

**EXECUTIVE MEMBER - THE
MAYOR**

Date: Tuesday 2nd February, 2021

Time: 10.00 am

Venue: Virtual

AGENDA

Please note: this is a virtual meeting.

The public elements of the meeting will be live-streamed via the Council's [Youtube channel](#) at 10.00 am on Tuesday 2nd February, 2021

- | | | |
|----|---|---------|
| 1. | Extension of IT Provision in Schools for Virtual Learning | 3 - 10 |
| 2. | Middlesbrough Council Support for Tees Valley Bid for Freeport Status | 11 - 16 |

⇌ Denotes Key Decision

Charlotte Benjamin
Director of Legal and Governance Services

MEMBERSHIP:

A Preston (The Mayor) (Chair),

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Report of:	Sue Butcher – Executive Director Children Services Councillor Mieka Smiles – Executive Member for Communities and Education
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Submitted to:	Individual Executive Member Meeting – The Mayor – 2 February 2021
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Subject:	Extension of IT Provision in Schools for Virtual Learning
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Summary

Proposed decision(s)
To support an initiative to ensure Middlesbrough’s children and young people have access to IT hardware and internet connection to enable remote virtual learning.

Report for:	Key decision:	Confidential:	Is the report urgent?
Decision	Yes – more than 2 wards will be affected.	This report is not confidential.	For the purposes of the call-in procedure, this report is urgent.

Ward(s) affected
All

What is the purpose of this report?

1. The report provides context and rationale for an investment in remote technology aimed at narrowing the digital divide and provide children and young people an equitable opportunity to learn in the current circumstances.

Why does this report require a Member decision?

2. There is a requirement for a Single Member decision to formally consider this report to agree to provide £350K funding to mitigate the impact of extended school closures as a result of the COVID 19 pandemic. The funding will support recovery from ‘lost learning’ for young people and the ability to participate in online learning.

Report Background

3. In December 2020, the Council committed £20,000 to support disadvantaged pupils to access IT hardware and internet connection to enable virtual learning and to mitigate disruption from learning due to the impact of Covid. 50 devices and Wi-Fi connectivity were purchased through ONEIT and a loan scheme established for schools to access. Under the original plans (when Middlesbrough was Tier 3), schools were invited to loan devices should a learning bubble need to isolate away from school. Due to the most recent

restrictions which included the closure of schools this scheme has now been exhausted and all digital devices are now loaned out (on long-term loan).

4. Under current lockdown measures schools have increased accountability to provide learning that mitigates lost learning as a result of COVID. New government guidance was published that strengthened expectations for the provision of remote education and confirmed remote education curriculum should be aligned to the classroom curriculum as much as possible. Ofsted have also confirmed schools remote learning offer will be a key focus of interim visits. This has significantly increased the onus on adequate provision of digital devices/ digital access for the young people in our town.
5. In order to fulfil this expectation, nationally DfE have increased their offer to schools by another 300,000 laptops in addition to the 700,000 already delivered and they have confirmed all schools will receive 100% of their ordered allocation. Analysis of school pupil premium numbers has revealed that this allocation only caters for a specific cohort of pupils within schools total of disadvantaged pupils meaning that some pupils will not receive a device from the DfE. Recently published data confirms that 1408 devices have now been delivered to maintained schools and approximately 7000 to Academy Trusts. Figure 1 below outlines the breakdown of disadvantaged pupils in schools across Middlesbrough.

School Type	Pupil Premium Count
Primary	5633
Secondary	3801
Special & PRU	344
Total	9778

Figure 1 number of pupil premium pupils attending Middlesbrough schools (January 2021)

On this basis, it can be concluded that not all families will be provided for and additional support is essential to bridge the gap.

Demand

6. Schools have been surveyed to understand sufficiency and the barriers leaders face in not being able to provide virtual remote education in the current circumstances. Leaders report concerns for groups such as: households with more than one child attending school; pupils not classed as formally disadvantaged under national guidelines and not having access to remote technology in the home. It is noted that families across the town are being impacted particularly those communities where deprivation is more prevalent and also areas where family members have been impacted by consequences of the pandemic such as being subject to furlough or changes in working practises resulting in recent hardship within the household.
7. Accepting the current local schemes (school based and voluntary sector/ private sector assistance) and national schemes will not meet sufficiency within the town this new proposal will further address the needs of schools.

