

SOUTH TEES DEVELOPMENT CORPORATION (STDC) BOARD

Date: 21st July, 2023

Time: 3pm

Location: Teesside Airport Business Suite, Teesside International Airport, Darlington DL2 1NJ

Attendees:		Apologies:
Ben Houchen (Chair)	Tees Valley Mayor	Julie Gilhespie
Cllr Alec Brown	Leader, Redcar & Cleveland BC	John Sampson
Graham Robb	Independent Member	Emma Simson
Jacob Young MP	Independent Member	Tom Smyth
Neil Schneider	Independent Member	
Gary Macdonald	TVCA Group Director of Finance & Resources	
Ian Kirk	JV Partner	
John McNicholas	Teesworks	
Brian Archer	Redcar & Cleveland BC	
Sally Henry (Secretariat)	TVCA Governance Officer	
David Smith – joined the meeting via Teams	Independent Member	

No.	Agenda Item	Summary of Discussion	Actions Required	Responsibility
STDC 01/23	Welcome and apologies for absence	<p>The Chair welcomed everyone to the meeting and introductions to new Board members were made.</p> <p>Apologies were given as noted above.</p> <p>Board were advised the interim Monitoring Officer, Emma Simson, had submitted apologies but if members wished to ask any questions or seek advice, they should do so during the meeting and they will be responded to in writing following the meeting.</p>		
STDC 02/2023	Declarations of Interest	<p>Cllr Brown and Brian Archer declared a pecuniary interest relating to the ERF project on site.</p> <p>Graham Robb declared an interest in agenda item 11 as he provides the PR for a company mentioned in the report. When this item was discussed, Graham Robb left the room.</p>		
ANNUAL GENERAL MEETING				
STDC 03/2023	Governance & Appointments	<p>Board members were presented a report which detailed a number of items for agreement and confirmation at its Annual General Meeting.</p> <p>NS enquired whether the Mayor of Middlesbrough had been invited to join the Board, given the impact of the development at STDC he would be surprised if they did not want to be involved. He was advised that, while the Constitution does not require him to be on the Board, he was invited to join but had declined.</p>		

		<p>NS sought assurances that all the Tees Valley Councils received regular and timely briefings given the impact regeneration at the site would have across the Tees Valley. The Chair acknowledged and agreed they would.</p> <p>Resolved that Board :-</p> <ul style="list-style-type: none"> i.agrees the appointments as set out at Appendix 1 ii.agrees the members’ allowances scheme for 2023-24 at Appendix 2 iii.note that the Acting Monitoring Officer will review the Constitution in time for the next STDC Board meeting. 		
BUSINESS MEETING				
STDC 04/20234	Minutes from previous meeting	<p>The Board reviewed the minutes of the meeting held on 20th April, 2023.</p> <p>GM advised Board members that Item 11 on the agenda covers the outstanding action from the 20th April meeting.</p> <p>Resolved that the minutes of the 20th April, 2023 are agreed.</p>		
STDC 05/2023	Chairs Update	<p>The Chair advised the Board that demolition on site is now complete. It is the intention that the COMAH status will be removed by the end of the year however the request has not been submitted to Government yet whilst final arrangements for removal of COMAH substances are made. It was acknowledged that the removal of the COMAH status will be a significant milestone for the site.</p> <p>Resolved that The Board noted the update.</p>		

STDC 06/2023	Group CEO Update	<p>The Board were provided a report which updated them on activity since the last meeting.</p> <p>The report covered:-</p> <ul style="list-style-type: none"> • Decontamination Project and COMAH Status; • Freeport; • Utilities; • Programme Development. <p>JY enquired when the independent investigation will be completed. He was advised that the inquiry team have been provided with in excess of 400 pages of documents. The timescales for the review are a matter for the Independent Review Panel and officers are engaging with all requests for information in a comprehensive and timely manner. It is not yet known when the inquiry will conclude but it is hoped that the outcome will be soon.</p> <p>NS also asked about the current occupancy of the site and what interest there is on-going.</p> <ul style="list-style-type: none"> • Board were advised that full remediation of the NZT site had commenced, and that construction should commence in quarter 2 next year. • SeAH Wind have now commenced construction. To provide an idea of the size of the facility, Board were advised that once complete, it would be the size of 14 Riverside Stadiums. • Work is ahead of schedule on the quay and the forecast demands for the use of the quay are high and based on the current level of interest the capacity of the quay will be very high. As such, work on the 2nd phase of the quay is being developed to look at how future demands can be proactively serviced. 		

