

**The appendix to this report is not for publication by virtue of paragraphs 1 and 2 of schedule 12A of the Local Government Act 1972**

## **AGENDA ITEM 5**

### **REPORT TO THE TEES VALLEY COMBINED AUTHORITY CABINET**

**27<sup>th</sup> NOVEMBER 2020**

### **REPORT OF THE CHIEF EXECUTIVE**

## **GOVERNANCE AND APPOINTMENTS**

### **SUMMARY**

This report details a proposed change to the Tees Valley Combined Authority constitution and changes to membership of Tees Valley Combined Authority committees which have taken place since the previous Cabinet meeting.

This report requests Cabinet ratification for the Chair and Vice Chair of the Combined Authority Audit & Governance Committee, along with 2 new independent members.

The report also asks for Cabinet ratification of a new member and named substitute members of the Overview & Scrutiny Committee.

The appointment of the Vice Chair of the Transport Committee will be updated at a future Cabinet meeting due to the timing of their meeting.

*Information in **Appendix 1** is exempt from publication because of reference to appointments of named individuals. If the recommendations are approved, the information will be released publicly, and the appendix declassified.*

### **RECOMMENDATIONS**

It is recommended that the Combined Authority Cabinet:

- i. Approves the proposed amendment to the Tees Valley Combined Authority constitution to allow for the appointment of a total of four Independent Members to the Audit & Governance Committee;
- ii. Approves the proposed appointments to the STDC Board and consequential amendments to the STDC Constitution to enact them; and
- iii. Approves the other appointments set out in this report.

## DETAIL

### Audit & Governance Committee

1. Following the resignation of Chris White, Independent Member of the Audit & Governance Committee, the Combined Authority undertook a recruitment process for a new Member. The calibre of applicants was excellent and so it was proposed that two new Independent Members be appointed to the Committee at this time.
2. The Tees Valley Combined Authority constitution currently allows for three Independent Members for the purpose of providing advice in relation to standards matters under the Localism Act 2011 and assisting the Committee in the discharge of its financial functions. The appointment of two Independent Members at this meeting will take the total number to four.
3. The provision for an additional Independent Member will further enhance the advice and assistance available to the Committee and will also help mitigate the risk of the possibility of inquorate Audit & Governance Committee meetings.
4. The proposed amendment to the Tees Valley Combined Authority constitution is set out below:

Paragraph	Proposed new Paragraph (amended wording in bold)
86	<p>The membership of the Committee shall also include <b>up to four</b> independent persons for the purposes of providing advice in relation to standards matters under the Localism Act 2011 and assisting the Committee in the discharge of its financial functions. A person is independent if the person:</p> <ol style="list-style-type: none"><li>i. Is not a member, co-opted member or officer of the authority;</li><li>ii. Is not a member, co-opted member or officer of a parish council for; which the authority is the principal authority;</li><li>iii. Is not a relative, or close friend of a person referred to in sub paragraph (i) or (ii) above;</li><li>iv. Was not at any time during the 5 years ending with an appointment under paragraph [85] a person as described in sub paragraph (i) or (ii) above.</li></ol>

5. Subject to agreement to the amendment to the constitution detailed above; details of the two individuals nominated for appointment to the Audit & Governance Committee as Independent Members are detailed at **Appendix 1**.
6. Notification has been received from Redcar & Cleveland Borough Council that Councillor Peter Berry is to replace Councillor Sandra Smith as the authority's representative on the Audit & Governance Committee. A substitute has still to be named.

7. At its meeting on 19<sup>th</sup> November, the Tees Valley Combined Authority Audit & Governance Committee nominated Councillor Matthew Storey as Chair for the civic year 2020/21.
8. Councillor Brenda Harrison was nominated as Vice-Chair for the civic year 2021/21 however she was not present at the meeting. Cabinet approval for this nomination will therefore be sought once Councillor Harrison has had the opportunity to confirm her willingness to accept the position.
9. The Audit & Governance Committee is also required to nominate a representative to be on the South Tees Development Corporation Audit and Risk Committee. The Committee took the view that this position should be fulfilled by the member representing Redcar & Cleveland Borough Council. The nomination is therefore Councillor Peter Berry.

### **Overview & Scrutiny Committee**

10. Notification has been received from Redcar & Cleveland Borough Council that Councillor Sandra Smith is to replace Councillor Robert Clark as the authority's Independent representative on the Overview & Scrutiny Committee.
11. Notification has been received from Redcar & Cleveland Borough Council that the nominated substitute members for the Overview and Scrutiny Committee are Councillor Carl Quatermain (Labour), Councillor Chris Jones (Liberal Democrat) and Councillor Billy Wells (Independent).

### **South Tees Development Corporation**

12. Following the acquisition of the SSI land and completion of the land assembly on the site, South Tees Development Corporation (STDC) has moved into the development phase and as a result, the speed of progress is increasing significantly. To ensure appropriate Board continuity and governance is in place in this phase, it is proposed to extend the terms of the existing members for three years and to appoint the deputy leader of both Middlesbrough Council and Redcar & Cleveland Borough Council to the Board to attend and vote in the absence of their leader. This will ensure that quoracy issues can be managed in the event that either leader is unable to attend an STDC Board meeting.

### **FINANCIAL IMPLICATIONS**

13. Support for the governance of the Tees Valley Combined Authority is provided from within the Authority's core budget, as agreed by Cabinet through the annual budget process, and funded through resources devolved from central government

### **LEGAL IMPLICATIONS**

12. The report relates to the Constitution of the Combined Authority which sets out the appropriate statutory framework and is legally binding.

## **RISK ASSESSMENT**

13. This report is categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.

## **CONSULTATION & COMMUNICATION**

14. The five Constituent Local Authority Leaders have been appropriately consulted on appointments, and nominations have been made through each council. The Mayor has also been consulted on these proposals.

## **EQUALITY & DIVERSITY**

15. As previously reported to Cabinet, there is a commitment to achieve a 50/50 gender balance and to increase overall diversity on the LEP by 2020. Although delayed by the COVID-19 outbreak it is intended that the next recruitment process will secure more diverse membership of the LEP.

## **LOCAL ENTERPRISE PARTNERSHIP**

16. The items in this report have been circulated to LEP members in advance of coming forward to Cabinet.

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