



TEES VALLEY
COMBINED
AUTHORITY

TEES VALLEY
MAYOR

GROUP



ANNUAL REPORT

2021/22



Foreword

As we stand on the other side of the coronavirus pandemic, our attention has now shifted to recovery – of our businesses, economy and our communities.

Throughout 2021 and into 2022, the period that this report covers, we continued to engage with all of our sectors to ensure their needs were being met, as the country navigated its way out of lockdowns. But we also put in place building blocks to enable us to come back more resilient, confident and stronger than before.

We continued delivery of key projects as laid out in our £588million Ten-Year Investment Plan, while providing more key support for those industries most affected including, for example, our £20.5million Growth Programme for the Creative & Visitor Economies. We again secured funding in our £30.5million devolved Adult Education Budget to help post-19 learners, including those who may have suffered in the face of the pandemic.

Hugely, we were also awarded £310million for some of the region’s biggest transport priorities – to improve bus corridors, rail lines, stations, walking and cycling routes; boost our hydrogen transport hub, low carbon and digital initiatives plus further support for Wheels 2 Work and on-demand bus services to keep people moving.

During the time of reduced operations, Teesside International Airport underwent a £3million terminal transformation, with state-of-the-art security, new bars, shopping options and the return of duty free after 12 years. We made the terminal fit for the future and ready to welcome increased passenger numbers ahead of our biggest summer schedule in almost a decade kicking off in March. Our attention also turned to our land and property assets, with work officially under way on our £200million Southside business park, so the site can work for our companies as well as our passengers.

Over at Teesworks, our demolition programme continued at pace, with Junction Houses, the South Bank Gas Holder and other major structures brought down to clear the land for investors. One such investor, SeAH Wind Ltd, announced it would be bringing its £400million offshore wind monopile facility to the site, creating 750 direct jobs and a further 1,500 in the supply chain and during construction.

Our developments at the airport and Teesworks is why I dubbed 2022 our “year of construction”, with major infrastructure projects taking shape. Plans we have been working on for years ramped up in the first quarter of 2022, letting us get spades in the ground later in the year on projects such as Middlesbrough, Eaglescliffe and Hartlepool stations and, of course, SeAH Wind’s facility.

To turbocharge the economy in every corner of Teesside, Darlington and Hartlepool, we also officially launched the Teesside Freeport, the UK’s biggest and first operational. This is already proving a huge draw for businesses such as SeAH Wind and key sites including the Airport, Wilton International, Ports of Middlesbrough and Hartlepool and more are offering business incentives that will grow our economy by billions and create 18,000 jobs.

Across the region, we have worked with our local authorities, Local Enterprise Partnership, business community and many others while continuing to recover and rebuild following the height of the pandemic and, once again, I’d like to thank them all.

With major, multimillion-pound investments under construction right now in our region, and billions of pounds of further projects in the pipeline, on top of the UK’s largest and first operational Freeport and a rejuvenated airport, we’re ready and able to grab new post-pandemic opportunities with both hands.



Ben Houchen, Tees Valley Mayor and Chair of Tees Valley Combined Authority

Introduction

Tees Valley Combined Authority, established in April 2016 following a Devolution Deal with Government, aims to transform the Tees Valley region by driving economic growth and creating jobs.

It is led by the elected mayor Ben Houchen, following his re-election in May 2021, and is a partnership of five Local Authorities — Darlington, Hartlepool, Middlesbrough, Redcar and Cleveland, Stockton-on- Tees. Using powers devolved from Whitehall to work closely with our business community and partners the Combined Authority works to make local decisions that support the growth of our economy.

The Combined Authority is unique among its peers in having a fully integrated Local Enterprise Partnership (LEP), making it an exemplar of public-private sector cooperation. The LEP works side-by-side with the Combined Authority and is equally responsible for the delivery of its objectives and implementation of its core documents to drive growth across the region.

LEP Board members are also Associate Members of the Combined Authority Cabinet and therefore the core documents of the Combined Authority also represent the LEP Delivery Plan for Tees Valley.

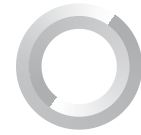
These include our Strategic Economic Plan, which aims to create 25,000 new jobs and deliver an additional £2.8billion into the Tees Valley economy by 2026 and our £588million Investment Plan which covers our funding commitments in six key themes - transport; education, employment and skills; business growth; culture and tourism; research, development and innovation; and investment in our towns and communities.

The effects of the coronavirus pandemic continued to be felt throughout 2021 and until the final lockdown restrictions were lifted in early 2022. As such, the Mayor and Combined Authority continued to take leading role in working with our constituent Local Authorities and other bodies to react to the outbreak and support our businesses through continued lockdowns and into a period of economic recovery.

This Annual Report 2021-22 outlines our progress in meeting our aims over the previous financial year, including a statement of those accounts. However, the scope of this report has necessarily expanded to include details of how we are continuing to drive forward growth following an unprecedented two years.



Left to right: Cllr Mary Lanigan, Leader of Redcar and Cleveland Borough Council; Cllr Bob Cook, Leader of Stockton-on-Tees Borough Council; Andy Preston, Mayor of Middlesbrough; Ben Houchen, Tees Valley Mayor; Cllr Shane Moore, Leader of Hartlepool Borough Council; Cllr Heather Scott, Leader of Darlington Borough Council

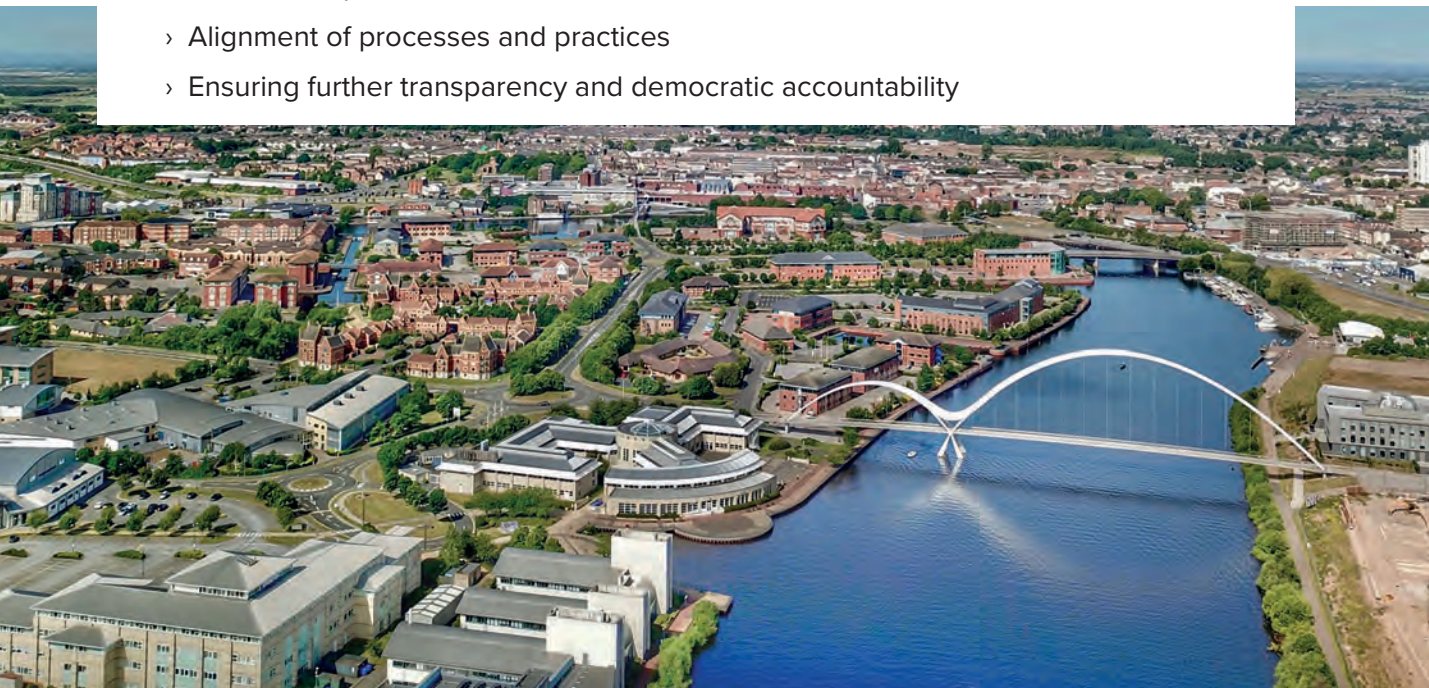


Since its inception in 2016, Tees Valley Combined Authority has gone through a number of developments and changes in its organisational structure as a result of its Devolution Deal with Government and to take advantage of the opportunities available to help it achieve its aims of growing the economy, creating jobs and transforming the Tees Valley.

Due to acquisitions and expanding powers, this has developed into a group structure. Tees Valley Combined Authority Group encompasses the Combined Authority itself, Teesside International Airport and Teesworks – the trading name for the South Tees Development Corporation and South Tees Site Company.

The Group approach brings with it benefits including:

- › Single Group Chief Executive and Group Directors, allowing for strategic oversight of all the group's constituent bodies
- › Further integration and cross-body collaboration
- › Reduced duplication of efforts and labour
- › Alignment of processes and practices
- › Ensuring further transparency and democratic accountability



THIS TIMELINE DETAILS HOW WE REACHED THIS POINT.

