

## TEES VALLEY COMBINED AUTHORITY CABINET

**Cavendish House, Teesdale Business Park, Stockton-On-Tees at 12noon on  
Friday 1st June 2018**

*These minutes are in draft form until approved at the next Cabinet meeting and are therefore subject to amendments.*

<b><u>ATTENDEES</u></b>	
<b><u>Members</u></b>	
Mayor Ben Houchen (Chair)	Tees Valley Mayor
Mayor David Budd	Mayor of Middlesbrough
Councillor Christopher Akers-Belcher	Leader, Hartlepool Borough Council
Councillor Bob Cook	Leader, Stockton-on-Tees Borough Council
Councillor Bill Dixon	Leader, Darlington Borough Council
Councillor Sue Jeffrey	Leader, Redcar and Cleveland Borough Council
Paul Booth	Chair, Tees Valley LEP
<b><u>Associate Members</u></b>	
Angela Howey	Member of Tees Valley LEP
Darren Hankey	Member of Tees Valley LEP
Professor Paul Croney	Member of Tees Valley LEP
Jerry Hopkinson	Member of Tees Valley LEP
Simon Hanson	Observer, Tees Valley LEP
<b><u>Apologies for Absence</u></b>	
David Soley	Member of Tees Valley LEP
Mike Matthews	Member of Tees Valley LEP
Graham Robb	Member of Tees Valley LEP
Nigel Perry	Member of Tees Valley LEP
Albert Pattison	Member of Tees Valley LEP
Siobhan McArdle	Member of Tees Valley LEP
Tony Parkinson	Chief Executive, Middlesbrough Borough Council
<b><u>Officers</u></b>	
Neil Schneider	Chief Executive, Stockton Borough Council
Amanda Skelton	Chief Executive, Redcar & Cleveland Borough Council
Gill Alexander	Chief Executive, Hartlepool Borough Council
Paul Wildsmith	Managing Director, Darlington Borough Council
Andrew Lewis	Managing Director, Tees Valley Combined Authority
Andrew Nixon	Monitoring Officer, Tees Valley Combined Authority
Sarah Brackenborough	Governance Manager, Tees Valley Combined Authority
Julie Gilhespie	Interim Managing Director, Tees Valley Combined Authority
Linda Edworthy	Strategy Director, Tees Valley Combined Authority
Shona Duncan	Head of Skills, Education and Employment, Tees Valley Combined Authority
Mark Wilson	Head of Transport, Tees Valley Combined Authority

Alison Fellows	Investment Director, Tees Valley Combined Authority
Lynsey Robinson	Director, Digital City
Cllr Norma Stephenson	Stockton Borough Council
Cllr Ian Haszeldine	Darlington Borough Council

<p><b>TVCA 1/18</b></p>	<p><b>DECLARATIONS OF INTEREST</b></p> <p>Declarations of interest were received from:</p> <ul style="list-style-type: none"> <li>• Item 3: Mayor Ben Houchen took no part in the decision to agree the Mayoral Allowance.</li> <li>• Item 6: Darren Hankey (Employee of Hartlepool College) Cllr Sue Jeffrey (Chair of Governing Body, Redcar &amp; Cleveland College)</li> <li>• Item 7: Cllr Sue Jeffrey (Chair of Governing Body, Redcar &amp; Cleveland College) Darren Hankey (Employee of Hartlepool College), Jerry Hopkinson (Trustee of High Tide Foundation)</li> <li>• Item 10: Cllr Sue Jeffrey (Chair of Governing Body, Redcar &amp; Cleveland College)</li> <li>• Item 13: Angela Howey (Personal interest as employee of EE)</li> <li>• Item 16: Cllr Sue Jeffrey, Mayor David Budd, Paul Booth, (South Tees Site Company Board and South Tees Development Corporation Board) Mayor Ben Houchen (South Tees Development Corporation Board) Andrew Lewis, Amanda Skelton (STDC Associate Board Members) Jerry Hopkinson (employee of company operating on site).</li> </ul>
<p><b>TVCA 2/18</b></p>	<p><b>ANNUAL MEETING BUSINESS</b></p> <p>The Cabinet received a report detailing annual appointments for agreement and confirmation by Cabinet as part of its Annual General Meeting.</p> <p>Cllr Sue Jeffrey Members queried why Hartlepool Borough Council had not been able to achieve the political balance requirements, as set out in the Constitution, with regards to membership of Audit and Governance Committee. Cllr Akers-Belcher agreed to take the matter back to the council for further consideration.</p> <p>Cllr Jeffrey drew the Cabinet’s attention to a lack of diversity in terms of female and BAME appointments to both the Combined Authority and the Local Enterprise Partnership. Members agreed to refer the matter to the Overview &amp; Scrutiny Committee for investigation.</p> <p>Cabinet RESOLVED to:</p> <ul style="list-style-type: none"> <li>• Agree the appointments as set out in Appendix 1 of the report, with exception of referring the nomination of Hartlepool Borough Council for Audit and Governance Committee back to the council for further consideration in the light of the Combined Authority’s political balance rules.</li> <li>• Agree that Member’s Allowances are unaltered.</li> <li>• Agree the recommendations of the Independent Remuneration Panel relating to the Mayor’s allowance.</li> <li>• Note that no substantive changes to the Constitution were proposed.</li> </ul>

