

Overview and Scrutiny Committee Agenda

Date: Tuesday 27th February 2018 at 10.00am

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

Membership:

Chair - Cllr Norma Stephenson OBE (Stockton-on-Tees Borough Council)
Vice-Chair - Cllr Ian Haszeldine (Darlington Borough Council)
Cllr Heather Scott – (Darlington Borough Council)
Cllr Sonia Kane (Darlington Borough Council)
Cllr Shane Moore (Hartlepool Borough Council)
Cllr Katie Trueman (Hartlepool Borough Council)
Cllr Denise Rooney (Middlesbrough Council)
Cllr Matthew Storey (Middlesbrough Council)
Cllr Jean Sharrocks (Middlesbrough Council)
Cllr Glyn Nightingale (Redcar and Cleveland Borough Council)
Cllr Neil O'Brien (Redcar and Cleveland Borough Council)
Cllr Philip Thomson (Redcar and Cleveland Borough Council)
Cllr Derrick Brown (Stockton-on-Tees Borough Council)
Cllr Matt Vickers (Stockton-on-Tees Borough Council)

AGENDA

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

The minutes of the meeting held on 16th January 2018 for confirmation and signature
- 4. Announcements from the Chair**
- 5. Announcements from the Managing Director**
- 6. Combined Authority alignment to the Northern Powerhouse**

Attached

Overview and Scrutiny Committee Agenda

7. Overview & Scrutiny Committee Annual Report

Attached

8. Forward Plan

Attached

9. Date of the next Meeting

27th February 2018 at 10.00am – Cavendish House, Stockton-On-Tees,
TS17 6QY

Members of the Public - Rights to Attend Meeting

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

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

Tees Valley Combined Authority Declaration of Interests Procedures

1. The purpose of this note is to provide advice and guidance to all members (the Mayor, elected and co-opted members, substitute members and associate members) of the Combined Authority Cabinet, Sub-Committees and Local Enterprise Partnership Board, on the procedure for declaring interests. The procedure is set out in full in the [Combined Authority's Constitution](#) under the "Code of Conduct for Members" (Appendix 8).

Personal Interests

2. The Code of Conduct sets out in full, the principles on the general conduct of members in their capacity at the Combined Authority. As a general principle, members should act impartially and should not use their position at the Combined Authority to further their personal or private interests.
3. There are two types of personal interests covered by the constitution:
 - a. "disclosable pecuniary interests". In general, a disclosable pecuniary interest will involve any financial interests, such as paid employment or membership of a body, interests in contracts, or ownership of land or shares. Members have a pecuniary interest in a matter where there is a reasonable likelihood or expectation that the business to be considered will affect your well-being or financial position, or the well-being or financial position of the following persons:
 - i. a member of your family;
 - ii. any person with whom you have a close association;
 - iii. in relation to a) and b) above, their employer, any firm in which they are a partner, or a company of which they are a director;
 - iv. any person or body in whom persons described in a) and b) above have a beneficial interest in a class of securities exceeding the nominal value of £25,000; or
 - v. any body as described in paragraph 3 b) i) and ii) below.
 - b. Any other personal interests. You have a personal interest in any business of the Combined Authority where it relates to or is likely to affect:
 - i. 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 Combined Authority;
 - ii. any body which:
 - exercises functions of a public nature;
 - is directed to charitable purposes;
 - one of whose principle purposes includes influencing 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).

Declarations of interest relating to the Councils' commercial role

4. The constituent councils of the Combined Authority are closely integrated with its governance and financial arrangements, and financial relationships between the Combined Authority and Councils do not in themselves create a conflict of interest for Council Leaders who are also Combined Authority Cabinet members. Nor is it a conflict of interest if the Combined Authority supports activities within a particular council boundary. Nevertheless, there are specific circumstances where the Cabinet is considering entering into direct contractual arrangements with a council, for example in relation to a particular commercial investment project, or in which that council is a co-funder. In these circumstances a non-pecuniary declaration of interest should be made by the Council Leader or their substitute.

Procedures for Declaring Interests

5. In line with the Code of Conduct, members are required to adhere to the following procedures for declaring interests:

Register of Interests

6. Each member is required to complete a register of interests form with their personal interests, within 28 days of their appointment to the Combined Authority. Details of any personal interests registered will be published on the Combined Authority's website, with the full register available at the Combined Authority's offices for public inspection. The form will be updated on an annual basis but it is the responsibility of each member to notify the Monitoring Officer of any changes to the register throughout the year. Notification of a change must be made to the Monitoring Officer within 28 days of becoming aware of that change.