		<ul style="list-style-type: none"> • Circular Fuels have just been granted planning permission and are finalising funding. • Teesworks is shortlisted for the new Rolls Royce Small Modular Reactor (SMR) factory; • A wind energy sector logistic tenant, a floating wind farm operator were amongst other tenants currently expected to complete very soon. • Of the deliverable site, over 50% of land is either in delivery, in legals or in heads of terms and a comprehensive update was given to the Board. <p>GR also enquired if the Freeport benefits had been a key determinant in the attraction and securing of tenants to the site.</p> <p>Board were advised that having the Freeport is just one of many advantages of the site. The site location, deep water port capabilities, quayside facilities and connectivity and Freeport benefits, There is ongoing work to ensure the skills opportunity is maximised for local workforce including use of existing skilled labour, retraining local people and (including maximising those with transferrable skills) in the required clean growth sector skills and working with partners to help local people back into employment where applicable.</p> <p>Board requested that, at their next meeting, they receive a presentation which shows current occupancy on site and included job figures, GVA and skills.</p> <p>NS also sought assurance that a comprehensive economic assessment of the regeneration of the site was undertaken, taking into account gaps in local provision and any leakages out of the region. The Chair agreed that such an item would be brought to a future Board meeting.</p> <p>RESOLVED THAT:-</p>		
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STDC 07/2023	Finance Update	<p>The board were presented with a report which updated them on the financial performance for 2022/23 against budget and the forecast position for 2023/24 and 2024/25.</p> <p>GM highlighted the main points to note from the report including investment to date, performance vs budget and key variances to date. GR commented that the performance vs budget was excellent and that given the many challenges that required managing on a site of this nature it was an achievement to manage the budget within such levels.</p> <p>The Board commented that whilst there was more work to be done this put the Board in a strong position going forward into the next phase of development.</p> <p>The Chair suggested that a future meeting includes an item on bio-diversity net gains.</p> <p>RESOLVED THAT:-</p> <ul style="list-style-type: none"> i. the Board noted the update; ii. a presentation on bio-diversity net gains be included on the agenda of a future meeting. 		
STDC 08/2023	Freeport Update	<p>Board were provided a report which advised that two new Freeports in Wales and in addition eight Investment Zones have been announced. The Investment Zones are expected to complement the Freeports.</p>		

		<p>Following the local elections, the new leader of Redcar & Cleveland CBC, Cllr Alec Brown will be invited to join the Freeport Board and chair the Strategy & Accountability workstream.</p> <p>Media attention has been focussed on the region, with the Freeport being named in ongoing discussions regarding the ownership of Teesworks. The TVCA Mayor had called for the Government to conduct a full review. An independent panel has now been established by Government, which is currently carrying out this review.</p> <p>Councillor Brown requested that his appointment to Freeport Board is delayed until after the result of the investigation. It was pointed out that his appointment had already been ratified by TVCA Cabinet on 30th June however the next Freeport Board meeting is not scheduled in at the present time and will not take place before September.</p> <p>Board enquired what the transitional plans are since the Freeport Director stepped down. They were advised that the role has changed from what it once was now that the Freeport has been established. The role is currently being covered in-house as an interim arrangement and recruitment to new roles have been signed off to progress to recruitment for the permanent solution.</p> <p>RESOLVED THAT:- the Board noted the update.</p>		
STDC 09/2023	Risk Management Policy & Framework	<p>Board were advised that, on an annual basis, the Risk Management Policy, Framework and supporting documents are reviewed, to ensure that these are still in line with best practice and fit for the purpose of the organisation.</p> <p>A full review of the Group Risk Management Policy and Framework has been completed, using ISO standards, HM Orange Book guidance and industry best practice.</p> <p>Supporting documents have also been updated following the implementation of</p>		

		<p>automated risk platforms, which reduce the threat of human error and resource required when analysing and reporting risk information.</p> <p>This Policy and Framework have been agreed by both TVCA Audit and Governance Committee and STDC Audit and Governance Committee.</p> <p>NS commented that the Risk Management policy and framework was extremely thorough and comprehensive in comparison to any he had seen throughout his career.</p> <p>Board were advised that they will receive quarterly updates.</p> <p>RESOLVED THAT:- the Board approved the revised version of the Group Risk Management Policy and Framework.</p>		
<p><i>Under the terms of paragraph 3 of schedule 12a of the Local Government Act, 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. The proposal was made by Councillor Alec Brown and seconded by Jacob Young.</i></p>				
STDC 10/2023	Energy JV Update	<p>At this point of the meeting, Graham Robb left the room as his company provides PR for a company mentioned in the report.</p> <p>RESOLVED THAT:- Board approves the recommendations within the report on the basis that any questions asked by The Board were resolved by 28th July, 2023.</p>		
STDC 11/2023	Update on SeAH Energisation	<p>At this point in the meeting, Graham Robb re-joined the meeting.</p> <p>RESOLVED THAT:- The Board noted the update.</p>		
STDC 12/2023	Teesworks Update	<p>Board were provided a comprehensive update of progress and negotiations across the site which were also covered in agenda item 6.</p> <p>RESOLVED THAT:- The Board noted the verbal update.</p>		

	Date & Time of Next Meeting	21 st September 2023 @ 10am		