<b>TVCA 3/18</b>	<p><b>MINUTES OF PREVIOUS MEETING</b></p> <p>Cabinet RESOLVED that the minutes of the meeting held 14<sup>th</sup> May 2018 be confirmed and signed as a correct record.</p>
<b>TVCA 4/18</b>	<p><b>MANAGING DIRECTOR'S UPDATE</b></p> <p>Cabinet received a report providing a general update on the key activities of the Combined Authority since the last Cabinet meeting not covered in other reports to the meeting.</p> <p>Mayor Ben Houchen noted that this Cabinet Meeting would be Andrew Lewis' last as Managing Director, prior to him leaving the Combined Authority to become Chief Executive of Cheshire West and Chester Council and thanked him on behalf of the Cabinet for his efforts before and after his election as Mayor of the Tees Valley and wished him all the best in his new role.</p>
<b>TVCA 5/18</b>	<p><b>ADULT EDUCATION BUDGET PARLIAMENTARY ORDER</b></p> <p>Shona Duncan, Head of Skills, Education and Employment for the Combined Authority presented Cabinet a report setting out the process required to confirm the devolution of the Adult Education Budget to the Tees Valley Combined Authority from academic year 2019/20.</p> <p>Cllr Akers-Belcher stated that both the involvement of all five Constituent Authorities and the development of robust governance arrangements were crucial to the success of this project.</p> <p>Mayor Ben Houchen thanked staff for their work on the project to date.</p> <p>Cabinet RESOLVED to:</p> <ul style="list-style-type: none"> <li>• Approve the laying of the Parliamentary Order for the devolution of the Adult Education Budget to Tees Valley Combined Authority;</li> <li>• Note that approval is also required from the individual constituent councils;</li> <li>• Note the progress being made for implementation of the devolved funding;</li> <li>• Note the intention to return to Cabinet in July with a proposal for effective and inclusive operational decision making; and</li> <li>• Delegate immediate operational arrangements to meet the Department of Education readiness conditions to the Combined Authority Managing Director and Finance Director, in consultation with the Elected Mayor and the Cabinet Portfolio Lead.</li> </ul>
<b>TVCA 6/18</b>	<p><b>TEES VALLEY CAREERS AND ENTERPRISE INITIATIVE</b></p> <p>Shona Duncan, Head of Skills, Education and Employment for the Combined Authority presented to Cabinet plans to implement a new approach to Careers Education in the Tees Valley from September 2018.</p> <p>Members welcomed the report, highlighting its importance in the success of the Combined Authority's Investment and Skills Strategies.</p>

	<p>Cllr Dixon queried why the report made no explicit reference to young people not in education, employment or training (NEETS). Shona Duncan stated that targeting these young people were fundamental to the Initiative and agreed to review the wording of materials associated with the Initiative.</p> <p>Simon Hanson stated that the importance of supporting an entrepreneurial culture and encouraging young people to consider starting their own businesses should be viewed as an important part of the Initiative.</p> <p>Cllr Akers-Belcher requested that the Education, Employment and Skills Board receive updates on the Initiative's progress between formal meetings. Shona Duncan agreed to investigate the establishment of such a mechanism.</p> <p>The Cabinet discussed that the remaining £0.3m would go back in to the Single Pot.</p> <p>Cabinet RESOLVED to:</p> <ul style="list-style-type: none"> <li>• Note the progress made on developing the Tees Valley Careers and Enterprise Initiative within the allocation of £3 million from the Investment Fund as indicated in the Education, Employment and Skills strategy launched in April 2018,</li> <li>• Approve the investment of this funding on the basis set out in this paper; subject to further development of specific items for delivery by a Careers work stream group whose membership will be Schools, Employers and Local Authorities. This group will report directly to the Education, Employment and Skills Partnership Board, and</li> <li>• Agree that the Operating Model for implementation will be reported to Cabinet at a future meeting.</li> </ul>
<p><b>TVCA 7/18</b></p>	<p><b>OVERVIEW AND SCRUTINY COMMITTEE ANNUAL REPORT</b></p> <p>Cllr Norma Stephenson (Chair) and Cllr Ian Haszeldine (Vice Chair) presented a report summarising the work of the Overview and Scrutiny Committee for the period of May 2017 to April 2018.</p> <p>Cllr Stephenson outlined the Committee's proposed investigation areas for the coming civic year, specifically:</p> <ul style="list-style-type: none"> <li>• The remuneration of Combined Authority Members.</li> <li>• Political and officer support provided to Combined Authority members.</li> <li>• Diversity in Combined Authority Cabinet and Committee membership.</li> </ul> <p>Cllr Haszeldine thanked staff for their work supporting the work of the committee.</p> <p>Cabinet RESOLVED to receive the report.</p>
<p><b>TVCA 8/18</b></p>	<p><b>INVESTMENT PLAN DELIVERY REPORT</b></p> <p>Alison Fellows, Investment Director, presented Cabinet with a report setting out progress made to date delivering the Tees Valley Combined Authority Investment Plan published in April 2017.</p> <p>Cabinet RESOLVED to note the position of the programme and project updates.</p>

