



TEES VALLEY COMBINED AUTHORITY CABINET

Friday, 20 December 2024 at 10.00am

Meeting held at Teesside Airport Business Suite, Teesside International Airport,
Darlington

(These Minutes are in draft form until approved at the next Cabinet meeting and are therefore subject to amendments.)

<u>ATTENDEES</u>	
Members	
Mayor Ben Houchen (Chair)	Tees Valley Mayor
Councillor Brenda Harrison	Leader Hartlepool Borough Council
Councillor Stephen Harker	Leader, Darlington Borough Council
Mayor Chris Cooke	Leader, Middlesbrough Council
Councillor Alec Brown	Leader, Redcar and Cleveland Borough Council
Councillor Bob Cook	Leader, Stockton-on-Tees Borough Council
Officers	
Julie Gilhespie	Group Chief Executive, Tees Valley Combined Authority
Gary Macdonald	Group Director of Finance and Resources, Tees Valley Combined Authority
Emma Simson	Chief Legal Officer and Monitoring Officer, Tees Valley Combined Authority
Tom Bryant	Director of Infrastructure, Tees Valley Combined Authority
Connor Malone	Governance and Scrutiny Officer, Tees Valley Combined Authority
Erik Scollay	Chief Executive, Middlesbrough Council
Denise McGuckin	Managing Director, Hartlepool Borough Council
Richard Horniman	Director of Regeneration, Middlesbrough Council
John Sampson	Chief Executive, Redcar and Cleveland Borough Council

Mike Greene	Chief Executive, Stockton on Tees Borough Council
Apologies	
Helen Kemp	Business Solutions Director, Tees Valley Combined Authority
Ian Williams	Chief Executive, Darlington Borough Council

TVCA 27/24- 25	<p>APOLOGIES FOR ABSENCE</p> <p>Apologies for absence were noted as above.</p>
TVCA 28/24- 25	<p>DECLARATIONS OF INTEREST</p> <p>Mayor Houchen declared a non-pecuniary interest in matters arising from his membership of STDC Board, HDC Board, MDC Board and Freeport Board.</p> <p>Councillor Brown declared a non-pecuniary interest in matters arising from his membership of STDC Board and Freeport Board.</p> <p>Councillor Harrison declared a non-pecuniary interest in matters arising from her membership of HDC Board.</p> <p>Mayor Cooke declared a non-pecuniary interest in matters arising from his membership of MDC Board.</p>
TVCA 29/24- 25	<p>MINUTES OF PREVIOUS MEETING</p> <p>RESOLVED – That the minutes of the meeting held on 27 September 2024 were confirmed as an accurate record.</p>
TVCA 30/24- 25	<p>MAYORS UPDATE</p> <p>The Chair introduced a report which provided a general update on the key activities of the Mayor and Combined Authority since the last Cabinet meeting.</p> <p>Mayor Houchen reported on the White Paper on devolution and the potential changes to Mayoral powers.</p> <p>Mayor Cooke discussed the population targets, and the potential combination of the constituent authorities plans.</p>

	<p>RESOLVED – That Cabinet noted the update.</p>
<p>TVCA 31/24- 25</p>	<p>QUARTER 2 FINANCE POSITION AND MEDIUM-TERM FINANCIAL PLAN UPDATE</p> <p>The Group Director of Finance and Resources submitted a report which detailed the quarter two finance position and medium-term financial plan.</p> <p>RESOLVED – That Cabinet;</p> <ul style="list-style-type: none"> I) Noted the quarter 2 outturn position for 2024/25; and II) Approved the revised Medium-Term Financial Plan.
<p>TVCA 32/24- 25</p>	<p>TREASURY MANAGEMENT MID-YEAR REVIEW 2024-25</p> <p>Cabinet received a report from the Group Director of Finance and Resources which detailed the mid-year performance against the treasury management and prudential indications set in the Treasury Management Strategy.</p> <p>The Group Director of Finance and Resources reported that the Bank of England had held rates, with a query raised on the Authority’s prediction on rates. The percentage confirmed was 5% currently and this was kept under review as part of the Authority’s Treasury Management Strategy.</p> <p>Members queried the proposed additional powers considered in the English Devolution Paper, and were keen to understand how the Authority planned to manage additional responsibility. The Group Director of Finance and Resources noted that it was something to assess as more information came forward, and there was a requirement to model the scenarios associated with any powers, however the Authority was unable to do so with the current information available.</p> <p>Members sought to understand the purpose of Table 5, under paragraph 41. The Group Director of Finance and Resources explained that the table provided the value limits on the loans the Authority provided to the listed groups. The Authority was able to lend money to its subsidiaries, constituent Local Authorities as part of its investments to support delivery of the Strategic Economic Plan and stimulate local economic growth.</p> <p>RESOLVED – That Cabinet noted the contents of the report.</p>