Proposal

8. Schools have been invited to submit requests for support for additional IT technology including WIFI and digital devices. This has enabled schools to create a preferred choice based on pupil need and request systems that will fit within their local IT environment.

Total number of devices requested: **1,291**
Total number of WIFI connectivity requested: 261
Total expenditure for this option: **£345, 102**
(Appendix A)

These figures are representative of school replies and account for pupils in all key stages.

9. It is proposed funding is offered to the schools as listed above which will purchase of the necessary remote learning equipment for their pupils.
10. Funding for this scheme will be sourced from the 'Contain Expenditure Management Fund' (COMF) under the categories of:
 - Targeted interventions for specific sections of the local community and workplaces
 - Community-based support for those disproportionately impacted - such as the BAME population

Alternative options considered

11. Other options have been explored, including a tender process and sourcing laptops 'in – house'. It is clear these other options will incur an increased time delay in roll-out and there is a clear urgent need to provide devices as soon as possible to stop the young people of Middlesbrough being further disadvantaged by the prolonged lockdown/ school closure.
12. Other options considered also did not enable timely bespoke provision at a school level which is necessary when supporting pupils with the digital devices within the local IT school environment.

Decision(s) required:

13. It is recommended a Single Member decision supports the initiative to ensure Middlesbrough's children and young people have access to IT hardware and internet connection to enable remote virtual learning and agree funding to the sum of £350K to purchase 1,291 devices and 261 remote connectivity.
14. It is further recommended that an agreement is made with schools that under these arrangements the ownership of the devices rests with schools. The devices will not be returned to the LA creating lasting legacy of digital provision across the town.

Why is this being recommended?

15. The impact on learning for pupils not having access to remote virtual technology will widen the achievement gap. Dedicating this resource will help secure learning opportunities as well as promote safeguarding for pupils who do not have access appropriate technology in the home. In addition, this facilitation will promote the government message of wherever possible stay at home and support school closures to help effectively manage the impact of Covid.

Impact(s) of recommended decision(s)

16. Children and young people will be afforded equitable opportunities to continue to access learning and make progress in line with their peers.

Equality and Diversity

17. There will be no negative, differential impact on diverse groups and communities associated with this report.

Legal

18. A legal agreement between the LA and schools will be conditional for schools to receive funding. This agreement will stipulate the equipment becomes the responsibility of the school upon receipt.

Financial

19. A commitment of £350,000 for the provision of digital devices for young people of the town

Policy Framework

20. The proposed action has no impact on the Council's policy framework.

Risk

21. The implementation of the recommendations made within the report will support the Council in ensuring that our children and young people will be afforded opportunities and support to enable young people to succeed as well as creating a lasting digital legacy for Middlesbrough beyond the current pandemic.
22. This supports the Council's strategic 'Recovery' aims and works to help address identified risks to the achievement of key priorities outlined in Figure 3.

O4-006	If young people leaving school in Middlesbrough do not have the qualifications or skills needed to progress to further education, employment or training, then they are less likely to reach their potential, achieve economic wellbeing and contribute to future economic vitality of the town.
O4-015	If attainment at all key stages fails to narrow with national benchmarks the council could be perceived as not having a focus on education.

Figure 3. Risk register

Actions to be taken to implement the decision(s)

23. Single Member decision to agree investment
24. Agree to school requests. Appendix (A)
25. Distribute funding to schools

