may include, in accordance with the Local Government and Housing Act 1989:

- a) a statutory chief officer (e.g. the Head of Paid Service, the Monitoring Officer and the Chief Finance Officer);
- b) a non-statutory chief officer (e.g. an officer who reports directly to the Head of Paid Service; and
- c) a deputy chief officer (e.g. an officer who reports directly to a Chief Officer).

### 1. General

The functions of appointment and dismissal of, and taking disciplinary action against, officers below the level of Deputy Chief Officer must be discharged by the Head of Paid Service, on behalf of the Authority, or by an officer nominated by them.

The functions of appointment and dismissal of, and taking disciplinary action against, Chief Officers and Deputy Chief Officers must be discharged by the Combined Authority Board.

### 2. Recruitment and appointment

The Authority will draw up a statement requiring any candidate for appointment as an officer to state in writing whether they are the parent, grandparent, partner, child, stepchild, adopted child, grandchild, brother, sister, uncle, aunt, nephew or niece of an existing Member or officer; or of the partner of such persons.

No candidate so related to a Member or an officer will be appointed without the authority of the Head of Paid Service or an officer nominated by them.

The Authority will disqualify any applicant who directly or indirectly seeks the support of any Member for any appointment with the Authority. The content of this paragraph will be included in any recruitment information.

No Member will seek support for any person for any appointment with the Authority.

Nothing in the above paragraphs precludes a Member from giving a written reference for a candidate for submission with an application for employment.

### **3. Appointments**

Where the Combined Authority Board determines to appoint a Chief Officer or Deputy Chief Officer the Combined Authority Board will draw up a statement specifying the duties of the officer concerned and any qualifications or qualities to be sought in the person to be appointed.

If it is not proposed that the appointment be made exclusively from among existing officers of the Constituent Authorities, the Combined Authority Board will:

- a) make arrangements for the post to be advertised in such a way as is likely to bring it to the attention of persons who are qualified to apply for it; and
- b) make arrangements for a copy of the written statement mentioned above to be sent to any person on request.

The appointment of any other officer is a matter for the Head of Paid Service.

### **4. Disciplinary Action**

The Head of Paid Service, the Monitoring Officer or Chief Finance Officer may be suspended whilst an investigation takes place into alleged misconduct. That suspension will be on full pay and last no longer than two months.

The TVCA shall voluntarily adopt the principles set out in the Local Authorities (Standing Orders) (England) Regulations 2001 as originally enacted.

No other disciplinary action may be taken in respect of any of those officers except in accordance with a recommendation in a report made by an independent person designated and acting in accordance with Regulation 7 of the Local Authorities (Standing Orders) (England) Regulations 2001 as originally enacted.

Members will not be involved in the disciplinary action against any officer below Deputy Chief Officer level except where such involvement is necessary for any investigation or inquiry into alleged misconduct, through the Authority's disciplinary, capability and related procedures.

### **5. Dismissal**

Members will not be involved in the dismissal of any officer below Deputy Chief Officer level except where such involvement is necessary for any investigation or inquiry into alleged misconduct, through the Authority's disciplinary, capability and related procedures.

# **Part 5**

# **Financial Regulations**

**Part 5      Financial Regulations**

# TEES VALLEY COMBINED AUTHORITY

## FINANCIAL REGULATIONS

<b>Version</b>	1
<b>Date Of Issue</b>	4 <sup>th</sup> January 2016
<b>Author</b>	A Bryson
<b>Approved By</b>	

## **1. General**

- 1.1 These regulations form part of the Authority's constitution and they set out the financial management policies of the Tees Valley Combined Authority (The Authority) and are a key part of the Authority's financial governance arrangements.
- 1.2 These regulations lay down for the guidance of Members and Officers, principles to be followed in securing the proper administration of the financial affairs of the Authority.
- 1.3 It is important that these Regulations are, and continue to be, relevant to the Authority. They should be reviewed regularly to remain consistent with the Authority's Constitution and related documentation and be in line with best practice and legislation.

## **2. Role of the Combined Authority**

- 2.1 Many of the responsibilities for financial matters are defined within the constitution of which these regulations form part and the Scheme of Delegation. Responsibilities are either reserved for the authority to exercise or delegate to Committees, Lead Officers or specific officers such as the Chief Finance Officer.
- 2.2 In line with its Strategic Economic Plan the Authority has the overall responsibility for approving the annual revenue and capital budgets, preparing a medium term financial plan and setting any levy and or precept to constituent councils.
- 2.3 The Authority has overall responsibility for ensuring that the Authority's expenditure remains within the resources available to it.
- 2.4 The Authority is responsible for approving the Treasury Management Strategy, Investment Strategy and borrowing limits of the Authority.

## **3. Role of the Chief Finance Officer (S151 Officer)**

- 3.1 Tees Valley Combined Authority shall appoint an officer, the Chief Finance Officer, who shall for the purpose of Section 73 of the Local Government Act 1985, be responsible for ensuring the proper administration of the Combined Authority's financial affairs.
- 3.2 The Chief Finance Officer will also fulfil all relevant statutory responsibilities including those set out in Part V111 of the Local Government Finance Act 1988.
- 3.3 The Chief Finance Officer shall issue and keep under continuous review, such instructions, advice or procedures relating to financial matters as he or she considers necessary to secure the proper administration of the Combined Authority's financial affairs.

3.4 The Chief Financial Officer is responsible for reporting, where appropriate, breaches of Financial Regulations to the Leadership Board.

3.5 The Chief Finance Officer has responsibility for ensuring compliance with the requirements of the Accounts and Audit Regulations relating to accounting records, control systems and audit.

#### **4. Role of the Lead Officers**

4.1 Lead Officers shall promote the financial management standards set by the Chief Finance Officer and shall adhere to the standards and practices set down in these regulations.

4.2 It is the responsibility of Lead Officers to consult with the Chief Finance Officer and seek advice on any matters likely to have a material effect on the Authority's finances, before any decision is made.

4.3 If any Lead Officer or officer acting on behalf of the Authority is aware of any contravention to these Financial Regulations, they must immediately notify the Chief Finance Officer who shall determine appropriate action.

#### **5. Accounting Policies**

5.1 The Chief Finance Officer is responsible for selecting Accounting Policies and ensuring that they are applied consistently. The key controls in Accounting Policies are that;

5.2 Systems of internal control are in place to ensure that financial transactions are lawful.

5.3 Proper accounting records are determined and maintained.

5.4 Financial statements are prepared which represent fairly the financial position of the Authority and its income and expenditure.

#### **6. Financial Planning**

6.1 The Medium Term Financial Strategy is a key requirement of good governance and is an important tool to help the Authority deliver objectives. It will set an indicative medium term financial plan. This will form the foundation of the annual revenue budget.

6.2 The Chief Finance Officer shall determine the appropriate timetable for the preparation of the annual budget that conforms to the statutory deadlines, including those in relation to setting a levy and the contributions from constituent councils.

6.3 Each financial year, as part of the ongoing, Medium Term Financial Plan, Lead Officers in consultation with the Chief Finance Officer will develop annual revenue and capital budget proposals for consideration by the Leadership Board.

- 6.4 Lead Officers shall prepare a rolling three year programme of capital expenditure, identifying realistic phasing of all approved schemes.
- 6.5 The Chief Finance Officer will advise the Authority on the robustness of budget proposals in accordance with his / her responsibilities under these financial regulations.
- 6.6 All revenue reserves held by the Authority will be kept under review by the Chief Finance Officer with a view to ensuring that they are spent on their specified purposes and that planned expenditure is properly phased.
- 6.7 The Chief Finance Officer will also advise the Authority on the prudent level of reserves and general balances.
- 6.8 The Leadership Board will recommend approval of investment plans to the Authority.

## **7. Financial Management – Revenue and Capital**

### Budget Monitoring and Control

- 7.1 Lead Officers are responsible for monitoring their income and expenditure against the revenue and capital budgets approved by the Authority.
- 7.2 The Chief Finance Officer will establish an appropriate framework of financial management and control for the Authority which ensures that;
  - budget management is exercised within approved Authority revenue and capital budgets;
  - expenditure and income is monitored using information held on the Authority's corporate financial information system;
  - timely and sufficient information on receipts and payments on each budget is available to enable managers to fulfil their budgetary responsibilities;
  - Changes to budgets in year (Virements) are to be undertaken in accordance with the Scheme of Delegation.
- 7.3 Lead Officers must personally ensure that any information which suggests a potentially significant variation against their approved budget (both overspends and underspends) is notified at the earliest opportunity to the Chief Finance Officer. Where appropriate, the Chief Finance Officer shall prepare a specific report for the Authority to consider the proposed approach to mitigate the effects of such variation.
- 7.4 Where additional revenue or capital resources become available, or are forecast to become available, the Lead Officer must notify the Chief Finance Officer at the earliest opportunity.

- 7.5 The Chief Finance Officer will prepare revenue and capital budget monitoring reports in conjunction with Lead Officers for presentation to the Authority on a regular basis. The frequency and content of these reports shall be determined by the Chief Finance Officer, in consultation with the Authority.

### The Capital Programme

- 7.6 Where Lead Officers wish to propose new capital schemes or blocks for inclusion in the Authority's capital programme, they must first consult the Chief Finance Officer who will determine the approach to be taken for approval of the proposal. The proposals would need to be approved by the Authority following advice from the Chief Finance Officer.
- 7.7 Bids for external funding to support capital expenditure cannot take place until approved by the Chief Finance Officer.
- 7.8 Capital expenditure cannot take place unless the scheme or programme is fully funded and approved.
- 7.9 The Capital Programme will be reported to the Authority at regular intervals as determined by the Chief Finance Officer.
- 7.10 Any proposals to re-phase programmed capital expenditure and significant variations to approved scheme spending plans should be notified by the Lead Officer to the Chief Finance Officer at the earliest opportunity. If deemed appropriate the Chief Finance Officer in conjunction with the Lead Officer shall prepare a report for the Audit and Governance Committee / Authority to consider proposals.

## **8. Treasury Management**

- 8.1 The Authority's treasury management activities shall be defined as the management of its investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.
- 8.2 All treasury management activity shall be undertaken in full compliance with the Chartered Institute of Public Finance and Accountancy's Code of Practice: Treasury Management in Public Services (revised 2011) as may be revised from time to time or such other practices and procedures as may be approved by the Authority.
- 8.3 Only the Chief Finance Officer may enter into any borrowing, investment and financing arrangements on behalf of the Authority.
- 8.4 Lead Officers shall ensure that loans are not made to third parties and that interests are not acquired in companies, joint ventures or other enterprises without the prior approval of the Chief Finance Officer.
- 8.5 The Chief Finance Officer is responsible for formulating an annual Borrowing and Treasury Management Strategy for approval by the Authority.

## **9. Banking Arrangements, Cheque Security and Credit Cards**

- 9.1 No officer other than the Chief Finance Officer may open any bank account in the name of the Authority.
- 9.2 The Authority's banking terms and overdraft arrangements shall be agreed by the Chief Finance Officer.
- 9.3 All arrangements for the ordering and issuing of cheques shall be agreed by the Chief Finance Officer, who shall make proper arrangements for their custody.
- 9.4 All cheques drawn on behalf of the Authority shall be signed by the Chief Finance Officer.
- 9.5 Credit cards, charge cards and other payment methods held in the Authority's name may only be opened, closed and managed by the Chief Finance Officer.
- 9.6 The Chief Finance Officer will ensure that bank reconciliations are completed on at least a monthly basis.

## **10. External Funding / Grants**

- 10.1 The Chief Finance Officer must be consulted on and approve all submissions to central government, European Union and external agencies for funding. Prior to making any submission in relation to external funding, Lead Officers must ensure that:
- an exit strategy is identified to manage the ultimate cessation of the funding stream with no adverse impact on the Authority;
  - any match-funding requirements are given due consideration prior to entering into agreements and that future revenue budgets reflect these requirements; and
  - they are able to comply with the terms and conditions of a grant scheme, including auditor certification requirements, before accepting them.
- 10.2 Lead Officers must seek approval from the Chief Finance Officer before accepting any offer of funding from external bodies.
- 10.3 Lead Officers are responsible for ensuring that all expenditure to be funded by grant is properly incurred in accordance with the requirements and conditions of the funding body, and is supported by adequate evidence.
- 10.4 Lead Officers are responsible for ensuring the completion and submission of grant claims. Lead Officers must also ensure that grant claims comply with the requirements and grant conditions of the funding body, are submitted promptly, supported by adequate evidence and approved by the Chief Finance Officer.

- 10.5 Lead Officers are responsible for ensuring that any legal implications and risks of working with third parties are appropriately addressed. This will include any back to back agreements as required.

## **11. Income**

- 11.1 All monies received on behalf of the Authority shall be paid in full into the Authority's bank account without delay.
- 11.2 Lead Officers shall ensure that all accounts for income due to the Authority are raised within five days on an official sales invoice which provides particulars of all charges to be made for work done, services rendered, or goods.
- 11.3 The Chief Finance Officer shall be notified promptly of all money due to the Authority and of contracts, leases and other agreements and arrangements entered into which involve the receipt of money.
- 11.4 Any proposal to introduce charges or make changes to existing charges for the provision of services must be approved by the Chief Finance Officer.
- 11.5 Any write off of unrecoverable debt should be in accordance with the write off criteria set by The Chief Finance Officer.