<p>TVCA 33/24- 25</p>	<p>INVESTMENT PLAN PERFORMANCE REPORT</p> <p>The Group Director of Finance and Resources submitted a report which provided an update on the Investment Plan Performance.</p> <p>Members queried arrangements for job safeguarding and job projections. The Group Director of Finance and Resources informed members that information was provided at a regional level and was based on national performance datasets. In terms of safeguarding, there were definitions on the requirements based on the Green Book.</p> <p>Members noted a desire to be provided with additional information on business statistics and ratios of investment returned. With constituent authority breakdowns to better understand which investments had performed better overall.</p> <p>RESOLVED – That Cabinet noted the contents of the report.</p>
<p>TVCA 34/24- 25</p>	<p>ADOPTION OF INVESTMENT PLAN, BUDGET 2025-26 AND MEDIUM-TERM FINANCIAL PLAN</p> <p>The Group Director of Finance and Resources submitted a report which detailed the adoption of investment plan, budget 2025-26, and medium-term financial plan.</p> <p>The Group Director of Finance and Resources informed Members of the proposed consultation route following approval, noting that the Overview and Scrutiny Sub-Committee for finance and resources was meeting later in the day to review the proposed budget and report back.</p> <p>There was some concern about the consultation period and the reach / accessibility for residents. The Group Director of Finance and Resources informed Members that the consultation was to be published on the Authority’s website with details on how to provide feedback. Communications on social media was to be undertaken to enhance the level of reach.</p> <p>RESOLVED – That Cabinet;</p> <ul style="list-style-type: none"> i) Reconfirmed the high-level financial allocations for the investment plan 2024-29; and ii) Approved the draft budget for 2025-26 for the purposes of consultation.

<p>TVCA 35/24- 25</p>	<p>MIDDLESBROUGH DEVELOPMENT CORPORATION UPDATE</p> <p>Cabinet was provided with an update on the activities of Middlesbrough Development Corporation since its establishment in 2023.</p> <p>The Group Chief Executive informed members that following the Tees Valley Review, Cabinet was to receive updates on the work of the Development Corporations twice a year with the MTFPs to be provided at March Cabinet.</p> <p>It was noted that whilst the Authority awaited the response from the Secretary of State in relation to the Tees Valley Review, that asset transfer had been paused.</p> <p>RESOLVED – That Cabinet noted the contents of the report.</p>
<p>TVCA 36/24- 25</p>	<p>UK SHARED PROSPERITY FUND UPDATE</p> <p>Cabinet was provided with an update on the Tees Valley UK Shared Prosperity Fund (UKSPF). Julie Gilhespie informed members that the allocation for UKSPF for the 2025/26 year was greater than predicted as the expectation was the funding was to be reduced.</p> <p>Members welcomed the additional funding and noted the importance to maximise and ensure a timely spend. There was a query about the requirement to allocate before March 2025 as it was considered a tight timeframe. The Group Chief Executive informed members that it was a complicated process, with requirements to spend rather than allocate. The funding was allocated for a single year period which was a challenge.</p> <p>Clarification was sought about what would happen if businesses dropped out and the potential return of funding if not spent. Members were informed that it would likely need to go through another procurement exercise for the suppliers and consider reallocation of funds to ensure spend.</p> <p>RESOLVED – That Cabinet noted the contents of the report.</p>
<p>TVCA 37/24- 25</p>	<p>TRANSPORT PROGRAMME UPDATE</p> <p>The Director of Infrastructure submitted a report which presented an update on the Transport Programme. The Director of Infrastructure informed members that the paper had been received by Transport</p>