Appendices

26. IT requests from schools and cost per school (A)

Background papers

27. There are no background papers to this report.

Contact: Karen Smith, Head of Achievement Education Prevention and Partnerships

Email: Karen_smith@middlesbrough.gov.uk

APPENDIX A

SCHOOL SUPPORT REQUESTS

SCHOOL	NUMBER OF DEVICES	TYPE	Cost per device	TOTAL COST
Abingdon (Found)	20	lenovo tablet 16GB	£93	£1,860
Acklam Whin (Found) - emailed x 2, called	10	Dell laptop	459	4,590
Archibald (Found)	60	iPad (including protective case	£354	£21,240
Ayresome	120	LENOVO IdeaPad Slim 11.6" Laptop, AMD Athlon Silver, 64 GB eMMC, Grey	£199	£23,880
Beech Grove	50	APPLE 10.2" iPad (2020) - 32 G	£329	£16,450
Berwick Hills (Found)	25	ipad	£329	£8,225
Brambles	44	IPADS	£250.50	£11,022
Breckon Hill (Found)	100	laptop- OneIT to advise	£300	30,000
Caldicotes Acad - called	No Support Required			
Captain Cook	8	l pads 32 gb	£329	£2,632
	8	Dell laptops	£499	£3,992
Chandlers Ridge - emailed x 2	No Support Required			
Corpus Christie	20	iPad	245	4900
Discovery	12	IPADS	£250.50	£3,006
Easterside Acad - emailed x 2 and called	No Support Required			
Green Lane Acad - emailed x 2	No Support Required			
Hemlington Hall Acad - emailed x2 and called	No Support Required			
Kader Acad	30	Apple ipad air	£329 (Currys)	£9,870
Lingfield	20	ipads	250	5000
Linthorpe	20	IPad (2020) 32GB 10.2 inch	£329.00	£6,580.00
Marton Manor	10	Laptops	£399.90	£3,990.00
Newham Bridge - called	20	ipads	329	6580
Newport (Found)	15	ipad	330	4950
	15	dongle	37	555
North Ormesby Acad - emailed x 2	No Support Required			
	30	N565627w Lenovo Ideapad 3i 128GB	£305.40	£9,162
Pallister Park (Acad)	30	ipads	£329	£9,870
Park End - called	30	ipads	£329	£9,870
Pennyman Acad	54	IPADS	£250.50	£13,527
Rose Wood Acad - called	15	Laptops	£300	£4,500
Sacred Heart	10	iPad	245	2450
St Alphonsus	40	iPad	245	9800
	25	Wifi Dongles	40	1000
St Augustines	10	iPad	245	2450
	2	Wifi Dongles	40	80
St Clare's	5	iPad	245	1225
	4	Wifi Dongles	40	160
St Edward's	5	iPad	245	1225
St Thomas More	10	iPad	245	2450
St Pius	60	iPad	245	14700
	20	Wifi Dongles	40	800
Sunnyside Acad	50	Dell Latitude 3510 i5 8Gb 256	£546	£27,300
The Avenue	10	l pads 32 gb	£329	£3,290
	5	Dell laptops	£499	£2,495
Thorntree (Found)	25	Laptop	279.99	6999.75
Viewley Hill Acad - emailed x 2 and called	No Support Required			
Whinney Banks	20	iPads + Licenses	£278.15	£5,563
	20	pens	£90	£1,800
Acklam Grange	37	Lap top	175	£6,475
	30	wireless routers for SIMS cards	£46.98	£1,409.40
Outwood Academy Acklam	80	Laptop (Chromebook) - https://www.currys.co.uk/gb/uk/computing/laptops/laptops/lenovo-ideapad-3i-11-6-chromebook-intel-celeron-32-gb-emmc-black-10207516-pdt.html	£179	£14,320
Macmillan Academy - emailed x2 and called	15	Laptops	300	4500
Outwood Academy Ormesby	50	Chrome book	245.2	14712
The Kings Academy - emailed x 2	No Support Required			
Trinity	138	Android Tablet inc licence	100	13800
	15	Wifi Dongles	40	600
Unity - emailed x 2 and called	No Support Required			
Beverley - emailed x 2 and called no reply	No Support Required			
Holmwood - emailed x 2	No Support Required			
Priory Woods - emailed x2 and called	No Support Required			
Hollis Academy - emailed x 2	No Support Required			
RTMAT Lower - emailed x 2	No Support Required			
RTMAT Middle - emailed x 2	No Support Required			
RTMAT Higher - emailed x 2	No Support Required			