April 2016 – Tees Valley Combined Authority established. Devolution deal gave the region powers to create democratically controlled Mayoral Development Corporations

May 2017 – Region's first elected Tees Valley Mayor takes office

August 2017 – South Tees Development Corporation (sister organisation to the Combined Authority chaired by the Mayor) is officially launched to remediate land at a 4,500- acre area south of the River Tees. It is hailed as the largest investment opportunity in the UK

January 2019 – Tees Valley Mayor and Combined Authority Cabinet votes to bring Teesside International Airport into public ownership

February 2019 – Teesside International Airport officially brought back into public

ownership, with some Combined Authority Directors also taking roles in the airport's organisational structure

April 2019 – Compulsory purchase proceedings begin to acquire the land and assets of the former SSI steelworks within the Development Corporation site

February 2020 – Public inquiry into the Compulsory Purchase of SSI steelworks begins

April 2020 – It is ruled that the South Tees Development Corporation has been successful in its attempt to bring the former SSI land and assets back into public ownership

July 2020 – South Tees Development Corporation site officially renamed Teesworks, as a 12-month, £393million demolition and land remediation plan is unveiled

September 2020 – Following the transfer of land to the South Tees Development Corporation, the South Tees Site Company, responsible for the keepsafe and security of the site, is also transferred from Government control under the Department for Business, Energy and Industrial Strategy to local control

September 2020 – Tees Valley Combined Authority Group structure established, bringing Teesworks (South Tees Development Corporation and Site Company) and Teesside International Airport into the Combined Authority fold

October 2020 – Outstanding land at the Teesworks site officially brought into public control





Year in highlights

TRANSPORT

- Secured £310million of City Region Sustainable Transport Settlement (CRSTS) funding for 2022/23 – 2026/27 to enable us to make further progress towards delivering a world-class integrated transport system
- Started to transform the Tees Valley bus services and grow passenger numbers through a shared commitment with the operators to developing and starting to deliver a five-point Bus Service Improvement Plan focusing on decarbonisation, fares and ticketing, infrastructure, ensuring a sustainable bus network and branding
- Improving infrastructure to make cycling and walking the natural choice for shorter journeys by starting to deliver the first phase of the Woodland Road, Darlington and Linthorpe Road, Middlesbrough, Local Cycling and Walking Infrastructure Plan schemes, which will be completed in 2022/23, and continued development work on a number of other schemes
- Ensuring everyone can access opportunity by removing barriers to employment and education through the ongoing delivery of the Tees Flex on-demand bus service and delivering a new Tees Valley Wheels 2 Work service providing supported access to zero emission e-motorcycles until March 2024
- Continued to transform the Tees Valley rail system by completing the first phase of work at Middlesbrough Station to enable the new service to / from London Kings Cross to commence in December 2021 and developed and agreed the investment for phase 2, which will transform the station undercroft and gateway to the town centre. At Darlington Station, land acquisition and project development work has continued in advance of the start of construction in 2022/23
- Improving the electric vehicle charging infrastructure to position the Tees Valley at the forefront of decarbonising transport by appointing a contractor to supply, install, operate and maintain electric vehicle charging points
- Putting the Tees Valley at the heart of the digital transport revolution by developing a Digital Transport Strategy and progressing improvements to the digital management of the highway network

INVEST TEES VALLEY

- More than £165million of private sector investment supported
- A pipeline of new private sector investment enquiries of more than £8billion, with the potential to create and safeguard more than 10,000 jobs
- Of this pipeline, a number of major investments are already well under way such as Anglo American's Woodsmith Mine connection to Wilton International, with some approaching completion, such as Strabag's precast tunnel segment production plant in Hartlepool
- The Tees Valley Capital Grant Scheme, funded through the Combined Authority's Investment Plan, has supported multiple private sector projects during the past 12 months, including expansions by design and fabrication experts Wilton Engineering and the attraction of GB Bank's head office investment in Middlesbrough



EDUCATION, EMPLOYMENT & SKILLS

- Approved the second Tees Valley Employment and Skills Strategy (July 22)
- More than 1,000 businesses committed to supporting our schools to deliver Careers Education
- £30.3million devolved Adult Education Budget and L3 awarded to 36 Training Providers in 21/22
- Secured £3million from Government's Kickstart scheme to create job placements for 16 to 24-year-olds
- 123 local businesses created 612 Kickstart job placements
- Provided 184 apprenticeships grants for employers
- Delivered the DWP Innovation Pilot, Routes to Work. Engaged with more than 3,900 unemployed Tees Valley residents and supported more than 976 into employment
- Secured £250,000 from the Learning and Work Institute to deliver the New Futures Pilot, a scheme to support adult career changers whose employment has been affected by Covid-19 pandemic
- 588 businesses engaged through the Skills for Growth programme, providing training to 810 employees. Provided a programme of leadership and development master classes for small to medium sized businesses
- Secured £3.6million to deliver Skills Bootcamps in Tees Valley

BUSINESS GROWTH

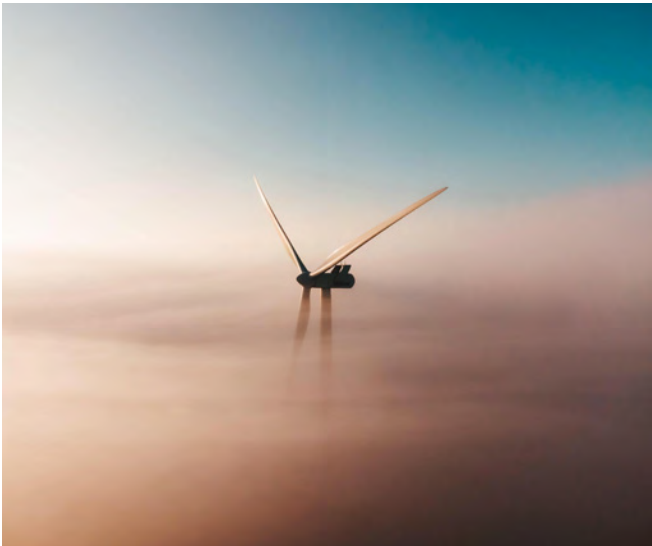
- Secured and launched £826,000 Community Renewal Fund (Tees Valley Business Challenge) – a nationally recognised pilot programme referred to in the UK Shared Prosperity Prospectus, designed to accelerate SME development of market-led solutions to innovation challenges and supply chain opportunities relevant to local economic priorities
- Due to significant demand, secured an additional £5.5million of ERDF funding to continue delivery of the Tees Valley Business Growth Grant Programme. Total ERDF supported grant programme allocation increased from £14.7million to £24.2million
- Delivery of the £1.97million ERDF SME Energy Efficiency Scheme (SMEEs), providing Tees Valley SMEs with fully funded energy efficiency audits and expert advice to identify ways to save energy, as well as grant support to implement energy saving projects
- Secured £600,000 government funding and launched the Made Smarter Digital Adoption Programme along with partner NE LEP, aimed at improving manufacturing productivity through the adoption of Industrial Design Technologies (IDT)
- Continuation of the EU Exit business support programme providing advice and guidance to Tees Valley businesses on trading with the EU under the new UK-EU Trade & Cooperation Agreement
- Launch of the new Tees Valley Business website [<https://www.teesvalleybusiness.com>] and social media channels and the TVCA corporate CRM (Microsoft dynamics)



Year in highlights (cont.)

CLEAN GROWTH

- Tees Valley's Cluster Plan for Industrial Decarbonisation has made significant progress this year
- Work has commenced on the Net Zero Industry Innovation Centre at Teesside University
- Work continues with NEPIC, Energi Coast and TWI through our Sector Networks programme
- Phase 2 of the Local Authority Delivery Scheme (LAD2) continues at pace.
- The North East and Yorkshire (NEY) Net Zero Hub will facilitate the UK's transition to Net Zero by 2050
- Tees Valley's work on Net Zero was highlighted to world leaders at the COP26 event in Glasgow



TEESWORKS

- SeAH Wind announces new offshore wind facility – a £400million investment, bringing 750 direct jobs and 1,500 in construction and the supply chain
- Teesside Freeport announced – the UK's biggest and first operational Freeport, with Teesworks at its heart
- Construction of the South Bank Quay is well under way following a £107million investment from the UK Infrastructure Bank – its first ever investment
- Net Zero Teesside is named the UK's premier CCUS project by the Government
- Bp announces major clean energy projects, including plans for blue and green hydrogen plants
- Accelerated demolition programme, with large areas of land being cleared for investment
- Construction is under way on the Teesworks Skills Academy to help support businesses, investors and individuals
- £1,000s raised for charity with Teesworks commemorative coins, celebrating the history and the future of the site



CULTURE & TOURISM

- £20million Growth Programme for the Creative & Visitor Economies to drive sector development and unlock economic and social impacts over the next four years
- Destination Management Plan 2021-2026 developed which will focus the Combined Authority's activity to invest in existing and new destination products; engagement with partners; and, development and targeting of campaigns and activity through the Enjoy Tees Valley destination platforms
- North East Screen Industries Partnership established, including MOU with the BBC for £25million inward investment in production and skills across five years
- Tees Valley Combined Authority designated as Arts Council's only Combined Authority Priority Place in new programme which seeks to grow cultural equality and investment in underdeveloped areas
- Festivals Scale-Up Programme launched as new approach to sustainably growing regional festivals. Nine festivals to be supported over four years



TEESSIDE INTERNATIONAL AIRPORT

- TUI, the UK's biggest holiday firm, returned to the airport operating flights to Majorca in summer 2022
- Ryanair returned with flights to Alicante, Majorca, Corfu and Faro, Portugal
- KLM increased flights to Amsterdam Schiphol following the pandemic
- Global aviation company Willis Lease Finance Corporation commits to investing £25million on it's expansion, creating jobs for local workers
- Draken, formerly Cobham Aviation, confirmed expansion of operations following submission of planning to construct 5,000sq ft facility
- World Duty Free opens a new duty-free shop following a 12 year absence from Teesside Airport
- UK's first pilot areas to test hydrogen vehicles as part of the Tees Valley's status as the country's Hydrogen Transport Hub – £2.5million project
- Involvement with Sustainable Aviation Fuel (SAF) research and development



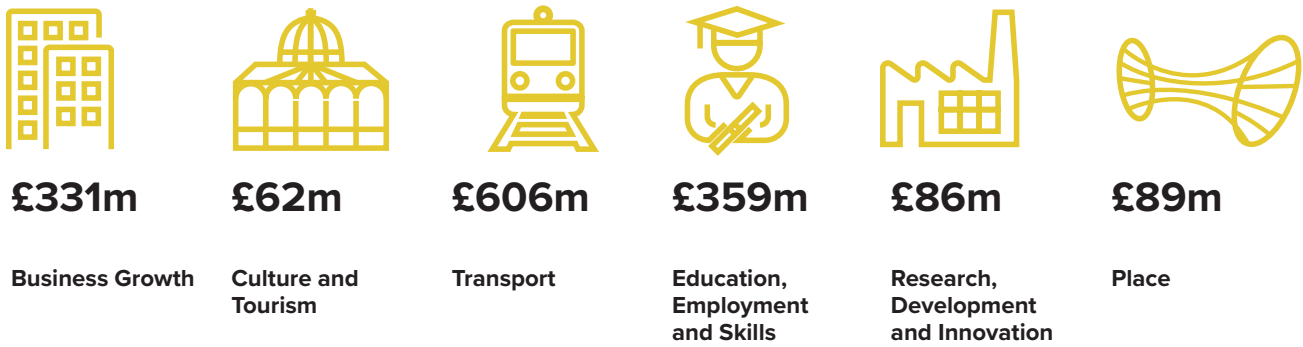
Investment Plan

In January 2019, the Tees Valley Combined Authority agreed a ten-year Investment Plan 2019-29. This plan has reviewed and updated at relevant intervals since and continues to reiterate the commitment to driving growth in line with the Strategic Economic Plan’s ambitions.

