

South Tees Development Corporation
8th Meeting
Wednesday 26 September 2018
TMO1, Teesside Management Offices, Redcar, TS10 5QW

Minutes

Board members

Ben Houchen (BH)	Chair
Sue Jeffrey (SJ)	Vice Chair, Redcar & Cleveland Council, TVCA
John Baker (JB)	Chair of Teesside Learning Trust
Paul Booth (PB)	Interim Chief Executive Officer
David Budd (DB)	Mayor of Middlesbrough
Bob Cuffe (BC)	Non- Executive Director
Philip Leech (PL)	Urban and Civic
Graham Robb (GR)	Recognition PR
Anand Srinivasan (ASr)	Delphinus Advisory Ltd
Jane Turner (JT)	Teesside University

Associate Members

Amanda Skelton (AS)	Redcar & Cleveland Council/Chair SSI Task Force
Tom Smyth (TS)	BEIS, Interim Government representative

Statutory Officers

Julie Gilhespie (JG)	Interim Managing Director, TVCA
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In Attendance

John McNicholas (JM)	STDC for items 1-9b
Andrew Nixon (AN)	Monitoring Officer/RCBC

Apologies: Steve Gibson (SG), Sir Alan Cockshaw (SAC), David Smith (DS)

Item 1 – Welcome and introductions - Chair

1.1 The Chair welcomed everyone to the meeting.

Item 2 – Quorum

2.1 The meeting was quorate.



1

Item 3 – Declarations of conflicts of interest - Chair

3.1 None declared.

Item 4 – Minutes & Actions from last meeting

4.1 The minutes of the previous meeting were endorsed.

4.2 Updates on the actions from the previous meeting were all achieved or on the agenda today with the exception of:

Meeting 7

Action 1 – PB to arrange meeting with [REDACTED] clarify future requirements and interest in STDC site. This is not a current priority and should be closed as an action for now.

Action 2 – Treasury are waiting for BEIS finance team to get in touch with the Treasury Spending Team. TS advised that the Keep Safe Reprofilling has been approved and that there is a live discussion underway on the proposed Repurposing Funding. He also advised that Robert Jenrick is coming to site in early October.

Action 3 – An update on [REDACTED] will be obtained and reported to the Board. TS reported that [REDACTED] remain interested in a number of sites. Government are keeping in close touch and want to keep this project in the UK.

Meeting 6

Action 4 – A note will be issued on the number of contracts awarded to local businesses [REDACTED] will follow up.

Item 5 – Chairs Update – Chair

5.1 [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

true to the Master Plan objectives which support the process. The challenges presented through the Land Referencing Service and the legal advice from Gowlings are being addressed and the work is further supported through a number of peer reviews. A meeting is scheduled with the QC on site on 15 October. It is anticipated that we may be able to bring forward the proposed CPO date of 1 February once we have explored the resource constraints. Colleagues asked about the cost of the programme and it was agreed that budget figures and a revised detailed plan would be provided for the next meeting.

Action 2: Budget figures for the CPO process to be provided to the Board. **JG**

Action 3: A revised map, detailing land taken out of the CPO and showing land included, to be produced and shared with the Board. **JMc**

The Board endorsed the recommendations in the paper

[Redacted]

The Board endorsed the recommendations in the paper.

[Redacted]

The Board endorsed the recommendations in the paper

6d Tata Steel



6.5 JMc advised that the aspiration to exchange & complete on Phase 1 was conditional on STDC being contractually bound to complete on Phase 2. It is anticipated that both exchange and completion would be concluded by the end of November. BH noted that the structure of the deal was as advised at previous Board meetings. Greg Clark, who has been briefed on this issue, is meeting with the CEO of TATA and the PM so is pushing for the deal to be expedited. During discussion on how this would be funded JG confirmed that once approved by this Board this would need be a referral decision to TVCA Cabinet. The decision would not be ratified until it was approved by Cabinet. JG explained the make-up of the [redacted] for the referral decision and confirmed that there would be an agreement to enter into a contractually-binding, conditional agreement to purchase Phase 2 land within 24 months of the relatively near – term exchange of contracts on Phase 1 and this too will be a referral decision.

The Board endorsed the recommendations in the paper acknowledging that these are referral decisions.

6e Business Case

6.6 This will be discussed at a Transition meeting next week. There have been discussions about Enterprise Zones and a TIF (a means to borrow against business rates). HMT are doing some modelling and RCBC are involved in the process. It has been agreed that there must be no detriment. SJ advised that any decision on this needs to be a referral decision and AN will confirm whether or not that is the case. If these are introduced it will enable the potential for private sector investment. Discussions are ongoing with M&G. It is not a solution in the short term as it relates to borrowing against an income stream and requires tenants to be signed up. JG sought Board endorsement of taking forward discussion.