£345,985

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Impact Assessment Level 1: Initial screening assessment

Subject of assessment:	Extension of IT provision in schools for virtual learning			
Coverage:	Adult Social Care & Health Integration			
This is a decision relating to:	<input type="checkbox"/> Strategy	<input type="checkbox"/> Policy	<input type="checkbox"/> Service	<input type="checkbox"/> Function
	<input type="checkbox"/> Process/procedure	<input type="checkbox"/> Programme	<input type="checkbox"/> Project	<input type="checkbox"/> Review
	<input type="checkbox"/> Organisational change	<input checked="" type="checkbox"/> Other (please state) – financial support for schools for the most vulnerable pupils		
It is a:	New approach:	<input type="checkbox"/>	Revision of an existing approach:	<input checked="" type="checkbox"/>
It is driven by:	Legislation:	<input type="checkbox"/>	Local or corporate requirements:	<input checked="" type="checkbox"/>
Description	<p>Key aims, objectives and activities To mitigate the impact of extended school closures as a result of the COVID 19 pandemic. The funding will support recovery from 'lost learning' for young people and the ability to participate in online learning</p> <p>Statutory drivers There is no statutory duty for Middlesbrough Council to provide this support specifically, however the decision is relevant to the PSED within the Equality Act 2010.</p> <p>Differences from any previous approach The proposal will increase the level of funding available to schools to support their most vulnerable children.</p> <p>Key stakeholders and intended beneficiaries (internal and external as appropriate) Children attending Middlesbrough schools who are in need of support to access education and address 'lost learning'.</p> <p>Intended outcomes That the most vulnerable children are supported to be able to continue their education during pandemic.</p>			
Live date:	2 February 2021			
Lifespan:	N/a.			
Date of next review:	n/a			
Screening questions	Response			Evidence
	No	Yes	Uncertain	
Human Rights Could the decision impact negatively on individual Human Rights as enshrined in UK legislation? *	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>The proposal would look to support access to education for those less able to access online support because of deprivation and other factors, this is in line with the Right to Education which is protected under the Human Rights Act.</p> <p>Evidence considered includes analysis of current demand, analysis of the level of need in Middlesbrough using pupil premium data and feedback from schools.</p>

<p>Equality Could the decision result in adverse differential impacts on groups or individuals with characteristics protected in UK equality law? Could the decision impact differently on other commonly disadvantaged groups? *</p>	☒	☐	☐	<p>The Public Sector Equality Duty (PSED) requires that when exercising its functions the Councils must have due regard to the need to:-</p> <ul style="list-style-type: none"> eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act; advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and foster good relations between persons who share a relevant protected characteristic and persons who do not share it. <p>In having due regard to the need to advance equality of opportunity, the Council must consider, as part of a single equality duty:</p> <ul style="list-style-type: none"> removing or minimising disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic; taking steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it; and encouraging people who share a protected characteristic to participate in public life or in any other activity in which participation is low. <p>The proposal is relevant to the age protected characteristic because of the nature of the proposal. It will have a positive impact on this group and will directly address removing some of the disadvantages that those receiving a pupil premium are currently experiencing during this prolonged lockdown.</p> <p>Evidence considered includes analysis of current demand, analysis of the level of need in Middlesbrough using pupil premium data and feedback from schools.</p>
<p>Community cohesion Could the decision impact negatively on relationships between different groups, communities of interest or neighbourhoods within the town? *</p>	☒	☐	☐	<p>There are no concerns that the proposal to adversely impact community cohesion. Schools will award technology to pupils on the basis of need.</p> <p>Evidence considered includes analysis of current demand, analysis of the level of need in Middlesbrough using pupil premium data and feedback from schools.</p>
<p>Next steps:</p> <p>➡ If the answer to all of the above screening questions is No then the process is completed.</p> <p>➡ If the answer of any of the questions is Yes or Uncertain, then a Level 2 Full Impact Assessment must be completed.</p>				
<p>Assessment completed by:</p>	<p>n/a</p>		<p>Head of Service:</p>	<p>Rob Brown, Director of Education, Prevention and Partnerships</p>
<p>Date:</p>			<p>Date:</p>	<p>1/2/2021</p>

Report of:	Charlotte Benjamin, Director of Legal and Governance Services Andy Preston, Executive Member – The Mayor
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Submitted to:	Individual Executive Member Meeting – The Mayor – 2 February 2021
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Subject:	Middlesbrough Council Support for Tees Valley Bid for Freeport Status
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Summary

Proposed decision(s)
That the report be noted and to endorse the submission of a Tees Valley Combined Authority (TVCA) led bid to the Government by 5 th February 2021 for a Freeport in the Tees Valley sub-region.