The Investment Plan sets out, at a high level, the transformational investments that the Combined Authority will commit resources to. The total impact of delivering the Investment Plan will be in the order of 16,475 direct jobs and a £1.48billion economic boost.

The Combined Authority has significantly accelerated Investment Plan delivery – for the year ending March 2022 £305.3million was invested in projects and programmes. This represents the largest annual investment by the Authority since its inception and a 60% increase in investment from 2020/21.

Investment Plan activity has been prioritised across six growth generating themes:



- To diversify the economy, support more business start-ups, develop high growth potential businesses and key growth sectors.
- To build cultural vibrancy in our communities and change external perceptions of the Tees Valley through the arts, cultural and leisure offer while creating places that attract and retain businesses and business leaders and make the area more attractive to investors, workers and visitors.
- To improve connectivity within the Tees Valley, across the Northern Powerhouse, the UK and the world.
- To increase educational attainment, produce the skilled workforce that businesses need and increase lifetime opportunities for our residents.
- To introduce new processes and practices which reduce carbon emissions, increase productivity and the availability of high value jobs.
- To create a vibrant, attractive and sustainable Tees Valley. Revitalising our town centres and urban core, bringing forward surplus public and blighted brownfield land for development and strengthening our commercial property offer.

BUSINESS GROWTH: £331MILLION

To diversify the economy, support more business start-ups, develop high growth potential businesses and key growth sectors including:

- A range of support for businesses:
 - › The £35million business growth programme has reacted to the COVID crisis and delivered additional central government support were possible. Despite the pandemic, the programme remains on track to meet its main objectives and demand for business support services remains strong
 - › The Tees Valley Business service provides businesses with easy access to support services through one central location, bringing together the different types of support traditionally delivered as discrete projects across the region. Support is provided via a website, email portal, telephone and directly through business advisors
 - › The business growth programme is supported by ERDF funding to provide grants to SMEs and is delivered alongside the ERDF SME Energy Efficiency Scheme. This project is designed to provide Tees Valley SMEs with fully funded energy efficiency audits and expert advice to identify ways to save energy, as well as grant support to implement any energy saving projects identified
- £20million Stockton High Street project to deliver the vision for Stockton Town Centre, creating a vibrant, modern town centre by building on past investment to
- £20million Welcome to Redcar Programme to promote area regeneration in support of economic growth in the tourism and visitor economy of Redcar & Cleveland and the wider Tees Valley. The range of projects within the programme will act as a key catalyst to promote and attract a sustainable visitor economy as part of its wider place-based regeneration plans for the borough in line with national policy. The first two projects within the programme are currently in progress – Regent Cinema and Guisborough Town Hall
- Boho ‘The Digital City’ project is designed to create a digital campus which will ensure that the Tees Valley becomes a recognised centre for digital media investment both nationally and internationally. It will provide the environment for businesses to design, enable, create, and grow new digital opportunities and put Middlesbrough at the heart of the most important and rapidly evolving industries in the world. The first of the two buildings constructed from this fund was completed in March 2021
- The Teesworks site, part of the Teesside Freeport, the UK’s largest and first operational Freeport, is home to diverse, sustainable and low-carbon activity. Development activity is continuing on the site to make it investor-ready, with a strong focus on local labour and supply chains



CULTURE AND TOURISM: £62MILLION

To build cultural vibrancy in our communities and change external perceptions of Tees Valley through the arts, cultural and leisure offer while creating places that attract and retain businesses and business leaders and make the area more attractive to investors, workers and visitors including:

- A £20million Cultural & Visitor Economy Programme incorporating the recommendations of the independent Cultural Industries & Visitor Economy Recovery Task Force with a programme that is focused on economic recovery, regeneration and growth through the sustainable development of the creative and visitor sectors. Activity under this plan will commence in 2022/23
- £20million for Darlington Council's priority project, a major capital scheme which will establish a Railway Heritage Quarter, based around the Head of Steam museum on North Road/Station Road, north of Darlington town centre. The aim is for the Railway Heritage Quarter to become a major visitor attraction and museum by 2024 to play a central part of the bicentenary celebrations of the birth of the Stockton & Darlington Railway in 2025
- £20million for the Hartlepool Waterfront project will create a 'destination' at the waterfront, encouraging growth in visitor numbers to regenerate the place via the tourism / leisure / culture offer. The project will work with the National Museum of the Royal Navy to expand the exhibition space while leisure facilities will be constructed, along with external event space and improved public realm

TRANSPORT: £606MILLION

To improve connectivity within the Tees Valley, across the Northern Powerhouse, the UK and the world, focused on schemes including:

- £310million secured from the City Region Sustainable Transport Settlement for the five-year period from 2022/23 with a programme of activity to be agreed with Government
- Rail improvements – significant contributions to major transformational projects at Darlington, Middlesbrough, Hartlepool and Eaglescliffe stations
- Ensuring the key route network of roads can facilitate sustainable growth with investments in the proposed A19 New Tees Crossing and A689 corridor improvements
- Making cycling and walking the natural choice for shorter journeys – Our Local Cycling and Walking Infrastructure Plan (LCWIP) setting out a long-term approach to developing a comprehensive Tees Valley cycling and walking network. The plan is complemented by a programme of activity to encourage cycling and walking, including personalised advice, training, better information and positive incentive programmes
- Ensuring delivery of the Tees Valley Wheels 2 Work scheme through to 2024
- Supporting the installation, operation and maintenance of a network of electric vehicle charging points across Tees Valley

EDUCATION, EMPLOYMENT AND SKILLS: £359MILLION

To increase educational attainment, produce the skilled workforce that businesses need and increase lifetime opportunities for our residents including:

- Working collaboratively with the Northern School of Art and Middlesbrough Council on the relocation of the Northern School of Art's Further Education Campus, Middlesbrough. This project has completed and welcomed its first learners in September
- Adult Education Budget – 32,000 Tees Valley learners have participated in Adult Learning with a further 41,621 enrolments supported so far in 2021/22
- Acting as a Gateway Organisation to support Tees Valley Businesses access the national £2billion Kickstart job placement scheme, designed to create high-quality six-month work placements to those aged 16 to 24 who are on Universal Credit and are deemed to be at risk of long-term unemployment. Over 600 young people have accessed this scheme to date
- Securing £3.6million to deliver Skills Bootcamps in Tees Valley offering flexible courses of up to 16 weeks, giving people the opportunity to build up sector-specific in-demand skills and fast-track an interview with an employer

RESEARCH, DEVELOPMENT AND INNOVATION: £86MILLION

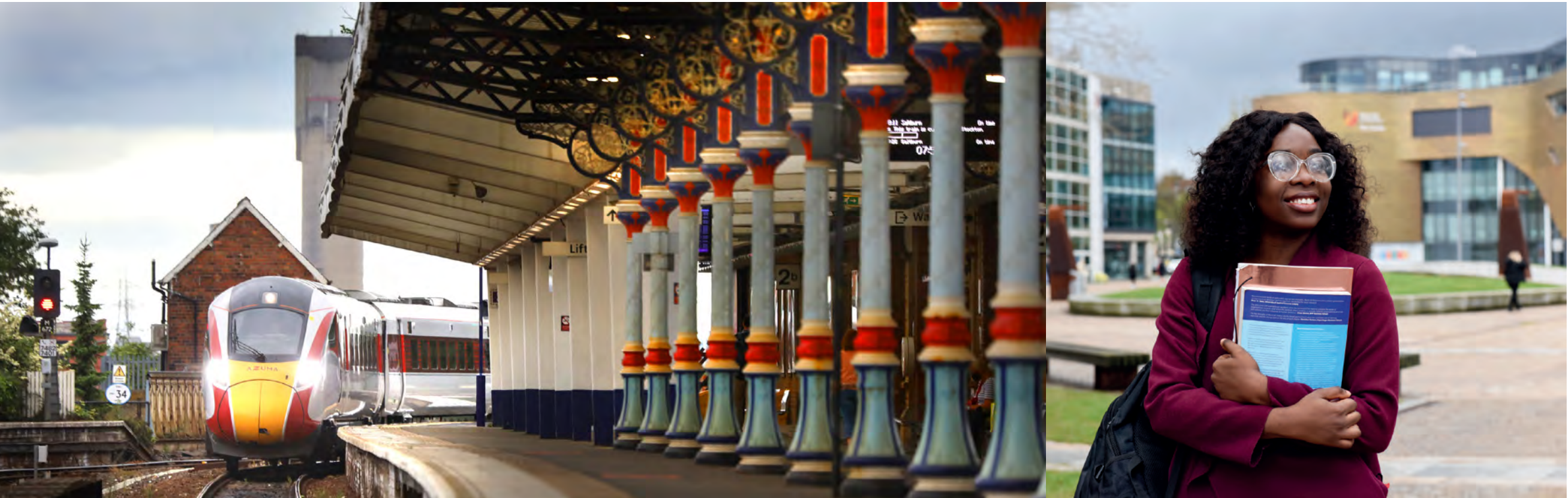
To introduce new processes and practices which reduce carbon emissions, increase productivity and the availability of high value jobs including:

- The North East and Yorkshire Energy Hub, which TVCA is the accountable body for, is actively engaged in delivering a £53million Green Homes Grant LAD2 programme across 27 of its 31 local authorities. It is completing delivery of a £1.7million Rural Community Energy Fund Programme, which will soon be evaluated. In 2022 it will run a £0.7million Public Sector Decarbonisation Skills funding programme
- Approving investment of up to £4million in the CPI Novel Food Innovation Centre. The project will create a Centre of Excellence in bio-manufacturing, including areas such as nutraceuticals, feed and novel food, at Wilton, Redcar
- Investing in the Net Zero Industry Innovation Centre – a £13.5million development at Teesside University. The Centre is expected to be completed in June 2023, and will be a nationally recognised research and development initiative that is focused on clean growth and Net Zero technologies

PLACE: £89MILLION

To create a vibrant, attractive and sustainable Tees Valley. Revitalising our town centres and urban core, bringing forward surplus public and blighted brownfield land for development and strengthening our commercial property offer including:

- Administering the Brownfield Housing Fund. The Tees Valley was initially awarded £19.3million from the fund designed to bring empty and neglected land back into productive use that would otherwise be too costly to develop. TVCA and the local authorities have worked closely together to determine five sites earmarked to deliver 945 homes in the first year of the scheme
- Working with local authority partners to develop projects to access the Indigenous Growth Fund Programme funding of up to £60million to promote area regeneration in support of economic growth in each of the five key settlements of the Tees Valley



Tees Valley Business

Business Growth

Small and medium sized businesses (SMEs) are crucial to our economy, and it is vital to give them the support they need. Tees Valley Business provides a single access point for Tees Valley SMEs to access a full range of advice, activities and programmes that will enable them to start, sustain and grow.

