

Overview and Scrutiny Committee Agenda

Date: Thursday 19th July 2018 at 2.00pm

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

Membership:

Cllr Norma Stephenson OBE - Chair (Stockton-on-Tees Borough Council)
Cllr Ian Haszeldine – Vice Chair (Darlington Borough Council)
Cllr Heather Scott (Darlington Borough Council)
Cllr Sonia Kane (Darlington Borough Council)
Cllr Stephen Akers-Belcher (Hartlepool Borough Council)
Cllr Mike McLaughlin (Hartlepool Borough Council)
Cllr Rob Cook (Hartlepool Borough Council)
Cllr Vic Walkington (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 Thursday 7th June 2018 for confirmation and signature

- 4. Portfolio update: Mayor Ben Houchen**
- 5. Overview and Scrutiny Diversity Study**

Attached

Overview and Scrutiny Committee Agenda

6. Announcements from the Interim Managing Director

7. Forward Plan

Attached

8. Date of the next Meeting

13th September 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: Sarah Brackenborough – 01642 524423 – sarah.brackenborough@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.

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

TEES VALLEY COMBINED AUTHORITY OVERVIEW & SCRUTINY COMMITTEE

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

Thursday 7th June 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 Matt Vickers	Stockton on Tees Borough Council	SBC
Cllr Ian Haszeldine	Darlington Borough Council	DBC
Cllr Sonia Kane	Darlington Borough Council	DBC
Cllr Matthew Storey	Middleborough Borough Council	MBC
Cllr Vic Walkington	Middlesbrough Borough Council	MBC
Cllr Glyn Nightingale	Redcar & Cleveland Borough Council	R&CBC
Cllr Phillip Thompson	Redcar & Cleveland Borough Council	R&CBC
Cllr Mike McLaughlin	Hartlepool Borough Council	HBC

Apologies for absence

Cllr Stephen Akers-Belcher	Hartlepool Borough Council	HBC
Cllr Rob Cook	Hartlepool Borough Council	HBC
Cllr Jean Sharrocks	Middlesbrough Borough Council	MBC
Cllr Heather Scott	Darlington Borough Council	DBC
Cllr Neil O'Brien	Redcar & Cleveland Borough Council	R&CBC

Officers

John Hart	Governance & Scrutiny Officer	TVCA
Andrew Lewis	Managing Director	TVCA
Julie Gilhespie	Interim Managing Director	TVCA

Other Attendees

Joan Stevens	Scrutiny Officer	HBC
Dan Johnson	Political Officer	MBC

<p>OSC 1/18</p>	<p>INTRODUCTIONS</p> <p>John Hart, Governance and Scrutiny Officer updated members on changes to the membership of the Committee following the Combined Authority Annual General Meeting on Friday June 1st 2018 and welcomed Cllr Walkington and Cllr McLaughlin to their first meeting</p>	
<p>OSC 2/18</p>	<p>DECLARATIONS OF INTEREST</p> <p>There were no interests declared</p>	
<p>OSC 3/18</p>	<p>MINUTES</p> <p>The minutes of the meeting on 26th April 2018 were agreed and signed as a correct record.</p> <p>Cllr Thompson requested that, following the discussion of the work of the Educational Improvement Board at this meeting, the committee receive minutes of meetings held by the body, and for the Regional Schools Commissioner to attend a future meeting of the Overview and Scrutiny Committee. Andrew Lewis, Managing Director, advised that the meeting was facilitated by the Department of Education, but the Combined Authority were looking at the possibility of publishing them alongside the minutes of our own committee. He continued that while it was possible for the Committee to invite the Regional Schools Commissioner to attend a committee meeting, as an official accountable to central government the Committee did not have the power to compel attendance. Officers of the Combined Authority and constituent councils could be made available to advise the Committee on educational improvement matters, if the Committee were to establish a work programme item on these functions.</p>	
<p>OSC 4/18</p>	<p>OUTGOING CHAIR/VICE-CHAIR REMARKS</p> <p>Cllr Stephenson thanked Committee members for their efforts over the course of the preceding civic year and thanked Combined Authority staff for their support.</p> <p>She highlighted that attendance remained an issue for the committee, something she had raised with the Combined Authority Cabinet whilst presenting the Committee's Annual Report at the previous week's Annual General Meeting. She reported that an attendance record for the committee, including the percentages of meetings attended by individual members, had been circulated to the leaders of the Constituent Authorities.</p> <p>Cllr Haszeldine thanked members for their enthusiasm over the past year, particularly those who had participated in the Committee's Budget Task and Finish Group.</p>	
<p>OSC 5/18</p>	<p>APPOINTMENT OF CHAIR</p>	