Report for:	Key decision:	Confidential:	Is the report urgent?
Decision	Yes	N/A	Urgent

Contribution to delivery of the 2020-23 Strategic Plan		
People	Place	Business
N/A	N/A	.

Ward(s) affected
N/A

What is the purpose of this report?

1. The purpose of this report is to seek an Executive decision to endorse the submission of a Tees Valley Combined Authority (TVCA) led bid to the Government by 5th February 2021 for a Freeport in the Tees Valley sub-region. It is proposed that Middlesbrough Council’s endorsement of the bid is signified by the Elected Mayor signing the bid on behalf of the Council.

Why does this report require a Member decision?

2. The bid for Freeport status must be supported by the leader of each Local Authority- in this case the Elected Mayor of Middlesbrough - within whose area the proposed Freeport zone lies. An Executive decision is sought to endorse the bid and to enable

the Mayor to signify the Council's endorsement by signing the bid. Should the bid be successful, then further discussions will take place with TVCA and Government in order to finalise proposals for the Freeport, prior to a further report being brought back to full Executive for approval.

Report Background

Government Freeport Agenda

3. As set out by the Government, Freeports are a flagship programme that will play an important part in the UK's post-COVID economic recovery and contribute to realising the levelling up agenda by bringing jobs, investment and prosperity to some of the most deprived communities across the UK, with targeted and effective support. The government recognises that different regions will have different existing strengths, institutions and local economic strategies.
4. The Government intends to select successful Freeport locations that account for and take full advantage of the diverse potential and comparative advantage of different regions of the UK. The Government has confirmed that they remain committed to running a fair, open and transparent bidding process to ensure Freeport locations are selected on the basis of their ability to fulfil our objectives.

Freeport Bid Submission Process

5. The Government published its Freeport Prospectus on 16th November 2020 which provided detail on the UK Freeports model and sets out how bidders can apply for Freeport status in England.
6. The bid to Government will be prepared and made by the TVCA by the 5th February 2021 deadline as set out by the Government. Post the submission HM Treasury will evaluate the bids throughout spring 2021.
7. A winning bid must be rooted in the Tees Valley's globally competitive strengths and meet the Government's three criteria: creating hubs for global trade; regeneration and levelling up; and creating hotbeds of innovation. The competition criteria are a good fit for the Tees Valley, including the need to demonstrate how the proposed Freeport supports the UK's Net Zero ambitions.
8. Prior to submission on 5th February 2021, the final bid will need to be agreed and signed by the Local Authorities included in the bid and the relevant persons from the TVCA/LEP. The agreement from Middlesbrough Council is sought through this decision, with the signatory being the Elected Mayor.
9. Upon a positive decision at the Individual Executive Member – The Mayor meeting, the agreement from the TVCA/LEP would be sought at a future TVCA Cabinet meeting on 29 January 2021.
10. Post a successful submission and assessment process, the TVCA will enter into formal discussions with Government. Upon successful award, in readiness for adoption of agreed boundaries and associated tax sites/measures in summer 2021 a full business case and subsequent passage of legislation will take place throughout 2021 and into 2022 depending on Government priorities.

11. It is anticipated that once the final details of the Freeport are established via discussions with Government and TVCA a further report will be brought back to full Executive for agreement.

Freeport General Proposals

12. Upon a successful bid to Government the exact nature and composition of the Freeport in the Tees Valley will be subject to further discussions with HM Treasury.