Support has included:

- Secured and launched £826,000 Community Renewal Fund (Tees Valley Business Challenge) – a nationally recognised pilot programme referred to in the UK Shared Prosperity Prospectus designed to accelerate SME development of market-led solutions to innovation challenges and supply chain opportunities relevant to local economic priorities. The aim being to strengthen innovation maturity in the Tees Valley economy, building resilience for post-Covid economic recovery and unlocking growth potential
- Securing an additional £5.5million ERDF to continue delivery of the Tees Valley Business Growth Programme. Due to significant demand from Tees Valley SMEs and fully committing the original grant element of the programme, the total ERDF supported grant programme allocation increased from £14.7million to £24.2million
- Delivery of the £1.97million ERDF SME Energy Efficiency Scheme (SMEEs). The project was designed to provide Tees Valley SMEs with fully funded energy efficiency audits and expert advice to identify ways to save energy, as well as grant support to implement any energy saving projects identified
- Worked in partnership with colleagues in the ESS team to support delivery of the Skills for Growth Programme by referring suitable SMEs for support – 224 businesses engaged, 214 completed training needs analysis and skills development plan and 368 individuals received direct training support
- Worked closely with the Creative Place team and supported 17 festivals via the Festivals 2021 Recovery Fund to the value of £308,000 and Festivals Scale Up Programme launched to support Tees Valley festivals with high growth potential – the first initiative of the new £20million Growth Programme for the Creative and Visitor Economies
- Securing £600,000 government funding and launching the Made Smarter Digital Adoption Programme along with partner NE LEP, designed to improve the productivity of Tees Valley manufacturers through the adoption of Industrial Design Technologies (IDT). The programme comprised one-to-one digital health checks, workshops, and grant support towards the cost IDT specialist support as well as the cost of purchasing new technology and equipment
- Continued delivery of the EU Exit business support programme, comprising “tier 1” support available via the 24/7 telephone helpline, and “tier 2” support with an EU Exit Adviser offering more one-to-one advice and guidance on trading with the EU under the new UK-EU Trade & Cooperation Agreement
- Securing £180,000 and launching Round 2 of the Peer Networks Programme. This forms an element of the National Peer to Peer Network Programme designed



Andy Preston (left) Portfolio Lead for Business



- to help business owners/leaders with support on how to grow and strengthen the businesses overall performance for future success
- Launching the Tees Valley ‘Connections’ Challenge. This was an open technology innovation challenge offering a ‘prize fund’ of up to £70,000 to support Tees Valley businesses to introduce SMART technologies and enhanced digital infrastructure
- Supporting 51 individuals with start-up support on the Start Up to Scale Up Programme, creating 19 new business and 37 new jobs. Providing 772 pre-starts with start-up support & guidance via the ERDF Tees Valley Business Start Up Programme delivered by the North-East Enterprise Agency Ltd (NEEAL)
- Delivery of a BME community engagement research pilot to increase diversity of businesses supported by Tees Valley Business. The aim of the pilot is to inform future activities and business support offers targeting businesses in the BAME community



- The Grow Tees Valley Conference, which took place on 18 November 2021 with more than 160 attendees. This free event aimed to help Tees Valley SMEs access to the expertise, market opportunities, support, and finance they need to grow
- 28,612 unique hits on the Tees Valley Business website, of which 25,314 (90%) were new users, with 124 webinars hosted with more than 2,500 enquiries received and 922 businesses supported with one-to-one appointments

Invest Tees Valley



Mary Lanigan (left) Portfolio Lead for Inward Investment



WILTON ENGINEERING

The Combined Authority supported Wilton Engineering with a £1.4million capital grant to acquire the former EEW, Offshore Structures (Britain) Ltd site at Haverton Hill. The site acquisition creates a combined 112-acre site, with the potential to create up to 200 new jobs at the firm. The expanded site includes workshops, a blast and paint facility and a wet dock allowing Wilton Engineering to exploit the commercial opportunities arising in clean energy sectors such as offshore wind, tidal and hydrogen, as well as a growing number of defence contracts. The new site also increases the firm's logistics and storage capability and its location within the Teesside Freeport also brings associated benefits to support new investments.



GB BANK

We supported GB Bank's investment into a new headquarters at Central Square, Middlesbrough. GB Bank is a dedicated lender to SME property developers and has taken 11,000sq ft of office accommodation in Middlesbrough's purpose-built 2 Centre Square. The investment will support the creation of 120 head office staff covering finance, risk, customer management, marketing, human resources, IT, lending and savings.

PRYSMIAN GROUP

We worked with Prysmian which has set up a dedicated marine base in the Port of Middlesbrough. The opening of the facility allows Prysmian to operate in a strategically closer location to the UK submarine cable market and the offshore wind sector. The new facility serves as an operational base for mobilisation or demobilisation of cable laying vessels, subsea equipment maintenance, survey management, and storage of installation tools and equipment.

ENERGI COAST – OFFSHORE WIND CLUSTER DEVELOPMENT

Energi Coast is a partnership of private and public sector stakeholders who lead the development of the Offshore Wind Supply Chain Cluster across the North East of England. NOF, with Combined Authority and NELEP support, has secured funding to ensure the work of the cluster is resourced to maximise the opportunities in offshore wind over the coming years. Working together with an industry group of 35 companies including supply chain firms, wind farm developers, original equipment manufacturers, ports and the region's universities, Energi Coast assists the supply chain in becoming more competitive, encouraging companies to enter the offshore wind sector, supporting innovation and helping develop the skills base of the region. Critically, Energi Coast is a key channel for Tees Valley to highlight to an international audience the compelling offer of the North East's offshore wind supply chain capabilities, business environment and key infrastructure to support the sector.



HIGH POTENTIAL OPPORTUNITY – DEPARTMENT FOR INTERNATIONAL TRADE (DIT)

We have worked with DIT to deliver two new HPO marketing propositions to support overseas inward investment promotion and targeting activities.

Biomanufacturing HPO: We are working with DIT to promote Tees Valley for biomanufacturing related investment with a sectoral focus on biopharmaceuticals, food and feed, biochemicals and biofuels. The proposition showcases the area's assets, skills and expertise to support DIT's outreach in overseas markets including the US, EMEA and Far East.

Offshore Wind Deep Water Installation HPO: We are working with DIT to promote the Tees Valley for inward investment in offshore renewables, particularly from tier 2 and tier 3 suppliers and component manufacturers.



Creative Place

The last couple of years have been particularly challenging for the cultural industries, leisure and hospitality sectors – all of which are designed to bring people together to create shared experiences and memories. The Combined Authority responded to the huge pressure that the pandemic brought to these sectors through the introduction of a £1m Recovery Programme, the delivery of which was informed by an independent Sector Task Force, installed by the Mayor in June 2020.



Shane Moore (Pictured third from the left), Portfolio Lead for Culture & Tourism

The Recovery Programme was designed to respond proactively to sector pressures whilst also working to create the conditions for growth beyond recovery. Core programme outcomes include:

- 368 businesses supported
- £2.8million GVA generated through support for regional festival recovery
- 73% of businesses supported through Cultural Development & Innovation Fund reported growth in turnover within the first year
- 40% of businesses supported through Cultural Development & Innovation Fund reported an increase in the number of people employed on a full-times basis or equivalent within the first year
- 109 emerging creative professionals supported through Tees Valley New Creatives Programme with more than one third of members securing paid employment and commission opportunities as a direct result of the programme
- 329 hospitality businesses supported with grants of up to £1,500 through the Welcome Back Fund – all of whom achieved Visit England's 'Good to Go' status

The learning gained through delivery of the Recovery Programme, and the close working with the Task Force, has shaped our approach to our recently launched Growth Programme for the Creative & Visitor Economies.

Over four years, the Growth Programme will accelerate the development of a creative cluster in the region through investment which strengthens sector connectivity; grows talent pipelines and develops sector skills; supports product development and export and builds dynamic and resilience business models. By investing in sector development in this way, we will support businesses to grow in reach and impact, generating increased impacts for local communities and regional visitors.

The ambition and commitment demonstrated through this programme has been recognised and responded to by partners, including Arts Council England and the BBC. In early 2022, Arts Council confirmed that Tees Valley would be the only Combined Authority area to join its 'Priority Places' portfolio, which will enable place-based partnership working and investment. In September 2021, the Combined Authority worked with all other North East Local Authorities and Combined Authorities to enter into an MOU with the BBC which will see a minimum of £25million inward investment in regional productions and skills development.



In addition to ongoing work to prepare for the Tall Ships event in Hartlepool in 2023 and the Stockton & Darlington Railway Bicentenary in 2025, two significant examples of new programme interventions include:

- **North East Screen Industries Partnership & Development Programme** A new partnership with the BBC has catalysed activity across the North East to sustainably growth the screen industries sector. Currently, 0.02% of all production is made in the North East and for many years, regional talent has been developed with the expectation of needing to relocate out of the region in order to progress. Since 2018, the Combined Authority has invested in screen industries development in the Tees Valley through the Tees Valley Screen programme (delivered by North East Screen, formerly Northern Film + Media) and the creation of the Northern Studios in Hartlepool – the largest purpose-built film studios in the North East. Now, working strategically with the BBC and wider North East partners, the Combined Authority is investing in a transformational development programme which will: drive skills development; attract productions to the region; support business growth and create jobs
- **Festivals Scale-Up Programme** Following an open-call, the Combined Authority has identified nine high-growth-potential festivals from the region which it will invest in over the next four years. The intention of the programme is to support these festival businesses to grow their capacity, strengthen business models and diversify income streams in order to grow the reach, impact and profile of their festivals in a sustainable way. Multi-year financial investment will be partnered by tailored business development support. The festivals included are:

- Festival of Thrift
- Middlesbrough Art Weekender
- Wintertide
- Nightfall
- Saltburn Food Festival
- Taste of Africa
- Hartlepool Folk Festival
- Hullabaloo in the Park
- Middlesbrough Mela

DESTINATION MANAGEMENT PLAN

The Growth Programme will also invest to enhance our regional proposition as a visitor destination. A new Destination Management Plan 2021-2026 has been developed which will focus the Combined Authority's activity to invest in existing and new destination products (such as walking & cycling routes, food trails, and connecting heritage narratives); engagement with partners; and, development and targeting of campaigns and activity through the Enjoy Tees Valley destination platforms.

To support this work, we recently launched a new, industry-focused element of EnjoyTeesValley.com. Working together with businesses in the sector, to promote the region, this online platform www.enjoyteesvalley.com/ industry will act as an information tool and give access to market insights, marketing tools, news and will host all Enjoy brand toolkits and marketing collateral for adoption by the sector. A media library with provide access to 1,000 images and videos promoting the region.

