



TEES VALLEY COMBINED AUTHORITY CABINET

Friday, 27 September, 2024 at 10.00am

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>	
<b>Members</b>	
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
<b>Officers</b>	
Julie Gilhespie	Group Chief Executive, Tees Valley Combined Authority
Gary Macdonald	Group Director of Finance and Resources, Tees Valley Combined Authority
Emma Simson	Acting Group Chief Legal Officer and Monitoring Officer, Tees Valley Combined Authority
Tom Bryant	Director of Infrastructure, Tees Valley Combined Authority
Alan Weston	
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
Ian Williams	Chief Executive, Darlington Borough Council
Sally Henry	Governance Officer, TVCA
<b>Apologies</b>	
Helen Kemp	

	<p><b><u>CHAIR'S OPENING REMARKS</u></b></p> <p>The Chair opened the meeting and welcomed everyone in attendance.</p>
TVCA 16/24	<p><b>APOLOGIES FOR ABSENCE</b></p> <p>Apologies for absence were noted as above.</p>
TVCA 17/24	<p><b>DECLARATIONS OF INTEREST</b></p> <p>Mayor Houchen declared a non-pecuniary interest in his capacity as Chair of STDC Board, HDC Board and MDC Board.</p> <p>Councillor Brown declared a non-pecuniary interest in his capacity as a member of the STDC Board and Freeport Board.</p> <p>Councillor Harrison declared a non-pecuniary interest in her capacity as a member of the HDC Board.</p> <p>Mayor Cooke declared a non-pecuniary interest in his capacity as a member of the MDC Board.</p>
TVCA 18/24	<p><b>MINUTES OF PREVIOUS MEETING</b></p> <p><b>RESOLVED</b> that the minutes of the meeting held on 29 July 2024 were confirmed as an accurate record.</p>
TVCA 19/2024	<p><b>MAYORS UPDATE</b></p> <p>The Chair introduced a report providing a general update on the key activities of the Mayor and Combined Authority since the last Cabinet meeting.</p> <p>Cabinet members were invited to ask questions or comment on the report.</p>

	<p>No comments or questions were received.</p> <p><b>RESOLVED</b> that Cabinet noted the update.</p>
<p>TVCA 20/2024</p>	<p><b>TEES VALLEY REVIEW INCLUDING ASSURANCE FRAMEWORK</b></p> <p>Cabinet was presented with a report which provided the outcome of the work undertaken in respect of the Tees Valley Review.</p> <p>Following publication of the Tees Valley Review, TVCA and its constituent local authorities undertook an extensive review of its governance processes in response to the recommendations set out in the report. The report presented to Cabinet proposed changes to governance processes and the Constitutions of both South Tees Development Corporation (STDC) and Tees Valley Combined Authority (TVCA) itself.</p> <p>Cabinet was asked to consider these changes to allow the Tees Valley Mayor to formally respond to the Secretary of State for the Ministry of Housing, Communities and Local Government (formerly the Department for Levelling Up, Housing and Communities) by the end of September 2024.</p> <p>The Group Chief Executive advised Cabinet members of the governance structure which had supported the response to the Secretary of State.</p> <p>It was noted that work had been ongoing for 18 months. The Group Chief Executive expressed thanks to officers at TVCA and STDC, statutory officers from the constituent local authorities (CLA's) for their input into the statutory officer working groups, committee members and colleagues from CIPFA and various legal firms for the work they had contributed to the process.</p> <p>Cabinet was advised that the timeline of events was as follows:-</p> <ul style="list-style-type: none"> <li>• <b>19 February</b> Hartlepool Development Corporation received an update at its statutory meeting;</li> <li>• <b>29 February</b> Emma Simson met with the Monitoring Officers on the Statutory Officer Working Group (SOWG);</li> <li>• <b>29 February</b> SOWG to discuss the recommendations;</li> </ul>