## **12. Ordering of and Payments for Works Goods and Services**

- 12.1 Wherever possible a purchase order is required for all purchases of goods and services and these must be raised within the Authority's financial system.
- 12.2 Lead Officers must ensure that orders represent legitimate liabilities of the Authority, sufficient budgetary provision exists to cover the payment and expenditure is correctly coded.
- 12.3 All orders for goods and services must be made in accordance with the Authority's Contract Procedure Rules.
- 12.4 All purchase orders and payments must be approved as detailed in the Scheme of Delegation.
- 12.5 Lead Officers have the responsibility to ensure that pre-payment checks are undertaken to ensure that the goods or service have been received / carried out satisfactorily, the method of payment is appropriate and payments are made within the terms of the contract and legislative requirements.

## **13. Insurance & Risk Management**

- 13.1 The Chief Finance Officer shall be responsible for ensuring that all insurable risks of the Authority are adequately covered, for maintaining the necessary records and for managing all claims on behalf of the Authority.

- 13.2 Lead Officers shall notify the Chief Finance Officer promptly of all risks, liabilities, properties or vehicles which are required to be insured, and of any alterations affecting risk or insurances indicating the amount of cover required.
- 13.3 Lead Officers shall immediately notify the Chief Finance Officer of any fire, loss, accident or other event that may give rise to a claim against the Authority's insurers.

#### **14. Internal Audit**

- 14.1 The Chief Finance Officer shall be responsible for maintaining an internal audit of all accounts and financial transactions of the Authority, and shall satisfy himself/herself as to security arrangements for the custody and safeguarding of the Authority's assets as laid down in any legislation applicable to the Authority and any relevant codes of practice adopted by the Authority.
- 14.2 The Chief Finance Officer, or nominated individuals undertaking internal audit functions, shall have authority to visit all establishments of the Authority, shall have access to all relevant records of any Service, and shall be entitled to require the production of all cash, stores and other property and to obtain information or explanations with regard to any matters under examination.
- 14.3 Lead Officers shall notify the Chief Finance Officer immediately of any circumstances which may suggest the possibility of irregularity or loss affecting cash, stores, property or transactions of the Authority. Where the Chief Finance Officer considers that an irregularity may have occurred, action shall be taken by way of an investigation and report.
- 14.4 Lead officers shall consider and respond promptly to recommendations in audit reports and ensure that any agreed actions arising from audit recommendations are implemented in a timely manner.

#### **15. Arrangements with external Organisation**

- 15.1 The Chief Finance Officer must be consulted prior to the establishment of any financial arrangements as part of partnerships or joint arrangements with external companies, other public organisations and community and voluntary groups. No partnership or joint arrangements shall be entered into without the approval of the Authority.
- 15.2 Lead Officers must confirm whether any arrangement requires the Authority to be designated an 'Accountable Body'. Where this is the case, the Chief Finance Officer must be consulted and approval of the Authority must be obtained prior to the arrangement becoming operational.
- 15.3 The financial arrangements of all partnerships where the Authority is the Accountable Body should meet the requirements of the Authority's Financial Procedure Rules and Contract Procedure Rules.
- 15.4 Lead Officers must ensure that the accounting and monitoring arrangements to be adopted relating to partnerships and joint arrangements are in accordance with the requirements of the Chief Finance Officer.

## Part 6 Codes of Conduct and Protocols

The Codes of Conduct and Protocols are arranged as follows:

Part 6.1	Contract Procedure Rules	page .....
Part 6.2	Codes of Conduct	page.....
	Part 6.2.1 Members Code of Conduct	page....
	Part 6.2.2 Officers Code of Conduct	page.....
	Part 6.2.3 Protocol on Member Officer relations	page.....
Part 6.3	Confidential Reporting Policy	
Part 6.4	Members Expenses	page....

## **Part 6.1 Contract Procedure Rules**

### **A Brief Guide to the Contract Procedure Rules**

Contract Procedure Rules promote good procurement practice and public accountability and deter corruption. Following the rules is the best defence against allegations that a purchase has been made incorrectly or fraudulently.

Officers or Members responsible for purchasing or disposal must comply with Contract Procedure Rules. Contract Procedure Rules lay down minimum requirements and a more thorough process may be appropriate for particular contracts.

In general, all officers and Members as appropriate must:

- ❖ Follow the rules set out in these Contract Procedure Rules if you purchase goods, services or construction works.
- ❖ Take all necessary procurement, legal, financial and other professional advice.
- ❖ Declare any personal financial interest in a contract. Corruption is a criminal offence.
- ❖ Thoroughly appraise the purchasing need and assess the risk.
- ❖ Maintain confidentiality during the purchasing process.
- ❖ Complete a written contract or TVCA order before the supply of goods, delivery of service, or construction works begin.
- ❖ Keep records of dealings with suppliers.
- ❖ Assess each contract afterwards to see how well it met the procurement need and best value requirements

## **CONTRACT PROCEDURE RULES**

### **The TVCA's rules for procuring works, supplies or services**

#### **Section Description**

- 1 Introduction
- 2 Interpretation and Definitions
- 3 Scope of the Contract Procedure Rules
- 4 Exempt Contracts
- 5 Exceptions to the Contract Procedure Rules
- 6 Compliance
- 7 Responsibilities
- 8 Collaborative or Joint Procurement Arrangements
- 9 Steps Prior to Advertising
- 10 Estimating Contract Values/Aggregation
- 11 Choice of Procedure, Thresholds and Advertising Requirements
- 12 Value for Money
- 13 Quotation Procedures
- 14 Tender Procedures
- 15 Pre-Qualification
- 16 Invitation to Tender
- 17 Submission of Tenders, Quotations, Framework or Dynamic Purchasing System Bids
- 18 Opening of Tenders, Quotations, Framework or Dynamic Purchasing System Bids
- 19 Amending Tenders, Quotations, Framework or Dynamic Purchasing System Bids Errors
- 20 Evaluation of Tenders, Quotations, Framework or Dynamic Purchasing System Bids
- 21 Negotiations and Supplementary Information
- 22 Acceptance of Tenders, Quotations, Framework or Dynamic Purchasing System Bids
- 23 Standstill Period
- 24 Contract Award Notice
- 25 Contract Terms and Conditions
- 26 Keeping Written Records of Tenders and Tenders for the establishment of Framework Agreements or Dynamic Purchasing Systems (over the relevant OJEU Threshold)
- 27 Documentation of progress and Decisions
- 28 Contracts Register
- 29 Contract / Performance Monitoring
- 30 Nominated Contractors and Sub-Contractors
- 31 Contract Extensions
- 32 Contract Variations
- 33 Termination
- 34 Breaches of Contract Procedure Rules

## 1. Introduction

- 1.1 Procurement is defined as: *‘the process of acquiring works, supplies or services from third parties. The process spans the whole cycle from identification of needs, through to the end of a service contract or the end of the useful life of an asset. It involves options appraisal and the critical “make or buy” decision, which may result in the provision of services in-house in appropriate circumstances.’*
- 1.2 These Contract Procedure Rules cover the processes to be followed for all purchasing, licensing, leasing, contracting, commercial partnering or commissioning of works, supplies or services from third parties.
- 1.3 Good procurement depends on ensuring that requirements are reliably determined, appropriate sourcing strategies are developed and contracts are well managed. Failure to procure in this way can result in additional costs and put the achievement of the TVCA’s strategic priorities at risk.
- 1.4 These Contract Procedure Rules are intended to:
- a) secure the best value for the TVCA;
  - b) provide those involved in spending public money, with clear and transparent procedural requirements to complement existing professional skills, integrity and commitment and to protect officers from legal challenge;
  - c) ensure fairness to those seeking to contract with the TVCA;
  - d) prevent fraud and corruption or the suspicion of it; and
  - e) ensure the TVCA operates within the law.

## 2. Interpretation and Definitions

- 2.1 “Senior Manager” refers to those officers with delegated authority as set out in the Constitution.
- 2.2 “Chief Officer” refers to any responsible Chief Officer of the TVCA as detailed at Part 3.4 above of this Constitution or any officer with the appropriate delegated authority.
- 2.4 "Third party" for the purposes of these Contract Procedure Rules means any economic operator, a works third party, a supplier, a services provider, a consultant, a firm, a company, a partnership or an individual.
- 2.5 “EU Regulation” means the Public Contracts Regulations 2015 (Statutory Instrument 2015 No. 102).
- 2.6 “EU Threshold” means the threshold prescribed in Regulation 5 of the Public Contracts Regulations 2015.
- 2.7 “OJEU” means the Official Journal of the European Union.
- 2.8 “Framework Agreement” means an agreement that allows purchasers to order supplies, services or works under the terms and conditions specified in the framework (ie it provides a mechanism for calling off orders as and when required).

- 2.9 “Dynamic Purchasing System” means an agreement that allows purchasers to order supplies, services or works under the terms and conditions specified in the dynamic purchasing system. Additional third parties can apply to join the dynamic purchasing system at any time and shall be accepted onto the dynamic purchasing system if they meet selection criteria.
- 2.10 Where the context so admits and requires, references to the masculine shall include all other genders, and references to the singular shall include the plural and vice versa.
- 2.11 For the avoidance of doubt, where any of these Contract Procurement Rules conflict with a statutory provision, the statutory provision shall prevail and these Contract Procedure Rules shall be construed accordingly.
- 2.12 Reference to statutes shall be deemed to include references to any Regulations made there under.

### **3. Scope of the Contract Procedure Rules**

- 3.1 These Contract Procedure Rules apply to all procurement for the provision of works, supplies or services by or from third parties.
- 3.2 A Public Works, Supply or Services contract is any agreement to provide works, supplies or services in exchange for payment or any other consideration whatever the nature.

### **4. Exempt Contracts**

- 4.1 The following contracts are exempt from the requirements of these Contract Procedure Rules:
- a) employment contracts;
  - b) contracts relating solely to disposal or acquisition of an interest in land;
  - c) contracts for legal advice or representation or medical advice, or other expert advice required in the context of actual or potential litigation which a Chief Officer considers it necessary to obtain;

### **5. Exceptions to the Contract Procedure Rules**

- 5.1 No exception from any of these Contract Procedure Rules shall be made unless listed in paragraph 5.4 below and with the written approval of the Chief Finance Officer. The exception must be recorded on an Officer Decision form.
- 5.2 Where an officer wishes to apply any exception to these Contract Procedure Rules not listed in paragraph 5.4, he must first seek the prior written approval of the Monitoring Officer and the Chief Finance Officer. The exception must be recorded on an Officer Decision form.
- 5.3 Where procurement exceeds the EU thresholds the exemptions set out in paragraph 5.2 or 5.4 may not be permitted. Advice must be sought from the [Monitoring Officer].

- 5.4 Subject to the obtaining of all necessary approvals, Rules 12 to 21 need not be applied to the following categories of procurement.
- a) Procurement by auction (excluding electronic reverse auctions);
  - b) Procurement when, for technical or artistic reasons, or for reasons connected with the protection of exclusive rights, the contract may be awarded only to a particular third party;
  - c) The execution of mandatory works and services by statutory undertakers;
  - d) Provision of personal social services including contracts for the provision of residential care and community support packages which form an alternative to residential care;
  - e) Urgency, when (but only if it is strictly necessary) the time required to fully comply with these Contract Procedure Rules would be prejudicial to the TVCA's interests,.
  - f) Procurement of works, supplies or services needed to meet the requirements of individual contracts that have been won by in-house services, as a result of a competitive tendering process.
  - g) Procurement of works, supplies or services needed to meet the requirements of individual contracts that are used for pilot projects.
  - h) Procurement of services where the contract length cannot reasonably be determined due to funding uncertainty and the contract is thus deemed temporary in nature.

In all the above cases, the exception is restricted to those elements of these Contract Procedure Rules that could not reasonably be applied.

## **6. Compliance**

6.1 All procurement shall comply with:

- a) all applicable statutory provisions;
- b) the applicable European procurement rules (the EC Treaty, the general principles of community law and the European Union's public procurement directives implemented by the Public Contract Regulations 2015);
- c) the TVCA's Constitution including these Contract Procurement Procedure Rules, the Accounting Instructions and the Scheme of Delegation;

6.2 A failure to comply with any of the provisions of these Contract Procedure Rules by any officer may amount to misconduct, which can result in disciplinary action being taken.

6.3 Members and officers are required to apply the highest standards of probity at all stages of a procurement process. Members and officers are, in particular, reminded of their responsibilities in relation to gifts and hospitality and must comply with the applicable Code of Conduct as set out at Part 6 of the Constitution.

6.4 Senior Managers are responsible for ensuring that employees, agency workers, consultants and agents comply with these Contract Procedure Rules.

6.5 Senior Managers and managers must ensure that any local procedures produced within their services are fully compliant with these Contract Procedure Rules.

## 7. Responsibilities

### 7.1 Chief Finance Officer

7.1.1 The Chief Finance Officer has responsibility for the development and implementation of the Contract Procedure Rules and Accounting Instructions.

7.1.2 The Chief Finance Officer will organise and manage corporate contracts (including framework agreements) for supplies or services commonly used by all or most services;

### 7.2 [Monitoring Officer]

7.2.1 The [Monitoring Officer] is responsible for advising on the lawfulness of any decisions taken in respect of the TVCA's procurement activities.