DESTINATION MARKETING

Enjoy Tees Valley destination marketing campaigns were delivered throughout the year to stimulate the visitor economy following the pandemic. All campaigns focused on raising the awareness of the tourism offer and range of experiences for days trips and short breaks. These focused on:

- 'Enjoy' experiences
- 'Enjoy' family fun
- 'Enjoy' short breaks
- 'Enjoy' Festivals and Events

26.24% increase in website visitors on 21/22

115% increase in social media followers on 21/22

Transport

Transport is a critical enabler for the success of the area. As the Combined Authority looks to create jobs and drive economic growth, our residents and businesses need a world-class integrated transport system.



The Strategic Transport Plan 2020-2030 sets out our vision:

“To provide a high quality, quick, affordable, reliable, low carbon and safe transport network for people and freight to move within, to and from Tees Valley.”

A SHARED COMMITMENT WITH THE OPERATORS TO TRANSFORM THE TEES VALLEY BUS SERVICES AND GROW PASSENGER NUMBERS

In October 2021 the Combined Authority published the Tees Valley Bus Service Improvement Plan, setting out a shared commitment with operators to transform the Tees Valley bus services and grow passenger numbers. The plan sets out ways to improve bus services across Tees Valley by using a 5-point plan, consisting of Decarbonisation, Fares, Customer Experience, infrastructure and Network.

At the start of 2022 the Teesport 101 service launched, ensuring that local people working at companies based at Teesport can get to and from their jobs.

MAKING CYCLING & WALKING THE NATURAL CHOICE FOR SHORTER JOURNEYS

The Local Cycling and Walking Infrastructure Plan will deliver a step-change in local cycling and walking networks and address the current gaps in provision.

Delivery has started on the first phase of the Woodland Road and Linthorpe Road corridors and will be completed in 2022/23. Development work has been ongoing on other schemes including Nunthorpe to Guisborough, Norton to Stockton town centre and in Hartlepool town centre, with these schemes set to begin in 2022/23.

PUTTING THE TEES VALLEY AT THE HEART OF THE DIGITAL TRANSPORT REVOLUTION

The Combined Authority is seeking to develop a data platform, digital services, a digital twin (a virtual software simulation of the transport network), and the real-time monitoring of wider transport use and impacts.

We have developed a Digital Transport Strategy, which supports the wider Tees Valley Digital Strategy. It identifies a number of digital and transport needs of the residents, businesses and key stakeholders of the region.

Continued development of Urban Traffic Management & Control (UTMC) system continues, including the investigation of new technologies to improve traffic flow. Additionally, the Tees Valley was successful in application to the Traffic Signals Maintenance Scheme, to renew dated traffic signal facilities across the five local authority areas.

POSITIONING THE TEES VALLEY AT THE FOREFRONT OF DECARBONISING TRANSPORT

The Combined Authority has appointed a contractor to supply, operate and maintain electric vehicle charging points. The first phase of installations will see up to 40 sites benefiting from the new charging points.

ENSURING EVERYONE CAN ACCESS OPPORTUNITY

In February 2022 the Tees Flex service had completed 111,375 rides since launch. The service has proved popular and has offered a vital lifeline to help keep the region's most isolated communities connected.

A total of £840,000 of funding was provided by TVCA to secure the provision of the Wheels 2 Work service for a further three years. The fleet transitioned to zero emission vehicles with 75 e-motorbikes available for hire, supporting Tees Valley residents to access employment and training opportunities.

TRANSFORMING THE TEES VALLEY RAIL SYSTEM

Work has now begun on the second phase of the Middlesbrough Station scheme. The first phase of works, to extend platform one, was completed in December 2021, to accommodate the new LNER Azuma direct service to London.

At Darlington, work has continued to acquire the land required for the major redevelopment, whilst also continuing the project development work and securing planning permission in advance of construction starting in 2022/23.

An Outline Business Case has been prepared and a planning application submitted for Eaglescliffe Station improvements.

The planning application for the redevelopment of Hartlepool Station has been submitted.

Work at Billingham Station is under way to replace the existing footbridge with a new one, which will include lifts to provide step-free access and improve accessibility for disabled passengers and passengers with heavy luggage or pushchairs.



Teesside International Airport

The past couple of years have been incredibly difficult for the global aviation industry, with the Airport Operators Association reporting UK airports had suffered to the tune of £10billion during the pandemic. Teesside Airport was no different as lockdowns came and went and travel restrictions changed day by day.

The airport used this period of reduced operations as an opportunity to develop the terminal with a £3million upgrade, retain each and every member of staff and secure more routes and operators so the airport would be ready to come back stronger this year than ever with the best summer schedule in nine years.



BUSINESS ENGAGEMENT AND DEVELOPMENT

- Aviation services and technology firm Draken Europe confirmed expansion of operations from Teesside Airport following the submission of a planning application to construct a new 5,000sq ft facility to house more aircraft, creating more jobs for the region
- Engagement with travel agents across the Tees Valley, wider North East and North Yorkshire. A programme of activity saw more than 70 travel agents visits during the year, as well a regular participation in travel agent managers meetings, attending events and hosting more than 100 agents at the airport for a walkaround of the new terminal facilities
- Global aviation company, Willis Lease Finance Corporation, along with its wholly owned subsidiary, Willis Aviation Services Limited, commenced the planning process for a new aircraft maintenance facility, as well as a state-of-the-art Jet Centre at Aviation Village with a commitment of investment up to £25million, creating a significant number of jobs for local workers in aviation maintenance

IMPROVING THE CUSTOMER EXPERIENCE

- A 12-year deal was signed with World Duty Free for a new duty-free shop at the airport – a successful opening took place in December 2021, appointing 12 staff, after a spell of ten years without a Duty Free offering
- The airport welcomed its first customers to the opening of a new SkyBar in the landside area. The transformation of ageing office space next to the security area landside, creating a bar area, that both passengers and general public can use
- Bannatyne Group opened an express spa within the newly refurbished departure lounge – the first within an airport for the company. The £100,000 investment includes a luxury wellbeing environment, including massage chairs, manicures, and skin treatments

ROUTE AND COMMERCIAL DEVELOPMENTS

- Following the pandemic, KLM increased their scheduled service to Schiphol Airport to twice-daily opening up more international connections for passengers
- Ryanair, Europe's no. 1 airline, was announced as the airport's low-cost carrier and commenced flights to summer holiday destinations including Alicante, Corfu, Majorca and Portugal. A successful summer showed load factors on average at 94%
- TUI, the UK's biggest holiday firm, returned to the airport after nine years, operating flights to Majorca. In addition, flights were placed on sale for summer 2023 to Majorca and Antalya, Turkey
- The airport was announced as one of the UK's first pilot areas to test hydrogen vehicles as part of the Tees Valley's status as the country's Hydrogen Transport Hub. The £2.5million project has seen the arrival of commercial and support vehicles, including a forklift, at the airport, plus a hydrogen refuelling station
- There is an opportunity for the airport to get involved with Sustainable Aviation Fuel (SAF) research and development in the region. A £1billion investment from alfanar in its Lighthouse Green Fuels project on Teesside will convert household waste into SAF, the first commercial-scale SAF plant in the country

Education, Employment & Skills

CAREERS

- The £3million UK-first Tees Valley Careers service aims to give children aged 11-18 seven direct and meaningful employer engagements, with 1,093 businesses in the region now signed up to the scheme
- Continued year 2 of the Primary Schools Careers programme with 149 businesses are supporting 165 primary schools
- This includes 78 employees acting as Enterprise Advisers from more than 65 businesses
- £1.35million of additional funding was provided to deliver careers education, extended until the end of July 2022 due to the pandemic
- The Combined Authority's careers information website, TeesValleyCareers.com, continues to be a valuable resource, with social media platforms also developed and linked to the #StayLocalGoFar campaign to highlight careers on offer in the region
- Tees Valley careers website audience overview data; 8,921 users Jan 22 – July 22 compared to 7,377 users Jan 21 – July 21, a 20% increase
- DfE One Vision Education delivered Intensive Careers support in 12 secondary schools to 360 pupils



ACTIVITY/EVENTS

- Annual Careers Expo was delivered virtually during the pandemic. 37 schools and colleges and more than 5,000 students attended on the day. On-demand has seen 900 attendees
- SEND Enterprise Challenge Week – The week-long event in May 2022 involved 584 students from nine SEND/SEMH schools who took part in challenges each day to build on their employability skills and self-confidence, delivered virtually
- In partnership with Jacobs, the Big Big Project saw students from ten schools compete in a challenge to develop their skills, this year on the Levelling Up Fund

APPRENTICESHIPS

- Between April 2021 and March 2022 the Combined Authority has supported 184 businesses employ 219 apprentices investing £528,500 in Apprenticeship Support Grants

KICKSTART

- The Combined Authority acted as a Gateway Organisation to support Tees Valley Businesses access the national £2billion Kickstart job placement scheme, creating high-quality six-month work placements to those aged 16 to 24 who are on Universal Credit and are deemed to be at risk of long-term unemployment
- Secured £3million under the programme
- 612 placements have been created in 123 SMEs
- Current data shows 15 young people have moved into apprenticeships, 76 into employment with the business, 40 into alternative employment elsewhere, nine have returned to full time education and 53 remain in placements
- In partnership with Jacobs, the Big Big Project saw students from ten schools compete in a challenge to develop their skills, this year on the Levelling Up Fund



ROUTES TO WORK

- The £7.5million scheme helped those at risk of long-term unemployment overcome multiple barriers to find work. The Pilot ended on 31 March 2022, supporting more than 3,900 people and helping more than 970 get into work



SKILLS FOR GROWTH

- The £3.1million ESF part-funded programme was launched early 2021 and is a joint initiative between TVCA and Teesside University Business School
- The programme is a fully funded resource for Tees Valley SMEs, offering impartial advice to help businesses identify, plan and access their workforce development needs
- The project has engaged with 588 businesses and completed 268 Training Needs Analysis during 2021/22, delivering 257 bespoke skills development plans. 678 participants have now engaged in training
- The project has created five fully funded leadership and management masterclasses, plus four days of coaching and mentoring, to help employers implement and embed strategic growth plans

TEESWORKS SKILLS ACADEMY

- Established Teesworks Skills Academy to support employers located at the Teesworks site to recruit and train a world-class workforce of the future; operating as a one-stop-shop to link recruitment and training requirements of business, with employment hubs and skills providers and promoting new jobs and opportunities created at the site