	<ul style="list-style-type: none"> <li>• <b>29 February</b> STDC Board received a briefing at its statutory meeting;</li> <li>• <b>6 March</b> TVCA Audit and Governance (A&amp;G) Committee received a briefing at its statutory meeting;</li> <li>• <b>6 March</b> SOWG met to discuss the recommendations and review progress;</li> <li>• <b>8 March</b> Freeport Board received a briefing at its formal Board meeting;</li> <li>• <b>14 March</b> Overview and Scrutiny (O&amp;S) Committee received a briefing at its statutory meeting;</li> <li>• <b>14 March</b> Middlesbrough Development Corporation received an update at its statutory meeting;</li> <li>• <b>15 March</b> Cabinet received a briefing at its statutory meeting. At this meeting Cabinet decided that rather than bring the final report to its AGM in June, the proposals were to be considered by all statutory committees before submission to Cabinet and that sufficient time was needed to ensure that the work was done thoroughly. Therefore, the final report was to be presented to Cabinet in September;</li> <li>• <b>17 March</b> Secretary of State responded to the Mayor's letter and requested that he writes back within six months to report on progress;</li> <li>• <b>26 March</b> a briefing was given to the Tees Valley Strategic Resources Group (TVSRG)</li> <li>• <b>27 March</b> Julie Gilhespie and Emma Simson met with Ed Hammond from the Centre for Governance and Scrutiny (CFGs) to brief him on the work that they would do with the O&amp;S committee;</li> <li>• <b>27 March</b> Emma Simson met with the Monitoring Officers from across all five local authorities;</li> </ul>
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	<ul style="list-style-type: none"> <li>• <b>10 April</b> Julie Gilhespie emailed the relevant civil servant at DULUC for an update on the process for government considering recommendation 5;</li> <li>• <b>15 April</b> a response to that email was received setting out an expectation of an update as soon as possible after the local elections;</li> <li>• <b>15 April</b> a briefing of progress was given to TVCA cabinet members in a private session;</li> <li>• <b>17 April</b> a briefing of progress was given to TVCA O&amp;S committee members in a private session;</li> <li>• <b>19 April</b> a briefing of progress was given to TVCA and STDC A&amp;G committee members in a private session;</li> <li>• <b>22 April</b> the O&amp;S sub-group met with Ed Hammond to discuss the scrutiny protocol and to agree the basis of the work he would do for them;</li> <li>• <b>30 April</b> a briefing was given to TVSRG;</li> <li>• <b>2 May</b> Mayoral election was held;</li> <li>• <b>7 May</b> Endeavour Law was appointed to review the JV Agreements;</li> <li>• <b>8 May</b> a proposal draft was received from CFGS;</li> <li>• <b>9 May</b> SOWG met to discuss progress on the recommendations;</li> <li>• <b>20 May</b> a briefing was given to TVCA cabinet members in private session;</li> <li>• <b>20 May</b> CIPFA was commissioned to undertake a review of internal audit;</li> <li>• <b>22 May</b> General Election was announced;</li> <li>• <b>24 May</b> a briefing was given to TVCA and STDC A&amp;G committee members in private session;</li> </ul>
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	<ul style="list-style-type: none"> <li>• <b>24 May</b> Julie Gilhespie met with Mark Edgehill from the LGA to discuss the proposal for their work;</li> <li>• <b>28 May</b> a briefing was given to TVSRG;</li> <li>• <b>28 May</b> a briefing was given to TVSRG;</li> <li>• <b>28 May</b> a briefing was given to O&amp;S members in private session;</li> <li>• <b>31 May</b> a meeting was held with representatives of CIPFA in relation to the review of the internal audit arrangements. Over the following weeks CIPFA met with senior staff, members of A&amp;G and external auditors. These meetings included individual interviews with Gary Macdonald, Julie Gilhespie and Emma Simson;</li> <li>• <b>11 June</b> Gary Macdonald met with CFGS;</li> <li>• <b>11 June</b> Julie Gilhespie met with CFGS;</li> <li>• <b>13 June</b> a written briefing was given to TVCA A&amp;G statutory meeting it the meeting was inquorate so did not go ahead;</li> <li>• <b>17 June</b> a briefing was given to STDC A&amp;G statutory meeting;</li> <li>• <b>19 June</b> Emma Simson met with CFGS;</li> <li>• <b>27 June</b> a briefing was given to TVCA AGM. New appointments were made to STDC Board using the new process set out in the response to the review;</li> <li>• <b>2 July</b> a letter was received from Neil Schneider the appointed STDC Board representative outlining his views. (This letter was considered by STDC Board at its meeting on 26 September)</li> <li>• <b>2 July</b> a briefing was given to TVSRG;</li> <li>• <b>3 July</b> a briefing was given to TVCA O&amp;S committee at its statutory meeting</li> <li>• <b>4 July</b> General Election held</li> </ul>
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- **5 July** a briefing and site tour was given to the incoming STDC Board which included a briefing on the TVR;
- **9 July** SOWG met to review and update on progress;
- **12 July** a briefing was given to TVCA and STDC A&G members in private session;
- **12 July** Julie Gilhespie met with Rob Whiteman CBE, Chair of the LGA panel;
- **15 July** a briefing was given to members of O&S in private session;
- **18 July** a briefing was given to STDC Board at its statutory meeting;
- **19 July** a briefing was given to TVCA cabinet at its statutory meeting;
- **29 July** Julie Gilhespie met with Adele Gritten from the LGA panel
- **31 July** CFGS report was received;
- **5 August** confirmation from Endeavour Law was received that the JV agreements were legally binding;
- **5 August** Julie Gilhespie wrote to the JV partners in respect of recommendation 22;
- **6 August** CIPFA report on Internal Audit was received;
- **7 August** Bevan Brittan independent advice to O&S was received;
- **7 August** a response to the letter of 5 August was received from JV partners;
- **8 August** Julie Gilhespie met with the JV partners;
- **9 August** Julie Gilhespie sent a further letter to the JV partners;
- **9 August** draft cabinet report sent to LGA panel for consideration;
- **12 August** SOWG met to finalise its work;