Declaration of Interests at Meetings

7. The Combined Authority will include a standing item at the start of each meeting for declaration of interests. Where members are aware that any of their personal interests are relevant to an item of business being considered at a meeting they are attending, they must declare that interest either during the standing item on the agenda, at the start of the consideration of the item of business, or when the interest becomes apparent, if later.
8. Where members consider that their interest could be considered by the public as so significant that it is likely to prejudice the members' judgement then they may not participate in any discussion and voting on the matter at the meeting, but may attend the meeting to make representations, answer questions or give evidence relating to the business, before it is discussed and voted upon.
9. If the interest is a disclosable pecuniary interest (as summarised in paragraph 3a) then the member must leave the meeting room during discussion and voting on the item of business, but may make representations, give evidence and answer questions before

leaving the meeting room. Failure to comply with the requirements in relation to disclosable pecuniary interests is a criminal offence.

Sensitive Information

10. Members can seek the advice of the monitoring officer if they consider that the disclosure of their personal interests contains sensitive information.

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

Cavendish House, Stockton-On-Tees, TS17 6QY

Tuesday 16th January 2018 at 10.00am

MEETING

ATTENDEES

Members

Cllr Norma Stephenson OBE	Stockton On Tees Borough Council	SBC
Cllr Derrick Brown	Stockton on Tees Borough Council	SBC
Cllr Ian Haszeldine	Darlington Borough Council	DBC
Cllr Sonia Kane	Darlington Borough Council	DBC
Cllr Denise Rooney	Middlesbrough Borough Council	MBC
Cllr Glyn Nightingale	Redcar & Cleveland Borough Council	R&CBC
Cllr Heather Scott	Darlington Borough Council	DBC
Cllr Shane Moore	Hartlepool Borough Council	HBC
Cllr Jean Sharrocks	Middlesbrough Borough Council	MBC
Cllr Katie Trueman	Hartlepool Borough Council	HBC

In Attendance (Item 37/17)

Cllr Sue Jeffrey	Redcar & Cleveland Borough Council	R&CBC
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Apologies for absence

Cllr Matt Vickers	Stockton Borough Council	SBC
Cllr Philip Thomson	Redcar & Cleveland Borough Council	R&CBC
Cllr Neil O'Brien	Redcar & Cleveland Borough Council	R&CBC

Officers

Sharon Jones	Governance & Scrutiny Officer	TVCA
Andrew Lewis	Managing Director	TVCA
Julie Gilhespie	Finance Director	TVCA

OSC 33/17	DECLARATIONS OF INTEREST	
	There were no interests declared	
OSC 34/17	MINUTES	
	The minutes of the meeting on 30 th November 2017 were agreed and signed as a correct record.	
OSC 35/17	ANNOUNCEMENTS FROM THE CHAIR	
	<p>The Chair made the following announcements:</p> <ul style="list-style-type: none"> • Welcomed Cllr Katie Trueman of Hartlepool Borough Council as a new member of the Committee. • Expressed disappointment that the Mayor was not in attendance at the meeting and requested that in future if he is unable to attend the Deputy Mayor is invited to attend in his place. <p>RESOLVED that the Chair's update be noted.</p>	
OSC 36/17	ANNOUNCEMENTS FROM THE MANAGING DIRECTOR	
	<p>The Managing Director made the following announcements:</p> <ul style="list-style-type: none"> • The Transport for the North Strategic Transport Plan is to be launched today in Darlington. This is a significant event for the region and the strategy contains priorities for substantial investment and transformation within the Tees Valley, for example Darlington, Middlesbrough and Hartlepool stations are given prominence, as are improvements to the A1, A19 and A66. TfN will soon establish a Scrutiny Committee and the nominated member would need to establish close links with the Combined Authority's own Scrutiny Committee • Cabinet have approved the proposal for borrowing powers for the Combined Authority. These are similar to the borrowing powers of individual councils and are subject to prudential borrowing criteria. These will give us significant financial freedom and we have already started to approve projects based on this. • The Education, Employment and Skills strategy has been out for consultation. There was a seminar held as part of this for consultation with members. The turnout for this was relatively poor but there was a good response from other partners consulted. 	