### 7.3 Senior Managers

7.3.1 Senior Managers are to keep all services / activities under review, having regard to ongoing viability, national and local benchmarking data and intelligence from 'soft' Market testing. Senior Managers need to consider whether other methods of service delivery should be assessed and if appropriate implemented.

7.3.2 Senior Managers are responsible for:

- a) the lawfulness of service specific procurement including the consideration of framework agreements and the development of specifications in accordance with these Contract Procedure Rules. In doing so they shall have regard to any advice provided by the Chief Finance Officer and Monitoring Officer;
- b) commissioning services (i.e. drawing down services within the conditions of a contract);
- d) contract management procedures including placing purchase orders in line with the Accounting Instructions;
- e) maintaining within their Scheme of Delegation a list of those officers who are empowered to undertake procurement;
- f) ensuring that all those officers delegated to undertake procurement are suitably qualified or experienced;
- g) ensuring that where consultants or agency staff are undertaking procurement on their behalf that they make them aware of the requirements of Contract Procedure Rules and ensure their compliance;
- h) keeping complete records of all procurements;
- i) ensuring compliance with the adopted process for major procurements (i.e. the procedure for procurements equal to or in excess of the relevant threshold);
- j) ensuring where corporate contracts exist, or commitment has been given for the TVCA to participate in a consortium contract, the arrangements are adhered to, except in exceptional circumstances,

which shall be documented and approved by the Chief Finance Officer;

- k) compliance with and use of all corporate contracts, and framework agreements let by the TVCA or pursuant to administrative arrangements agreed by the TVCA (e.g. NEPO), unless specifically agreed by the Chief Finance Officer.
- l) having due regard to TVCA policies on social value in undertaking procurement activities.
- m) ensuring the corporate contract register is kept up to date.

#### 7.4 Delegated Authority

7.4.1 Any procurement carried out on behalf of the TVCA may only be undertaken by Officers with the appropriate delegated authority to carry out such tasks as set out in the TVCA's scheme of delegation contained in the TVCA's Constitution.

7.4.2 Officers with delegated authority to carry out a procurement task may only delegate to other Officers who have suitable experience and seniority. Officers shall be informed by their relevant Senior Managers as to the extent of any delegated authority for each procurement.

#### 7.5 Personal Responsibilities

7.5.1 Any officer undertaking procurement (i.e. contracting for works, supplies or services) should inform themselves of the TVCA's requirements under these Contract Procedure Rules and corresponding Accounting Instructions. If an officer is in any doubt as to their obligations, then they must seek advice from the Chief Finance Officer or [Monitoring Officer] as appropriate.

7.5.2 Officers should not undertake procurements unless they have the necessary knowledge and skills to do so. All officers must comply with the requirements of the TVCA's Employees Code of Conduct and in particular declare to their line manager any interest, which could, or be seen to, influence their judgement in any procurement or contract matters.

7.5.3 All officers must report to their manager, supervisor or other responsible senior officer any illegality, impropriety, breach of procedure or serious deficiency in procurement practices. Employees are able to do this without fear of recrimination providing they act in good faith via the TVCA's Whistle blowing Policy. In such circumstances nominated officers must record and investigate such reports and take appropriate action, including referral to the Chief Finance Officer in more serious cases.

### **8. Collaborative or joint procurement arrangements**

8.1 Where the TVCA acts as the lead or host authority in any collaborative or joint procurement or through a partnership arrangement these Contract Procedure Rules will apply taking into account the aggregated value of the collaborative or joint procurement arrangements, unless otherwise agreed by Combined Authority Board.

8.2 Where the TVCA decides that a third party will undertake procurement on its behalf the Senior Manager shall ensure that the procurement process followed is comparable to that set out in these Contract Procedure Rules.

8.3 The [Monitoring Officer] shall approve the governance of any collaborative or joint procurement arrangement prior to it being entered into.

## 9. Steps Prior to Advertising

9.1 Before advertising any procurement, the officer responsible must:

- a) establish a business case for the procurement;
- b) consider the most appropriate means of satisfying the requirement;
- c) ensure that no alternative procurement arrangements are in place;
- d) ensure the course of action chosen represents Value for Money to the TVCA;
- e) consider how what is to be procured may improve social, environmental and economic wellbeing of the relevant area (to mean the Tees Valley), how they might secure any such improvement and to consider the need to consult in accordance with the Public Services (Social Value) Act 2012. Such improvements may include, for example, the use of apprenticeships, or encouraging the use of the local supply chain.
- f) where applicable consult with users of the service;
- g) ensure that the budget holder responsible for the contract has sufficient funds in place to maintain the contract;
- h) establish a clear written specification for the procurement requirement;
- i) establish written evaluation criteria for the procurement;
- j) identify whether the Transfer of Undertaking (Protection of Employment) Regulations (TUPE) apply in order that these issues are managed correctly in accordance with the procedures where any employee either of the TVCA or of a Contractor may be affected by the procurement
- k) assess the risks associated with the procurement;
- l) comply with the corporate procurement process where the value of the procurement is equal to or exceeds those thresholds identified in section 11.1

## 10. Estimating Contract Values / Aggregation

10.1 Where there is a reference to the value of any contract or transaction, it shall mean its total estimated value net of VAT over the entire term of the contract, including all options, permitted extensions and variations. Where a contract does not include a total price the estimated value will be the amount of the consideration payable each month multiplied by 48.

10.2 Senior Managers shall have regard to the optimum packaging of works, supplies or services, particularly works, supplies or services of a similar nature, which are likely to be carried out in connection with a particular project necessary to achieve value for money. A proposed contract must not be divided into separate lower value contracts or multiple orders placed to avoid the full application of these Contract Procedure Rules, which would otherwise apply.

## 11. Choice of Procedure, Thresholds and Advertising Requirements

Category	Contract Value	Procurement Process	Contract Opportunity Advertising	
			OJEU	Contract Finder
<b>Supplies and Services (general)</b>	Less than £15,000	Value for Money or call off from an existing framework agreement/ dps	No	No
	£15,001 to OJEU Supplies & Services Threshold (currently £164,176)	Quotation or call off from an existing framework agreement/ dps	No	No
	Over the OJEU Supplies & Services Threshold (currently £164,176)	Tender or call off from an existing framework agreement/ dps	Yes (unless call off)	Yes within 24 hours of publishing on OJEU (unless call off)
<b>Social and Other Specific Services (Light Touch Regime)</b>	Less than £15,000	Value for Money or call off from an existing framework agreement/ dps	No	No
	£15,001 to OJEU Supplies & Services Threshold (currently £164,176)	Quotation or call off from an existing framework agreement/ dps	No	No
	£164,176 to OJEU Light Touch Regime Threshold (currently £589,148)	Tender or call off from an existing framework agreement/ dps	No	Yes unless call off
	Over the OJEU Light Touch Regime Threshold (currently £589,148)	Tender or call off from an existing framework agreement/ dps	Yes (unless call off)	Yes within 24 hours of publishing on OJEU (unless call off)
<b>Works</b>	Less than £15,000	Value for Money or call off from an	No	No

		existing framework agreement/ dps		
	£15,001 to OJEU Supplies & Services Threshold (currently £164,176)	Quotation or call off from an existing framework agreement/ dps	No	No
	£164,176 to OJEU Works Threshold (currently £4,104,394)	Tender or call off from an existing framework agreement/ dps	No	Yes unless call off
	Over the OJEU Works Threshold (currently £4,104,394)	Tender or call off from an existing framework agreement/ dps	Yes (unless call off)	Yes within 24 hours of publishing on OJEU (unless call off)

## 12. Value for Money

- 12.1 Existing Framework Agreements or Dynamic Purchasing Systems let by the TVCA or another Third Party that covers the scope of the procurement shall be used were they are available.
- 12.2 A Senior Manager may procure works, supplies or services up to a value of less than £15,000 providing that he can objectively demonstrate value for money and he has considered the use of competition.

## 13. Quotation Procedures

- 13.1 Where the supply of works, supplies or services is such that an existing in-house provision could be reasonably extended to include it, then the in-house provider can be directly awarded the work.
- 13.2 Existing Framework Agreements or Dynamic Purchasing Systems let by the TVCA or other Third Party that cover the scope of the procurement shall be used were they are available.
- 13.3 If neither section 13.1 nor 13.2 applies, the Senior Managers shall where reasonably practicable invite and consider at least four written relevant quotations from suitable third parties, at least two of which shall be sought from local businesses located within the Tees Valley area and two from businesses randomly selected using the e-quotation system if necessary.

13.4 If quotations are received and the value exceeds the tender threshold, the quotes shall be treated in the same manner as acceptance of tenders as per Rule 22.

## **14. Tender Procedures**

### 14.1 Open Procedure

14.1.1 The Open procedure means a tender procedure leading to the award of a contract whereby all interested persons may tender for the contract.

14.1.2 Tender documentation shall be sent to all persons who apply prior to the tender closing date.

### 14.2 Restricted Procedure

14.2.1 The Restricted Procedure means a tender procedure leading to the award of a contract whereby only persons pre-qualified by the TVCA may submit tenders for the contract (see Rule 15).

14.2.2 Officers should select not less than five companies or individuals to be invited to tender.

### 14.3 Competitive Dialogue Procedure

14.3.1 Competitive Dialogue Procedure means a procedure in which any third party may make a request to participate, and whereby the TVCA conducts a dialogue with each third party admitted to that procedure with the aim of developing one or more suitable alternative solutions capable of meeting its requirements and on the basis of which the third parties chosen by the TVCA are invited to tender.

14.3.2 The Competitive Dialogue Procedure may only be used in the award of contracts, which are in the opinion of the [Monitoring Officer] complex contracts and where there is a need for the TVCA to discuss all aspects of the proposed contract with candidates. This procedure may only be used in exceptional circumstances and must be agreed by the [Monitoring Officer] and Chief Finance Officer. Such dialogue is not permitted under open and restricted procedures.

### 14.4 Competitive Procedure with Negotiation

14.4.1 Competitive Procedure with Negotiation means a procedure leading to the award of a contract whereby the contracting TVCA negotiates the terms of the contract with one or more third parties selected by it.

14.4.2 This procedure may only be used in very exceptional circumstances and must be agreed by the [Monitoring Officer] and Chief Finance Officer.

### 14.5 Innovation Partnership

14.5.1 Innovation Partnership means a procedure leading to the award of contract whereby the contracting TVCA conducts a dialogue with each third party

admitted to that procedure with the aim of developing one or more suitable alternative solutions capable of meeting its requirements for both the development and subsequent purchase of a product/ service not already available on the market.

14.5.2 This procedure may only be used in very exceptional circumstances and must be agreed by the [Monitoring Officer] and Chief Finance Officer.

#### 14.6 Social and Other Specific Services (Light Touch Regime)

14.6.1 Social and Other Specific Services means those services listed in Schedule 3 of the EU Regulations. Senior Managers shall use one of the existing procedures listed in Section 14 or develop a bespoke procedure in consultation with the Chief Finance Officer and the [Monitoring Officer].

#### 14.7 Contracting Techniques

##### 14.7.1 Framework Agreements let by the TVCA

- (a) Senior Managers shall maintain Framework Agreements with a range of third parties for works, supplies or services. The third parties on these Agreements have already been appointed and as such can be chosen, without advert, to supply quotations or tenders.
- (b) Any Framework Agreement shall be tendered in accordance with these Procedure Rules.

##### 14.7.2 Dynamic Purchasing Systems

- (a) Senior Managers shall maintain Dynamic Purchasing Systems with a range of third parties for works, supplies or services. Third parties on these systems have already been appointed and as such can be chosen, without advert, to supply quotations or tenders.
- (b) Additional third parties may join the Dynamic Purchasing System at any time provided they meet the selection criteria.
- (c) Any Dynamic Purchasing System shall be tendered in accordance with these Procedure Rules

#### 14.8 Preliminary Market Engagement

14.8.1 Before commencing a quotation or tender procedure, a Senior Managers may conduct market consultations with a view to preparing the quotation/ tender and informing third parties of their plans and requirements.

14.8.2 Information and advice received may only be used in the planning and conduct of the quotation or tender procedure, provided that it does not have the effect of distorting competition and does not violate the principles of non-discrimination and transparency.

## 15. Pre – Qualification or Selection

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- 15.1 The Crown Commercial Services (CCS) standard Pre-qualification Questionnaire (“PQQ”) must be provided to all third parties requesting to participate, which shall be used to determine the third party’s eligibility, financial standing and technical capacity.

The TVCA shall treat as ineligible and shall not select any third party who has been convicted of any of the offences set out in Regulation 57 of the Public Contracts Regulations 2015.

- 15.2 A Senior Managers shall only agree to the selection of a third party once he is objectively satisfied as to the third party’s:
- a) eligibility;
  - b) suitability to pursue a professional activity
  - b) economic and financial standing;
  - c) technical or professional ability.