- **15 August** Emma Simson contacted MHCLG for an update on recommendations 4 and 5 and confirmed that a lack of response would be noted if not received;
- **19 August** draft papers (excluding responses to recommendation 22) were sent to members of all committees;
- **21 August** a briefing was given to TVCA cabinet members in private session;
- **21 August** a briefing was given to Tees Valley Chief Executive's meeting;
- **3 September** letter and summary agreements received from Endeavour Law regarding its review;
- **4 September** the final proposals (excluding recommendation 22) were considered by O&S at its statutory meeting;
- **5 September** the final proposals (excluding recommendation 22) were considered by STDC A&G at its statutory meeting;
- **16 September** the final proposals (excluding recommendation 22) were considered by the Business Board at its meeting;
- **17 September** the final proposals (excluding recommendation 22) were considered by TVCA A&G committee
- **17 September** a formal response to recommendation 22 was received from the JV partners;
- **17 September** the response to recommendation 22 was shared with all committees and the Business Board;
- **19 September** a response was received by the BB;
- **25 September** the response to recommendation 22 was considered by members of O&S at an informal meeting;
- **26 September** the response to recommendation 22 was considered by members of TVCA A&G in an informal meeting;



- **26 September** the final response including recommendation 22, was considered by STDC Board;
- **27 September** the final response was to be considered by TVCA Cabinet;
- **30 September** The LGA panel were scheduled to meet with TVCA executive officers to plan the work.

Cabinet was advised that Helen Kemp was to head up the work with the LGA and had experience as a LGA Peer Reviewer.

The Tees Valley Combined Authority Cabinet was asked to:

- i. **CONSIDER** the report of the TVCA Overview and Scrutiny Committee set out in Appendix 23;
- ii. **CONSIDER** the report of the TVCA Audit and Governance Committee set out in Appendix 22;
- iii. **CONSIDER** the comments from the Tees Valley Business Board as detailed in Paragraphs 23-26 of this Report;
- iv. **CONSIDER** the views of the STDC Board which will be received following its meeting on 26 September 2024; they did not make any further comments
- v. In respect of Recommendations 4 and 5, **NOTE** that guidance has not been received by HMG;
- vi. In respect of Recommendations 1-3, 6-20 and 24-28 **APPROVE** (individually) the approach and resultant amendments to the TVCA and STDC Constitutions, Assurance Framework, and associated regulations.
- vii. In respect of Recommendation 21, **APPROVE** the summary document produced by Endeavour Law;
- viii. In respect of recommendations 22 and 23, **NOTE** the outcome of the negotiations and **APPROVE** the proposed changes to the terms of the Teesworks JV agreement; JG stressed we have fulfilled the recommendation but we haven't embedded the changes into legal documents but this will be done if approved by Cabinet and final documents will come back to a future Cabinet

- ix. **NOTE** the required changes to staffing and **APPROVE** the appointment of an Operations Director for TVCA and a single Chief Operating Officer for Middlesbrough and Hartlepool Development Corporations;
- x. **NOTE** that this report will form the basis of the Tees Valley Mayor's formal response to the Tees Valley Review;
- xi. **DELEGATE** to the Group Chief Executive in consultation with the Monitoring Officer and s73 Officer the authority to implement the required amendments to the documentation to secure the agreed changes based on the response of the Secretary of State; and
- xii. **NOTE** the revised TVCA Constitution as well as the Revised Joint Venture Agreement will come back to Cabinet for formal approval.

The Chair invited Councillor Nelson (Chair of Overview and Scrutiny Committee) to present the views of Overview and Scrutiny Committee.