ADULT EDUCATION BUDGET

- 32,000 Tees Valley learners have participated in Adult Learning with a further 41,621 enrolments supported so far in 2021/22
- Devolution of AEB funding has enabled the Combined Authority to have flexibility to create bespoke, employer-led programmes linked directly to employers' recruitment needs. These were delivered by 16 partners, totalling £3.6million

LEVEL 3 – 'FREE COURSES FOR JOBS'

- Since its launch in April 2021, Free Courses for Jobs has widened the access for adults the chance to gain a Level 3 (A level-equivalent) qualification for free, in sector subject areas with strong wage outcomes and the ability to meet key skills priorities
- In April 2021 the Combined Authority was allocated a Level 3 NSF 'free courses for jobs' budget of £2.66million for April 21 to July 22, with 23 training providers delivering this

SKILLS BOOTCAMPS

- Skills Bootcamps aim to test approaches to deliver employer-led technical skills courses through of up to 16 weeks, giving participants the opportunity to build up sector-specific in-demand skills and fast-track an interview with an employer
- Skills bootcamps are available to adults aged 19 or over
- In November 2021 the Combined Authority's schemes began, utilising £395,000 to test seven Skills Bootcamps, with 75% of learners progressing off the back of these
- In January 2022 TVCA grew the Skills Bootcamp offer, investing £3.25million in courses including digital, technical, HGV and green skills have been secured
- Skills Bootcamps are being delivered to 31 March 2023








The Teesside Freeport

The Teesside Freeport is the UK’s biggest and first operational Freeport. Covering 4,500 acres, including the Teesworks site, Teesside International Airport, Teesport, Hartlepool Port, the Port of Middlesbrough, Wilton Engineering and Wilton International, it offers many advantages to businesses investing, including a package of tax reliefs, streamlined planning procedures and simplified customs procedures.

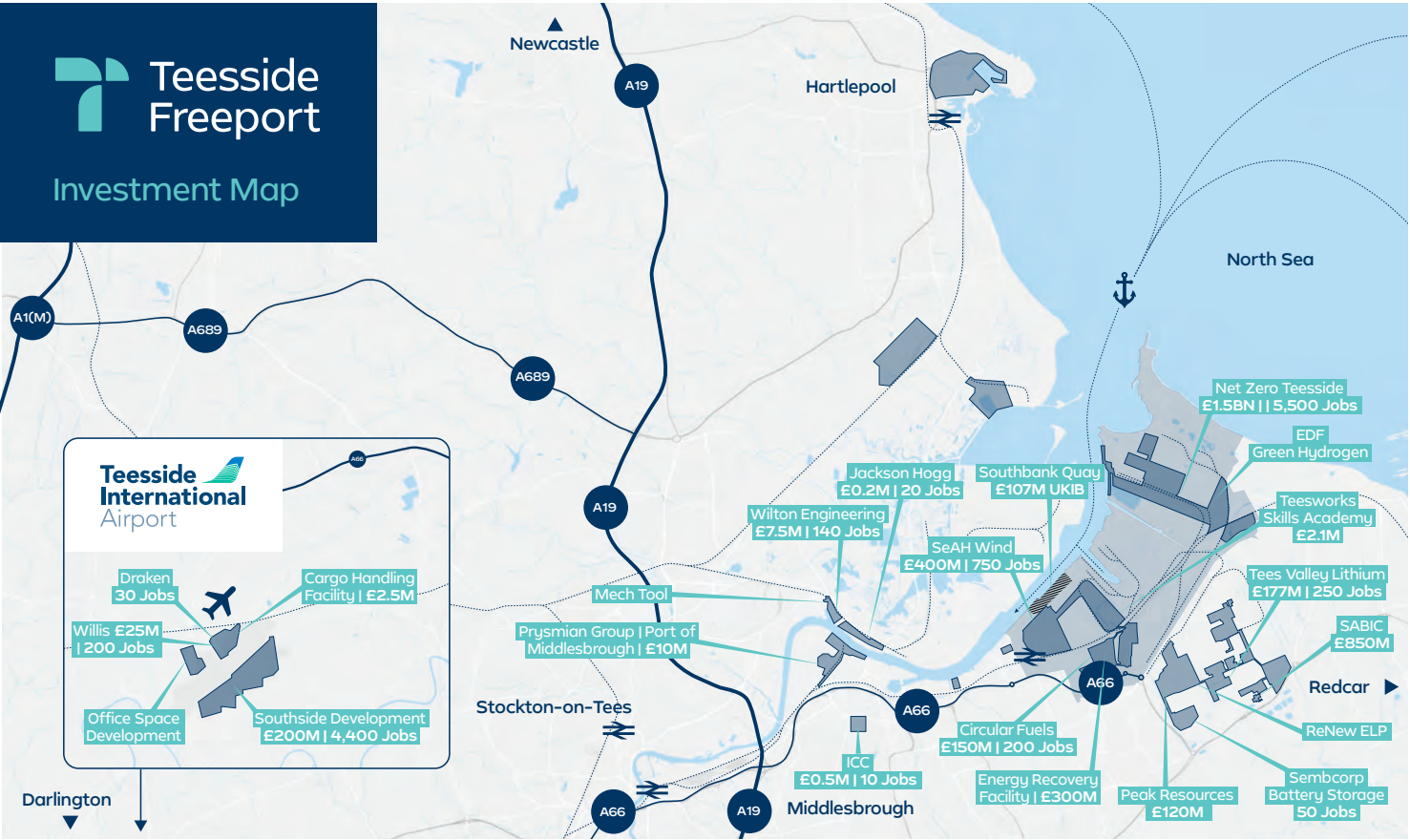
Building on existing manufacturing strengths, particularly in chemical and materials processing, biomanufacturing, offshore wind and renewable activity, the Freeport will create more than 18,000 jobs and boost the local economy by billions.

TAX ZONES BENEFITS

-  Employer NI Contributions Rate Relief
-  Business Rates Relief
-  Enhanced Structures and Buildings Allowance
-  Enhanced Capital Allowances
-  Stamp Duty Land Tax Exemption

INVESTMENTS

The Freeport has already seen a huge amount of investment on the site, including SeAH Wind’s £400million offshore wind facility. The investments are creating cleaner, healthier and safer jobs in well-paid roles. Check out the map below for details of some of the investments and the jobs that will be created



Green Investment

The Teesside Freeport is focused on creating jobs and investment in clean technologies, and has already seen a huge amount of investment in this sector, including SeAH Wind’s £400million monopile manufacturing facility at Teesworks.

4,500 ACRES – BRITAIN’S BIGGEST AND FIRST OPERATIONAL FREEPORT

18,000 JOBS AND BILLIONS INTO THE ECONOMY IN THE FIRST FIVE YEARS

CONNECTED VIA ROAD, RAIL, AIR AND SEA

Living in Tees Valley



BROWNFIELD HOUSING

The Brownfield Housing Fund (BHF) supports activity to remediate brownfield land and enable residential development to be delivered, where it would otherwise stall.

In 2020, The Department of Levelling Up, Housing and Communities (DLUHC) confirmed an allocation of £19.3million to support the development and delivery of between 1,000 to 2,000 new homes on Brownfield sites in Tees Valley up to 2025.

In 2022, an additional £7.4million of funding was confirmed to deliver an additional 419 new homes. This takes the overall programme funding to £26.7million.

Eight schemes have been approved and are in delivery. These are:

1. Lynn Street & Whitby Street, Hartlepool
2. Gresham, Middlesbrough
3. Middlehaven, Middlesbrough
4. South Bank, Redcar
5. Elm House, Stockton
6. Grove Hill, Middlesbrough
7. Brenda Road, Hartlepool
8. Northshore, Stockton

The schemes will see thousands of construction and supply chain jobs safeguarded, along with the creation of nearly 80 apprenticeships.

The BHF programme will contribute to the levelling up agenda, targeting funding to help ease the viability issues that brownfield projects face, alongside supporting wider economic development interventions.



TOGETHER THESE SCHEMES WILL:

- › DELIVER 1,579 NEW HOMES
- › ATTRACT OVER £251M OF PUBLIC AND PRIVATE SECTOR FUNDING
- › BRING BACK INTO USE OVER 34 HECTARES OF BROWNFIELD LAND



INDIGENOUS GROWTH FUND

The Indigenous Growth Fund was developed to promote area regeneration in support of economic growth in each of the five key settlements of the Tees Valley. Programme funding of up to £60million has been committed and aims to provide gap support for:

- The remediation/regeneration of vacant and derelict land and property
- Public realm initiatives aimed at creating vibrant town centres
- Strategic housing initiatives aimed at creating vibrant town centres
- Investment in the provision of specialist culture and tourism accommodation and fit-out
- Investment in the provision of specialist (sector specific) business accommodation and fit-out
- Operating costs for discrete programmes designed to support associated capital expenditure.



Some of the projects supported under the programme are as below:

Stockton Strategic Initiatives Programme – Enabling acquisition of key sites to support inward investment and assist in business growth activity

Redcar High Street Support Scheme – Providing a range of grant schemes to enable local businesses to become more sustainable, reduce the number of empty units, increase footfall in targeted areas, enhance the street scene in targets areas and improve public perception of the targeted areas.

Town Centre Enforcement, Middlesbrough – Contributing to a new dedicated Town Centre Enforcement Team to help current businesses feel supported, including the University, as well as improving the visitor experience in the town centre area.

Darlington Strategic Acquisitions – Enabling the acquisition, demolition or refurbishment of a number of buildings in the centre of Darlington to support wider improvements to the Town Centre area.

Clean Growth and Innovation



The drive towards Net Zero is a significant challenge for Tees Valley’s businesses and residents, but it also provides the region’s greatest opportunity to grow our economy and provide well-paid skilled and professional jobs in the coming decades.

CARBON CAPTURE, UTILISATION AND STORAGE

The Combined Authority is leading work on using Carbon Capture, Utilisation and Storage (CCUS), decarbonised hydrogen, and green energy to get the region’s industry to Net Zero by 2040. Tees Valley’s Cluster Plan for Industrial Decarbonisation has made significant progress this year. The Cluster Plan brings together government and industry to decarbonise the major emitters in the heart of the Teesside industrial cluster. More than 40 companies are included in the cluster plan and most of these companies are located within a 5km radius and include world renowned firms, such as Anglo American, bp, Sabic, and Huntsman. In March 2022, eligible projects for the Government’s Cluster Sequencing competition were announced, including from Teesside.

