

SOUTH TEES DEVELOPMENT CORPORATION (STDC) BOARD

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Date: 19th January 2023

Time: 2pm

Location: TVCA Offices, Teesside Airport Business Suite, Teesside International Airport, Darlington

Attendees:		Apologies:
Mary Lanigan (Chair)	Leader, RCBC	Tees Valley Mayor - Ben Houchen
Julie Gilhespie	TVCA Group Chief Executive	Andy Preston – Mayor of Middlesbrough
Mieka Smiles	Deputy Mayor of Middlesbrough	Graham Robb
David Smith	Independent Member	John Sampson,
Neil Schneider	Independent Member	Chris Harrison
Gary Macdonald	TVCA Group Director of Finance & Resources	John McNicholas
Tom Smyth	BEIS, Interim Government Representative	
Emma Simson	TVCA, Acting Monitoring Officer	
Sally Henry (Secretariat)	TVCA Governance	
Jacob Young MP	Joined via Teams	

No.	Agenda Item	Summary of Discussion	Actions Required	Responsibility
1.	Welcome and introductions	The Chair welcomed everyone to the meeting.		
2.	Apologies for Absence	Apologies were given as noted above.		
3.	Declarations of Interest	There were no interests declared.		
4.	Minutes from previous meeting	<p>The Board reviewed the minutes of the meeting held on 7th July, 2022.</p> <p>Tom Smyth requested that section 11, paragraph 7 of the confidential minutes be amended to read as follows:-</p> <p><i>Tom Smyth informed the Board that the Government's funding arrangements have been scrutinised by the National Audit Office (NAO) and they concluded that the original business case is valid and that the case for public funding had not changed.</i></p> <p>Resolved that the minutes of the 7th July 2022 meeting be amended to reflect the above comments and were then agreed.</p>	Amend minutes	Governance Officer
5.	Chairs Update	There was no Chair's Update.		
6	Group CEO Update	The board were provided a report which reviewed the activity on the Teesworks site throughout 2022 and provided an overview of developments coming in 2023.		

		<p>In addition to the content of the report, the Group CEO advised the board that:-</p> <ul style="list-style-type: none"> the TVCA Overview & Scrutiny Committee had met the previous week and a discussion took place about the South Bank Quay and the ongoing Defra enquiry. She further advised that the report of the independent scientific panel, convened by Sir Patrick Valance, is due imminently. The Board will be advised if the outcome of the report impacts on the ongoing work on the quay and surrounding area. Jacob Young advised that the select committee will meet once the report is produced. The Board recognised the impact the crustacean deaths had on local fishing communities and discussed the update regarding the current position in respect of dredging and any implications for site development. The Group CEO provided Board Members with the latest position based on the information that had been reported to Overview and Scrutiny Committee previously. This set out that STDC continue to comply with all necessary regulatory processes and are operating to the highest standards in terms of this development. The works have been progressing in line with plans and will continue to take cognisance of any updates from the independent scientific panel. Work on the SeAH site continues. Erection of steelworks is expected to commence in early March. <p>A Board member queried whether there had been any objections to the service complex. The Board also asked for background as to its proposed purpose and how it links into services in Redcar town centre.</p> <p>The Group CEO advised that this is a Teesworks development proposal and part of what the Joint Venture partners as part of the development of the site. The plans have been made public however not submitted for planning yet. The planning process will deal with any objections concerning out of town centre shopping. The</p>		
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		<p>service station is being designed primarily to service the site and its employees on a day-to-day basis, rather than to compete with existing town centre shops.</p> <p>The proposal for the hotel is also aimed at the 20,000 employees expected on the site and is not meant to be competing with the hotel in Redcar which is geared around the leisure industry.</p> <p>A Board member commented that this is quite a normal model for large employment sites and that any concerns raised can be managed through the planning process.</p> <p>The proposed Park & Ride has been objected to and this was discussed at length during the recent TVCA Overview & Scrutiny Committee meeting.</p> <p>Resolved that the content of the report was noted.</p>		
7	Finance Update	<p>The Board were provided a report which gave an update on financial performance for quarter two being the 6 months to 30 September 2022 and the forecast position for 2022/23.</p> <p>The Group Director of Finance & Resources highlighted some key points from the report.</p> <p>He confirmed that reports are submitted quarterly to Government for the government funded elements of the programme detailing how progress is being made on the key milestones.</p> <p>It is expected that the COMAH status will be changed by the end of March at which point we will make the approach to HSE to commence the COMAH declassification process.</p>		

		<p>The Board were advised that the target date for the completion of phase 1 of the dredging is September but this is very much depending on the weather.</p> <p>Tom Smyth thanked the Group Director of Finance & Resources for the report and noted that next month will be the final payments to TVCA, on behalf of the STDC, based on the original Business Case agreed in 2020.</p> <p>The purpose of the Business Case was to make the site sufficiently safe to remove the COMAH status, keep it safe and remove structures from the site. The remaining funding was to be used to bring the land up to normal, brownfield status, not to add value to the land.</p> <p>Government funding has been used to deliver against the original business case. Government will continue to monitor the outputs and outcomes associated with this funding with STDC.</p> <p>The Group CEO highlighted that delivery of the jobs is a 3 stage process:-</p> <ul style="list-style-type: none"> • removing of COMAH status, removal of the structures and creating a brownfield site; • remediation which potentially will take hundreds of millions of pounds; • Development and Inward Investment. <p>NS sought assurance that the position with the budget has been aligned with the Risk Register.</p> <p>Members were advised that the Risk Register will be brought to the March Board alongside the 2023-24 Budget and Medium-Term Financial Plan (MTFP) and this will reflect the transition from the first stage of site delivery set out above to stages two and three. The private sector partners and inward investment on the site will fund stages two and three going forward with STDC remaining responsible for completing its project obligations for the site in 2023 calendar year.</p>		
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		Resolved that the content of the report was noted.		
		The Chair passed a motion to exclude press and public at this stage of the meeting so the Board could discuss matters of a Confidential nature.		
8	Site EHS Management Report	The Board was provided with an update on the Keep Safe activities on site since the last meeting. Resolved that:- <ul style="list-style-type: none"> the content of the report was noted. 		
9.	Freeport Director Report	A report provided by the Freeport Director was circulated which provided the Board with an update. The Board was advised that since the papers were drafted and circulated, the Freeport Business Case has been published. The Freeport item will move to the main part of the agenda of future STDC Board meetings. Resolved that the content of the report was noted.		
13.	Date & Time of Next Meeting	Thursday 9th March, 2023 at 2pm The Chair requested that the meeting take place in Redcar.	Change venue of next STDC Board to Redcar	TVCA Governance