Councillor Nelson's comments were as follows:-

*"At the outset I'd like to record my thanks to the governance, scrutiny and legal officers Emma, Guy and Connor for the expertise and support they've given this new Chair in what has been a hectic but rewarding period. I thought it was only politicians who sent emails at 6am and 11pm?"*

*The Committee welcomes the opportunity to respond to the recommendations arising from the Tees Valley Independent Review.*

*The Committee met on Wednesday, 4 September 2024 to consider and agree its response. It was agreed that the focus of the meeting should be on recommendations in relation to overview and scrutiny and then to consider any other recommendations, as appropriate.*

*A summary of the key points that were discussed at the Committee meeting is included in the report to Cabinet, attached as appendix 23. The Committee asks that Cabinet carefully considers the feedback provided when agreeing its final response to HM Government.*

*In particular, the Committee expressed concern that it had not been receiving reports and accounts from STDC despite constitutional provision for this. I understand Cabinet weren't receiving them either. The Committee*

*is understandably keen to receive this information to help identify whether any further scrutiny activity is required.*

*In relation to the report from the Centre for Governance and Scrutiny (CfGS), the Committee highlighted an improved working relationship between members and officers, particularly in terms of changes to the approach to scrutiny in supporting the Committee's aims. In respect of the CGS report the Committee fully engaged with the review and agrees in full with its stated principles and actions.*

*The Committee did however express disappointment that a response from the joint venture partners had not been provided in time for the Committee meeting. An informal Committee meeting was subsequently arranged, which took place earlier this week for the Committee to consider its response.*

*At the informal Committee meeting and in communications from members subsequently a number of members expressed concern at the limited number and nature of the proposed concessions from the JV partners with others thinking they represented a good deal. Accepting that there was never going to be unanimity of views on this matter ultimately the Committee feels that it is important to look to the future. Therefore the Committee's focus going forward will be to scrutinise the implementation of the agreement and to ensure that the promised outcomes in relation to developments, job creation, business rates etc are not only delivered but delivered within the stated timescales. This approach being seen as the best one available to ensure the best possible value for money outcomes for the taxpayer.*

*In terms of tracking progress, the Committee has already agreed to receive a report on recommendation tracking at its November Committee meeting. The initial focus is to review progress made against recommendations arising from scrutiny reviews in 2023/24. This approach is to be extended to include a secondary focus on recommendations associated with the independent review."*

The Chair thanked Councillor Nelson and the Overview and Scrutiny Committee for their consideration over many months.

Emma Simson advised Cabinet that the STDC Audit and Governance Committee reported verbally to STDC Board and were satisfied that their views had been accurately reflected in the STDC comments.

Councillor Nicky Walker, Vice Chair of TVCA Audit and Governance Committee attended Cabinet to provide the views of the Audit and Governance Committee.

Comments were as follows:

*“The Audit and Governance Committee welcomes the opportunity to respond to Cabinet on the recommendations arising from the Tees Valley Independent Review.*

*An overview of the key points that were discussed at the Committee meeting is included in the report and minutes to Cabinet, attached as appendix 22. The Committee asks that Cabinet carefully considers the feedback provided when agreeing its final response to HM Government.*

*The Committee met on Tuesday, 17 September 2024 to consider and agree its response. It was agreed that the focus of the meeting should be on recommendations in relation to audit and governance and then to consider any other recommendations, as appropriate.*

*The key points arising from the Committee meeting on 17 September 2024 are as follows:*

- *Members are keen to ensure that there is regular feedback to the Committee on progress made against the recommendations arising from the Tees Valley Independent Review. Reporting arrangements will need to be agreed by the Committee and the work programme updated accordingly.*
- *In relation to the CIPFA report, the Committee requests that it be provided with regular updates on progress made against the 22 recommendations contained in the report. An action plan is to be presented to the Committee to enable it to assess the level of progress made against each of the recommendations and to identify whether further action is required.*
- *The Committee discussed appointments to Mayoral Development Corporation Boards. **(recommendation 16 refers)** It was noted that the appointment process was set out in legislation with Board members recommended by the Mayor and approved by TVCA Cabinet. The Committee considered there to be a perceived conflict of interest with the current arrangement, which provided for the Mayor to serve as Chair of the Boards and TVCA Cabinet. The Committee recommends that consideration be given to the appointment of a Chair other than the Mayor, to avoid any perceived conflict of interest.*

- *The Committee expressed disappointment that a response from the joint venture partners had not been provided in time for the Committee meeting. Since the Committee only received its response from the JV partners on the evening of 18 September 2024, there was insufficient time available to convene a formal meeting of Audit and Governance Committee, prior to Cabinet.*
- *It was therefore decided to convene an informal Committee meeting on Thursday, 25 September 2024 to consider its position, solely in relation to the response from the JV partners.*
- *Members welcomed the opportunity to meet informally to consider the response from the JV partners, although due to the inevitable short notice only a small number were able to attend and there was some concern that the Committee only had a limited opportunity to undertake a detailed assessment. Members also considered that since it was an informal Committee meeting any recommendations would need to be presented and approved at a formal meeting of the Committee before they could be submitted to Cabinet for further consideration.*
- *Members agreed that it would be beneficial to consider key aspects of the JV partners response at a future Committee meeting. In doing so Members also emphasised the importance that the Committee receives regular reports and updates to assess the level of progress made against key audit and governance actions.*

*Thank you for the opportunity to feed back to Cabinet on behalf of the Committee and I am happy to take questions."*

The Mayor requested that his thanks to the Committee be put on record.