	<p>A question was asked of the Managing Director regarding the news on the collapse of Carillion and how this might impact on the Combined Authority and the Tees Valley. The Managing Director advised that as of yet we are unclear on the full impact of the collapse but we know there is no direct impact on any Combined Authority projects. Clearly the news will affect those in employment with Carillion and we will assist where we can with regard to unemployment.</p> <p>RESOLVED that the Managing Director's update be noted.</p>	
<p>OSC 37/17</p>	<p>Budget 2018/19 – Overview and Scrutiny Budget Task & Finish Group</p>	
	<p>The Chair thanked the members of the Task and Finish Group for their work on the budget and their input into the report.</p> <p>The report provided gives an overview of the process the group followed and details all of the questions asked and the answers provided. A summary of this report will be drafted and presented to Cabinet on 5th February by the Chair and Vice Chair of the Committee.</p> <p>There were two questions regarding the Budget submitted in advance of the meeting. The Managing Director responded to these as follows:</p> <p>Durham Tees Valley Airport - £46,000 has been spent so far on financial and legal advice and there is more money set aside should we decide to proceed further with negotiations. It is important that we are fully informed of the financial and legal issues we would face if we do proceed and we need sufficient resources to allow the best possible advice to be provided.</p> <p>A full discussion took place regarding the money set aside for the airport and whether the amount of £500,000 was reasonable. Concerns were raised from the Committee members as to whether this money was being spent on something that would never come to fruition.</p> <p>It was agreed that Overview & Scrutiny Committee should receive a further briefing with regard to the airport and a separate meeting will be arranged as soon as is possible for this purpose.</p> <p>Staffing of the Combined Authority – There will be an increase in staff employed by the Combined Authority. The increased numbers are due to additional resource coming into the Combined Authority and an expansion of the responsibility we hold. For example, within the Education, Employment and Skills team there will be an increase in staffing but the responsibility for this was previously held by central Government, devolution has allowed us to move the responsibility and resources in house.</p> <p>Discussion also took place regarding the following aspects of the budget:</p> <p>Delegated Decisions – It was explained that the delegated decision criteria were agreed by Cabinet in July 2017. The decisions are not delegated to officers but to Cabinet members for decisions that need to be made in between the bi-monthly Cabinet meetings. All decisions</p>	

	<p>must be signed off by the Mayor and the lead Cabinet Member for that area and all of the pre-agreed criteria must be applicable. Each decision can be referred to Cabinet for full agreement if this is deemed necessary.</p> <p>A concern was raised regarding the financial limit of the decisions being £1 million. It was explained that although this is higher than that of the Local authorities the scale of projects being delivered by the Combined Authority is also a lot higher and therefore the higher limit is necessary.</p> <p>RESOLVED that:</p> <ul style="list-style-type: none"> • a separate meeting be arranged as soon as is possible to update the Committee on the situation with DTVA • Delegated Decisions be added to the Overview & Scrutiny agenda from the next meeting to allow full transparency of these decisions. • Quarterly Budget updates be added to the Forward plan of the Overview & Scrutiny Committee to allow them to keep track on the budget and spend of the Combined Authority. 	
OSC 38/17	FORWARD PLAN	
	<p>After February's meeting there are no items scheduled on the Forward plan for the Committee. The Chair invited members to put forward items they would like to see on the Forward Plan to herself or the Scrutiny officer</p> <p>RESOLVED that the forward plan be noted.</p>	
OSC 39/17	DATE OF THE NEXT MEETING	
	27 th February 2018 at 10.00am	

AGENDA ITEM 6

REPORT TO THE TEES VALLEY COMBINED AUTHORITY OVERVIEW & SCRUTINY COMMITTEE

27th FEBRUARY 2018

REPORT OF THE MANAGING DIRECTOR

TEES VALLEY AND THE NORTHERN POWERHOUSE

SUMMARY

The Committee requested an overview and update of the Northern Powerhouse, and an insight into how the work of the Combined Authority and its partners fits in with work to support economic collaboration across the North of England. This work primarily focuses on the areas of transport (through Transport for the North); inward investment; finance for business (through the Northern Powerhouse Investment Fund); and economic strategy (through the Northern Economic Review).