13. Please note that, as set out below, some details with regard to the proposed locations of customs and tax zones are confidential bearing in mind the competitive bidding process with the Government and, therefore, these are considered to be exempt from disclosure under Paragraph 3 of Part 1, Schedule 12A, Local Government Act 1972 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)). Verbal information may be disclosed during the Executive meeting with regard to these zones but, at this point, Executive will be asked to resolve to exclude the press and public in order to maintain confidentiality.

14. Notwithstanding the future discussions with Government and potential refinement, the principle of the Freeport proposals remain the same. They will designate land in an area and then allow incentives on that land; making it attractive for future development and economic growth. The designated land will include the following:

- Custom Zones will:
 - Be physically defined land which can be made secure.
 - Allow businesses in the zone to receive tariff benefits, including duty deferral while goods remain on site and duty inversion if the finished goods exiting the Freeport attract a lower tariff than their component parts.
 - Be subject to the UK's trade agreements, businesses may also be able to take advantage of customs duty exemption on goods that are imported into a Freeport, processed into finished goods and subsequently re-exported.
 - Authorise businesses in the zone to use simplified import procedures.
 - Be subject to simplified planning processes.
 - Be located at sites in the borough of Redcar & Cleveland and elsewhere in the Tees Valley. Due to the bidding process to Government being competitive, to reveal full details publicly at this time, ahead of the submission deadline, may potentially disadvantage the bid's prospects of success.

- Tax Zones will:
 - Be physically defined land.
 - Allow businesses to benefit from Stamp Duty Land Tax (SDLT) relief.
 - Allow businesses to benefit from Enhanced Structures and Building Allowance (SBA), providing enhanced tax relief for firms constructing or renovating structures and buildings for non-residential use within Freeport tax sites. This accelerated relief is intended to allow firms to reduce their taxable profits by 10% of the cost of investment every year for ten years, compared with the standard 3% p.a. over 33 and a third years available nationwide. This relief would be claimable where qualifying expenditure is incurred, all associated construction contracts are entered into and the asset in question is brought into qualifying use between 1 April 2021 and 30 September 2026.

- Allow businesses to benefit from Enhanced Capital Allowances (ECA) for companies investing in qualifying new plant and machinery assets
- Allow businesses to benefit from National Insurance (NI) relief, so they won't be required to contribute NI for their staff assuming they spend 60% of their time working on the zone.
- Allow businesses to benefit from 100% Business Rates relief.
- Be subject to simplified planning processes.
- Be located at sites in the borough of Redcar & Cleveland. Again, due to the bidding process to Government being competitive, to reveal full details publicly at this time, ahead of the submission deadline, may potentially disadvantage the bid's prospects of success. Therefore, the proposed sites are not explicitly defined in this report but may be presented to Executive (and Scrutiny) via a verbal/presentation update during the meeting.

Freeport Governance

15. The Government does not define a specific governance model for the operation of Freeports. Subject to ongoing discussion with the Government and the TVCA the proposed governance model for the Tees Valley Freeport is via a 'board', managed by the impartial TVCA, which will consist of the following representatives:
- Local Authority Elected Member
 - TVCA Mayor
 - Local MP(s) with constituency interest in the Freeport area
 - Concerned port operators in the Freeport area
 - Significant landowners in the Freeport area
 - Significant businesses or operators in the Freeport area
 - Institutions of innovation such as universities
16. Operators/businesses that are included in the Freeport custom/tax zones will operate independently and the board will not intervene in their day-to-day operations. Again, subject to ongoing discussion with the Government and the TVCA the main role and responsibilities of the board will be to:
- Ensure the physical security of the custom zone areas.
 - Assess whether a business can benefit from the tax incentives etc. It is important to note that the board cannot influence whether a business locates in the custom/tax zone (as each business operates normally and normally an external body cannot dictate whether investment takes place on their land/site).
 - Ensure that the Government rules and regulations are being adhered to by businesses in the custom/tax zones.
 - Influence/liaison with Government.
17. Operators/businesses will ultimately be responsible for the adherence to regulations relating to HMRC and UK Border Force, Security & safety (tracking products), illicit trade activities, money laundering, terrorist financing etc. Whilst there will be initial "seed" funding from Government the costs of setting up and operating a Freeport thereafter will be shouldered by the operators/businesses and not the Council.

