

## Appendix I

### SUMMARY OF THE STATUTORY FRAMEWORK

#### 1. Introduction

- 1.1 This Appendix provides a summary of the statutory framework for the South Tees Development Corporation (“the Development Corporation”).

#### 2. Primary Legislation

- 2.1 The Localism Act 2011 (“the 2011 Act”) empowers the Secretary of State, by order, to establish a Development Corporation for an area and to give that corporation a name notified by the Mayor.

#### 3. The South Tees Development Corporation (Establishment) Order 2017 (“the 2017 Order”)

- 3.1 The 2017 Order established the Development Corporation on 1<sup>st</sup> August 2017 and it establishes:-
- The area of land shown bounded externally by the inside edge of the black line on the map; and
  - The name of the Mayoral development area as South Tees Development Corporation.

#### 4. The Tees Valley Combined Authority (Functions) Order 2017 (“the MDC Order”)

- 4.1 The MDC Order provides for the Combined Authority to have in relation to its area functions corresponding to functions that the Mayor of London has in relation to Greater London to designate mayoral development areas and to initiate the establishment of Mayoral Development Corporations (under the Localism Act 2011).
- 4.2 The Mayor must exercise the functions conferred on the Combined Authority. As a transitional measure, in advance of the Mayor assuming their responsibilities on 8<sup>th</sup> May 2017, the functions can be exercised by the Chair of the Combined Authority, with an additional requirement that the Chair must invite, and have regard to any reports or recommendations of the Combined Authority’s Overview and Scrutiny Committee, before designating an area as a Mayoral Development Area. The Mayor is not subject to this requirement.
- 4.3 The Mayor may only exercise the functions conferred on the Combined Authority, with the Combined Authority Cabinet’s agreement, and if the Constituent Authority Member for any Authority whose council area contains any part of the area to be designated, consents to the exercise of the functions.

- 4.4 The Mayor also has functions in relation to Mayoral Development Corporations, including providing for their membership, the terms of appointment of their Members, and their proceedings and meetings.
- 4.5 The 2017 Order provides for the funding of the expenditure arising from the exercise of these functions.
- 4.6 The Corporation has a number of specific powers from the Localism Act, as set out below:
- Powers in relation to infrastructure
    - This includes the power to provide, or facilitate the provision of infrastructure.
  - Powers in relation to land
    - The power to regenerate or develop land.
    - To bring about the more effective use of land.
    - To provide buildings or other land.
    - To acquire, hold, improve, manage, reclaim, repair or dispose of land, buildings, plant, machinery, equipment or other property.
    - To carry out building or other operations, including demolishing buildings.
  - Powers to acquire land
    - To acquire land in its area or elsewhere, in accordance with the provisions of the Localism Act 2011.
  - Powers in relation to acquired land
    - To override easements
    - To extinguish public rights of way (with the consent of the Secretary of State)
  - Powers in relation to businesses and companies
    - To carry on any business.
    - To form or acquire interests in any business or company.
  - Financial assistance powers
    - To provide financial assistance to any person.
    - This may be given in any form, including grants, loans, guarantees, investments, or the incurring of expenditure for the benefit of the person assisted.
  - Powers in relation to discretionary relief from non-domestic rates

- To determine the amount of discretionary rate relief from non-domestic rates (i.e. business rates).

4.7 Under the Localism Act 2011 the Development Corporation must promote and maintain high standards of conduct and adopt a code of conduct for its Members.