## **16. Invitation to Tender**

- 16.1 The Invitation to Tender (or Participate in Dialogue, Competitive Procedure with Negotiation or Innovation Partnership) shall include details of the TVCA’s requirements for the particular contract including:

- a) a description of the works, supplies or services;
- b) the rules and instructions for submitting of tenders including the tender return date and time;
- c) a specification/ brief;
- d) a statement as to whether any variants to the specification are permissible;
- e) the TVCA’s standard terms and conditions applicable to the contract;
- f) a statement as to whether the tender will be evaluated by lowest price or Most Economically Advantageous Tender (MEAT)
- g) for tenders evaluated by MEAT, the evaluation criteria including applicable weightings and or sub-criteria;
- h) pricing schedule and instructions for completion;
- i) a statement as to whether in the TVCA’s view TUPE will apply;
- j) instructions for the completion and content of any method statement;
- k) the period which the TVCA requires that the tender offer shall remain open;
- l) a statement that the TVCA does not bind itself to accept the lowest or any tender;
- m) the TVCA’s requirements in respect of any bond, parent company guarantee or liquidated damages;
- n) the TVCA’s requirements in respect of insurance and indemnity;
- o) a statement that no tender will be considered unless it complies with the requirements set out in the invitation to tender;
- p) a statement setting out how the Freedom of Information Act will apply to the tender.

- 16.2 Where an appropriate International Standard or Code of Practice is current at the date of the tender, every contract shall require that all supplies, and where appropriate all workmanship, shall be in accordance with that Standard, or a Standard recognised by another Member State of the European Union or an

International Standard offering equivalent guarantees of safety, fitness for purpose, and reliability. Where there are no European Standards or Codes of Practice, British Standards or Codes of Practice should be specified.

16.3 All tenders shall be issued on the TVCA's standard tender documentation.

## **17. Submission of Tenders, Quotations, Framework or Dynamic Purchasing System Bids**

17.1 Tenders, Quotations, Framework or Dynamic Purchasing System Bids shall comply and be submitted in accordance with the rules and instructions set out in either the respective invitation to tender, invitation to submit a quotation or invitation to bid.

17.2 The TVCA's principal method of procurement is by electronic means. Requests for Quotations and Invitations to Tender must be transmitted by electronic means using the TVCA's e-procurement system unless the Chief Finance Officer agrees (in exceptional circumstances) that postal / hard copy tenders may be used.

17.3 Electronic Tenders submitted are kept in a separate secure system under the control of the [Monitoring Officer] which is not opened until the deadline has passed for receipt of Tenders.

17.4 Use of the TVCA's e-procurement System ensures

17.4.1 that tenders and quotations will only be available for the submission up to the stated time and date.

17.4.2 the date and time of each Tender or Quotation received will be fully auditable and automatically recorded.

17.5 Where in exceptional circumstances tenders are submitted as postal / hard copy, the tender documents must be submitted in a plain sealed envelope which shall bear the word "tender" followed by the subject to which it relates and addressed to the [Monitoring Officer], but shall not bear any name or mark indicating the sender. Such envelopes shall remain in the secure custody of the [Monitoring Officer] until the appointed time for their opening.

17.6 No tenders received / submitted after the specified date and time for their receipt shall be considered.

## **18. Opening of Tenders, Quotations, Framework or Dynamic Purchasing System Bids**

18.1 Quotations for a particular contract shall be opened at one time and in the presence of at least two authorised Officers

18.2 Tenders (and framework and dynamic purchasing system bids valued in excess of the tender threshold) for a particular contract shall be opened at one time and only in the presence of a [Member of the TVCA] and the [Monitoring Officer] or any officer designated by him. The [Monitoring Officer] shall keep a Register of Tenders opened. The Register of Tenders shall include the names of tenderers, the date and time of opening.

18.3 The Member and officer in whose presence tenders are opened shall initial the Register, and any summary page of the tender.

18.4 Officers who have been involved in preparing an in-house bid for a particular contract, must not be involved in the recording, opening or evaluation of tenders or quotations in respect of that contract.

## **19. Amending Tenders, Quotations, Framework or Dynamic Purchasing System Bids and Errors**

19.1 Where a tenderer identifies an error in their tender after submission but before the closing date for receipt of tenders, they may submit a correction in accordance with the rules applicable to the submission of tenders generally.

19.2 Genuine arithmetical error(s) may be amended with the consent of the tenderer.

19.3 Correction of any other tender error(s) shall be made at the discretion of the [Monitoring Officer].

## **20. Evaluation of Tenders, Quotations, Framework or Dynamic Purchasing System Bids**

20.1 Evaluation criteria shall be determined in advance of the tender/ quote and set out in descending order of importance, indicating evaluation weightings in the Invitation to tender/ quote documentation.

20.2 Selection and award criteria must be clearly distinguished and highlighted as part of the tender documentation. In addition, the criteria shall be strictly observed (and remain unchanged) at all times throughout the procurement procedure.

## **21. Negotiations and Supplementary Information**

21.1 The TVCA may require a third party to provide information supplementing the information provided in their quotation, tender, framework bid or dynamic purchasing system bid. .

21.2 The TVCA may require a third party to clarify information relating to their eligibility, economic and financial standing or technical or professional ability or information included in their tender or quotation, provided this does not discriminate either in favour or against the third party.

21.3 In open and restricted procedures all negotiations with candidates or tenderers on fundamental aspects of contracts or variations, which are likely to distort competition (in particular on prices), are not permitted.

## **22. Acceptance of Tenders, Quotations, Framework or Dynamic Purchasing System Bids**

22.1 General

22.1.1 Before accepting any quotation, tender, framework bid or dynamic purchasing system bid, the appropriate Senior Manager must consult with the Chief Finance Officer.

22.1.2 Before accepting any quotation, tender framework bid or dynamic purchasing system bid, the appropriate Senior Manager must be satisfied that there is sufficient provision in the relevant revenue or capital budget.

22.1.3 A register of all contracts entered into by the TVCA shall be kept and maintained by the Chief Finance Officer and the [Monitoring Officer]. Such a register shall for each contract, specify the name of the contractor, the works to be executed or the goods or services to be supplied and the contract value.

22.2 Acceptance of Quotations, Framework or Dynamic Purchasing System Bid (£15,001 to OJEU Supplies & Services Threshold (currently £164,176))

22.2.1 A Senior Manager may accept a quotation, framework bid or dynamic purchasing system bid on the basis of the offer, which he considers, is the most economically advantageous to the TVCA or offers the lowest price.

22.2.2 The decision to accept a quotation, framework bid or dynamic purchasing system bid must be recorded on an Officer Decision form.

22.3 Acceptance of Tender, Framework or Dynamic Purchasing System Bid (over OJEU Supplies & Services Threshold (currently £164,176))

22.3.1 A Senior Manager may accept a tender, framework bid or dynamic purchasing system bid on the basis of the offer, which he considers, is the most economically advantageous to the TVCA or offers the lowest price.

22.3.2 The decision to accept a tender, framework bid or dynamic purchasing system bid must be recorded on a Consultation with Combined Authority Member Decision form.

## 23. Standstill Period

23.1 In respect of a contract subject to the EU Regulations, as soon as possible after the decision has been made to award a contract, the Senior Manager shall give notice to any third party which submitted an offer or applied to tender, of the decision to award.

23.2 The notice referred to in section 23.1 shall include:

- a) the criteria for the award of the contract;
- b) the reasons for the decision, including the characteristics and relative advantages of the successful tender
- b) where practicable the score obtained by the third party which is to receive the notice; and the score obtained by the third party to be awarded the contract;

c) the name of the third party to be awarded the contract.

23.3 The Senior Manager shall allow a period of at least 10 working days to elapse between the date of despatch of the notice referred to in section 23.1 and the date on which he proposes to enter into the contract during which time an unsuccessful third party may raise legitimate challenges to the intended award.

23.4 The [Monitoring Officer] or the Chief Finance Officer may suspend completion of the contract for additional examination if justified by requests or comments made by unsuccessful third parties during the standstill period or as a consequence of any other relevant information that is received during that period.

## 24. Contract Award Notice

24.1 In respect of a contract awarded falling within the thresholds in the table below, a Contract Award Notice shall be published by the Chief Finance Officer in the OJEU and or Contracts Finder. It is the responsibility of all officers to ensure that the Chief Finance Officer is promptly notified in order that this can occur.

Category	Contract Value	Procurement Process	Contract Award Notice	
			OJEU	Contracts Finder
<b>Supplies and Services (general)</b>	£15,001 to OJEU Supplies & Services Threshold (currently £164,176)	Quotation or call off from an existing framework agreement/ dps	No	Yes (contracts above £25,000), including call off
	Over the OJEU Supplies & Services Threshold (currently £164,176)	Tender or call off from an existing framework agreement/ dps	Yes within 30 days of award  No for call off	Yes within reasonable time after published on OJEU  Yes for call off
<b>Social and Other Specific Services (Light Touch Regime)</b>	£15,001 to OJEU Supplies & Services Threshold (currently £164,176)	Quotation or call off from an existing framework agreement/ dps	No	Yes (contracts above £25,000), including call off
	£164,176 to OJEU Light Touch Regime Threshold (currently £589,148)	Tender or call off from an existing framework agreement/ dps	No	Yes, including call off

	Over the OJEU Light Touch Regime Threshold (currently £589,148)	Tender or call off from an existing framework agreement/ dps	Yes within 30 days of award  No for call off	Yes within reasonable time after published on OJEU  Yes for call off
<b>Works</b>	£15,001 to OJEU Supplies & Services Threshold (currently £164,176)	Quotation or call off from an existing framework agreement/ dps	No	Yes (contracts above £25,000), including call off
	£164,176 to OJEU Works Threshold (currently £4,104,394)	Tender or call off from an existing framework agreement/ dps	No	Yes, including call off
	Over the OJEU Works Threshold (currently £4,104,394)	Tender or call off from an existing framework agreement/ dps	Yes within 30 days of award  No for call off	Yes within reasonable time after published on OJEU  Yes for call off

## 25. Contract Terms and Conditions

25.1 All contracts and orders shall be in writing or in an approved electronic format, in a form to be approved by the [Monitoring Officer] and executed in accordance with Article [ ] of the TVCA's Constitution.

Letters of Intent and or Interim Agreements may only be used in exceptional circumstances and written authorisation must first be obtained from the [Monitoring Officer]. Where a Letter of Intent or Interim Agreement is used and where the terms and conditions of any contract are not fully agreed then no Contractor shall be allowed to commence delivery of goods, works or services until an adequate risk assessment has been carried out by the relevant Senior Manager as to the possible implications to the TVCA by the Contractor being allowed to commence work before the contract has been finalised.

25.2 The [Monitoring Officer] shall determine whether the TVCA's General Conditions of Contract are applicable to a procurement and may decide that they must be used.

### 25.3 Bribery and Corruption

25.3.1 Every written contract shall include a clause (approved by the [Monitoring Officer]) which gives the TVCA the right to immediately terminate the

contract if the contractor, or any of its employees or agents, commits an offence under the Bribery Act 2010.

#### 25.4 Prohibition against Assignment or Novation

25.4.1 Every written contract shall include a clause (approved by the [Monitoring Officer]) prohibiting the Third party from transferring, assigning sub-letting or novating directly or indirectly, to any person or persons, either the whole or any portion of the contract without the express written permission of the TVCA. This prohibition shall not apply to sub-letting which may be customary to the trade concerned.

25.4.2 The relevant Senior Manager, Chief Finance Officer and the [Monitoring Officer] shall be consulted and their views taken into account before any permission to assign is given pursuant to section 25.4.1

#### 25.5 Liquidated Damages and Guarantees

25.5.1 In respect of the performance of every contract the TVCA shall consider the need for and where appropriate shall require and take sufficient security or assurances as shall be determined by the Chief Finance Officer in consultation with the appropriate Senior Manager.

25.5.2 Every contract that is either for works, services or for supplies to be made otherwise than at one time requires the Senior Manager to consider whether it is appropriate the contract should provide for a sum or sums of money to be paid by the third party as liquidated and ascertained damages in case the terms of the contract are not duly performed.

#### 25.6 Safeguarding Children/ Vulnerable Adults

25.6.1 Every contract, which the applicable Senior Manager considers relevant, shall set out the TVCA's responsibility to ensure that children and/or vulnerable adults are safeguarded. These contracts must contain adequate arrangements for safeguarding children and/or vulnerable adults. Arrangements shall include a requirement for appropriate checking procedures for new and existing third party's staff that are in contact with children and/or a vulnerable adults, including DBS checks.

25.6.2 All placement contracts for looked after children and vulnerable adults shall include specific safeguarding requirements and a system to monitor their application.

#### 25.7 Termination

25.7.1 In respect of a contract subject to the EU Regulations, every written contract shall include a clause (approved by the [Monitoring Officer]) that requires provisions to enable contract terminations where:

25.7.2 The contract has been subject to substantial modification which would have required a new tender in accordance with the EU Regulations.

25.7.3 The contractor has, at the time of contract award, been in one of the situations described in regulation 57 (1) or (2) (the mandatory exclusion grounds) of the Public Contract Regulations 2015 and should have been excluded.

25.7.4 The contractor should not have been awarded the contract in view of serious infringement of the obligations under the EU Regulations.

## 25.8 Payment of undisputed invoices

25.8.1 Every written contract shall include a clause (approved by the [Monitoring Officer]) that requires any payment due to a third party under the contract is made no later than the end of a period 30 days from the date on which the relevant invoice is regarded as valid and undisputed.

25.8.2 The contract shall also include a clause (approved by the [Monitoring Officer]) containing suitable provisions to impose similar obligations as between the contractor and subcontractor and so on down the supply chain.