RECOMMENDATIONS

It is recommended that the Combined Authority Overview & Scrutiny Committee note the detail of the report, and consider the issues that arise.

DETAIL

Northern Powerhouse – An Overview

1. The Northern Powerhouse was established as a Government initiative to boost the economy of the North by investing in skills, innovation, transport and culture. A pan-Northern approach aims to redress the national economic imbalance and attract more investment to Northern towns and cities.
2. The ambition of the Northern Powerhouse is to “bring together the great cities, towns and rural communities of the North of England and Wales to become a powerhouse for our economy¹”. It builds on a history of collaboration across the North, while also providing a focus for government intervention in the region’s economy. Although often linked to the parallel drive towards devolution and mayors, most parts of the North have not agreed devolution deals, and three out of the six devolution areas are in the south and midlands. The Northern Powerhouse is championed by Government and businesses across the North. A Ministerial role has been created, with Jake Berry MP the Minister for the Northern Powerhouse and Local Growth.

¹ <https://northernpowerhouse.gov.uk/>

3. The Northern Powerhouse has also faced some criticism and scepticism. The case for economic collaboration across the North is strong, and there are undoubtedly benefits from a coordinated approach to many of the economic challenges faced by the North. Nevertheless, the government has faced criticism that the strategic focus has not been accompanied by sufficient economic resources, the devolved powers are insufficient. The Northern Powerhouse is also sometimes perceived as focusing disproportionately on Manchester and the “central belt” of connections between the North West and Yorkshire.
4. The Tees Valley has been an active participant in Northern-wide economic collaboration, to help deliver the benefits across the North, and to secure advantage for our area.

Northern Powerhouse fora and partnerships

5. Transport is the main area that has benefited from a Northern focus to date, based around a clear common agenda. Transport for the North (TfN) was established to identify the strategic transport interventions that could help forge a Northern economic area and support economic growth, with full and active involvement of the Tees Valley. Further details of the Northern transport agenda is provided below.
6. Government has also developed a partnership programme to support a combined effort by Government and 70 businesses to realise the potential of the North. A number of Tees Valley businesses are active members.
7. Separately, the Northern Powerhouse Partnership is an independent body launched in September 2016 to represent the voice of business and civic leaders across the North. It seeks to develop consensus among businesses, civic leaders and others about how the North can be more successful, and to encourage Northern cities and counties to work together. It is chaired by former Chancellor, George Osborne. The Northern Powerhouse Partnership launched its report ‘Educating the North’ in Darlington in February 2018. This sets out recommendations to address the challenge of too many children in the North of England falling behind other parts of the UK, leading to a serious skills shortage for employers.
8. The Combined Authority has exhibited at all of the Northern Powerhouse Annual Conferences to date. The 2017 conference was attended by over 2,500 delegates, 75 exhibitors, nearly 100 speakers. Discussion included: Northern Powerhouse post-Brexit; Competitiveness and Productivity; Transport and Infrastructure; Energy and Power; Manufacturing; Digital Connectivity. These conferences have however given rise to prominent criticism of the lack of gender diversity in the leadership of the Northern Powerhouse, which have prompted initiatives to give a stronger voice and prominence to female leaders across the North; for example through the Northern Power Women campaign.
9. An All Party Parliamentary Group has also now been established.

Economic Strategy and Analysis

10. The **Northern Powerhouse Strategy**² was published in November 2016. This identifies how the Government will work with local stakeholders to address key barriers to productivity in the region. It sets out Government's proposals to: invest in transport infrastructure to improve connections between and within the North's towns, cities and counties; work with local areas to raise education and skills levels across the North; ensure the North is an excellent place to start and grow a business; and ensure the Northern Powerhouse is recognised worldwide as an excellent opportunity for trade and investment.
11. Delivering the ambitions for Northern Growth will play a key role in delivering the **UK Industrial Strategy**³. In November 2017, the Government published its Industrial Strategy – *'Building a Britain fit for the future'*. One of the key foundations of the Strategy is 'Place' which reinforces the Government's commitment to "continue to build the Northern Powerhouse to help create prosperous communities throughout the UK". Announcements in the Strategy include supporting the Great Exhibition of the North and investment in Northern infrastructure.
12. An independent economic review of the North was completed in 2016⁴. This identified distinctive capabilities, where the North is highly productive and can compete on national and international stages. The four 'prime' capabilities are in advanced manufacturing and materials, health innovation, energy and digital. These are supported by three 'enabling' capabilities of financial and professional services, logistics and education (with a focus on higher education).
13. Tees Valley has significant economic strengths and growth potential across a number of the prime and enabling capabilities. The region will play a significant role in delivering the growth potential of these sectors. Activities are identified in our Strategic Economic Plan and Sector Action Plans.