Action 5: A check to be made on whether introduction of revised EZs and a TIF would be a referral decision.
AN

Action 6: Discussion with M&G to be progressed. **JG**

The Board endorsed this proposal to progress discussions with M&G.

Item 7 – Key Investors – Paper 8.5 – John McNicholas/Paul Booth

7.1 PB/BH met with [redacted] and a lot of information was subsequently shared with them. Some feedback from Greg Clark indicates that [redacted] has some concerns over [redacted] a second issue is the land (we are pressing Tata) and the third is availability of the workforce. However, by the third quarter of 2020, [redacted] believe they would only need 75- 80 jobs. It is a proposed that Greg meets [redacted] Senior Executives and potentially [redacted]

[redacted]

[redacted]

[redacted]

[redacted]



Item 8 – Committee & Group Reports

8a – Audit & Risk – John Baker

8.1 JB advised that no meeting had been held since the last Board but that a recruitment exercise had been completed for the new Independent Chair. The Board were asked to approve the appointment of Christopher White, Finance Director of Darlington Building Society, as the Chair of A&RC. Bob Cuffe declared an interest at this point as a non-exec member of the Board of Darlington Building Society.

The Board approved the appointment.

8b – Business & Innovation – Paul Booth

8.2 PB advised that the B&IC is exploring ways to improve the process for managing projects and sharing information with Board members about what was on and what was removed from the project list.

8c – Planning & Infrastructure – Philip Leech

8.3 PL noted that an update to the Master Plan is required for CPO and this will be brought to the next Board meeting. A presentation on Section 106 agreements had been provided by [REDACTED] of RCBC and this process will be led by STDC with support from RCBC [REDACTED]

8d – Search & Remuneration – Jane Turner

8.4 The next meeting is scheduled for 9 October and will include the CEO appointment and consideration of the interface between roles & responsibilities of TVCA/STDC/STSC.

Item 9 – Any other Business

9a – STDC Organogram – Paper 8.6 – [REDACTED]

9.1 [REDACTED] advised that STDC had appointed 11 permanent staff (now down to 10) and has a number of secondees supporting the work. A number of other posts were agreed at a previous Board meeting and the recruitment process is in train. This organogram will inform discussion at the S&RC meeting in October.

9b – Forward Programme – Paper 8.7 – [REDACTED]

9.2 Discussion of Resource Sharing Agreement for TATA land to be added and AS requested a paper on the work of the South Gare Group to be included at the next meeting.

9.3 JT requested a statement be issued to the Board to ensure consistent messaging in regard to the recent departure of JBr.

Action 7: A paper on the work of the South Gare Group to be brought to the next meeting. **AS**

Action 8: A line to take regarding the departure of the former CEO to be shared with the Board. [REDACTED]

9.4 GR reported that he had recently visited a small Development Corporation in Philadelphia. It was industrial land with a private wire network. There is no housing and they sell power. It was established in 2004, has planning powers (with approvals within 1 week), relationships with major investors and he shared



our Master Plan with them. GR noted that this is a demonstration of being able to deliver what we are aiming to deliver. GR will put a paper together for the Board.

Action 9: A paper on the Philadelphia Development Corporation to be shared with the Board. **GR**

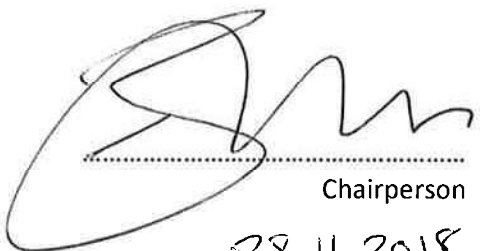
9c – Confidential Issues – Paper 8.8 – [REDACTED]

9.5 [REDACTED] tabled a paper reporting on 3 issues:

- [REDACTED]
- [REDACTED]
- b) Subject Access Request under GDR from a member of the public whose name and other details were captured on the electronic systems within STSC and STDC in respect of a matter that is not part of the business of either organisation – this is under investigation and a response is due in mid-October.
 - c) A letter of complaint submitted to STSC Board members, many of them addressed to 1 Victoria St (BEIS offices), from the person in (b) above raising concerns about the STSC Data Protection Officer – a draft response is being considered with advice from the STSC Company Secretary.

The Board noted progress on each of the issues and the tabled paper was collected from all attendees for shredding.

The meeting closed at 16.30


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Chairperson
28.11.2018