## **26. Keeping Written Records of Tenders and Tenders for the establishment of Framework Agreements or Dynamic Purchasing Systems (over the relevant OJEU Threshold)**

### 26.1 Each Senior Manager must keep a written record of:

- (a) the name and address of the TVCA, the subject-matter and value of the contract, framework agreement or dynamic purchasing system;
- (b) where applicable, the results of the pre-qualification or selection and reduction of numbers, namely:—
  - (i) the names of the selected candidates or tenderers and the reasons for their selection;
  - (ii) the names of the rejected candidates or tenderers and the reasons for their rejection;
- (c) the reasons for the rejection of tenders found to be abnormally low;
- (d) the name of the successful tenderer and the reasons why its tender was selected and where known—
  - (i) the share (if any) of the contract or framework agreement which the successful tenderer intends to subcontract to third parties, and
  - (ii) the names of the main contractor's subcontractors (if any);
- (e) for competitive procedures with negotiation and competitive dialogues, the circumstances which justify the use of those procedures;
- (f) for negotiated procedures without prior publication, the circumstances which justify the use of this procedure;

- (g) where applicable, the reasons why the contracting TVCA has decided not to award a contract or framework agreement or to establish a dynamic purchasing system;
- (h) where applicable, the reasons why means of communication other than electronic means have been used for the submission of tenders;
- (i) where applicable, conflicts of interests detected and subsequent measures taken.

## **27. Documentation of Progress and Decisions**

27.1 Each Senior Manager must ensure each stage of the procurement process is adequately documented to include:

- (a) communications with third parties and internal deliberations
- (b) preparation of the procurement documents
- (c) dialogue or negotiation if any
- (d) selection and award of contract.

27.2 The documentation shall be kept for a period of 3 years from the date of award of contract.

## **28. Contracts Register**

28.1 A Contracts Register will be held by the Chief Finance Officer. Senior Managers should ensure this register is updated for all contracts.

## **29. Contract / Performance Monitoring**

29.1 During the term of a contract, the applicable Senior Manager shall undertake monitoring and evaluation to include the following items:

- a) Performance;
- b) Compliance with specification and contract;
- c) Cost;
- d) User satisfaction; and
- e) Risk management.

## **30. Nominated Contractors and Sub-Contractors**

30.1 The provisions of these Contract Procedure Rules where appropriate shall apply where a sub-contractor or contractor is to be nominated to a main contractor.

30.2 The Senior Manager concerned shall have TVCA to accept a tender submitted in respect of a nominated subcontractor provided that the tender is the lowest or the most economically advantageous received and does not exceed the amount provided for the sub-contract work concerned in the main contract and is satisfactory in all other respects.

### **31. Contracts Extensions**

- 31.1 A contract may be extended before the expiry date where the extension is made in accordance with any option to extend set out in the original contract with the approval of the applicable Senior Manager, the Chief Finance Officer and the [Monitoring Officer].
- 31.2 Where the contract terms do not include any express option to extend, any decision to vary the contract in order to extend must be undertaken in accordance with Section 5 prior to the variation being agreed.
- 31.3 Where the contract is extended
- a) the Contract Register must be updated
  - b) the [Monitoring Officer] must be instructed to issue the extension documentation.

### **32. Contract Variations**

- 32.1 All Contract variations must be carried out within the scope of the original Contract. Contract variations that materially affect or change the scope of the original Contract are not allowed, unless authorised in accordance with Rule 32.2
- 32.2 Any variation or series of variations increasing the scope of a contract must be authorised by the [Monitoring Officer] and the Chief Finance Officer prior to the services, works or supplies being ordered.
- 32.3 All Contract variations must be in writing and signed by both the TVCA and the Contractor except where different provisions as to the making of variations are prescribed within the Contract terms
- 32.4 Where the contract is varied
- a) the Contract Register must be updated
  - b) the [Monitoring Officer] must be instructed to issue the contract variation.

### **33. Termination**

- 33.1 Where a Senior Manager wishes to terminate a contract early he may do so only after consulting with the Chief Finance Officer and [Monitoring Officer] as to the financial and legal impact of the termination.

### **34. Breaches of Contract Procedure Rules**

- 34.1 In the event of a significant breach of these rules, the circumstances and details shall be referred to Internal Audit for investigation.



## **Part 6.2 Codes of Conduct**

### **PREAMBLE**

#### **FOR INFORMATION ONLY**

#### **GENERAL PRINCIPLES OF CONDUCT**

##### **PREAMBLE**

The principles of public life apply to anyone who works as a public office-holder. This includes all those who are elected or appointed to public office, nationally and locally, and all people appointed to work in the civil service, local government, the police, courts and probation services, NDPBs, and in the health, education, social and care services. All public office-holders are both servants of the public and stewards of public resources. The principles also have application to all those in other sectors delivering public services.

##### **SELFLESSNESS**

Holders of public office should act solely in terms of the public interest.

##### **HONESTY AND INTEGRITY**

Holders of public office should be truthful and should avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family or their friends. They must declare and resolve any interests and relationships.

##### **OBJECTIVITY**

Holders of public office must act and take decisions impartially, fairly on merit, using best evidence and without discrimination or bias.

##### **ACCOUNTABILITY**

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

##### **OPENNESS**

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

##### **PERSONAL JUDGEMENT**

Councillors may take account of the views of others, including their political groups, but should reach their own conclusions on the issues before them and act in accordance with those conclusions.

##### **RESPECT FOR OTHERS**

Councillors should promote equality by not discriminating unlawfully against any person, and by treating people with respect, regardless of their race, age, religion, gender, sexual orientation or disability. They should respect the impartiality and integrity of the authority's statutory officers and its other employees.

##### **DUTY TO UPHOLD THE LAW**

Councillors should uphold the law and, on all occasions, act in accordance with the trust that the public is entitled to place in them.

### **STEWARDSHIP**

Councillors should do whatever they are able to do to ensure that their authorities use their resources prudently and in accordance with the law.

### **LEADERSHIP**

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to change poor behaviour wherever it occurs.

**NOTE: THIS PREAMBLE AND THE GENERAL PRINCIPLES OF CONDUCT SPECIFIED WITHIN IT ARE FOR INFORMATION ONLY, AND THEY DO NOT FORM A PART OF THE COUNCIL'S CODE FOR ENFORCEMENT PURPOSES.**

## 6.2.1 Members Code of Conduct

### TEES VALLEY COMBINED AUTHORITY

("TVCA")

### CODE OF CONDUCT FOR MEMBERS

#### Part 1

#### General Provisions

#### Introduction and Interpretation

1. (1) This Code applies to **you** as a member of the Council when you are acting in that capacity.
- (2) This Code is based upon and is intended to be consistent with the General Principles of Conduct specified in the preamble.
- (3) It is your responsibility to comply with the provisions of this Code.
- (4) This Code does not cover matters in respect of which the Secretary of State may under the Act specifically provide that criminal sanctions will apply.

#### Interpretation

2. (1) In this Code--
  - "the Act" means the Localism Act 2011
  - "meeting" means any meeting of—
    - (a) TVCA;
    - (b) the Combined Authority Board;
    - (c) any of the TVCA's or its executive's committees, sub-committees, joint committees, joint sub-committees, or area committees;
  - "the executive of the Council" and "executive" means the Cabinet
  - "member" includes a Substitute Member and a LEP Member.

#### General Conduct

3. (1) You must treat others with respect.
- (2) You must not do anything which may cause the TVCA to breach any of the equality enactments (as defined in Section 33 of the Equality Act 2006).

- (3) You must not bully any person and you must not intimidate or attempt to intimidate any person who is involved in any complaint about any alleged breach of this Code.
  - (4) You must not do anything which compromises or is likely to compromise the impartiality of anyone who works for or on behalf of the TVCA.
  - (5) You must not conduct yourself in a manner which could reasonably be regarded as bringing the TVCA, or your office as a member of the TVCA, into disrepute.
  - (6) You must not use or attempt to use your position as a member improperly to confer on or secure for yourself or any other person any advantage or disadvantage.
4. When using or authorising the use by others of the resources of the TVCA:-
- (1) You must act in accordance with the TVCA's reasonable requirements.
  - (2) You must ensure that such resources are not used improperly for political purposes (including party political purposes); and
  - (3) You must have regard to any Local Authority Code of Publicity made under the Local Government Act 1986.
5. You must not prevent, or attempt to prevent, another person from gaining access to information to which they are entitled by law.
6. You must not disclose information which is given to you in confidence, or information acquired by you which you believe, or ought reasonably to be aware, is of a confidential nature, unless:-
- (a) you have the consent of a person authorised to give it; or
  - (b) you are required by law to do so; or
  - (c) the disclosure is made to a third party for the purpose of obtaining professional legal advice, provided that the third party agrees not to disclose the information to any other person; or
  - (d) the disclosure is reasonable, in the public interest, made in good faith, and made in compliance with the reasonable requirements of the TVCA.
7. Where you have been involved in the making of any decision or the taking of any action by the executive of the TVCA, any of TVCA's committees, sub-committees, you must not take part in that scrutiny process other than for the purpose of answering questions or giving evidence relating to the business.
8. (1) When making decisions on any matter you must have regard to any relevant advice provided to you by:-
- (a) the TVCA Chief Finance Officer; or
  - (b) the TVCA Monitoring Officer,

where that officer is acting pursuant to his or her statutory duties.

- (2) You must give reasons for all decisions in accordance with any statutory requirements and any reasonable additional requirements imposed by TVCA.

## Part 2

### Interests

#### Registration of Members' Interests

9. Subject to paragraph 12, you must register in TVCA's register of members' interests ("Register") information about your personal interests. For the purposes of paragraphs 9 to 15 inclusively ' your personal interests' or 'personal interest' means:-

- (a) any 'disclosable pecuniary interest' (as specified at the Appendix to this Code or as defined by any statutory provisions in force from time to time under the Act) which you know about and which is held by

- you, or
- your spouse or civil partner, a person with whom you are living as husband and wife, or a person with whom you are living as if you are civil partners; and

(b) any other interests held by you as set out in paragraph 11.

10. You must register information about your personal interests by giving written notice to the monitoring officer, who maintains the Register, within 28 days of:-

- this Code being adopted by the TVCA;
- your election or appointment as a member of the TVCA; and of
- becoming aware of any new interest or change to any registered interest.

11. You have a personal interest in any business of the TVCA and for the purposes of paragraph 9(b) where either it relates to or is likely to affect:-

- (a) any body of which you are a member (or in a position of general control or management) and to which you are appointed or nominated by the TVCA;

(b) any body which:-

(i) exercises functions of a public nature or

(ii) is directed to charitable purposes or

(iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union) of which you are a member (or in a position of general control or management);

#### Sensitive Information

**12.** Where you think that disclosure of the details of any of your personal interests could lead to you, or a person connected with you, being subject to violence or intimidation, you may inform the monitoring officer; and if the monitoring officer agrees, a note will be made in the Register to the effect that you have a personal interest, details of which are withheld under Section 32 of the Act .

### **Declaration of Interests**

**13.** Where you attend a meeting and you are, or ought reasonably to be, aware that any of your personal interests are relevant to an item of business which is being considered, then you must disclose to that meeting the existence and nature of that interest at the start of the consideration of that item of business, or when the interest becomes apparent, if later.

**14.** Where you have a personal interest in any business of the TVCA which relates to or is likely to affect a body of a type described in paragraph 11(a) and 11(b)(i), you need only disclose to the meeting the existence and nature of that interest when you address the meeting on that business.

**15.** Where you have a personal interest but, by virtue of paragraph 12, sensitive information relating to it is not registered in the Register, you must indicate to the meeting that you have a personal interest, but you need not disclose the sensitive information to the meeting.

**16.** Where you attend a meeting, and you are, or ought reasonably to be, aware that a decision in relation to any item of business which is to be transacted might reasonably be regarded as affecting your well being or financial position, or the well being or financial position of a person described in paragraph 17, to a greater extent than most of the inhabitants of the area affected by the decision, then you must disclose to that meeting the existence and nature of that interest at the start of that item of business, or when the interest becomes apparent, if later.

**17.** The persons referred to in paragraph 16 are:-

(a) a member of your family;

(b) any person with whom you have a close association;

(c) in relation to persons described in (a) and (b), their employer, any firm in which they are a partner, or a company of which they are a director;

(d) any person or body in whom persons described in (a) and (b) have a beneficial interest in a class of securities exceeding the nominal value of £25,000; or

(e) any body of a type described in paragraph 11 (a) and (b).

### **Non participation**

**18.** Where you have a personal interest of the type described in paragraph 16 in any business of the TVCA, and the 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 your judgement of the public interest and the business:-

- (a) affects your financial position or the financial position of a person or body described in paragraph 17(a) to (e) inclusively; or
- (b) relates to the determining of any approval, consent, licence, permission or registration in relation to you or any person or body referred to in the preceding sub-paragraph (a),

then subject to paragraphs 19 and 20:-

- (a) you may not participate in any discussion of the matter at the meeting;
- (b) you may not participate in any vote taken on the matter at the meeting;
- (c) if the interest is not registered, you must disclose the interest to the meeting; and
- (d) if the interest is not registered and is not the subject of a pending notification, you must notify the Monitoring Officer of the interest within 28 days.

**19.** Where you have an interest of the type described in paragraph 18 in any business of the TVCA, you may attend the meeting and make representations, answer questions or give evidence relating to that business before the business is considered and voted upon, provided the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise.