	<p>John Hart, Governance and Scrutiny Officer, invited nominations for the position of Committee Chair for the forthcoming civic year.</p> <p>Cllr Norma Stephenson was nominated by Cllr Sonia Kane, with the nomination seconded by Cllr Derrick Brown.</p> <p>No further nominations being forthcoming, Cllr Stephenson was duly and unanimously elected.</p> <p>RESOLVED: Cllr Norma Stephenson was elected Chair of the Tees Valley Combined Authority Overview and Scrutiny Committee for the 2018/2019 municipal year, subject to Cabinet ratification.</p>	
<p>OSC 06/18</p>	<p>APPOINTMENT OF VICE-CHAIR</p> <p>The Chair invited nominations for the position of Committee Vice-Chair for the forthcoming civic year.</p> <p>Cllr Ian Haszeldine was nominated by Cllr Sonia Kane, with the nomination seconded by Cllr Derrick Brown.</p> <p>No further nominations being forthcoming, Cllr Haszeldine was duly and unanimously elected.</p> <p>RESOLVED: Cllr Ian Haszeldine was elected Vice-Chair of the Tees Valley Combined Authority Overview and Scrutiny Committee for the 2018/2019 municipal year, subject to Cabinet ratification.</p>	
<p>OSC 07/18</p>	<p>ANNOUNCEMENTS FROM THE MANAGING DIRECTOR</p> <p>Andrew Lewis, Managing Director, congratulated the Chair and Vice-Chair on their re-election. He stated that no substantive changes had been made to the Combined Authority constitution at the Annual General Meeting, and the Scrutiny arrangements were seen to be working well.</p> <p>He reported to the Committee that Cabinet had requested that the Overview and Scrutiny Committee examine the diversity of membership of the Combined Authority as part of its annual work programme.</p> <p>He then updated members on key activities currently being undertaken by the Combined Authority, in particular those agreed by Cabinet the previous week, specifically:</p> <ul style="list-style-type: none"> • The agreement in principle achieved with the Thai Banks with regards to the South Tees Development Corporation area and plans for the process of transition to the Corporation of responsibility for the land. • The Chemical and Processing Sector Audit currently being undertaken by the Combined Authority on behalf of HM Government. • Cabinet's agreement to allocate £3m of funding to the Tees Valley Careers Initiative. • Cabinet's agreement to allocate £3m of funding towards plans to develop Darlington Station and the surrounding rail 	

infrastructure.

- Meetings with representatives of Heathrow Airport to discuss the Tees Valley becoming a logistics hub for the airport's third runway.
- The progress of plans for the Tees Valley to secure Freeport status post-Brexit
- The Tees Valley's £59m allocation under the government's Transforming Cities Fund, and investment priorities for allocating the funding – including a substantial local contribution towards the Darlington Station project.
- The Combined Authority's membership of the "reinvigorated" East Coast Mainline Authorities Group, which lobbies for investment and improved services on the line. Andrew Lewis updated members that although local Northern Rail services in the Tees Valley had been less affected by the difficulties created by the implementation of a new timetable experienced in other areas of the country, the issue was impacting on Transpennine Services and emergency meetings on the matter had been held by both the Transport For The North executive and board.
- Tees Valley's ongoing bid to be named a host city for the Rugby League World Cup.
- The Combined Authority's plans to maximise funds available through the European Structural Investment Funds.
- The creation of a Local Content Working Group, seeking to maximize the benefits to local firms of significant regional capital projects and inward investment.
- £1m of funding allocated by the Combined Authority to upgrade IT systems at Redcar & Cleveland College as part of its planned merger with Stockton Riverside College.

The Chair reported that the Committee would accept an investigation into diversity onto its work programme, but warned that the study was likely to be difficult and comprehensive.

The Chair asked what role the Committee would play in the selection of the Combined Authority's new Managing Director and for the Committee to be informed of transitional arrangements. She also requested that Committee members be provided with copies of all reports going before Cabinet.

Andrew Lewis reported that the process for selecting the new Managing Director had not yet been finalised, but a precedent had been established by previous appointments for appropriate stakeholder involvement.

