

TEES VALLEY COMBINED AUTHORITY Q&A

1. What is a Combined Authority?

Combined Authorities are statutory bodies created to formalise joint working and decision-making between councils in order to accelerate economic growth. Government has said it is keen to see Combined Authorities created to tie in with Local Enterprise Partnership (LEP) areas and ours would work seamlessly with Tees Valley Unlimited (TVU), the LEP for the area.

Sheffield, the North East (covering Durham, Tyne and Wear, and Northumberland), Greater Manchester, Liverpool and West Yorkshire have already established Combined Authorities, each with slightly different structures and functions.

It is proposed that the Tees Valley Combined Authority would focus on strategic transport and infrastructure, employment and skills, economic development, business investment and low carbon. These are all functions currently carried out on a strategic level by Tees Valley Unlimited, the Local Enterprise Partnership for the area. The Combined Authority would, uniquely, maintain the proven and successful business link with the LEP board members. Meetings would be held jointly and business would have a voice on the Combined Authority board.

2. What is a LEP and how would it be different to a Combined Authority?

Tees Valley already has a LEP called Tees Valley Unlimited (TVU) which is a partnership between the public and the private sector in Tees Valley. TVU carries out work at a strategic Tees Valley level on economic development, transport, infrastructure and skills. The current LEP is part of an agreement between the five Tees Valley Local Authorities.

The Combined Authority would be a statutory body giving Government the certainty of structure and accountability necessary to devolve more significant amounts of money and levels of decision making

3. Why is a Tees Valley Combined Authority being suggested?

Creating a Combined Authority would build upon the existing excellent partnership of local authorities and put a structure in place that would ensure the area can take advantage of new powers and funding which may become available.

The plans would see the councils continue to exist in their own right delivering local services but unite as a formal Tees Valley Combined Authority when focusing on strategic economic development, transport, infrastructure and skills.

The new statutory body provides a better opportunity to also unlock devolved powers and resources from Government.

4. What would the Combined Authority do?

The Combined Authority will carry out the activities of the LEP including; work with businesses to attract business investment; influence training and education to ensure business has the skilled people it needs and local residents are able to get the training they need to secure locally created jobs; work to influence Government policy and ensure the economic needs of the Tees Valley are understood and accommodated.

Government has indicated that devolution of more powers and resources is more likely to an area served by a Combined Authority. The Labour Party has also affirmed its commitment to devolve power and resources to Combined Authorities.

5. What powers would the Combined Authority have?

The Combined Authority would be able to make decisions on strategic transport and infrastructure, employment and skills, economic development, business investment and low carbon at a Tees Valley level, with the local authorities and private sector being represented in the decision making process. Some local decision-making authority would be retained.

6. Would this mean the local authorities would be merged creating a county council?

No. The plans would see the councils continue to exist in their own right delivering local services but unite as a formal Tees Valley Combined Authority when focusing on strategic economic development, transport, infrastructure and skills.

The Combined Authority will also be the vehicle through which we can receive future devolved powers down from Westminster, not merging or taking over local authorities.

7. Would a Combined Authority add another layer of bureaucracy and make decision making more remote?

No, having a Combined Authority would make decision making simpler for strategic transport and infrastructure, employment and skills, economic development, business investment and low carbon.

The Combined Authority (initially comprising the Leaders and Elected Mayors from the 5 authorities) could take decisions for the whole of the Tees Valley without having to return to the individual councils to have decisions confirmed ensuring that the needs of the whole of the Tees Valley are taken into account.

By having representatives from the local authorities and the private sector business leaders involved in decision making the Combined Authority would ensure both views are considered. It would also be clearer who is responsible for decisions.

8. The current partnership system seems to have worked well – why change it?

The current partnership does work well and creating a Combined Authority would build on the existing excellent partnership. Putting the Combined Authority structure in place will ensure the area can build on the current relationships and take advantage of new powers and funding which may become available through devolution.

9. What would the differences be between having the current LEP and having a Combined Authority?

The differences are mainly to do with how the organisation works with the Local Authorities and interacts with Government. To the businesses and organisations that currently work with Tees Valley Unlimited there will be little if any noticeable difference, except that decision-making will speed up.

