

FINANCE AND POLICY COMMITTEE MINUTES AND DECISION RECORD

4 October 2013

The meeting commenced at 9.00 am in the Civic Centre, Hartlepool

Present:

Councillor: Christopher Akers-Belcher (In the Chair)

Councillors: Rob Cook, Marjorie James, Robbie Payne, Chris Simmons and Paul Thompson

In accordance with Council Procedure Rule 5.2 (ii), Councillor Geoff Lilley was in attendance as substitute for Councillor Keith Dawkins.

Officers: Dave Stubbs, Chief Executive
Andrew Atkin, Assistant Chief Executive
Peter Devlin, Chief Solicitor
Chris Little, Chief Finance Officer
Denise Ogden, Director of Regeneration and Neighbourhoods
Joan Stevens, Scrutiny Manager
Angela Armstrong, Principal Democratic Services Officer

115. Apologies for Absence

Apologies for absence were received from Councillors Keith Dawkins, Peter Jackson and Carl Richardson.

116. Declarations of Interest

None.

117. Minutes

- (i) The minutes of the meeting of the Finance and Policy Committee held on 19 September 2013 were received.
- (ii) The minutes of the meeting of the Health and Wellbeing Board held on 5 August 2013 were received.

118. City Deal (*Director of Regeneration and Neighbourhoods*)

Type of decision

Key Decision – Test (i) and (ii) apply – Forward Plan Reference 31/12.

Purpose of report

Tees Valley had been invited to apply for a second wave City Deal which initially was to be judged on a competitive basis. This followed the conclusion of first wave City Deals by the Government with the eight 'Core Cities' including Newcastle, Manchester, Leeds, Sheffield and Liverpool in the north.

Approval was given by the 5 Boroughs and Tees Valley Unlimited's Leadership Board to progress a bid for a City Deal and the final Expression of Interest was attached at Appendix 1. In the event the Government decided that all 20 applicants should proceed through to detailed negotiations with the relevant Government Departments co-ordinated by the Cabinet Office.

For several months these negotiations had taken place on the content of a City Deal which would deliver in some measure our economic plans primarily the Statement of Ambition.

Issue(s) for consideration

The Director of Regeneration and Neighbourhoods presented a detailed and comprehensive report and indicated that the City Deal negotiations and outcome were only one element of a range of initiatives available to the LEP and highlighted that it was important to acknowledge this to avoid raising expectations about the impact that the initial City Deal might have. However, it was clear that securing a City Deal was important to the Tees Valley area for several key reasons and they were outlined in the report.

A presentation was attached at Appendix 2 and included the Tees Valley Vision and highlighted the industrial strength of the area. The local commitment and outcome along with the low carbon action plan to be implemented from the City Deal were also outlined. It was noted that the City Deal would accelerate growth and deliver engineering programmes in areas such as sustainable manufacturing and advanced materials with the longer term growth being underpinned by companies' ability to recruit and upskill the workforce. The Director of Regeneration and Neighbourhoods informed Members that the Government was keen to see the governance arrangements between the LEP and the Local Authorities strengthened to give more certainty to the longer term delivery of the economic strategy/City

Deal. In addition, the City Deal would build on an arrangement which reflected well the excellent relationships that existed between the local authorities and public/private sector by strengthening and streamlining the approach to decision making particularly in respect of the deployment of resources. The timetable for the submission of the City Deal proposals to the Government was noted in the report.

A Member commented that the presentation had highlighted that 10 new large foreign inward investments were expected involving more than £2bn capital expenditure and 500 jobs and sought clarification on how this had been calculated. The Director of Regeneration and Neighbourhoods confirmed that a number of special studies had been carried out and these figures were evidenced based and deliverable if everyone was committed to City Deal.

In relation to the implementation of the Tees Valley Low Carbon Action Plan, a Member highlighted that in some parts of the Country, a connection had been made between carbon reduction and the potential use of CO2 in agricultural development. In addition, it was noted that transportation links across the Tees Valley were important, including light rail links across the region to maximise the potential for people to secure and maintain work. The Director of Regeneration and Neighbourhoods confirmed that a report would be submitted to a future meeting of the Committee detailing the Local Growth Fund and the European Structural Funds which would incorporate transport links across the Tees Valley.