Julie Gilhespie, Interim Managing Director, reported that arrangements would be put in place to ensure support for the finance functions of the Combined Authority and the South Tees Development Corporation, in the light of her appointment as Interim Managing Director. The STDC appointment would be on a permanent basis, while for TVCA the arrangements would back-fill during the interim period. She continued that legal advice had been sought as to whether it was appropriate for her to remain the Combined Authority's Section 73 Officer whilst also

<p>acting as Head of Paid Service, and that the Authority had been advised that this was appropriate during an interim period.</p> <p>Members asked if investment was planned in other Tees Valley railway stations. The Managing Director referred to the Cabinet discussion of priorities for the Transforming Cities Fund, which identified the need for investment across the rail network and on the interface of rail and bus services.</p> <p>Members then discussed the need for elected members of the Constituent Authorities to receive briefings on the emerging responsibilities of the Tees Valley Combined Authority. Andrew Lewis reported that a conference was planned in order to undertake this, supplementing the regular attendance by Combined Authority officers at ad hoc member briefing sessions in all five authorities.</p> <p>The Chair requested that the Committee be provided with details of confidential agreements recently signed by the Mayor with regards to Durham Tees Valley Airport. Andrew Lewis reported that those agreements had been signed by him on behalf of the Combined Authority, but agreed that confidential information could be shared with the committee, as required by the needs of the scrutiny role.</p> <p>Cllr Haszeldine asked if the Mayor had commented publically on the news of planned closures of House of Fraser stores in the Combined Authority area, following earlier store closure announcements from Marks & Spencer and asked what the Authority's plans were for High Streets. Andrew Lewis replied that he expected that the Mayor would want to express his concern about the implications for local town centers, and that vibrant town centers form an important element of the Tees Valley's Strategic Economic Plan.</p> <p>Cllr Thompson requested that the committee be provided with the Authority's Sector Action plans for examination, and it was agreed that completed plans would be circulated to members.</p> <p>Cllr Nightingale asked if there was a role for the Combined Authority in the development of school curriculums as a part of the Authority's Skills Strategy. Andrew Lewis confirmed that, while the Tees Valley had limited influence over curriculum matters more generally, the Tees Valley Careers Initiative was successfully supporting schools to enhance the opportunities to reflect local labour market opportunities within the curriculum.</p> <p>Cllr Storey asked what involvement Trade Unions and the Police were having in the development of the Freeport plans, given the potential for criminality and working practice deregulation. Andrew Lewis stated that deregulation of workers' rights was not part of the Freeport model under consideration, and that the risk of fraud would form part of the assessment of Freeport options.</p> <p>Cllr Storey asked what funding had been made available by HM Government for the remediation of the SSI site. Andrew Lewis confirmed that £126m had been allocated for this work in the recent Budget and that current discussions with government recognised the</p>	
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	<p>need for additional funding. He continued that local investment may also be required for the site, but that this would take place on the basis of prudential investment with a view to that investment being recovered and income generated.</p> <p>The Chair asked Andrew Lewis what the most difficult challenges he believed his successor would face. Andrew Lewis stated that he believed the biggest challenges facing an incoming Managing Director were:</p> <ul style="list-style-type: none"> • The management and completion of complex projects • Managing relationships with central government • Supporting regional partnership and political relationships. <p>The Chair thanked Andrew Lewis for his openness and helpfulness with the committee throughout his time as Managing Director, and wished him all the best in his new role.</p> <p>RESOLVED: The Committee received the Managing Director's Update.</p>	
OSC 08/18	<p>FORWARD PLAN</p> <p>A verbal update about pre-planned committee appearances from portfolio holders for the coming civic year was provided by John Hart, Governance and Scrutiny Officer. Members agreed to proceed with the current meeting format of inviting one portfolio holder to come before the committee at each meeting.</p> <p>Members then agreed to hold a specific meeting on the subject of the South Tees Development Corporation, proposing October 25th 2018 as a date of this meeting, and requested that Mayor Ben Houchen and Jonathan Bretherton, Chair and Chief Executive Officer of the Development Corporation attended to update members and take questions.</p> <p>Members then held a wide-ranging discussion of areas of investigation by the committee for the forthcoming year, and resolved:</p> <ul style="list-style-type: none"> • Cllr Haszeldine would again lead a Task & Finish group examining the Combined Authority Budget, with the group provisionally made up of Cllrs Thompson, Brown and Storey. It was proposed that this group would meet immediately following ordinary committee meetings for the duration of the Budget-setting period as required. • Cllr Storey would compile a report into the possible remuneration of committee members for discussion at a future meeting. The Managing Director pointed out that an Independent Remuneration Panel is established to consider these matters. • Cllr Stephenson would lead on work examining the diversity of appointments of the Tees Valley Combined Authority, including those made by its Constituent Authorities. 	
OSC 09/18	<p>DATE OF THE NEXT MEETING</p> <p>19th July 2018 at 10.00am</p>	

