



Notes of Meeting

LEADERSHIP BOARD

Meeting held at Cavendish House, Stockton
at 2.00 pm on Wednesday 22nd October 2014

ATTENDEES

Sandy Anderson (SA)	Chair
Councillor Bill Dixon (BD)	Leader, Darlington BC
Councillor David Budd	Deputy Mayor, Middlesbrough BC
Councillor George Dunning (GD)	Leader, Redcar & Cleveland BC
Councillor Bob Cook (BC)	Leader, Stockton on Tees BC
Councillor Christopher Akers-Belcher	Leader, Hartlepool BC
David Soley (DS)	Executive Chairman, Tenergy, Wilton Group, Camerons Brewery, ERS
David Robinson	CEO PD Ports
Paul Booth	President, Sabic UK Petrochemicals
Martin Raby (RB)	Principal, Cleveland College of Art and Design (FE+ representative)
Margaret Coates	Policy Advisor BIS
Anne Yare	HR Director, DeepOcean Group
Naz Parker,	Executive Director, Homes and Communities Agency
Ian Kinnery	Independent Advisor, Team Massive Results
Alison Thain (AT)	CEO, Thirteen Group
Rob Mitchell (RM)	Redcar and Cleveland Borough Council
Dave Stubbs (DSt)	CEO Hartlepool Borough Council
Mike Robinson (MR)	CEO Middlesbrough Borough Council
Neil Schneider (NS)	CEO Stockton on Tees Borough Council
Ada Burns (AB)	CEO Darlington BC
Denise Ogden	Director of Place and Neighbourhoods, Hartlepool BC
Linda Edworthy (LE)	Tees Valley Unlimited
Neil Kenley (NK)	Tees Valley Unlimited
Stephen Catchpole (SC)	Tees Valley Unlimited

1	Chair's Welcome SA opened the meeting and welcomed Anne Yare and Martin Raby to the Board.
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2	Apologies
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	Ray Mallon, Nigel Perry, Alastair MacColl, Professor Graham Henderson, Amanda Skelton.
3	<p>Conflicts of Interest</p> <p>Councillor George Dunning declared an interest in Paul Booth's presentation and Martin Raby in the LGF report.</p>
4	<p>Minutes of previous meeting</p> <p>Agreed</p>
5	<p>Presentation by Nick Asselin-Miller, ElementEnergy on Regional Hydrogen Strategy</p> <p>Neil Kenley introduced this item and gave a background to the study. Following discussions in recent months a small steering group has been set up chaired by Gerry Brough of Redcar and Cleveland, this group involves TVU, the NE LEP and Gateshead College. The study is to look at the hydrogen sector in the future, and we have appointed ElementEnergy to look at the opportunities in the sector, what the Tees Valley/North East has to offer and what we can do to turn it into a reality.</p> <p>Nick Asselin-Miller introduced himself to the Board and explained ElementEnergy are a low carbon energy consultancy who have been involved in most hydrogen activities in the UK, particularly around the transport sector. They were commissioned in June 2014 to look at the capabilities of the Tees Valley/North East LEP area to understand how the region could engage in the hydrogen economy going forward. Nick's presentation gave a brief overview, and there is a full report available which provides a lot of analysis. Nick's presentation covered:</p> <ul style="list-style-type: none"> • The growing use of H₂ as a new energy vector can potentially unlock many economic, social and environmental advantages • Globally, several emerging H₂ technologies are receiving increased attention as alternative energy solutions • The TV and NE region is in a strong position to engage with emerging H₂ technologies by taking advantage of its leading H₂ production capabilities • Of the available options for engaging with hydrogen energy, the transport sector is likely to provide the largest opportunities for the region • An integrated programme of five detailed activity streams has been defined, facilitating access to the long term benefits outlined • Early recommended production and distribution activities will help unlock significant long term H₂ export and industrial diversification opportunities • Early action on H₂ vehicles and refueling infrastructure will help to unlock significant long term transport inward investment opportunities • Circa £46m of investment is required to unlock the significant long term opportunities, much of this could be obtained from external funding sources • An implementation plan has been recommended to work towards achieving the long term goals identified, driven by a clear mandate and focused budget • A relatively small short term public investment could unlock opportunities for