Attracting foreign investment

14. The Northern Powerhouse also provides a platform from which to promote the North's assets to foreign and private sector investors. An investment portfolio, setting out Northern Powerhouse Investment opportunities was published in 2016⁵. This highlights reasons to invest in the North, and identifies some key projects from across the region. The Combined Authority is working with the Department for International Trade to highlight the investment opportunities available in the Tees Valley, including the South Tees Development Corporation site.

²

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/571562/NPH_strategy_web.pdf

³ <https://www.gov.uk/government/topical-events/the-uks-industrial-strategy>

⁴ <http://www.sqw.co.uk/insights-and-publications/northern-powerhouse-independent-economic-review/>

⁵

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/595701/NPH_pitchbook_2016_Brochure_English_low_res_version.pdf

15. A Northern Trade and Investment Partnership has also been established. Its objective is to drive collaboration across administrative geographies and Government to boost trade and investment in the North, working with Department for International Trades' Northern Powerhouse team.

Northern Powerhouse Investment Fund

16. The Northern Powerhouse Investment Fund ("NPIF") has been set up to provide over £400 million of investment to boost small and medium business growth in the North of England between 2016 and 2021.
17. NPIF is a collaboration between the British Business Bank and ten Local Enterprise Partnerships ("LEPs") in the North West, Yorkshire, the Humber and Tees Valley. NPIF aims to nurture regional entrepreneurship by providing investment and support for small and medium businesses ("SMEs"). NPIF's funding will support new and growing SMEs, create jobs and encourage and attract additional private sector investment.
18. NPIF provides commercial finance through three types of funding, which are designed to plug common gaps in the provision of finance in the market, giving businesses access to the funding they need to help them grow.
19. The three funding options are:-
 - Microfinance - £25,000 – £100,000
 - Debt Finance - £100,000 – £750,000
 - Equity Finance - £50,000 – £2,000,000
20. In addition NPIF helps develop the business networks that will support these firms as they grow and nurture regional entrepreneurship for the long term.
21. NPIF funding is drawn from several sources including the UK Government, the European Investment Bank, the British Business Bank and ERDF, including allocations from 10 out of the 11 LEPs in the North of England. When NPIF was set up, Tees Valley Combined Authority/LEP approved £19.5 million from available ERDF funding to be allocated into NPIF to drive investment into businesses in the Tees Valley.
22. NPIF has appointed Fund Managers who are responsible for evaluating applications and allocating funds to businesses. Their work is complemented by dedicated NPIF staff who work with local business support providers in the LEP areas, including Growth Hubs. In Tees Valley, the NPIF staff liaise with Tees Valley Business Compass - this is the local Growth Hub delivered by BE Group on behalf of Tees Valley Combined Authority.
23. NPIF started operating in February 2017. As there is inevitably a lead time in terms of receiving applications from businesses, appraising those and approving them for funding, it is working with a pipeline of Tees Valley firms to bring their investment needs forward for consideration by the Fund. As of December 2017 £2.47 million has been invested in 11 SME's across Tees Valley.

To date, the following NPIF investments into Tees Valley businesses have been announced:-

- Myco Foods Ltd, Darlington - £250,000
- Inshore Fisheries, Redcar - £250,000
- CRESS Systems, Darlington - £400,000

- ENEX Designs, Middlesbrough - £250,000
 - Cenergist, Billingham - £515,000
24. When a business gets in touch with Business Compass or the Combined Authority, to find out whether there is any business funding available for firms in the Tees Valley, NPIF is one of the possible sources of funding that firms may be referred to, if it looks as if the firm concerned might meet NPIF's investment parameters. If a firm cannot access one type of funding, it will be referred to any alternative fund for a further discussion wherever possible.