### **Disclosable Pecuniary Interests**

**20.** In addition to the requirements of the Act regarding the registration and declaration of a disclosable pecuniary interest, you must also comply with the statutory requirements relating to withdrawal from participating in any discussion or voting on any matter in which you have a disclosable pecuniary interest.

### **Requirement to leave a meeting room**

**21.** You must comply with any procedural rule or standing order adopted by the TVCA which requires a member to leave the room during any meeting at which a matter in which they have a disclosable pecuniary interest is being discussed.

**Disclosable Pecuniary Interests**

The duties to register, disclose and not to participate in respect of any matter in which a member has a disclosable pecuniary interest are set out in Chapter 7 of the Localism Act 2011.

Disclosable pecuniary interests are defined in the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 (SI 2012 No. 1464) as follows:-

<b>Interest</b>	<b>Prescribed Description</b>
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	Any payment or provision of any other financial benefit (other than from the relevant authority) made or provided within the relevant period in respect of any expenses incurred by M in carrying out duties as a member, or towards the election expenses of M. This includes any payment or financial benefits from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992).
Contracts	Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest) and the relevant authority:- <ul style="list-style-type: none"> <li>(a) under which goods or services are to be provided or works are to be executed; and</li> <li>(b) which has not been fully discharged</li> </ul>
Land	Any beneficial interest in land which is within the area of the relevant authority.
Licences	Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer.
Corporate tenancies	Any tenancy where (to M's knowledge):- <ul style="list-style-type: none"> <li>(a) the landlord is the relevant authority; and</li> <li>(b) the tenant is a body in which the relevant person has a beneficial interest</li> </ul>
Securities	Any beneficial interest in securities of a body

where:-

- (a) that body (to M's knowledge) has a place of business or land in the area of the relevant authority; and
- (b) either –
  - (i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or
  - (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

For this purpose:-

“the Act” means the Localism Act 2011;

“body in which the relevant person has a beneficial interest” means a firm in which the relevant person is a partner or a body corporate of which the relevant person is a director, or in the securities of which the relevant person has a beneficial interest;

“director” includes a member of the committee of management of an industrial and provident society;

“land” excludes an easement, servitude, interest or right in or over land which does not carry with it a right for the relevant person (alone or jointly with another) to occupy the land or to receive income;

“M” means a member of a relevant authority;

“member” includes a co-opted member;

“relevant authority” means the authority of which M is a member;

“relevant period” means the period of 12 months ending with the day on which M gives a notification for the purposes of section 30(1) or 31(7), as the case may be, of the Act;

“relevant person” means M or any other person referred to in section 30(3)(b) of the Act;

“securities” means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

## 6.2.2 Officers Code of Conduct

### 1. Purpose

- 1.1 This code sets out the standard of conduct that the TVCA expects from its officers. The aim is to promote high standards of conduct and to maintain public confidence in the Councils services

### 2. General Principles

- 2.1 The public is entitled to expect the highest standards of conduct from all Offices. The role of Officers is to represent the TVCA in delivering services to the local community. Officers must perform their duties to the best of their abilities with honesty, integrity, impartiality and objectivity and contribute to the maintenance of high standards in public service. Officers must at all time act in accordance with the trust that the public is entitled to place in them.
- 2.2 This code should be read in conjunction with the TVCA's Constitution and Human Resources Policies and Procedures.

### 3. Gifts and Hospitality

- 3.1 All offers of gifts or hospitality should be treated with caution. Where a gift or hospitality could be perceived as an inducement or reward for performing TVCA duties, or where acceptance of the gift or hospitality could be open to misinterpretation, Officers should tactfully but firmly refuse the offer.
- 3.2 Gifts of a promotional nature, e.g. calendars, diaries and pens which are of a low monetary value i.e. less than £25 may be accepted.
- 3.3 All offers of gifts and hospitality of £25 or more in value, including any offers of sponsorship for training or development, whether or not they are accepted, must be recorded promptly (and no later than 28 days from the date of the offer) in a register held by a nominated officer in the relevant service grouping. Completed forms are to be submitted to and approved by the appropriate [Monitoring Officer]. Copies are sent to [ ] for recording and monitoring purposes.
- 3.4 It is a criminal offence under the Bribery Act 2010 to accept a bribe or to bribe another person. The offence of being bribed will occur where an employee agrees to receive or accepts an advantage (for their own or another's benefit and whether or not he or she actually receives it), in order to carry out the improper performance of a TVCA function, or where the advantage may be a reward for already having performed the function improperly.
- 3.5 The offence of bribing another person occurs where an employee offers, promises or gives a financial or other advantage to another person, with the intention that this will induce that person to improperly perform a function or activity, or in order to reward that person for the improper performance of such a function or activity.

- 3.6 Guidance on the Bribery Act indicates that bona fide hospitality and promotional, or other business expenditure which seeks to improve the image of a commercial organisation, better to present products and service, or to establish cordial relations, is recognised as an established and important part of doing business and it is not the intention of the Act to criminalise such behaviour.
- 3.7 If Officers are in any doubt about the acceptance of a gift or hospitality they should inform [the Monitoring Officer] in advance (where feasible) and seek advice. Where an employee receives an unsolicited gift or believes that a person is otherwise attempting to influence him or her, [the Monitoring Officer] should be informed immediately.
- 3.8 Particular care should be taken by Officers concerned with purchasing or the award of official contracts. An Officer who knowingly accepts a gift or favour from a contractor or other person seeking services to or from the TVCA may put themselves at risk of a disciplinary investigation. Failure to record offers of gifts and hospitality may also be the subject of investigation by managers.

#### **4. Not Used.**

#### **5. Confidential Information**

- 5.1 Officers should treat all information they receive in the course of their employment as confidential to the TVCA. Officers must not use information in the TVCAs possession to further their private interests or those of their relations and friends. Deliberate exploitation of confidential information for personal gain may result in disciplinary action including dismissal.
- 5.2 Officers are only permitted to disclose confidential information where it is required by law or where the TVCA has agreed to make the information available to the public. Where Officers are in any doubt as to whether they are permitted to release information they must consult their Line Manager or Head of Service before any disclosure is made.

#### **6. Officer Interests**

- 6.1 Officers must disclose any personal conflicts of interest and must not involve themselves in any decisions or matters where their actions could be perceived as biased. A personal conflict may arise where an Officer provides consultancy services in a private capacity which conflict with or are of a similar nature to the TVCAs services, or which may result in a reduction of TVCA services. Another example is where an employee, acting in a private capacity, causes conflict with the service provided by the TVCA to a service user.
- 6.2 Officers interests in contracts must be disclosed in writing where Officers have any financial interest, direct or indirect, in any contract which the TVCA has entered into or is proposing to enter into, or any application for a licence, consent or permission. Officers are also required to identify a partner, relative or close associate who might have a legitimate interest in TVCA contracts or services.
- 6.3 Officers must also disclose in writing any interests where they are involved as either as an individual or as a partner in a business or as a Director of a Company or where they have a substantial shareholding in a public or private company which

regularly has dealings with the TVCA. For this purpose, “substantial” can be defined as more than £5,000 nominal value or 1/100th of the nominal value of the company whichever is the lower. Friendship or membership of an association or society could also influence Officer’s judgements and should be treated in the same way.

- 6.4 If Officers are in any doubt as to what interests they need to declare they should seek guidance from [the Monitoring Officer]. Failure by Officers to declare interests in contracts or companies is a criminal offence. Failure to disclose a conflict of interest may result in disciplinary action.

## **7. Public Office**

- 7.1 Officers who wish to seek public office in an Authority other than that with whom they are employed or act for are not generally prevented from doing so unless they occupy politically restricted posts under the Local Government and Housing Act 1989, but should discuss their intentions and the implications with [the Monitoring Officer] and seek legal advice.

- 7.2 Officers other than holders of politically restricted posts who become councillors of other Local Authorities should ensure that their two capacities are kept separate. In particular, they should take care that they do not disclose or use for an unauthorised purpose confidential information which could benefit or cause harm either to the Authority represented or to the TVCA.

## **8. Political Activities**

- 8.1 Political activities relate to standing for public elected office, engaging in party political debate in a personal capacity, by speaking or writing in public and canvassing at elections. The ability of Officers to indulge in such activities is restricted if they occupy politically restricted posts.

- 8.2 An employee who proposes to engage in political activities should consider all aspects of this Code and ensure there is no conflict of interest between their duties as an employee and their political activities. Officers at a senior level who regularly advise members, regularly have contact with the public or media, or exercise delegated powers should take particular care when they propose to engage in political activities. They must in all cases consult their Line Manager.

- 8.3 Where Officers are required to advise Members they must do so in ways which do not compromise their political neutrality and must not allow their own personal or political opinion to influence or interfere with their work.

## **9. Recruitment and Employment**

- 9.1 Officers involved in recruitment or decisions relating to discipline, promotion or grading must not be involved where they are related to an applicant or have a close association with an applicant or employee.

- 9.2 All Officers involved in recruitment and selection on behalf of the TVCA must be familiar with, and abide by, the TVCA’s recruitment policy and procedures.

9.3 Canvassing of Members of the TVCA relating to any employment matter including appointments, is strictly prohibited and may result in disciplinary action.

## **10. Sustainability Issues**

10.1 Officers must be aware of their obligation towards improving the environment and in particular ensure the wider long term implications of their actions are in accordance with TVCA policy.

10.2 Officers are required to consider sustainability issues when undertaking their duties, including the procurement of goods and services. In particular they should seek opportunities to improve and promote energy conservation, advocate recycling and waste minimisation, reduce pollution and support TVCA initiatives to improve the environment.

## **11. Diversity**

11.1 All members of the local community, customers, contractors, Members and Officers have a right to be treated with fairness and dignity. All Officers are required to comply with TVCA diversity policies and in accordance with the legal requirements placed upon the TVCA.

## **12. Intellectual Property/Copyright/Lecture Fees**

12.1 All creative designs, writings and drawings produced by Officers in the course of their duties are the property of the TVCA.

12.2 All inventions made by Officers remain the property of the TVCA if made during the course of their duties. The duties are described in the Officers terms of employment, job description and those arising from an instruction from a manager or other authorised officer of the TVCA.

12.3 Fees for giving lectures or writing articles may only be retained by Officers where these activities are not integral to their employment or position with the TVCA and they are conducted in the Officers own time.

12.4 Where Officers are interviewed by the media or agree to give lectures in connection with their official duties the TVCA's publicity manager must be consulted on any intended lecture or publication in the press or other media which is connected to their official duties and prior consent of their Head of Service or line manager must be obtained.

12.5 Officers should take care when expressing their personal views publicly that they do not undermine confidence in their objectivity in the performance of their duties.

## **13. Use of TVCA Facilities**

13.1 Officers must ensure that they use public funds entrusted to them in a responsible and lawful manner. They should strive to ensure value for money to the local community and to avoid legal challenge to the TVCA.

13.2 The TVCA's resources should be used solely in respect of its business. No improper use must be made of premises, vehicles, equipment, stationery or

services. A reasonable amount of personal use of ICT and telephone facilities may be made but are subject to any TVCA ICT protocols and the payment of all personal telephone calls on a monthly basis.

#### **14. Performance of Duties**

14.1 Officers are required to observe agreed working procedures, operational regulations, health and safety rules, regulations, professional codes of practice and the provisions of the TVCA's constitution and to carry out reasonable and proper instructions in matters relating to their duties.

14.2 An Officer must not:-

- (a) Fail to discharge through carelessness, or neglect an obligation placed upon him/her by contract or by law;
- (b) Fail to report any matter which he/she is required to report;
- (c) Fail to wear safety clothing or footwear, or use safety equipment which has been issued as being necessary in the interests of health & safety or otherwise fail to have due regard to health & safety requirements.

14.3 Failure to observe the Officers Code of Conduct or any human resources policies and procedures (specifically those relating to substance misuse, smoking or ICT protocols) or other TVCA policies, regulations or standards, may lead to disciplinary action in accordance with the TVCA's disciplinary procedures.

## 6.2.3 Protocol on Member/Officer Relations

### 1. The Role and Purpose of the Protocol

- 1.1 TVCA strives to carry out its duties and provide services in a way that is effective; efficient in terms of the resources deployed; and responsive to the views and wishes of the people that might be affected by what it does.
- 1.2 Above all, the TVCA operates with, and promotes high ethical values and standards and in an environment which demands close and effective working relations between all Members and Officers without either seeking to take unfair advantage of their position. This is achieved by means of a culture of mutual respect, trust, courtesy, openness and understanding. Members and Officers feel free to speak to one another openly and honestly.
- 1.3 With this in mind, the purpose of this protocol is not in any way to change that relationship, but to offer guidance to Members and Officers on their respective roles and their working relations with one another, in order to help them to perform more effectively and thereby to ensure the efficient and effective running of the authority and the delivery of best value services to the local community.
- 1.4 The relations between Members and Officers are complex and varied. This protocol does not therefore aim to be either prescriptive or comprehensive. It is intended simply to offer guidance on some of the issues which most commonly arise. It is hoped however that the approach which it adopts to these issues will serve as a reference document for dealing with other issues.
- 1.5 This protocol relies to a large extent on current practice and convention. It does, however, attempt to promote greater clarity and certainty for the benefit of both Members and Officers.
- 1.6 The Protocol also seeks to reflect and bring together the principles underlying the respective Codes of Conduct which apply to Members and Officers. The shared objective of these Codes is to enhance and maintain the integrity (both real and perceived) of Local Government and those who work within it and to maintain the very high standards of personal conduct required of all who serve the public.
- 1.7 Local Government does not however operate in isolation. The TVCA always seeks to work in partnership with other local organisations and agencies and regional and national bodies to the greatest effect for the people of the area. Increasingly TVCA Members and Officers are required to represent the TVCA on a variety of outside bodies and organisations with statutory and non-statutory links to the TVCA. Whilst the procedural aspects of the Protocol relate mainly to the TVCA, it is expected that Members and Officers representing the Authority on outside bodies, continue to maintain the ethos of courtesy, respect and understanding advocated by this Protocol.
- 1.8 The Protocol must be read and operated in the context of all relevant legislation and national and local codes of conduct and the TVCA's Policy on confidential reporting. A copy of the Members' Code of Conduct and the Confidential Reporting Policy are reproduced in this part of the Constitution. Advice and guidance in connection with the Code and Policy, together with this Protocol can be obtained from the TVCA's Monitoring Officer.