Siobhan McArdle, the Chair of the Business Board, advised Cabinet that the Business Board met on the 16<sup>th</sup> September and comments are recorded in the Cabinet paper. On behalf of the Business Board she expressed her thanks the officers of the organisation and stated that she has seen at first hand the pressure the officers have been under over the last 6 months.

She also requested an opportunity for Business Board representation at future meetings of the Overview and Scrutiny Committee.

The Business Board had not received the comments from JV partners at the time of their meeting on 16<sup>th</sup> September but reserve the right to comment.

The Business Board are concerned about the negative effect adverse media has had on inward investment and the Business Board would like to see us move forwards as a region now and drive growth across the Tees Valley.

The Mayor thanked the Chair of the Business Board and members of the Business Board for their feedback.

Members were provided with an opportunity to comment or ask questions. Councillor Harrison commented that a huge task had been undertaken and we need to acknowledge the amount of work that members and officers had put into this review. That she hoped that we were in a position that people were more trusting and had a better overview. Also, that we were more transparent and open and can move forward with creating jobs.

Councillor Brown commented on the amount of work that had been undertaken and that we need to focus on creating jobs. He asked what had been done to address the “culture” of the organisation as evidenced in the report by the Centre for Governance and Scrutiny. He was advised that the work of the Local Government Association was invaluable in embedding all the work into the organisation. The expectation was that training was to be provided for members and officers.

Councillor Brown suggested that the training could take place at locations across the Tees Valley and not just at TVCA offices. That the same approach could be applied to Cabinet meetings.

Mayor Cooke did not consider it to be a training issue, rather a one-way flow of information. Cabinet members were briefed but not involved in the process.

He also expressed the view that the TVCA portfolios had limited significance.

The Chair advised that the process for responding to the Tees Valley Review recommendations was agreed by Cabinet at the start of the process. The process was not imposed on Cabinet members. Councillor Harker agreed that he had been part of the process, although he felt briefed rather than involved. Cabinet members had a responsibility to ensure these types of issues were addressed. Public perception had played a huge part and it was important to demonstrate a different approach. Potential investors needed to know that there had been change for the

	<p>better. He expressed the view that it made no sense to renegotiate as a contract had been entered into. The recommendation was unhelpful as it was a legal contract.</p> <p>Councillor Bob Cook asked whether it was possible for Cabinet members to work with the LGA on the peer review as Cabinet made collective decisions. The Group Chief Executive advised that a request would be made to the LGA when they meet on Monday and the outcome reported back.</p> <p>Mayor Cooke commented that he was unhappy with the level of involvement he has with the Combined Authority as a Portfolio Holder. He was advised that Emma Simson is going to make links between Portfolio Holders and Portfolio Leads and TVCA.</p> <p>Councillor Harrison commented that she was satisfied with her level of involvement as Portfolio Lead for Creative Place and worked closely with officers.</p> <p>Mayor Cooke enquired how amendments to the Constitution were agreed. It was advised that amendments to the Constitution need to be agreed by Cabinet. He queried reference to the section on the mayoral veto on decisions and was advised that this was to remain unchanged. The Acting Group Chief Legal Officer and Monitoring Officer undertook to confirm the legal position in relation to the mayoral veto.</p> <p>ES provided Cabinet members with the opportunity to consider and agree its response to any specific areas and feedback that had been identified at recent Board and Committee meetings. Key areas were addressed in the reports from Board and Committee meetings to Cabinet, which included a point about a perceived conflict of interest in relation to the Mayor's role as Chair of TVCA Cabinet and South Tees Development Corporation. There were no further comments.</p> <p><b>RESOLVED</b> that Cabinet agreed the recommendations within the report.</p>
<p>TVCA 20/24</p>	<p><b>SCRUTINY PROTOCOL</b></p> <p>Cabinet was advised that at the Overview and Scrutiny Committee meeting on 14 March 2024, members considered a briefing paper on the Scrutiny Protocol. The Scrutiny Protocol was non-statutory guidance to be considered as supplementary to statutory guidance and relevant legislation. It sets out examples of good practice and key principles to be applied for ensuring effective scrutiny.</p>

Following consideration of the briefing paper, the Overview and Scrutiny Committee agreed to establish an all-member Scrutiny Protocol Sub-Committee for the purposes of exploring the Scrutiny Protocol in greater detail with a view to potentially implementing all aspects of the Scrutiny Protocol.