Northern Powerhouse - Transport

25. On the 16th of January Transport for the North published a draft Strategic Transport Plan for consultation. Officers from the Tees Valley Combined Authority have been part of a steering group of representatives from local transport authorities across the North advising on the Plan's development and the Tees Valley Mayor, Chair of the LEP and Chair of the Transport Committee have overseen this process as part of TfN's Partnership Board. Using information from the Northern Powerhouse Independent Economic Review, the plan has identified seven priority development corridors, as well as two pan-Northern priorities, where TfN believe strategic transport investment should be targeted.
26. The Tees Valley has played an influential role in the creation of TfN's Strategic Transport Plan and our strategic transport priorities are reflected in it.
27. The objectives of the Strategic Transport Plan are to:
- Increase efficiency, reliability and resilience in the transport system
 - Transform economic performance
 - Improve access to opportunities across the North
 - Promote and support the built and natural environment
28. The Plan sets out the strategic case for significant transport infrastructure improvements, for people and goods, across the North, which are vital to help the region and the whole of the United Kingdom to thrive. It outlines a framework for transforming the transport infrastructure of the North over the next thirty years, in order to enable and support substantial economic growth.
29. The Plan contains a number of sections identifying the major strategic interventions TfN believes are necessary to deliver transformational economic change and support the development of a Northern Powerhouse. These are intended to complement local investment rather than replace it.
30. Using the evidence of economic assets from the Northern Powerhouse Independent Economic Review, TfN have identified seven strategic corridors, where improving transport links will help link these economic assets.
31. The corridors are:

- *Connecting the Energy Coasts*: enabling people and goods to move more easily between advanced manufacturing and energy assets on the coasts of the north-east and north-west.
 - *West & Wales*: improving connectivity from and through the important economic centres and assets of Cheshire, Warrington, Liverpool City Region and Greater Manchester to North Wales and the West Midlands.
 - *Central Pennines*: better connecting the Local Enterprise Partnership areas of North Yorkshire, West Yorkshire and Hull & the Humber to Lancashire, Greater Manchester and Liverpool City Region.
 - *Southern Pennines*: improving multi-modal connectivity across the southern Pennines from the Port of Liverpool to the Humber Ports, via Cheshire, Greater Manchester and Sheffield City Region, as well as strengthening cross-border movements into the East Midlands.
 - *North West to Sheffield City Region*: strengthening rail connections between the advanced manufacturing clusters in Cumbria, Lancashire, Greater Manchester and Sheffield City Region, alongside improved connections up into Scotland.
 - *East Coast to Scotland*: improving rail services along the East Coast Main Line corridor, as well as via other key rail lines, such as the Durham Coast Line, to improve connectivity in the North East, Tees Valley and North Yorkshire.
 - *Yorkshire to Scotland*: strengthening road links between the Midlands, South Yorkshire, West Yorkshire, Tees Valley, the North East and Scotland.
32. The development corridors of most interest to the TVCA area are 'Connecting the Energy Coasts' 'East Coast to Scotland' and 'Yorkshire to Scotland'. The document acknowledges the importance of improvements to the A66 corridor to Teesport, the need to improve the East Coast and Durham Coast railway lines, the importance of delivering our 2025 vision for Darlington Station, and the need for a new crossing of the River Tees. We can also support the wider focus on investments across the North of England, which will help connect the Tees Valley to wider destinations and markets in Northern cities and beyond.
33. Over the coming year we will continue to work closely with Transport for the North to bring forward these and other strategic transport priorities for our area.
34. Whilst TfN have already worked with partners to identify some of the emerging investment priorities in each corridor, identifying all the long-term schemes which will be required is ongoing. By looking at all the individual interventions collectively, and developing Strategic Outline Programme business cases, TfN can identify the programmes of work to deliver the maximum benefits. TfN expect to provide more detail on emerging investment priorities in the final version of the plan.
35. A **Long Term Rail Strategy** that has been prepared alongside the Plan sets out the vision for the whole of the rail network in the North, drawing on the significant work done to date by Rail North in co-managing the Northern and Transpennine rail franchises. This is a plan to transform rail across the North for both urban and rural communities. It sets out to deliver high quality rail services right across the north, with more frequent and better integrated services, faster journeys and good reliability, on modern trains with high quality facilities.