## 2. The Roles of Members and Officers

### 2.1 Members

The roles of Members of the TVCA and Officers employed by the TVCA are different, but complementary. The former National Code of Local Government Conduct for Members indicated that:-

Para. 23 *“Both Councillors and Officers are servants of the public and they are indispensable to one another. But their responsibilities are distinct. Councillors are responsible to the electorate and serve only so long as their term of office lasts. Officers are responsible to the TVCA. Their job is to give advice to Councillors and the TVCA, and to carry out the TVCA’s work under the direction and control of the TVCA.*

*Mutual respect between Councillors and Officers is essential to good Local Government. Close personal familiarity between individual Councillors and Officers can change this relationship and prove embarrassing to the Councillors and Officers.”*

2.2 Not used.

2.3 The five guiding principles to be followed are that the TVCA should be:

**Transparent** – to ensure that the public are clear about who is responsible for particular decisions.

**Understandable** – to ensure that the decision making process is simple, clear and unambiguous to Members, Officers and the public.

**Efficient** – to enable swift and responsive action.

**Accountable** – to ensure that decisions are open to scrutiny by Members and by the public and that members of the public are able to measure the TVCA’s actions against the policies upon which it was elected.

**Providing Best Value** - to promote continuous improvement within the TVCA and demonstrate Best Value in ensuring resources are directed appropriately.

### 2.4 Officers

Officers support and advise the TVCA, and the constituent parts of its decision-making machinery; implement TVCA decisions and may themselves take decisions formally delegated to them through the approved Scheme of Delegation. All Officers are required to be politically neutral.

2.5 Not used.

2.6 Not used.

2.7 Both Officers and Members must comply in all respects and at all times with their respective Codes of Conduct, not only in their dealings with each other, but also when dealing with partners and the public.

2.8 In particular, it should be recognised that Members of the TVCA do not have any special immunity from civil or criminal wrongs that they may commit against fellow Member’s,

Officers or members of the public. Members must ensure that they do not, therefore, for example, slander or libel another person. During the course of their normal duties for the TVCA, Members will only have a qualified (and not an absolute) protection against prosecution or civil action.

- 2.9 Any member of the public (including Officers) can complain to the TVCA's Monitoring Officer about a Members' alleged breach of the TVCA's Code of Conduct for Members and/or bring private, civil action against a Member. The District Auditor can also take legal action against an elected Member and the TVCA, as a whole, for any alleged breach of the law.
- 2.10 The TVCA has statutory duties with regard to equality issues and in accordance with TVCA's Code of Conduct for Members, Members must promote equality by not discriminating against others. Members and Officers should not, therefore, by their behaviour or speech act in a discriminatory way with regard to, for example, a person's age, gender, race, disability, religion, ethnicity, nationality or sexual orientation. Such principles will apply to the implementation of personnel policies, recruitment and promotion as they apply to day to day dealings with fellow human beings.

### 2.11 **Members' expectations**

Members can expect from Officers:-

- (a) A commitment to the TVCA as whole, and not to any political group.
- (b) A working partnership.
- (c) An understanding of and support for respective roles, workloads and pressures.
- (d) Reasonable and timely response to enquiries and complaints.
- (e) Professional advice, not influenced by political views or preference, which does not compromise the political neutrality of Officers.
- (f) As envisaged by, amongst other things, the TVCA's Concordat for Communications and Consultation with Members, regular, up to date information on matters that can reasonably be considered appropriate and relevant to their needs, having regard to any individual responsibilities that they have and positions that they hold.
- (g) Awareness of and sensitivity to the political environment.
- (h) Respect, dignity and courtesy and not acting in a discriminatory way through behaviour or speech.
- (i) Relevant training and development in order to carry out their role effectively.
- (j) Integrity, mutual support and appropriate confidentiality
- (k) That employees will not use their relationship with Members to advance their personal interests or to influence decisions improperly.
- (l) That Officers will at all times comply with the relevant Code of Conduct.
- (m) Support for the role of Members as the local representatives of the TVCA, within the parameters of support approved by the TVCA.
- (n) That Officers will promote equality of opportunity in all TVCA matters.

## 2.12 Officers' Expectations

Officers can expect from Members:-

- (a) A working partnership.
- (b) An understanding of and support for respective roles, workloads and pressures.
- (c) Leadership and direction.
- (d) Respect, dignity and courtesy and not acting in a discriminatory way through behaviour or speech..
- (e) Integrity, mutual support and appropriate confidentiality.
- (f) Not to be subject to bullying or harassment or to be put under undue pressure. Members should have regard to the seniority of Officers in determining what are reasonable requests, having regard to the relationship between Members and Officers, and the potential vulnerability of Officers, particularly at junior levels.
- (g) That Members will not use their position or relationship with Officers to advance their personal interests or those of others or to influence decisions improperly.
- (h) That Members will at all times comply with the TVCA's Members' Code of Conduct.
- (i) That Members will promote equality of opportunity in all TVCA matters.

## 2.13 Limitations Upon Behaviour

The distinct roles of Members and Officers necessarily impose limitations upon behaviour. By way of illustration, and not as an exclusive list:-

- (a) Close personal, as opposed to working, relationships between Members and Officers can confuse these separate roles and detrimentally affect the proper discharge of the TVCA's functions, not least by creating the perception in others that a particular Member or Officer may be securing advantageous treatment.
- (b) The need to maintain the separate roles means that there are limits to the matters on which Members may seek the advice of Officers, both in relation to personal matters and party political issues.
- (c) Relationships with a particular individual or party groups should not be such as to create public suspicion that an employee favours that Member or group above others.

## 2.14 Grievances or Complaints

### Procedure for Officers

- (a) From time to time the relationship between Members and Officers may break down or become strained. Whilst it will always be preferable to resolve matters informally, through conciliation by an appropriate senior manager or Member (please see the Member Conduct - Officer Protocol for this purpose), Officers will have recourse to the Grievance Policy and Procedure, where the matter concerns their employment or to the TVCA's Monitoring Officer, as appropriate to the circumstances. In the event

of a grievance or complaint being upheld, the matter will be referred to the Head of Paid Service who will decide on the course of action to be taken.

### **Procedure for Members**

- (b) In the event that a Member is dissatisfied with the conduct, behaviour or performance of an Officer, he/she should not raise the matter in public or before the press, as Officers have no means of responding to the same in public. The matter should be raised with the appropriate Proper Officer.

3. **Not Used.**

4. **Not Used.**

### **5. Chairs and Members of Overview and Scrutiny Committee**

5.1 The primary role of the Chair and Members of the Overview and Scrutiny Committee is to scrutinise the decisions of the TVCA.

5.2 Over and above these requirements, the Chair and Members of the Committee have responsibility for ensuring the scrutiny process operates fairly and openly. In particular, they will have responsibility for ensuring that Members and Officers are not questioned (whether through the nature, tone or language used), in such a manner as could be considered by a reasonable person to be hostile, offensive, derogatory, harassing, bullying, victimising, discriminatory or otherwise unacceptable or inappropriate behaviour by a Member.

5.3 The Chair and Members of the Committee should expect Members and Officers to be as open as legally possible with the Committee. In a public forum information should not however be disclosed where it is categorised as exempt under the Access to Information Procedure Rules. The Chair and Members of the Committee will still need to demonstrate the same need to know in respect of access to information as other Members.

5.4 In accordance with the Code of Conduct, Members must not use TVCA resources for party political purposes. They must uphold the political impartiality of the Officer body, and not ask Officers to act in any way which would conflict with the Employee Code of Conduct, this Protocol, any other part of the Constitution or National Conditions of Service.

5.5 Officers are required to assist the Overview and Scrutiny Committee in the delivery of its role. The Chair and Members of the Committee will however have to be aware of the resource consequences of any proposals. In some instances requests for research in pursuit of scrutiny may have to be refused on grounds of expense or time. In any event information currently under confidential review by the Combined Authority Board will not normally be available on request to the Scrutiny Members.

5.6 The overriding principles outlined in paragraph 2.3 of this protocol apply to the scrutiny process, just as they do to the TVCA's decision-making arrangements.

5.7 The Overview and Scrutiny and Select Committee may call on Members and senior Officers to answer questions on decisions made by the Combined Authority Board or by delegated Officer decision either by an invitation to attend Overview and Scrutiny committee meetings, or by responding in writing. Invitations should be issued in writing from the Chair of the Overview and Scrutiny Committee and should indicate the subject matter which is to be addressed. Seven working days notice must be provided wherever practicable.

**6. Not Used****6. Overview and Scrutiny Committee Members' Access to Information and TVCA Documents**

- 6.1 As regards the legal rights of Overview and Scrutiny Committee Members to inspect TVCA documents, these are covered partly by statute and partly by common law.
- 6.2 Overview and Scrutiny Committee Members have a statutory right to inspect any TVCA document which contains material relating to any business which is to be transacted at a TVCA meeting. This extends not only to reports which are to be submitted to the meeting, but also to any relevant background papers. This right is however restricted where the documents relate to certain items which may appear on the "Not for Publication" part of the agenda for meetings. The items in question are those which contain exempt information relating to eg any individual; the financial or business affairs of any particular person (including the authority holding the information); any action taken or to be taken in connection with the prevention, investigation or prosecution of crime. Specific details can be found in the Access to Information Procedure Rules. An Overview and Scrutiny Committee Member should also not knowingly inspect and/or call for a copy of any document relating to a matter in which he/she is professionally interested or in which he/she has directly or indirectly any personal, disclosable pecuniary interest. In addition, the Monitoring Officer or any Solicitor to the TVCA may decline to allow inspection of any document which is , or in the event of legal proceedings, would be protected by privilege arising from the relationship of Solicitor and Client.
- 6.3 The common law right of Overview and Scrutiny Members is much broader and is based on the principle that any Member has a prima facie right to inspect TVCA documents so far as his/her access to the documents is reasonably necessary to enable the Member properly to perform his/her duties as an Overview and Scrutiny Committee Member of the TVCA. This principle is commonly referred to as the "need to know" principle.
- 6.4 In some circumstances (eg a Committee Member wishing to inspect non-personal or non-confidential documents relating to the functions of that Committee) a Member's "need to know" will normally be presumed. In other circumstances (eg a Member wishing to inspect TVCA documents which contain personal or confidential information about third parties, or commercially sensitive information) there will be a presumption against disclosure and such a Committee Member will be expected to justify the request in specific terms in order to make their "need to know" clear. In certain cases, additional guidance regarding the circumstances when inspection may or may not be allowed may also have been approved by the TVCA.
- 6.5 Whilst the exercise of this common law right principally depends therefore upon the Overview and Scrutiny Committee Member's ability to demonstrate that he/she has the necessary "need to know" and that there are no legitimate reasons for non-disclosure, a such a Member has no right to "a roving commission" to go and examine documents of the TVCA. Mere curiosity is not sufficient. The crucial question is the determination of the "need to know". The "need" is so that Members can perform their role. It can be limited by conflict of interest, confidentiality and practicality. The question as to whether a "need to know" has been reasonably and satisfactorily established must initially be determined by the particular Director of Service whose service holds the document in question (with advice from the Monitoring Officer). In the event of dispute, the question falls to be determined by the Monitoring Officer.
- 6.6 As a general requirement, where a request to inspect or copy TVCA documents is likely to involve the significant use of resources, approval to the use of those resources should be

requested by following the need to know determination procedure specified in the preceding paragraph.

- 6.7 Whilst the term “TVCA document” is very broad and, prima facie, includes for example any document produced with TVCA resources, it does not cover draft documents or documents which do not relate to business to be considered by or transacted at a TVCA, or Committee meeting. It is also accepted by convention that a Member of one party group will not have a “need to know” and therefore a right to inspect, a document which forms part of the internal workings of another party group.
- 6.8 Finally any TVCA information provided to an Overview and Scrutiny Committee Member must only be used by the Member for the purpose for which it was provided ie in connection with the proper performance of that Member’s duties as an Overview and Scrutiny Committee Member. Members might necessarily acquire much information that has not yet been made public and is still confidential. It is betrayal of trust to breach such confidences. Members should never therefore disclose or use confidential information for the personal advantage of themselves or of anyone known to them, or to the disadvantage or the discredit of the TVCA or anyone else.
- 6.9 The Freedom of Information Act 2000 has brings additional rights, responsibilities and safeguards regarding confidential information.