The governance as set out above will be subject to further refinement post a successful bid submission and further discussions with Government and TVCA.

Potential Freeport Economic Impact

18. The TVCA have undertaken (via Vivid Economics consultants) an assessment of the Freeport proposals on the Tees Valley economy. In principle the Freeport status will seek to realise the following benefits across the Tees Valley:
- Create 20,000+ jobs.
 - £2bn added to GVA.
 - Increased speed and size of investment on Teesworks and other sites.
 - Reinvigorated and decarbonised chemical and process cluster.
 - Realising the offshore wind opportunity.
 - Biomanufacturing jobs of the future.

Who has been consulted and engaged?

19. The TVCA is responsible for preparing the Freeport bid for the Tees Valley to Government; notwithstanding this, the Council and local businesses, landowners and organisations are a key consultee in the process and bid submission process. The TVCA has undertaken the following consultation:
- Business and key stakeholders workshop on 2nd December 2020.
 - Ongoing consultation and engagement with key Tees Valley businesses, land owners and organisations with regard to involvement in the Freeport bid process from the beginning of December 2020 onwards.
 - Discussion at Tees Valley Management Group on 9th December 2020.
 - Ongoing dialogue with officers and Elected Members of the Council from the beginning of December 2020 onwards.
 - Workshop with key Elected Members and Officers from Tees Valley Local Authorities on 11th January 2021.
20. Whilst the TVCA is responsible for the bid, the Council is required to sign the final submission of the bid made to Government.

Impact(s) of recommended decision(s)

Legal

21. The governance implications with regard to this report are set out in paragraph 15 above. The Freeport arrangements would be implemented by way of legislation.

As identified within the report, some details relating to the sites proposed as part of the bid are confidential, therefore, to reveal full details publicly ahead of the submission deadline may impact negatively on the prospect of the bid's success.

It is considered that the public interest in withholding that information at this stage outweighs the public interest in it being disclosed, on the basis that (a) there are significant benefits for the Borough in the event that the bid is successful, and (b) that full details of the bid will, in any event, be released in due course should the proposals be approved and be progressed to the next stage, prior to final approval being sought from Executive.

Financial

22. Whilst there will be initial “seed” funding from Government the costs of setting up and operating a Freeport thereafter will be shouldered by the operators/businesses and not the Council. The financial risks to the Council associated with the Freeport proposals will be limited to the issue of (i) business rates and (ii) planning application fees.

(i) Business Rates Retention

In principle the Council will retain the growth in business rates going forward, the only caveat being that it will need to show how rates will be used to support investment and growth in the local area.

(ii) Planning Application Fees

Custom/Tax zones will be subject to simplified planning processes, primarily through Local Development Orders (LDOs). LDOs allow certain developments to take place without the need to apply for planning permission and therefore would not be subject to a planning fee. It is anticipated that the majority of the development on the zones will be major and/or likely have significant impacts and therefore would be subject to Environmental Impact Assessment regulations which preclude permission through the LDO route. It is therefore assumed that any impact on planning fee income to the Council would not be significant.

The specific financial impact of the Freeport proposals will be subject to further refinement post a successful bid submission and further discussions with Government and TVCA.

Policy Framework

23. The decision will not amend the Council’s policy framework. The decision is aligned with the Mayor’s priorities and the Strategic plan 2020 – 2023.

Equality and Diversity

24. This proposal does not raise any impacts for those individuals or groups with protected characteristics.

Risk

25. At the Council meeting on 2 September 2020, the Mayor advised that it was the ambition of the Council to become carbon-neutral by 2029 and for the town to become carbon-neutral by 2039. TVCA have confirmed that Tees Valley Freeport bid’s narrative will be focussed upon clean, green manufacturing industries. This will be confirmed by the TVCA upon submission of the bid to Government on 5th February 2021.

Actions to be taken to implement the decision(s)

26. Endorse the submission of the bid.

Background papers

27. No Background Papers were used in the preparation of this report.