The Combined Authority will be a statutory body giving Government the certainty of structure and accountability necessary to devolve more significant amounts of money and levels of decision making.

10. The Government has said it will devolve further powers to the regions, so why do we need a Combined Authority?

We do not yet know the details of what powers are likely to be devolved in future, however we understand from Government and the Opposition that by having a Combined Authority we are more likely to be able to have some of these powers for the area.

11. Would this cost more than the current structure and if so how much?

The structure that is being developed is similar to the existing structure of TVU and therefore we do not expect it to cost much more. We are required to have some functions in a Combined Authority to meet legislative requirements (e.g. a Section 151 Officer, for financial purposes) but we already have such functions and responsibilities in local authorities now so we will work to share these with the Combined Authority where we can at little or no extra cost. Once a structure has been finalised, which will happen over the coming months, we will know the actual costs.

12. If an integrated Transport Authority is set up as well, would that involve further costs?

At this stage, we see the advantages of having the powers of an ITA so that we can ensure transport policy and services are better aligned to our economic ambitions, but the current legislation will not allow for this to happen just yet. We are working through the merits, costs etc of potentially taking on transport powers in future.

13. You have City Deal status which gives the area more powers, therefore, why do you need a Combined Authority?

The Combined Authority would enable the Tees Valley to remain at the forefront of interaction with the Government. In other words enabling the area to continue to punch well above its weight.

14. We've got Core Cities and Key Cities, why do we need another layer?

The Tees Valley has recently become a Key City giving the area a stronger voice to Government. Becoming a Combined Authority potentially would give the area the powers and funding to enable the area to really take advantage of this position.

15. Would there be role duplications and if so would there be any job losses?

As the activities to be done by a Combined Authority are mainly those that are currently done by TVU. With existing TVU staff servicing the Combined Authority we do not expect there to be duplication or job losses.

16. Where would the Combined Authority be based?

Most of the work that the Combined Authority carries out day to day would be done by the existing TVU Staff at their current offices in Stockton. We don't see any reason to change what is already working well.

17. Would there be the expense of new HQ/offices?

No

18. What are the timescales?

All five Tees Valley councils will receive a report in their cycle of Cabinet / Finance & Policy Committee/Executive Meetings between 22nd November and 9th December. Subject to approval, this will signal the start of consultation with local people, businesses, partner organisations etc between then and the end of January. Subject to the results of that consultation, approval from each Council to submit the scheme formally to Government would be sought quite soon afterwards.

19. If there is a new chief executive what would their salary be?

No, the Managing Director of TVU would be appointed to head up the combined Authority. TVU already has a Managing Director and we do not envisage the Combined Authority making any difference to the salary level already paid.

20. Who will be consulted on the plan?

Between now and February we will be consulting with all the groups who would be affected by the change including businesses, organisations involved in skills and transport in the area through to local people through a range of consultation arrangements.

21. Do you have to get permission from the Government to do this?

Yes, as we would be creating a statutory body we would need to put our plans to Government for approval.

22. Does this mean we are going to have a Tees Valley Elected Mayor?

There is no intention to move towards such a position at this point in time but governance arrangements may change as the agenda evolves.

23. Would the Local Authorities still be responsibilities for roads in their areas?

Local authorities would still be the Highways Authorities with responsibility for repairs and maintenance . The Combined Authority would be a strategic body and would get involved in strategic transport decisions.

24. Does the Combined Authority want to be a tax raising body?

It is not the intention to ask for tax raising powers at this point in time, however we need to see what powers Government is planning to devolve to local areas.

25. What would the scrutiny arrangements be to ensure the activities of the Combined Authority are open and transparent?

It is proposed that a Scrutiny Panel is set up which would include councillors from each of the local authorities. The purpose of the Scrutiny Panel would be to review, inform and shape policy and decisions and the direction of the Combined Authority.

26. Why are you not joining the Combined Authority already established with 7 local authorities in the North East?

The Tees Valley has a distinct and unique economy and TVU's success has proved that specialised work is required for our economic development; once size doesn't fit all – ours might be small but it will be perfectly formed!