## Part 6.3 Confidential Reporting Policy

This policy has been introduced to enable employees, and other persons working for the TVCA on TVCA premises, together with suppliers and those providing services under a contract with the TVCA to confidentially voice serious concerns over alleged malpractice and alleged wrongdoing within the Council.

Officers may be nominated in each service for the purpose of dealing with concerns raised by employees or other persons under this policy.

### 1. INTRODUCTION

- 1.1 Employees/Officers are sometimes the first to realise that there may be something seriously wrong, but they may not express their concerns because they feel that speaking up would be disloyal to their colleagues or to the TVCA; or they may fear harassment, victimisation or other reprisals. In these circumstances it may be easier to ignore the concern rather than report what may be just a suspicion of malpractice.
- 1.2 The TVCA is committed to the highest possible standards in the delivery of its services, and for full accountability for those services. In line with that commitment employees are encouraged to come forward and voice any serious concerns they may have about the TVCA's work. It is recognised that certain cases will have to proceed on a confidential basis. This policy document makes it clear that you can do so without fear of reprisals. This policy is intended to encourage and enable you to raise serious concerns within the TVCA rather than overlooking a problem or "blowing the whistle" outside.
- 1.3 The policy applies to all Officers, employees and any contractors working for the TVCA on TVCA premises. It also covers suppliers and those providing services under a contract with the TVCA in their own premises.

### 2. AIMS AND SCOPE OF THIS POLICY

2.1 This policy aims to:

- a. provide avenues for you to raise concerns and receive feedback on any action taken;
- b. allow you to take the matter further if you are dissatisfied with the TVCA's response to the concerns expressed; and
- c. reassure you that you will be protected from possible reprisals or victimisation.

2.2 Service Comments, Commendations and Complaints systems are in place to provide a mechanism for you to complain about the standard of service, action or lack of action by the TVCA or its employees, which affect our services to the public. If you are an employee there are procedures in place to enable you to lodge a grievance relating to your own employment. The Confidential Reporting Policy is intended to cover concerns that fall outside the scope of these procedures eg malpractice or wrongdoing.

2.3 Thus any serious concern that you may have regarding the suspicion of malpractice or wrongdoing in any aspect of service provision or the conduct of Officers or Members of the TVCA (although complaints about Members' conduct may need to be forwarded to the TVCA's Monitoring Officer) or others acting on behalf of the TVCA can and should be reported under this policy. Employees and Officers are expected to report malpractice and wrongdoing and may be liable to disciplinary action if they knowingly and deliberately do not disclose information relating to malpractice or wrongdoing in any aspect of service provision or the conduct of Officers or Members of the TVCA or others acting on behalf of the TVCA.

### 3. WHAT IS MALPRACTICE OR WRONGDOING?

3.1 Malpractice and wrongdoing may be about something which:-

- is unlawful; or
- against the TVCA's Standing Orders or policies; or
- is not in accordance with established standards of practice; or
- amounts to improper conduct by an Officer or a Member.

The overriding concern should be that it would be in the public interest for the malpractice to be corrected and, if appropriate, sanctions to be applied.

The following are examples of issues which could be raised under this policy. It is not intended to be an exhaustive list and there may be other matters which could be dealt with under this policy:

- a. any unlawful act or omission, whether criminal or a breach of civil law
- b. maladministration, as defined by the Local Government Ombudsman
- c. breach of any statutory code of practice
- d. breach of, or failure to implement or comply with any policy determined by the TVCA
- e. failure to comply with appropriate professional standards or other established standards of practice
- f. corruption or fraud
- g. actions which are likely to cause physical danger to any person, or give rise to a risk of significant damage to property

- h. failure to take reasonable steps to report and rectify any situation which is likely to give rise to a significant avoidable cost, or loss of income, to the TVCA or would otherwise seriously prejudice the TVCA
- i. abuse of power, or the use of the TVCA's powers and authority for any unauthorised or ulterior purpose
- j. unfair discrimination in the TVCA's employment or services
- k. dangerous procedures risking health and safety
- l. damage to the environment
- m. other unethical conduct

#### **4. SAFEGUARDS**

##### **4.1 HARASSMENT OR VICTIMISATION**

The decision to report a concern can be a difficult one to make, not least because of the fear of reprisal from those responsible for the malpractice or from the TVCA as a whole. The TVCA will not tolerate any harassment or victimisation and will take appropriate action in order to protect you if you raise a concern in good faith. In addition you are protected by law by the Public Interest Disclosure Act, which gives employees protection from detriment and dismissal where they have made a protected disclosure, provided the legal requirements of the Act are satisfied.

This does not necessarily mean that if you are already the subject of disciplinary procedures that those procedures will be halted as a result of a concern being raised under this policy.

##### **4.2 CONFIDENTIALITY**

It will be easier to follow up and to verify complaints if complainants are prepared to give their names. However, wherever possible the TVCA will protect those who do not want their names to be disclosed. It must be appreciated that any investigation process may reveal the source of the information and a statement from you may be required as part of the evidence.

##### **4.3 ANONYMOUS ALLEGATIONS**

Concerns expressed anonymously are much less powerful, but they will be treated with caution and considered at the discretion of the TVCA. In exercising this discretion the factors to be taken into account would include:

- a. the seriousness of the issues raised;
- b. the credibility of the concern; and
- c. the likelihood of obtaining the necessary information and confirmation of the allegation.

#### 4.4 DELIBERATELY FALSE OR MALICIOUS ALLEGATIONS

The TVCA will view very seriously any deliberately false or malicious allegations it receives, and will regard the making of any deliberately false or malicious allegations by any employee as a serious disciplinary offence which could result in dismissal.

If you make an allegation in good faith but it is not confirmed by the investigation, no action will be taken against you.

The TVCA will try to ensure that the negative impact of either a malicious or unfounded allegation about any employee is minimised. However, it must be acknowledged that it may not be possible to prevent all of the repercussions potentially involved.

### 5. HOW DO I RAISE A CONCERN?

5.1 If you suspect wrongdoing in the workplace:

- **do not** approach or accuse the individuals directly
- **do not** try to investigate the matter yourself
- **do not** convey your suspicions to anyone other than those with the proper authority but **do** something!

5.2 As a first step, you should normally raise concerns with your immediate manager or supervisor. However, the most appropriate person to contact will depend on the seriousness and sensitivity of the issues involved and who is thought to be involved in the malpractice. For example, if you believe that senior management is involved in the matter of concern, or the normal channels of communication are inappropriate for some reason, as an employee of the Council you should approach your service's Nominated Officer (an Officer who has been nominated for the purpose of dealing with concerns under this policy). If you feel that this would be inappropriate in the light of the particular matter concerned, or if you are not a Council employee, you can contact any of the Nominated Officers specified in the Policy.

5.3 Concerns may be raised verbally but are better raised in writing. You are invited to set out the background and history of the concern giving relevant names, dates and places where possible, and the reason why you are particularly concerned about the situation. If you do not feel able to put your concern in writing you can telephone or meet the appropriate Officer.

5.4 The earlier a concern is expressed, the easier it is to take appropriate action.

5.5 Although you are not expected to prove the truth of an allegation that is made, it will be necessary for you to demonstrate to the person contacted that there are sufficient grounds for concern.

5.6 Advice and guidance on how matters of concern may be pursued can be obtained within the Council from Human Resources.

5.7 Alternatively, you may wish to seek advice from your trade union or professional association.

## 6. HOW THE TVCA WILL RESPOND

6.1 The action taken by the TVCA will depend on the nature of the concern. Where appropriate, the matters raised may:

- be investigated by management, internal audit, or through the disciplinary process
- be referred to the Police
- be referred to the external Auditor
- need to be the subject of a referral to the TVCA's Monitoring Officer
- form the subject of an independent enquiry

6.2 In order to protect individuals and the TVCA, initial enquiries will be made to decide whether an investigation is appropriate and, if so, what form it should take. Concerns or allegations which fall within the scope of specific procedures (for example allegations of breaches of the TVCA's Code of Conduct, or discrimination issues) will normally be referred for consideration under these procedures.

6.3 Some concerns may be resolved by agreed action without the need for investigation.

6.4 Within 14 calendar days of a concern being raised under this procedure the relevant Officer will write to you:

- a. acknowledging that the concern has been received;
- b. indicating how it is proposed to deal with the matter;
- c. giving an estimate (so far as reasonably practicable) as to how long it will take to provide a final response;
- d. telling you whether any initial enquiries have been made; and
- e. telling you whether further investigations will take place and if not, why not

6.5 The amount of contact between you and the Officers considering the issues will depend on the nature of the matters raised; the potential difficulties involved; and the clarity of information provided. If necessary, further information will be sought from you.

6.6 Where any meeting is arranged, you have the right, if you so wish, to be accompanied by a trade union or professional association representative or a friend who is not involved in the area of work to which the concern relates.

6.7 The TVCA will take appropriate steps to minimise any difficulties you may experience as a result of raising a concern. For example, if you are required to give

evidence in criminal or disciplinary proceedings the TVCA will advise you about the procedure.

- 6.8 The TVCA accepts that you need to be assured that the matter has been properly addressed. Therefore, subject to any legal restraints, you will receive as much information as possible about the outcomes of any investigation.

## **7. HOW CAN I TAKE THE MATTER FURTHER?**

- 7.1 This policy is intended to provide employees and other persons with an avenue to raise concerns **within** the TVCA and it is hoped that you will take this option in the first place. The TVCA hopes you will be satisfied. If you are not, and you feel it is right to take the matter outside the TVCA, then depending upon the nature of the issue involved, the following are possible contact points:

1. the District Auditor
2. relevant professional bodies or regulatory organisations
3. the Police
4. the Local Government Ombudsman
5. Public Concern at Work
6. an independent legal adviser within the meaning of the Public Interest Disclosure Act 1998
7. a regulatory body designated for the purposes of the Public Interest Disclosure Act

- 7.2 If you do wish to take the matter outside the TVCA, you must first ensure that you do not disclose confidential information. Check with a nominated Officer or the Monitoring Officer about that. In addition, if you wish to secure the protections afforded by the Public Interest Disclosure Act, you must ensure that your disclosure is protected within the meaning of the Act and that it complies with a set of specific conditions which vary according to whom the disclosure is made. Again please check with a nominated Officer or the Monitoring Officer about these matters.

## **8. RESPONSIBILITY FOR THE POLICY**

- 8.1 The responsibility for the effectiveness and efficiency of this policy rests with [the Monitoring Officer]. That Officer will be advised about and maintain records of concerns raised and the outcomes (but in a form which does not endanger your confidentiality) and will report as necessary to the Council.

## Part 6.4 Members Expenses

### MEMBERS' EXPENSES SCHEME 1ST APRIL, 2016 TO 31ST MARCH 2017

In accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended) ("the Regulations"), the TVCA's scheme for the payment of Expenses, with effect from 1st April, 2016 is as follows:-

It is hereby agreed that members expenses shall only be payable for travel outside of the Tees Valley.

#### 1. Travel and Subsistence Expenses

##### (a) Mileage Expenses

<u>Member's motorcycle</u>	21.45p per mile
<u>Member's Car</u>	46.9p per mile
<u>Bicycle/Cycle</u>	23p per mile

**In addition 3p per mile can be claimed for each passenger carried (up to a maximum of 4) to whom a travelling allowance would otherwise be payable.**

##### (b) Meal Expenses

a. <u>Breakfast allowance (provided the journey starts before 7.00 am)</u>	<u>£7.76</u>
b. <u>Evening meal allowance (provided the journey ends after 8.30 pm)</u>	<u>£13.25</u>

##### (c) Subsistence Allowance

Overnight or for an annual conference of the Local Government Association (including or not including an annual meeting) or of such other association of bodies as may be approved for the time being for the purpose. This allowance would normally cover the cost of accommodation and all meals within a 24 hour period. However, additional reimbursement for meals can be claimed in accordance with the scheme, if these, together with the cost of accommodation exceed £102.84.

£102.84

(d) Subject to the requirement above that the travel is only paid outside of the Tees Valley, travelling and subsistence Expenses may be paid for:-

- a meeting of some other body to which the TVCA makes appointments or nominations, or
  - a meeting which has **both** been authorised by the TVCA or a committee of the TVCA and one or more other authorities, a meeting of a local authority association of which the TVCA is a member
  - any other duty approved by the Council in connection with discharging the duties of the Council or its committees.
- (e) Within the context of this section of the Scheme “Member” includes a Substitute Member.

## 2. **General**

- (a) A person may, by notice in writing given to the Proper Officer of the TVCA, elect to forgo his entitlement or any part of his/her entitlement to Expenses.
- (b) The time limit from the date on which an entitlement to an allowance arises during which a claim for the allowance must be made by the person to whom they are payable is two months.
- (c) This will not however prevent the TVCA from making a payment where the allowance is not claimed within the period specified in the scheme should the circumstances justify doing so.
- (d) Where a Member of the TVCA is also a member of another authority, that Member may not receive Expenses from more than one authority in respect of the same duties.
- (e) Where payment of any allowance has already been made in respect of any period during which the Member concerned:-
- (i) ceases to be a Member of the TVCA; or
  - (ii) is in any other way not entitled to receive the Expenses in respect of that period,

the TVCA may require that such part of the allowance as relates to any such period be repaid to the TVCA.

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