<b>TVCA 9/18</b>	<p><b>IT INFRASTRUCTURE AT REDCAR &amp; CLEVELAND COLLEGE</b></p> <p>Cabinet received a report detailing a proposal by Stockton Riverside College to invest in improvements to IT Infrastructure at Redcar and Cleveland College site as part of the planned merger of the two colleges, and seeking approval for Combined Authority investment in the project.</p> <p>Cabinet RESOLVED to approve the investment as set out in the report, subject to due diligence.</p>
<b>TVCA 10/18</b>	<p><b>ACTION PLAN TO DELIVER EUROPEAN STRUCTURAL INVESTMENT FUNDS</b></p> <p>Linda Edworthy, Strategy Director, introduced a report setting out the Tees Valley Combined Authority's approach for ensuring remaining ESIF Programme resources are maximised.</p> <p>Members noted the importance of lobbying the government to ensure that the Tees Valley retains the level of resources currently received through its Transition Region status.</p> <p>Cabinet RESOLVED to note the report and agree the actions proposed.</p>
<b>TVCA 11/18</b>	<p><b>DARLINGTON STATION 2025</b></p> <p>Mark Wilson, Head of Transport, introduced a report updating Cabinet on the joint proposal by the Combined Authority, Network Rail and Darlington Borough Council to bring forward a Business Case for the Darlington 2025 project for submission to Department for Transport's Rail Network Enhancements Pipeline.</p> <p>The report requested Combined Authority funding for the development of the project.</p> <p>Members welcomed the report, noting the importance of Darlington Station to the Tees Valley's local economy.</p> <p>Cabinet RESOLVED to:</p> <ul style="list-style-type: none"> <li>• Note progress of the project to date</li> <li>• Make investment of up to £3 million of Combined Authority grant funding available to the project, subject to due diligence.</li> <li>• Delegate finalisation of funding and associated contractual arrangements to the Managing Director and the Finance Director.</li> </ul>
<b>TVCA 12/18</b>	<p><b>SECTOR ACTION PLAN - DIGITAL</b></p> <p>Lynsey Robinson, Director of Digital City, presented the Combined Authority's Sector Action Plan for digital industries, including proposals for the Tees Valley to apply to participate in in the government's 5G Urban Connected Communities project.</p> <p>Darren Hankey commended the report, but highlighted the importance of the Further Education Sector in the development of digital skills in the Tees Valley.</p> <p>Cabinet resolved to:</p>

	<ul style="list-style-type: none"> <li>• Approve the findings of the report.</li> <li>• Approve submission of an Expression of Interest for the 5G Urban Connected Communities Project, and to delegate the Expression of Interest to the Mayor, the Cabinet Portfolio holder and the Managing Director.</li> </ul>
<b>TVCA 13/18</b>	<p><b>ANNUAL FINANCIAL DRAFT STATEMENTS</b></p> <p>The Cabinet were presented with the Tees Valley Combined Authority draft Financial Statements for 2017/18, prior to their auditing.</p> <p>Presenting the report, Julie Gilhespie, Finance Director and Interim Managing Director thanked officers from Stockton Borough Council for their role in the production of the statements.</p> <p>Cabinet RESOLVED to note the draft Financial Statements.</p>
<b>TVCA 14/18</b>	<p><b>TRANSFORMING CITIES FUND</b></p> <p>Mark Wilson, Head of Transport, outlined a report detailing the funding profile of the allocation provided to the Combined Authority as part of the fund and outlined proposals for the establishment of a delivery plan for the fund.</p> <p>Cllr Sue Jeffrey highlighted the importance of bus travel in improving regional transport connectivity.</p> <p>The Tees Valley Mayor highlighted the need to demonstrate a significant local contribution to Darlington station, of around £25 million, in order to unlock funds of at least £75 million from government. He made clear his support for a commitment of this scale, and for this to be confirmed by Cabinet when a further update in brought back for consideration.</p> <p>Cabinet RESOLVED to note the report</p>
<b>TVCA 15/18</b>	<p><b>SOUTH TEES DEVELOPMENT CORPORATION – STSC TRANSITION PLAN</b></p> <p>The Mayor proposed and Cabinet agreed to pass a resolution to exclude the press and public for the duration of the first item of business, under paragraph 3 of part 1 of schedule 12a of the Local Government Act 1972, in order to allow Cabinet to consider matters of a commercially confidential nature.</p> <p>This report detailed the progress of work to transfer the long term responsibility for operation and development of the South Tees Development Corporation Site to local ownership, via a Transition Group, and the development of a draft Transition Plan.</p> <p>Cabinet RESOLVED to approve the draft Transition Plan as a basis to move Transition forward.</p>
<b>TVCA 16/18</b>	<p><b>DATE OF NEXT MEETING</b></p> <p>Friday 27<sup>th</sup> July 2018</p>