The Chair of the Overview and Scrutiny Committee then presented the findings of the Committee.

*“Thank you for the opportunity to present the Scrutiny Protocol to Cabinet on behalf of the Overview and Scrutiny Committee.*

*Cabinet will note from the report that the Committee has considered the Scrutiny Protocol in some detail.*

*The protocol guidance is statutory in nature and its full implementation has been highlighted by both the previous and present Government as a prerequisite for more devolved powers and possible increased funding so we all have a vested interest in ensuring the protocol is adopted and implemented as quickly as possible.*

*The recommendations relating to how the protocol will be implemented are predicated upon the committee accepting in full the principles and actions detailed in the Centre for Governance and Scrutiny report.*

*Whilst there is acknowledgement by the Committee that significant progress has been made in addressing some of the key principles contained in the Scrutiny Protocol, there is still much to do, for example the establishment of a regular public Mayor’s Question Time. A combination of the CGS review and the Scrutiny Protocol also gives us the opportunity to reframe the relationship between the Overview and Scrutiny Committee and the Mayor, Executive, Cabinet, development corporations, and other*



*committees in a more structured and organised way. One in which each is clear about their scrutiny role and their relationship to each other.*

*This fresh “critical friend” approach will ensure that the Overview and Scrutiny function will be optimised and at the end of the day effective scrutiny is beneficial not only to those being scrutinised but also ultimately to the residents in the Tees Valley.*

*Full details of the key principles and recommendations can be found in the Scrutiny Protocol, which is attached to the report.*

*I have pleasure in presenting the Committee’s report and recommendations to Cabinet to fully implement all aspects of the Scrutiny Protocol.”*

Members were given an opportunity to comment or ask questions.

The Mayor thanked Councillor Nelson for attending and presenting the views of the Overview and Scrutiny Committee.

Councillor Harrison advised that was incumbent on the constituent local authorities to ensure they nominated members with the appropriate skills.

Cabinet members discussed that remunerating members of the Overview and Scrutiny Committee was not something they were generally in favour of.

The Group Chief Executive advised that a White Paper on devolution was to be published later in the year. Cabinet members agreed to defer a decision on that element of the Scrutiny Protocol until the outcome of the White Paper was known.

Councillor Harker commented that there was an opportunity for Independent Remuneration Panel to consider remuneration for members of Overview and Scrutiny Committee, although the Panel was likely to recommend waiting until the White Paper was published.

The Governance and Scrutiny Manager advised that there was an expectation that all elements of the Scrutiny Protocol were to be adopted.

	<p>The Tees Valley Combined Authority Cabinet were asked to note :</p> <ul style="list-style-type: none"> <li>i. the contents of the report and appendices</li> <li>ii. that Overview and Scrutiny Committee recommends to Cabinet implementation of all aspects of the Scrutiny Protocol;</li> </ul> <p><b>RESOLVED</b> that Cabinet approves all elements of the Scrutiny Protocol with the exception of remuneration of members, which is to be deferred to a future Cabinet meeting once the White Paper on devolution has been published.</p>
<p>TVCA 21/24</p>	<p><b>GOVERNANCE AND APPOINTMENTS</b></p> <p><i><b>Appendix 1 to this report was not for publication by virtue of paragraphs 1 (information relating to any individual) and 2 (information which was likely to reveal the identity of any individual) of schedule 12A of the Local Government Act 1972.</b></i></p> <p>The Chair advised that the appendix to this report was confidential so if the details were to be discussed, then members of the press and public would need to be excluded.</p> <p>The Group Chief Executive introduced a report which detailed a number appointments for agreement and confirmation by Cabinet.</p> <p>Members were given an opportunity to comment or ask questions.</p> <p>No comments or questions were received.</p> <p>Members were advised that if the appointments were approved, the appendix to this report was to be published on TVCA’s website after the meeting.</p> <p><b>RESOLVED</b> that Cabinet:</p> <ul style="list-style-type: none"> <li>i. <b>APPROVED</b> the appointment of the Group Chief Legal Officer and Monitoring Officer as detailed in paragraph 6 of the report;</li> <li>ii. <b>APPROVED</b> the appointments to the Independent Remuneration Panel as detailed in paragraph 10 of the report;</li> <li>iii. <b>APPROVED</b> the appointment of the proposed Member on Hartlepool Development Corporation Board as detailed in paragraph 14 the report;</li> </ul>