The importance of ensuring the local workforce was upskilled and ready for the challenges that the potential industrial growth would bring was discussed. It was suggested that representatives from the industrial sector be invited to schools to speak directly to Head Teachers and teachers about how to encourage young people to look at industry as a potential job option and career. The Director of Regeneration and Neighbourhoods confirmed that the TVU LEP had recently been awarded £7million from RGF4 to tackle some of our deep-seated issues to address skills, discussions had commenced with the Director of Child and Adult Services in relation to the creation of the skills hub to ensure young people were trained for the jobs of today and the future. This would be undertaken through school visits and an invitation would be extended to Members to attend a Tees Valley Skills Conference in December where over 500 young people would be in attendance.

A Member expressed some concern in relation to the accountability of Tees Valley Unlimited who would be tasked with implementing City Deal. The Director of Regeneration and Neighbourhoods indicated that accountability would be stronger than the Local Enterprise Partnership as it would be local authority led with the Leaders of the Tees Valley local authorities being the only voting Members on the Tees Valley Unlimited Leadership Board. It was noted by a Member that the future of the renewable energy sector was so vast that in order to take the lead in this sector, the combined power of the Tees Valley authorities would be necessary in order to compete on a

national level. The Director of Regeneration and Neighbourhoods commented that ongoing discussions with the Government had been positive and indicated that the Tees Valley local authorities were uniquely placed to deliver the City Deal proposals. The Chair added that whilst all the Tees Valley local authorities would continue to maintain their sovereignty the importance of moving forward as Tees Valley partnership and delivering services in a new way was reiterated.

Decision

- (i) The proposal as detailed in Appendix 2 was approved.
- (ii) That delegated authority to the Chief Executive, in consultation with the Leader, to agree the final submission prior to 23 October 2013 was approved.

119. Tees Valley Unlimited – Decision Making Process (*Chief Solicitor*)

Type of decision

Non key.

Purpose of report

Tees Valley Unlimited operates as a Local Enterprise Partnership between the constituent local authorities, businesses and other sectors within the Tees Valley region. An agreement between the five Tees Valley Authorities dated 31 March 2011, covered the governance of Tees Valley Unlimited. However, that agreement was referenced against a background of the constituent authorities operating executive arrangements and reflected in the composition and membership of the Leadership Board. Following the outcome of the further Referendum held in November 2012, Hartlepool Borough Council had now moved to a committee system of governance, as provided for under the Localism Act 2011. The report therefore concerned itself with the process of the decisions taken by the Leadership Board and the Investment Board consistent with this Council's governance arrangements.

Issue(s) for consideration

The report provided the background to Tees Valley Unlimited as an unincorporated partnership of local authorities, businesses and other sectors along with its role, functions and membership. The decision making process for Tees Valley Unlimited was detailed in the report including the publication of decision records and subsequent scrutiny arrangements. Attached by way of appendix was an 'Executive Leader Decision Record'

developed by Stockton Borough Council as the ‘accountably body’. The report sought approval to the form of the ‘Council Leader Decision Record’ to be referable to this Council in relation to meetings of Tees Valley Unlimited.

In response to a question from a Member, the Chief Solicitor confirmed that each local authority must decide on the governance and reporting arrangements for decisions taken by Tees Valley Unlimited. It was noted that matters of a significant and key nature would be reported to this Committee and potentially to Council also.

A Member suggested that this change in the recording of decisions and the decision making process should be incorporated into the Council’s Constitution. The Chief Solicitor highlighted that this issue was already included under Article 9 – Joint Committees including reference to the separation of the Leadership and Investment Board elements of Tees Valley Unlimited. However, it was noted that this change could be considered as part of the wider review of the Constitution to be undertaken later this year.

Decision

- (i) That the approval process based upon the “Council Leader Decision Record” as appended to the report was adopted.
- (ii) That delegated authority be given to the Chief Executive, subject to consulting with and seeking agreement of the Leader of the Council, where decisions were required at Tees Valley Unlimited.

120. Any Other Items which the Chairman Considers are Urgent

None.

The meeting concluded at 9.38 am.

P J DEVLIN

CHIEF SOLICITOR

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