36. Northern Powerhouse Rail defines a rail network which would link the major economic centres of the North with rapid, reliable and resilient rail links, offering much faster journey times than are currently possible. The aspirations of Northern Powerhouse Rail would be delivered with a range of investments, including significant upgrades to existing railway lines, the building of new lines and making best use of the planned HS2 infrastructure.
37. TfN has worked closely with its partners in local authorities to map out a Major Road Network for the North. This network identifies all the roads crucial to driving economic growth in the North. It connects both current economic centres and future economic growth locations, as well as major transport hubs to enable multi-modal journeys. With local connections alongside strategic roads, it accounts for about 7% of the roads in the North.
38. Interventions will include junction improvements at key points, improvements at specific locations, including bypasses, and new links that will support economic growth opportunities
39. The TfN strategy document also outlines a plan for developing an integrated and smart travel system or the whole of the North, with the first phase of this (smart for rail season tickets) due to begin roll-out early in 2018. Once completed, the integrated and smart travel system will deliver a scheme that will enable passengers to travel seamlessly using their preferred payment method, with a goal to deliver the fairest possible price on the day, with a walk-up fare for their journey.
40. The Northern Powerhouse also has relevance to the North's major ports, including Teesport. In September 2016, the four main Ports in the North came together to form the Northern Ports Association, seeking £1bn of Government funding to help create a "gateway to a global North". The partnership includes Liverpool, Hull & Humber, Tees Valley and Tyne. It will aim to create jobs, make importing and exporting easier and create prosperity across the whole of the North

FINANCIAL IMPLICATIONS

41. There are no financial implications arising from this report

LEGAL IMPLICATIONS

42. There are no legal implications arising from this report

RISK ASSESSMENT

43. Not Applicable

CONSULTATION

44. Not Applicable

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AGENDA ITEM 7

REPORT TO THE TEES VALLEY COMBINED AUTHORITY OVERVIEW & SCRUTINY COMMITTEE

27th FEBRUARY 2018

REPORT OF CHAIR OF OVERVIEW & SCRUTINY COMMITTEE

OVERVIEW & SCRUTINY COMMITTEE ANNUAL REPORT

SUMMARY

A report will be submitted to Cabinet at the meeting on 28th March 2018 summarising the work of the Overview & Scrutiny Committee for the period of May 2017 to April 2018. This report will be presented to Cabinet by the Chair of the Overview & Scrutiny Committee.

RECOMMENDATIONS

It is recommended that the Combined Authority Overview & Scrutiny Committee agree the detail of the annual report as below and agree to submit this to Cabinet for information at their meeting on 28th March 2018.

DETAIL

THE COMMITTEE

1. The Overview and Scrutiny Committee consists of 15 members, 3 nominated from each Constituent Authority. The Committee is required, as far as reasonably practical, to reflect the balance of political parties of the Constituent Authorities collectively.
2. The objective of the Overview and Scrutiny Committee is to scrutinise and support the decision-making of the Combined Authority Cabinet and the Tees Valley Mayor. This includes:
 - monitoring the decisions or other actions taken by the Cabinet and/or Mayor and submitting reports and making recommendations for improvements or change
 - Reviewing the Strategies and policies of the Combined Authority and holding the Mayor, other Cabinet members, and officers, to account for their delivery.
3. The Committee has the power to “call-in“ for review or scrutiny decisions made by the Combined Authority before they are implemented.

4. The Chair of the Committee for the period of 2017-2018 is Councillor Norma Stephenson, Stockton Borough Council. The Vice-Chair is Councillor Ian Haszeldine, Darlington Borough Council.
5. For the period of May 2017- April 2018 the Committee have 7 scheduled meetings. They usually meet every 6 weeks where possible to do so.
6. In addition to the ordinary meetings the Committee have also met for one additional meeting to discuss Durham Tees Valley Airport and also as a smaller established task & finish group focussing solely on the budget.
7. The Managing Director of the Combined Authority attends the meetings to answer questions from the committee, and there is the facility for the committee to provide written questions in advance of meetings. The Tees Valley Mayor attended for a meeting to answer a wide range of questions from members.
8. The Committee has not felt it necessary to utilise their power of “call-in” throughout the period of May 2017-April 2018.
9. Of the 5 meetings held to date one of these has not been quorate and therefore no decisions could be made. Attendance has been an issue at a number of meetings with some of the Constituent Authorities being continually better represented than others. This has been fed back to the authorities via Chief Executives and leaders in the hope that attendance at the meetings will improve in future.

