

**AGENDA ITEM 3****REPORT TO THE TEES VALLEY  
COMBINED AUTHORITY CABINET****2<sup>nd</sup> JULY 2021****REPORT OF THE MONITORING OFFICER****GOVERNANCE AND APPOINTMENTS****SUMMARY**

This report details a number of items for agreement and confirmation by the Combined Authority Cabinet at its Annual General Meeting (AGM).

**RECOMMENDATIONS**

It is recommended that the Combined Authority Cabinet:

- i. agrees the appointments as set out at Appendix 1;
- ii. agrees the Mayoral Allowance as set out in the report of the Independent Remuneration Panel at Appendix 2, to take effect from 10th May 2021 (being the first day of the current Mayoral term) or such other date as Cabinet may decide;
- iii. agrees the members' allowances scheme for 2021-22 at Appendix 3;
- iv. notes that a review of the South Tees Development Corporation (STDC) Constitution will be discussed by the STDC Board at the end of July. Pending that fuller review, Cabinet approves an amendment to the STDC constitution so that there are a minimum number of 6 members and a maximum of 10 members on the STDC Board, including the Tees Valley Mayor and Leader of Redcar and Cleveland Borough Council.

**DETAIL**

1. There are a number of items of business that the Combined Authority Cabinet is required to confirm at the AGM, and these are set out below.

**Appointments**

2. The Cabinet is recommended to agree a number of appointments to its statutory committees for the municipal year 2021-22. The appointments schedule at Appendix 1 details nominations to the statutory committees. It also details the proposed make-up of non-statutory/advisory Board appointments, external appointments and statutory officers.
3. In summary, the following statutory appointments are being made:

- **Deputy Mayor** – under our Constitution, the role of Deputy Mayor circulates annually amongst the Council Leaders. In line with this rotation, Mayor Andy Preston, Mayor of Middlesbrough Council, is nominated as the Deputy Mayor for the 2021-22 municipal year.
  - **Cabinet** – the Cabinet is the decision making body for the Combined Authority. The Tees Valley Mayor chairs the Cabinet, made up of the five Constituent Authority Leaders, and the Chair of the LEP as a non-voting member.
  - **Overview and Scrutiny Committee** – this statutory committee reviews the policies and operations of the Combined Authority, ensuring effective democratic scrutiny of decisions. Members have been appointed by each of the constituent authorities, on the basis of political balance as set out in the constitution.
  - **Transport Committee** – this statutory committee reviews transport strategy and policies of the Combined Authority and makes recommendations to Cabinet. The Committee is Chaired by the Portfolio holder for Transport, Councillor Heather Scott. Members are drawn from the executive member with transport responsibilities from each constituent authority, plus a private sector LEP member.
  - **Audit and Governance Committee** – this statutory committee assures sound governance and financial management of the Combined Authority. Members have been appointed from each constituent authority, on the basis of political balance, plus up to 4 independent members.
  - **South Tees Development Corporation Board** – this Board guides and oversees delivery of the key objectives of the South Tees Development Corporation (STDC) as set out in its Constitution. The proposal before Cabinet reduces the number of Board members in total to 7 members, including the Tees Valley Mayor and leader of Redcar and Cleveland Borough Council. Accordingly, Cabinet is asked to formally amend paragraph 12 of the STDC constitution to indicate that the minimum number of Board Members is 6 and the maximum number of Board Members is 10 in total, including the Tees Valley Mayor and Leader of Redcar and Cleveland Borough Council.
  - **Teesside Freeport Board** – this Board makes recommendations to Cabinet on Freeport strategy and policies, reviews Freeport services, ensures compliance with Freeport legislation and co-ordinates the interests of landowners and other key stakeholders.
4. The Chair and Vice Chair of the Combined Authority Overview and Scrutiny Committee, the Chair and Vice Chair of the Audit and Governance Committee and the Vice Chair of the Transport Committee will be brought forward to a future Cabinet meeting following their next meeting.

#### **Other non-statutory/advisory groups:**

- **Education, Employment and Skills Advisory Group**– this group brings together partners to provide strategic oversight on policies improving educational outcomes, enhancing skills and helping people into work.
- **Creative Place Advisory Group** - This group will receive updates from and provide sector insights and expert advice to the Creative Place and Place Marketing teams to shape the approach to delivery of Creative Place programmes and areas of strategic responsibility.

- **Industrial Collaboration Board** – this board brings together local partners and stakeholders to leverage the full potential of our innovation ecosystem, build innovation capability, R&D capability, and innovation commercialisation. Its focus is on supporting innovation in clean energy, low carbon, hydrogen, bioscience, chemicals and industrial digitalisation. The group does not meet on a formal basis.
- **Transport Advisory Group** – this group brings together officers and partners with responsibilities for the Tees Valley’s transport infrastructure.
- **Business Growth Steering Group** - the group oversees the Tees Valley’s business growth services.

### **Local Enterprise Partnership Membership**

5. The Local Enterprise Partnership (LEP) is the Tees Valley’s principal forum for collaboration between the regional public and private sectors. LEPs exist across England as part of a national network, but uniquely in the Tees Valley this partnership is strengthened by its integration within the decision-making structures of the Combined Authority, with LEP members also Associate Members of the Tees Valley Combined Authority Cabinet.
6. The LEP Board membership also includes a representative from the Tees Valley Further Education (FE) sector and a Business Representative Organisations Observer, with the respective representatives confirmed annually.
7. A recruitment exercise has been undertaken to replace those members whose term has come to an end. This has taken place one year later than originally planned due to the impacts of Covid-19. This process is in the final stages and an update confirming the outstanding nominations to the LEP is expected to be provided to Members at the Cabinet meeting on 2<sup>nd</sup> July 2021.

### **Appointments to External Bodies**

8. The appointment schedule also proposes Tees Valley representation on a small number of external bodies; including Transport for the North, European Structural Investment Fund sub-committee (constituted by the government as managing authority for European Union funding) and the Local Government Association.

### **Officer Groups**

9. The Combined Authority supports a range of officer groups which ensure coordination between the authority and its constituent councils. The arrangements for officer coordination are continually reviewed to ensure that effective communication and close partnership arrangements are maintained between officers on all aspects of the Combined Authority’s responsibilities.

### **Members Allowances Scheme and Mayoral Allowance**

10. The Mayor’s allowance is set following a recommendation to Cabinet by the Independent Remuneration Panel.

11. The Independent Remuneration Panel met on 4<sup>th</sup> May, 2021 to consider the allowance that would be applicable for the Mayor following the election in May 2021. Professional, independent advice looking at Mayoral allowances in detail was commissioned to be considered at this meeting. The Panel's report including their recommendation for the Mayoral Allowance is attached at Appendix 2.
12. Members' travel and subsistence allowances for the year 2021-22 are detailed in Appendix 3.

### **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**

14. The report relates to the Constitution of the Combined Authority which sets out the appropriate statutory framework. The Constitution came into effect on 8<sup>th</sup> May 2017 and is legally binding.

### **RISK ASSESSMENT**

15. 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**

16. 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**

17. There is a commitment from Cabinet to achieve a 50/50 gender balance and to increase overall diversity on the LEP. Although delayed by the COVID-19 outbreak it is intended that any recruitment process will secure more diverse membership of the LEP.

### **LOCAL ENTERPRISE PARTNERSHIP**

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

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