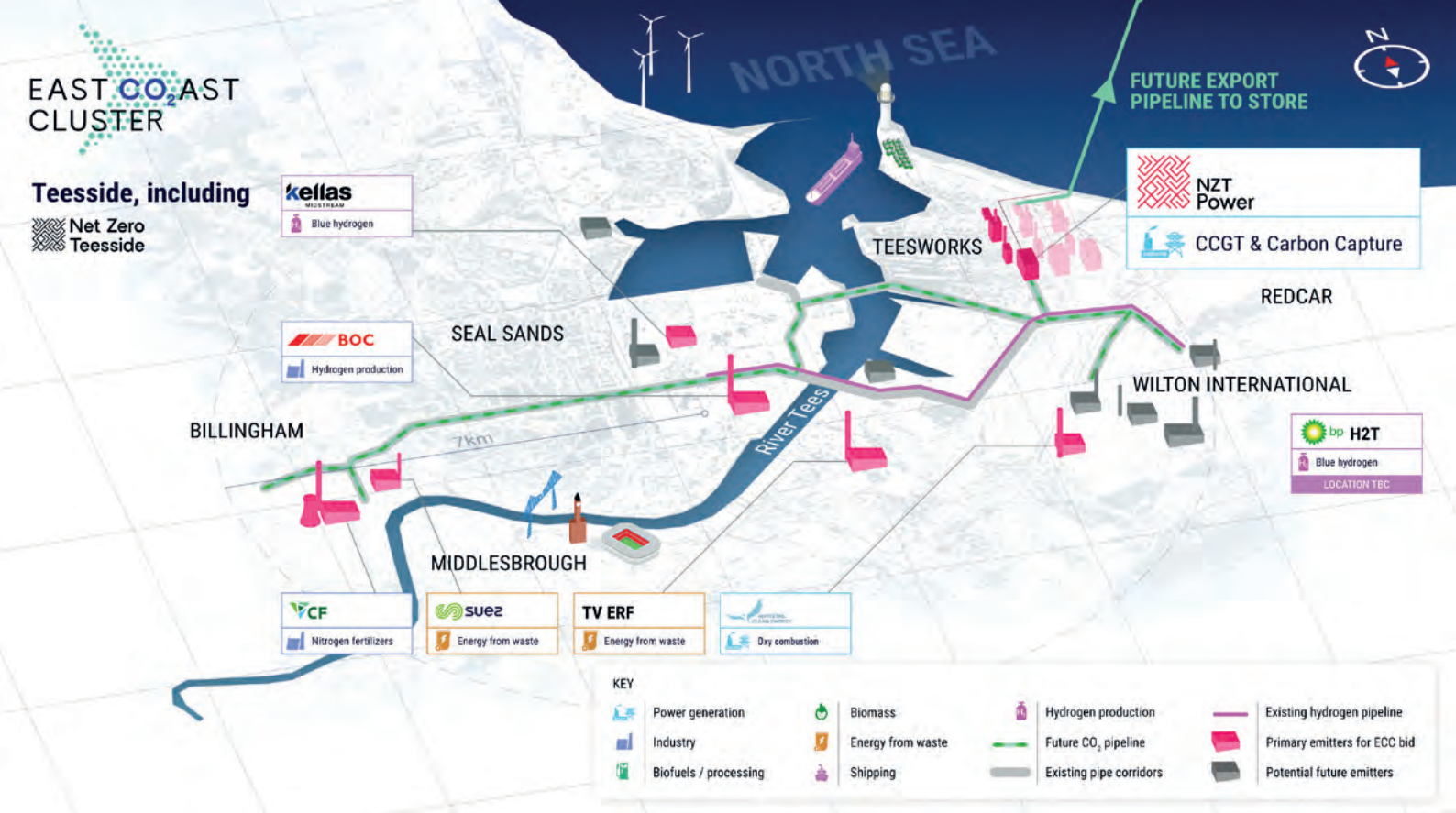
THE NORTH EAST CLUSTER

Work continues with NEPIC, Energi Coast and TWI through our **Sector Networks** programme. NEPIC represents the North East’s chemicals sector. Energi Coast, led by NOF, plays a key role in supporting North East England’s

offshore wind cluster. TWI also helps to build connections between industry and innovation, for example through the Tees Valley Innovation Accelerator (TIA) Project and the Materials Integrity Technology Transfer (MITT) Project. The announcement of the SEAH wind factory, promising investment, and hundreds of jobs, which broke ground in 2022, is a key example of offshore wind being a key part of the future of industry on Teesside.

DOMESTIC DECARBONISATION

Decarbonisation of the region’s housing was a key focus for us this year. Phase 2 of the **Local Authority Delivery Scheme (LAD2)** continues at pace, across both the Tees Valley and the broader North East and Yorkshire region. The scheme is now active across all five local authority areas and aims to cut bills and improve energy efficiency in low-income homes. Tees Valley has also benefited from additional funding measures such as the Social Housing Decarbonisation Fund (aimed at improving the energy performance of social housing) and the Homes Upgrade Grant (HUG), aimed at private homeowners and renters who are not connected to the gas network.



NORTH EAST AND YORKSHIRE NET ZERO HUB

The **North East and Yorkshire (NEY) Net Zero Hub** supports people and businesses across the North East and Yorkshire region to deliver projects that will facilitate the UK’s transition to Net Zero by 2050, as well as delivering funding competitions that directly finance clean energy and low carbon projects. The Hub delivers across a set of strategic priorities, including:

- Heat Decarbonisation
- Natural Carbon Sequestration
- Circular Economy
- Renewable Energy Technologies

A key achievement for the Hub this year was the Solar for Schools programme, which helps schools and further education colleges across the region access funding to install solar panels, as well as education initiatives to encourage students, school, and parents to be more environmentally friendly.

COP 26

Tees Valley’s work on Net Zero was highlighted to world leaders at the COP26 event in Glasgow using a hologram from Middlesbrough-based Animersion. As part of COP26, The North East and Yorkshire (NEY) Net Zero Hub supported the Planetmark Zero Carbon Tour ‘Battle Bus’, including an event at the Riverside Stadium demonstrating how small businesses can cut their carbon output.





Airport Business Park



Teesside Freeport



Wheels2Work



Direct Middlesbrough to London Train

Timeline & Media Highlights



Teesworks Gate House



SeAH Wind

APRIL 2021

Bids now open for fund to help boost Tees Valley communities

MAY 2021

Full steam ahead as plans revealed for £100million + Darlington station redevelopment

JUNE 2021

Work begins to transform Teesworks' Steel House

JUNE 2021

Funding boost helps Wheels2Work scheme expand

JULY 2021

First flight to Portugal in 13 years takes off from Teesside

JULY 2021

World-first hydrogen project coming to the Tees Valley

JULY 2021

Bp's global ceo visits Tees Valley over transformational clean energy projects

JANUARY 2022

Hydrogen refuelling station and vehicles land at Teesside Airport

DECEMBER 2021

Direct Middlesbrough to London trains commence

NOVEMBER 2021

Plans unveiled for bp's new green hydrogen project

OCTOBER 2021

Teesside Freeport officially opens

SEPTEMBER 2021

Construction starts on quayside for the UK's premier offshore wind hub

AUGUST 2021

Teesside Airport pilots UK-first hydrogen transport trial

FEBRUARY 2022

Huge step forward as plans for airport business park unveiled

FEBRUARY 2022

SeAH Wind bringing 750 jobs with mammoth £400m Teesworks offshore factory

MARCH 2022

Plans unveiled for Eaglescliffe station

MARCH 2022

£1billion investment into green aviation fuel research on Teesside

Teesworks



Teesworks is the UK’s largest and most connected industrial zone, home to diverse, sustainable and low-carbon activity. The 4,500-acre site sits at the heart of the recently announced Teesside Freeport on the banks of the River Tees and offers immediate connectivity to Teesport, the North Sea and global markets. It aims to create 20,000 jobs over 20 years and add billions into the UK economy.

With all of the outstanding land at the former SSI steelworks now secured, the site is the UK’s biggest opportunity in the offshore and renewable energy sector, unrivalled in its size, scale and opportunity compared with not just anywhere in the UK, but across Europe. Projects already confirmed on the site include Net Zero Teesside’s gas-fired power plant with Carbon Capture, Utilisation and Storage capabilities and SeAH Wind’s offshore wind monopile manufacturing facility.

SeAH WIND

SeAH Wind’s plans for a huge £400million offshore facility at the site are well under way, with plans submitted for the 40-metre-tall building that will redefine the Tees Valley’s skyline.

The facility, part of the Teesside Freeport, will sit on a 90-acre site adjacent to Teesworks’ £107million heavy-lift South Bank Quay. Its 1.13million sq ft footprint is four times the size of the Riverside Stadium and, when complete, will be the largest facility of its type in the world.

The factory services the offshore wind sector, producing monopiles that form the foundations of offshore wind turbine construction, and will create 1,500 jobs in the supply chain and during construction when work begins in July. Once operational, a further 750 roles will be created.

Construction will start in July 2022 and be completed in 2024.

NET ZERO TEESSIDE

Net Zero Teesside, the huge bp-led Carbon Capture, Utilisation and Storage (CCUS) project based at Teesworks, has been selected as the premier net zero project to lead the UK’s low-carbon ambitions. Part of the Northern Endurance Partnership’s East Coast Cluster, the project will receive a share of the £1billion Carbon Capture and Storage Infrastructure fund to create the country’s first decarbonised industrial cluster in the region.



The East Coast Cluster is a partnership between NZT, the Northern Endurance Partnership (NEP) and Zero Carbon Humber. It stands ready to remove 50% of the UK’s industrial cluster CO2 emissions and supports the UK’s target of net zero emissions by 2050.

NZT Power is a new gas-fired power plant that uses CCUS technologies in collaboration with the NEP to develop the common infrastructure needed to transport CO2 from industrial plants across Teesside to secure offshore storage in the Endurance aquifer in the Southern North Sea.

The project, as part of the ECC, is set to create more than 25,000 jobs by 2050 and bring on average £2billion in GVA. Construction for the schemes is expected to create over 9,000 direct jobs alone.

SOUTH BANK QUAY

Work to deliver the South Bank Quay is under way and the 1km quay will support ambitions to make the site the UK’s premier offshore wind hub.

The project has been awarded £107million of funding in the UK Infrastructure Bank’s first ever investment, with 200m of its construction due to be completed by December 2022, ahead of the full phase one 450m by March 2023.

The quay will play a critical role in the loading out and shipping of monopiles being created at SeAH Wind’s adjacent facility.



DEMOLITION

The site’s £113million demolition plan has been accelerated so that the land is investor-ready faster and jobs for local workers can be delivered sooner. Around half a million tonnes of scrap is expected to be recovered as the work will see all of the old iron and steelmaking plants demolished. It is expected more than 1,000 workers will be on-site to carry out the work.