2017-2018 WORK PROGRAMME

10. The Committee have carried out their Overview and Scrutiny duties in some of the key areas of Combined Authority business.
 - i. **Housing**
The Committee were provided with an overview of housing priorities within the Tees Valley. This gave members a good insight into the role of the Combined Authority with regard to housing and a detailed understanding of the housing issues facing the Tees Valley and the opportunities from devolution. There were concerns raised from members following the Grenfell Tower tragedy as to how prevention of such an event was being addressed throughout Tees Valley. These concerns have since been addressed by individual Local Authorities via their representatives on the Scrutiny Committee.
 - ii. **Industrial Strategy & Sector Action Plans**
The Combined Authority’s Economic Strategy and Intelligence Manager gave a presentation to the Committee on the development of Sector Action Plans, following on from the launch of the refreshed Strategic Economic Plan for Tees Valley.
 - iii. **Culture & Tourism**
The Combined Authority’s Head of Culture and Tourism and Mayor David Budd, as portfolio holder for Culture, gave a presentation to the Committee detailing the ambition and plans of the Combined Authority with regard to

Culture and Tourism. The Committee were informed that Tees Valley Combined Authority is currently the only Combined Authority to include culture within its devolution deal and the presentation demonstrated the ambitious plans that the Combined Authority have for the future.

iv. “Inspiring Our Future” - Education, Employment & Skills Strategy

The Head of Education, Employment and Skills gave a presentation regarding the draft Education, Employment and Skills Strategy. This was delivered whilst the draft Strategy was out for public consultation to allow the Overview & Scrutiny Committee the opportunity to comment on the Strategy and contribute to the consultation. Committee members, alongside their fellow Tees Valley Councillors' were invited to a consultation workshop on 18th December to look at the draft strategy in more detail.

v. Budget

In order to scrutinise the budget in detail the Committee made the decision to assign a small task and finish group to achieve this. The group consisted of 4 councillors representing 3 of the 5 Constituent Authorities. Questions from Committee Members were submitted to the Chair of the task and finish group, Cllr Ian Haszeldine and these were put forward to the Managing Director and Finance Director at a meeting designated specifically for budget scrutiny. The session allowed the questions to be answered in detail and further information to be provided where necessary.

A full report from the Task and Finish Group was provided to Cabinet as part of the budget consultation process, this details all of the questions submitted from the Committee and the full responses to these.

To allow continuous scrutiny of the Combined Authority budget it was agreed that Quarterly Budget updates be added to the work programme for the Overview & Scrutiny Committee for the forthcoming year and that delegated decisions also be added to future Overview & Scrutiny agendas to allow full transparency of these decisions. A separate meeting has also been arranged for the Committee to discuss Durham Tees Valley Airport; this will take place on 15th March 2018.

vi. Governance

The Committee have looked in detail at the staffing of the Combined Authority. The majority of this was done as part of the budget task and finish group and took into account recruitment planned for the next financial year. An organisational chart has been provided to the Committee to allow them to understand the current staffing structure and further information has been provided where requested regarding recruitment to new posts and the reasons for the creation of these posts. Following the appointment of the Tees Valley mayor the Committee requested further information regarding the appointment of the Special Advisor. The committee were informed that it was standard practice for a Special Advisor to be appointed to provide political advice to political leaders, and that the role is subject to specific codes and regulations. All other Mayoral Combined Authorities have made similar

appointments. A timetable detailing the recruitment to this post was circulated to the Committee for their information.

vii. Tees Valley and the Northern Powerhouse

To be completed following the meeting held on 27th February 2018.

viii. Durham Tees Valley Airport

To be completed following the meeting on 15th March 2018.

2018 - 2019 WORK PROGRAMME

11. The committee has 8 scheduled meetings from April 2018 – March 2019. A discussion on the priorities and work programme for these meetings will be taking place at the April 2018 meeting.

FINANCIAL IMPLICATIONS

12. None

LEGAL IMPLICATIONS

13. None

RISK ASSESSMENT

14. Not Applicable

CONSULTATION

15. Not Applicable

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Tees Valley Combined Authority Overview & Scrutiny

Work Programme 2017/18

Standing Items

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

Date	Venue	Item / Responsible Officer
26 th April 2018 at 10am	Room 1 Cavendish House Teesdale Business Park Stockton On Tees TS17 6QY	TBC

Items to be scheduled:

Transport – TBC
 Durham Tees Valley Airport - TBC

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