	<p>Committee in advance of Cabinet to ensure an appropriate level of oversight.</p> <p>Members queried whether Transport Committee had been consulted on the BSIP proposals. The Director of Infrastructure informed members that they had been, however, additional consultation was to occur to ensure all views were expressed.</p> <p>Members were keen to consider free travel for care leavers as an option. The Director of Infrastructure informed members that this was an area to be considered alongside all other proposals, however, nothing had been predetermined, and decisions were to be agreed by Cabinet.</p> <p>There was a query about concessionary fares and the difficulty faced by residents with service availability. Officers noted that concessionary fares reimbursement was set by Government and based on a formula, the Authority was liaising with the constituent authorities on this.</p> <p>RESOLVED – That Cabinet noted the contents of the report.</p>
<p>TVCA 38/24- 25</p>	<p>LOCAL GROWTH PLAN</p> <p>The Group Chief Executive submitted a report which provided detail on the Local Growth Plan. The report detailed the background and provided recommendation to approve the proposed high level Tees Valley priorities.</p> <p>RESOLVED – That Cabinet;</p> <ul style="list-style-type: none"> i) Approved the proposed high-level Tees Valley Local Growth Plan priorities; and ii) Noted that the Local Growth Plan itself will be reported back to Cabinet for approval.
<p>TVCA 39/24- 25</p>	<p>ZETLAND CAR PARK</p> <p>Cabinet was provided with a report from the Group Chief Executive detailing the proposed sale of the Zetland Car Park in Middlesbrough.</p> <p>Members were informed that the purchase of the site at that point in time was to protect future plans. It was purchased under delegated decision as there was concern the asset was to be demolished.</p>

	<p>The proposed sale price hasn't been agreed, but the Authority could not sell it for less than best consideration in line with red book valuation. It would not receive less than it bought it for.</p> <p>RESOLVED - That Cabinet;</p> <ul style="list-style-type: none"> i. Noted the exercise of the delegation; and ii. Approved the sale of the Zetland Car Park in Middlesbrough with the delegation to Statutory Officers.
<p>TVCA 40/24- 25</p>	<p>GOVERNANCE AND APPOINTMENTS</p> <p><i>(Appendix 1 to this report was not for publication by virtue of paragraph 1 (information relating to any individual) and paragraph 2 (information which may identify an individual) of Schedule 12A of the Local Government Act 1972.), Appendix 4 was not for publication by virtue of paragraph 1 (information relating to any individual) and paragraph 2 (information which may identify an individual) and Paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information) of Schedule 12A of the Local Government Act 1972.) and Appendix 5 to this report was not for publication by virtue of paragraph 1 (information relating to any individual) and paragraph 2 (information which may identify an individual) of Schedule 12A of the Local Government Act 1972.)</i></p> <p>The Group Chief Legal and Monitoring Officer submitted a report which detailed the appointments required for approval by the Tees Valley Combined Authority Cabinet.</p> <p>To discuss appendix four, the Chair noted a requirement to go into private session.</p> <p><i>(Mayor Ben Houchen moved to exclude members of the press and public from the meeting during the consideration of appendix four. This was seconded by Councillor Brenda Harrison and approved by Cabinet. TVCA Officers were excluded from the private session with the exception of the Monitoring Officer and the Governance and Scrutiny Officer.</i></p> <p><i>Members of the press and public were then invited back into the meeting room following the consideration of appendix four.)</i></p> <p>RESOLVED – That Cabinet;</p> <ul style="list-style-type: none"> i) Ratified the appointment of the individual named in appendix one;

	<ul style="list-style-type: none"> ii) Approved the appointment of Councillor Carl Quartermain to the position of Vice-Chair of the Transport Committee; iii) Approved the appointment of Councillor Mandy Porter as Chair, and, Councillor Nicky Walker as Vice-Chair of the Audit and Governance Committee. iv) Approved the appointment of Councillor Melanie Morley to the HDC Audit and Governance Committee; v) Approved the appointment of Councillor Nicky Walker to the MDC Audit and Governance Committee; vi) Approved the proposal from Freeport Board to appoint substitutes and the required constitutional changes. vii) Approved the appointment of Sarah Brackenborough to Director of Operations, as detailed in appendix five. viii) Approved the appointment of Beverley Bearne to Chief Operating Officer of Middlesbrough / Hartlepool DC, as detailed in appendix five.
TVCA 41/24- 25	<p>PUBLIC QUESTIONS</p> <p>The Chair informed members that 50 public questions had been received and these were to be answered in line with the public participation protocol.</p>
TVCA 42/24- 25	<p>DATE AND TIME OF NEXT MEETING</p> <p>Friday, 31 January 2025 at 10.00am</p>