	<p>iv. <b>APPROVED</b> the appointment of the substitute Member on the Hartlepool Development Corporation Board as detailed in paragraph 19 of this report;</p> <p>v. <b>APPROVED</b> the appointment of the substitute Member on the Middlesbrough Development Corporation Board as detailed in paragraph 24 of this report;</p> <p>vi. <b>APPROVES</b> the appointment of members to the Hartlepool Development Corporation Audit and Governance Committee as detailed in paragraph 30 of this report;</p> <p>vii. <b>APPROVES</b> the appointment of a Chair of Hartlepool Development Corporation Audit and Governance Committee, as detailed in paragraph 31 of the report;</p> <p>viii. <b>APPROVES</b> the appointment of members to the Middlesbrough Development Corporation Audit and Governance Committee as detailed in paragraph 37 of this report;</p> <p>ix. <b>APPROVES</b> the appointment of a Chair of Middlesbrough Development Corporation Audit and Governance Committee, as detailed in paragraph 38 of this report;</p> <p>x. <b>APPROVES</b> the appointment of the Councillor as referred to in paragraph 40 from Redcar and Cleveland Borough Council on to the Tees Valley Combined Authority Audit and Governance Committee;</p> <p>xi. <b>APPROVES</b> the appointment of Councillor Clare Besford to the Transport for the North Scrutiny Committee; and</p> <p>xii. <b>APPROVES</b> the appointment of the Councillor as referred to in paragraph 43 from Redcar and Cleveland Borough Council on to the South Tees Development Corporation Audit and Governance Committee.</p> <p>xiii. <b>APPROVES</b> the appointment of a replacement member for Chris Harrison on Freeport Board, as detailed in paragraph 48 of this report.</p>
<p>TVCA 22/24</p>	<p><b>TRANSPORT PROGRAMME UPDATE</b></p> <p>Cabinet received a report from the Director of Infrastructure providing an update on the transport programme.</p> <p>The report included:</p> <ul style="list-style-type: none"> <li>• Details of the transport capital investment programme comprising Transforming Cities Fund, City Region Sustainable Transport Settlements 2022-2027 (CRSTS1) and 2027-2032 proposed allocation (CRSTS2), together with other funding which TVCA has</li> </ul>

	<p>been able to secure to support the delivery of the Strategic Transport Plan (2020-2030).</p> <ul style="list-style-type: none"> <li>• Details of how the Bus Service Improvement Plan (BSIP) revenue funding awarded to TVCA has been used to support the aspirations of the Tees Valley Enhanced Bus Partnership and deliver the BSIP actions.</li> </ul> <p>Cabinet approval was sought to continue the Wheels to Work scheme whilst developing a new programme of activity to overcome barriers to employment.</p> <p>Members were given an opportunity to comment or ask questions.</p> <p>Mayor Cooke enquired whether there was any further information regarding the CRSTS2 funding.</p> <p>The Chair confirmed that he had raised this with the Secretary of State and had been advised that it was under review and that there may be a reduction in funding. If this was the case then the process for prioritisation of schemes was to be approved by Cabinet.</p> <p>Councillor Brown asked about East Cleveland Rail and was advised that TVCA were working closely with officers at Redcar and Cleveland. The Director of Infrastructure was to brief him separately if required.</p> <p>The Chief Executive at Stockton Borough Council enquired whether Growth Plans could be discussed at a future Cabinet and was advised that there was an intention to report back to the next scheduled Cabinet meeting.</p> <p><b>RESOLVED</b> that Cabinet:</p> <ol style="list-style-type: none"> <li>i. Noted the update on the development of the transport capital investment programme as set out in paragraphs 1-3 and detailed in Appendix 1.</li> <li>ii. Noted the delegated decisions taken by the Director of Infrastructure to approve Bus Service Improvement Plan (BSIP) funding for the 2023/24 and 2024/25 funding periods as set out in paragraphs 4-7 and detailed in Appendix 2.</li> </ol>
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	<p>iii. Approved the extension of the Wheels 2 Work scheme for up to twelve months until 30 September 2025 at a cost of £218,076, as outlined in paragraphs 8-10 and Appendix 3, whilst a new programme to overcome barriers to employment is developed.</p>
<p>TVCA 23/24</p>	<p><b>QUARTER 1 BUDGET REPORT AND MEDIUM-TERM FINANCIAL PLAN UPDATE</b></p> <p>Cabinet was presented with a report which provided an update on the financial position for the period ending 30 June 2024 and a revised Medium-Term Financial Plan (MTFP).</p> <p>Mayor Cooke raised a query relating to the Adult Skills budget and said that providers had been encouraged to seek growth in their allocations for 2024/25 academic year. Additional funds have not been awarded and as a result some providers now have serious financial pressures. He was advised that some providers have gone outside of their contractual agreements and the financial pressures they now had were as a result of this. Siobhan McArdle confirmed she and Mayor Houchen had met with the FE providers in August and that the matter was currently being resolved by Helen Kemp Director of Business Solutions.</p> <p>Cllr Bob Cook as portfolio lead and Siobhan McArdle agreed to pick this up after the meeting and report back to Mayor Cooke.</p> <p><b>RESOLVED</b> that Cabinet noted the contents of the report.</p>
<p>TVCA 24/24</p>	<p><b>HARTLEPOOL DEVELOPMENT CORPORATION UPDATE</b></p> <p>Cabinet was provided with an update on the activities of Hartlepool Development Corporation since its establishment in February 2023.</p> <p>The Group Chief Executive advised that an update on both Middlesbrough DC and STDC was to be presented to Cabinet during the course of the municipal year.</p> <p>Cabinet was asked if the report contained the required level of detail. It was advised that the projects listed in the appendix to the report were as a result of some positive collaboration between the Hartlepool Development Corporation, Hartlepool Borough Council and TVCA. Asset transfer had been put on hold until after the Tees Valley Review had concluded.</p> <p><b>RESOLVED</b> that Cabinet noted the contents of the report.</p>