TEESWORKS SKILLS ACADEMY

Construction has started on the Teesworks Skills Academy, a new initiative which was launched by the Tees Valley Mayor in 2020 to help local people take advantage of the jobs and opportunities being created on the site.

The £2.1million development is spread over two floors and includes three classrooms, plus meeting and interview rooms and office space.

LEP Delivery Plan

THE LOCAL ENTERPRISE PARTNERSHIP

The Local Enterprise Partnership (LEP) is fully integrated with the Combined Authority, and as such, we are able to bring the public and private sector together to drive forward a shared vision for economic growth.

LEP Board members are Associate Members of the Combined Authority Cabinet, giving private sector members of the LEP a pivotal role in influencing the development and delivery of the strategies of the Combined Authority. This ensures that the voice of the local business community is heard, and influences decision-making at the highest level.

Our private sector members act as advocates for their industries and ambassadors for the Tees Valley and Sector Champions have therefore been appointed for each of our key economic priorities, ensuring that recognised experts have the opportunity to influence and inform the delivery of our key objectives.

This approach to partnership working also flows through to advisory-group activity for key policy themes, including Education, Employment & Skills, Transport and Creative Place. The LEP has played a vital role to ensure meaningful engagement with the business community and also supports the Combined Authority with its engagement with the wider public, voluntary and community sector.

LOCAL GROWTH FUND DELIVERY

In 2014, the Tees Valley LEP was awarded a Growth Deal with Government for £118.3million for projects that delivered on our Strategic Economic Plan (SEP), making up our Local Growth Programme (LGF). It was the first form of devolution within the Tees Valley and provided the LEP with the funds to make local investment decisions.

As an integrated LEP and Combined Authority we have a substantial programme of activity which is detailed in our Investment Plan 2019-2029, this includes the Local Growth Fund (LGF) allocations over the period 2019-21. The Investment Plan operates on a ‘single pot’ basis, joining numerous different government funds in order to maximise programme flexibility and investment impact. In some cases, this resulted in LGF funds being utilised alongside other sources of funding.

2020/21 was the final year of operation for the current LGF programme. At the end of the financial year we had successfully invested our entire £118.3million programme.

PERFORMANCE

The table below sets out our progress against the Key Performance Indicators linked specifically to the Growth Deal as of 31 March 2022:

Key Performance Indicator	Delivered to Date	Forecast 22–25	Total Forecast
Jobs Created	1023	11,529	12552
Apprenticeships Created	1012	–	1012
Learners Assisted	11840	5724	17564
Houses Completed	1557	2437	3994

It should be noted that we are anticipating a large number of jobs to be delivered between 2022 and 2025. These forecasts specifically relate to the Teesside Airport Southside development and the former Tata land now part of Teesworks. Both of these saw early costs funded by the LGF programme and have had further substantial backing from the Combined Authority and its partners. We are confident these schemes will deliver as they represent two of the premier opportunities within the region.

We continue to update output and outcome information for the programme, particularly to capture indirect jobs delivered through our interventions which have not been captured to date for all projects.

We will continue to review data submitted through our claims process to validate accuracy and review forecasts and aim to substantiate information with post-project evaluation, which will be our focus for the coming year.

Some outputs and outcomes will be delivered post-2025, beyond the monitoring period required for LGF. We will, however, continue to monitor these outputs and outcomes as part of our standard monitoring and evaluation process.



SPENDING PUBLIC MONEY WISELY

Tees Valley Combined Authority acts both as its own Accountable Body and the Accountable Body for the Local Enterprise Partnership. As such, all public funds are managed according to governance arrangements outlined in the Tees Valley Assurance Framework, which takes on board the national guidance published by the then Ministry of Housing, Communities and Local Government for the National Local Growth Assurance Framework. This provides Government with a guarantee that the Combined Authority is accountable for all funds in a way that is consistent with their practices. Following this framework ensures we are open, transparent and accountable for all decisions on how we spend public funds.

The Assurance Framework clearly identifies the processes for securing funds from the Combined Authority and the requirements placed on delivery partners once their projects have been approved. The Combined Authority has established a set of process that places monitoring and evaluation at the heart of the design and development stage of projects and programmes. Each project or programme is required to provide a detailed and robust monitoring and evaluation plan to be eligible for support. This allows the Combined Authority to establish what works, where problems arise and what good practice looks like. In turn, this enables a strong demonstration of additionality and value for money, ultimately, feeding back in order to improve future decision-making.

Our Monitoring and Evaluation approach seeks to:

- Provide early identification of issues or underperformance
- Measure progress and impact consistently
- Ensure we capture all impacts resulting from our investments
- Provide quality data to develop better business cases and inform future decisions
- Maximise the economic impact of our investments



WHAT’S NEXT – LOOKING AHEAD TO 2022/2023



INVEST TEES VALLEY

- Continue to develop, review and refresh our HPO promotional work with DIT in support of their in-market inward investment prospecting activities
- Continue to lead and support all responses to inward investment enquiries across our key economic growth sectors
- Work alongside DIT and key stakeholders to promote and drive inward investment into the Teesside Freeport

TEESWORKS

- Support investments, such as SeAH Wind’s £400million offshore facility, as it enters the construction phase
- Push through the demolition programme so that the whole site is cleared and ready for new investment
- Support Net Zero Teesside as it becomes the UK’s premier CCUS project
- Oversee the South Bank Quay development, opening up opportunities in the offshore energy sector



TEES VALLEY BUSINESS

- Continue to successfully deliver EU nationally and locally designed programmes to maximise and meet targeted outputs and ensure smooth exit plan in place
- Submit and scope out the UK Shared Prosperity Fund investment plan for Business Support by identifying key core themes of delivery by 1 August 2022 which includes developing businesses cases for:
 1. Tees Valley business support start-up programme
 2. Specialist commercialisation funding for start-ups/scale ups and university spin outs
 3. Professional support to businesses
 4. Recoverable SME investment fund
- Strengthen and develop the digital offer to enable self-referral, assessment, and support
- Prepare to raise awareness of the new UK Shared Prosperity Fund offer to the business community and “hide the wiring” within the wider business support ecosystem
- Proactively target businesses to account manage across the Tees Valley focussing on priority sectors and those businesses with high scale-up and growth potential

CLEAN GROWTH

- Tees Valley’s Net Zero Strategy will be published, setting out how the whole region will reach Net Zero by 2050
- Later this year the winners of the Cluster Sequencing Phase 2 process will be announced. This is a crucial part of the decarbonisation journey for the region
- The Centre for Digital Trade and Innovation (C4DTI) will launch in the coming year, enabling digitisation across the trading system and streamline processes that had previously been overly complex and inefficient
- Work will continue at pace to reduce household emissions and retrofit energy inefficient properties across the region, driven by the Local Authority Delivery Scheme (LAD2), Social Housing Decarbonisation Fund and the Homes Upgrade Grant (HUG)
- The Net Zero Hub recently opened its Energy Project Enabling Fund, providing grants of between £10,000 and £50,000 to eligible public sector organisations, community groups, charities and businesses undertaking energy projects for communal or public benefit



WHAT'S NEXT – LOOKING AHEAD TO 2022/2023

TRANSPORT & INFRASTRUCTURE

- A shared commitment with the operators to transform the Tees Valley's bus services and grow passenger numbers – the Enhanced Partnership, consisting of TVCA, the Local Authorities and local bus operators – will continue to deliver the interventions set out in the Bus Service Improvement Plan
- Making cycling and walking the natural choice for shorter journeys – complete works on Linthorpe Road Phase 1 and Woodland Road Phase 1 schemes and work towards delivery of Phase 2. Commence delivery of other Local Cycling and Walking Infrastructure Plan schemes across all local authority areas
- Putting the Tees Valley at the heart of the digital transport revolution – continued implementation of the Urban Traffic Management & Control system across the Tees Valley to improve traffic movement, along with improved vehicle detection technology to improve reliability of bus services
- Positioning the region at the forefront of decarbonising transport – roll-out and expansion of the electric vehicle charge point network and production of the Electric Vehicle Charging Infrastructure Strategy for Tees Valley. This will see the number of chargers increase by 132, significantly expanding the number of electric vehicle charging points available across the region
- Ensuring everyone can access opportunity – the Tees Flex service and Wheels 2 Work will continue to provide access to opportunity for local people
- Transforming the Tees Valley rail system – significant progress is set to be made on rail station improvements. The full business case for the upgrade of Darlington Station will be submitted to the DfT to unlock funding and start construction. Additionally, subject to approval, the work on Hartlepool Station is set to begin in summer 2022 with an ambitious programme for completion by summer 2023. At Middlesbrough Station, Phase 3 to create additional capacity at the station by adding a new platform and additional infrastructure is currently in development. All work at Billingham Station is due to be complete in spring 2023 while at Eaglescliffe Station the new footbridge and western car park will be in place in autumn 2023



TEESSIDE INTERNATIONAL AIRPORT

- Increase airport commercial revenue
- Property development including the North and Southside of the airport
- Capitalise on the opportunity to increase cargo handling
- Secure more scheduled and holiday flights



CULTURE AND TOURISM

- Accelerate development of a successful and sustainable creative cluster in Tees Valley through the development of stronger networks, skills development pathways and robust business models
- Deliver an industry stakeholder website providing sector businesses with access to a media library, access to insights and support
- Plan and implement brand and marketing strategy for 2023 to support key priorities detailed in the Destination Management Plan
- Close partnership working to successfully plan for and deliver major events, including Rugby League World Cup (2022), Tall Ships (2023) and Stockton & Darlington Railway Bicentenary (2025)



EDUCATION, EMPLOYMENT & SKILLS

- Implement the second Employment and Skills Strategy 2022–25
- Next stage of the Education, Employment and Skills Investment plan to be launched autumn 2022
- Secure and implement Multiply numeracy learning programme from autumn 2022, £3.6million for delivery over three years
- Secure and plan the implementation of UKSPF People and Skills Investment
- Increase eligibility for fully funded training to employed Tees Valley adults on wages less than £27,040
- Implement and deliver the Learning & Work Institute New Futures Pilot to provide adults wishing to change careers to access new jobs being created in Tees Valley
- Continue to deliver the Skills for Growth programme to approximately 1,000 businesses
- Deliver Skills Bootcamps delivery to March 2023 and maximise circa £3.25million for 1,189 participants
- Over the next two years enable all young people aged 14-18 the opportunity to access employer led events and learning at the Teesworks Skills Academy to raise awareness of the jobs being created on the site
- Support school pupils to attend the North East flagship engineering careers fair, Bring it On
- Sponsor 100 pupils to attend the Space 2101, science and aviation event in autumn 2022
- Implement a programme of events for National Apprenticeship Week 2023





TEES VALLEY
COMBINED
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