AGENDA ITEM 5

**REPORT TO THE TEES VALLEY
COMBINED AUTHORITY OVERVIEW & SCRUTINY COMMITTEE**

19th JULY 2018

**REPORT OF THE
MANAGING DIRECTOR**

**OVERVIEW AND SCRUTINY STUDY: DIVERSITY IN THE TEES VALLEY
COMBINED AUTHORITY MEMBERSHIP**

SUMMARY

At its 7th June Meeting the Committee agreed to the Tees Valley Combined Authority Cabinet's request that an Overview and Scrutiny study be carried out into the diversity of the membership of the Cabinet and Statutory Committees of the Tees Valley Combined Authority.

This report will set out the proposed methodology for this study and present members with the results of initial evidence-gathering activities.

RECOMMENDATION

The Committee is asked to consider the proposed methodology for the study and note the results of initial investigations.

DETAIL

1. At its Annual General Meeting on 1st June 2018 members of the Tees Valley Combined Authority requested that Overview and Scrutiny Committee carry out a study into a perceived lack of diversity in gender, sexuality, disability and ethnicity in the membership of the Tees Valley Combined Authority Cabinet and Committee membership. The Committee agreed to this request at its meeting of 7th June 2018.
2. It is proposed that this study follow a three stage process detailed below, carried out to an indicative projected timeframe indicated:
 - i. Review of relevant research and collection of evaluative baseline data (June 2018)
 - ii. In-depth qualitative interviews with leadership of Tees Valley Combined Authority and Constituent Authorities (July/August/September 2018)
 - iii. An electronic survey of all members of the Constituent Authorities (August 2018)

- iv. Consultation with relevant outside bodies (September 2018)
- 3. It is proposed that this work is overseen by a working group of the Chair and Vice Chair of the Committee and at least one other member, with progress updates provided to members at each meeting.
- 4. It is also proposed that a completed report containing recommendations be presented to Cabinet before the commencement of the pre-election period in March 2019, with a draft report presented to the Committee at its 17th January 2019 meeting. Draft reports will be presented to Committee members at earlier committee meetings.
- 5. A presentation on the outcome of initial investigations will be provided to members at the meeting.

FINANCIAL IMPLICATIONS

- 6. Not Applicable.

LEGAL IMPLICATIONS

- 7. Not Applicable.

RISK ASSESSMENT

- 8. Not Applicable

Name of Contact Officer: John Hart
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Tees Valley Combined Authority Overview & Scrutiny

Work Programme 2018/19

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
13 th September 2018 at 10am	Room 1 Cavendish House Teesdale Business Park Stockton On Tees TS17 6QY	Portfolio update: Mayor David Budd (Culture, Tourism and Innovation) Committee Resourcing
25 th October 2018 at 10am	Room 1 Cavendish House Teesdale Business Park Stockton On Tees TS17 6QY	Portfolio update: Transport (Portfolio holder TBC)
6 th December 2018 at 10am	Room 1 Cavendish House Teesdale Business Park Stockton On Tees TS17 6QY	Draft Combined Authority Budget 2019/20 Portfolio update: Cllr Sue Jeffrey (Investment and Business Growth) Update on Town Centre policy
17 th January 2019 at 2pm	Room 1 Cavendish House Teesdale Business Park Stockton On Tees TS17 6QY	Scrutiny Study – Diversity and the Tees Valley Combined Authority: Draft Report.
28 th February 2019 at 10am	Room 1 Cavendish House Teesdale Business Park Stockton On Tees TS17 6QY	Portfolio update: Education, Employment and Skills TBC

25 th April 2019 at 10am	Room 1 Cavendish House Teesdale Business Park Stockton On Tees TS17 6QY	
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Items to be scheduled:

Durham Tees Valley Airport
Updates from Budget Task and Finish Group

Contacts:

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