<p>TVCA 25/24</p>	<p><b>TEES VALLEY LOCAL NATURE RECOVERY STRATEGY</b></p> <p>Cabinet was presented with an update on preparation of the Local Nature Recovery Strategy (LNRS) for Tees Valley, including details on the statutory process to be followed. The report also set out the actions required before publication of the LNRS in March 2025.</p> <p>Cabinet was advised that the main purpose of the strategy was to identify locations to create or improve habitat that were most likely to provide the greatest benefit for nature and the wider environment.</p> <p>The Director of Infrastructure advised Cabinet that once the strategy was ready for consultation, the document was to be shared with Cabinet. He also advised that if Cabinet members required a briefing on the strategy then this could be provided.</p> <p>Members were given an opportunity to comment or ask questions.</p> <p>No questions or comments were received.</p> <p><b>RESOLVED</b> that Cabinet:</p> <ul style="list-style-type: none"> <li>i. Notes the content of the report.</li> <li>ii. Delegates authority to the Director of Infrastructure to finalise the preparation of the draft Tees Valley Local Nature Recovery Strategy in accordance with The Environment (Local Nature Recovery Strategies) (Procedure) Regulations 2023.</li> <li>iii. Notes that the draft Local Nature Recovery Strategy for Tees Valley and supporting documentation for the public consultation will be shared with Cabinet prior to public consultation.</li> <li>iv. Notes that there will be a further update report to Cabinet in January 2025.</li> <li>v. Notes that the final draft Local Nature Recovery Strategy for Tees Valley will be reported to Cabinet in March 2025 for approval prior to publication.</li> </ul>
<p>TVCA 26/24</p>	<p><b>LOCAL GROWTH PLANS</b></p>

	<p>Cabinet was provided with a report from the Group Chief Executive which presented an update on the Local Growth Plans and the indicative development process.</p> <p>Mayor Houchen advised Cabinet members that workshops had been held and included representatives from all constituent local authorities.</p> <p>Further work was to be undertaken to develop a better understanding of how growth plans and growth settlements linked together by the time of the December Cabinet meeting. A meeting was to be arranged to brief Cabinet members and MPs before then.</p> <p>Members were given an opportunity to comment or ask questions.</p> <p>No questions or comments were received.</p> <p><b>RESOLVED</b> that Cabinet:</p> <ol style="list-style-type: none"> <li>i. Notes the Local Growth Plan update.</li> <li>ii. Notes that further updates will be provided as the Local Growth Plan is developed.</li> <li>iii. A briefing will be arranged to brief MPs, Leaders and Chief Executives before the next scheduled meeting of the Cabinet.</li> </ol>
	<p><b>DATE AND TIME OF FUTURE MEETINGS</b></p> <ul style="list-style-type: none"> <li>• Friday, 20 December 2024</li> <li>• Friday, 31 January 2025</li> <li>• Friday, 28 March 2025</li> <li>• Friday, 27 June 2025</li> </ul> <p>(All the above meetings to commence at 10.00am)</p>