	<p>the region to gain orders of magnitude more economic benefit by 2030</p> <p>The Tees Valley and North East Hydrogen Economic Study was launched at Ramside Hall on Tuesday evening.</p> <p>The steering group chaired by Gerry will try to move this work forward, and explore funding opportunities and opportunities to take this study to the next level.</p> <p>Action : It was agreed by the Board to support this work.</p>
6	<p>Sabic Investment in the Cracker</p> <p>Paul Booth gave a presentation which covered:</p> <ul style="list-style-type: none"> • The conversion of Ole-6 to gas cracker to utilize low cost gas feedstock • Project entails investments and long term contracts in feedstock which will be Sabic's answer to the fierce competition to production in Europe • The opportunities that this will provide not only to Sabic but also to Teesside by attracting 'downstream' activities <p>Sandy thanked Paul for his presentation.</p>
7	<p>Local Growth Fund Update</p> <p>LE presented the report which provided an update, covering the current position and the next steps on the Tees Valley Growth Deal. The report also covered the potential for seeking and securing additional local growth funding for 2016/17. Information was required by Government in mid September to feed into the Autumn Statement. An indicative list of projects was provided. Leadership Board was asked to note the update and consider the initial proposed projects put forward for additional LGF funding for 2016/17. Preparation to identify key projects is underway which may include local growth funding from 2017/18 onwards. Each local authority has been asked to identify 6 local projects. LE asked the Board for formal endorsement, looking forward to the announcement in the Autumn Statement.</p> <p>BD raised the electrification of the Northallerton – Middlesbrough, suggesting we have to put a marker down, the region has to position itself on what we want from rail. DR advised it would need a huge amount to do GRIP work but we need something to clearly show commitment to the project. It was agreed this could be actioned. SC spoke of the exciting projects we have, e.g. CPI biorefinery, with spin offs which can be game changers.</p> <p>Action : Update noted, note to be prepared for Margaret Coates.</p>
8	<p>ESIFS update</p> <p>LE provided a report and advised we had made good progress and drew attention to the key messages in the report. Programme to be approved by the Commission in December, then able to go out to local calls. Unfortunately the plans have been rejected by the Commission and the Commission has now said to all member states that any plan not signed off by December will not be signed off until June 2015. We will lobby MEPs and impress the impact to our MPs of the gap between the cessation of current Round funding and the new Round.</p> <p>SC suggested a meeting of DCLG/BIS/LEP to discuss what is available from the current programme and how it can be spent on continuing projects. The earliest</p>

	<p>money will flow from the new round is March 2016.</p> <p>Action : SA recommended talking to the NE LEP, lobbying MPs/MEPs to find some practical ways forward. The matter to be raised at meeting of Leaders and Mayors with MPs on Friday 31st October.</p>
9	<p>Tees Valley – the Place of Culture in Economic Growth</p> <p>AB advised of a seminar that took place on 25th June attended by the local authorities, Tees Valley Unlimited, Teesside University/Arts Council and the NE Cultural Partnership. The paper presents feedback and proposals for taking forward. Next steps involve cleansing the work programme, a Task and Finish Group to be set up chaired by Professor Graham Henderson/Co Chair Councillor David Budd. To continue working with the Arts Council and discussions with the NE Cultural Partners so outcomes can be built into the emerging North East case for culture. There are no recommendations in the report but AB asking for Board agreement on the statement of outcomes to agree the establishment of the task and finish group and ensure its importance in the Place Prospectus.</p> <p>MR welcomed AB's report but was disappointed he had not been invited to the seminar or to be a representative on the task and finish group. MR has been involved in cultural activities in Hartlepool. He feels that going forward he can make a contribution to the group. AB welcomed this and happy to draw on any goodwill offered. Details of the task and finish group will be confirmed shortly with a timetable.</p> <p>Action : SA asked for agreement from the Board and this was confirmed.</p>
10	<p>Tees Valley Place Prospectus</p> <p>NS updated the group on progress made on the production of a Place Prospectus for the Tees Valley. This is a work in progress and a report will be brought back to the Board in January 2015.</p> <p>AT welcomed the input received from Naz at HCA, AT meeting with Naz next month.</p> <p>DR asked NS if there was an indicative budget, NS advised extent of ambition will decide what budget is required.</p> <p>PB highlighted the lack of hotels in the area. .</p> <p>Action ; Report to be brought back to Leadership Board in January 2015</p>
11	<p>Rail in the Tees Valley</p> <p>AB presented and spoke on a complex set of issues, and indicated that there is a window of opportunity to press hard for key infrastructure investments.</p> <p>Action : SC and AB to take forward, expand the business case, and push the issue with meeting of Leaders & Mayors and MPs on 31st October.</p>
12	<p>Devolution and the LEP</p> <p>SC updated the Board on the current work ongoing regarding a possible structural change for the Tees Valley. The private sector will sit at the heart of strategic development of functions such as economic development, transport and skills.</p> <p>Thoughts need to be given as to the powers/functions/resources that the area may</p>

	<p>wish to see devolved from Government following the Scottish Referendum.</p> <p>Action : To be discussed at the Leadership Awayday on Wednesday 29th October to crystallise thinking.</p>
<p>13</p>	<p>Chairs' updates</p> <p><u>Neil Schneider – Investment Panel</u></p> <p>Much of the Investment Panel work is covered in today's meeting. The group has been discussing the Local Growth Fund/Governance and due diligence. Identifying what we want to see in the Investment Plan.</p> <p><u>David Robinson – Transport Infrastructure Group</u></p> <p>Rail has been covered.</p> <p>Road – traffic issues around Teesside, long term pieces of work around the A19.</p> <p>Broadband – although this is being rolled out there are still issues, accountability with BT is proving very difficult. LE advised of a meeting with BT executives/BTUK shortly.</p> <p><u>David Soley – Economic Development Group</u></p> <p>Major projects ongoing, lot of programme knowledge in the group.</p> <p>Presentations had with Darlington, Middlesbrough and Redcar and Cleveland. Better understanding of developments.</p> <p>South Bank Wharf – major issues</p> <p>Presentation from Sirius Minerals – we have offered our full support.</p> <p>Business Investment Fund/Tees Valley Compass/Wage Subsidy – all proving successful.</p> <p>Contract Catalyst - £2.7m defrayed, £6m committed. Extending postcodes to where support can be given.</p> <p>Carbon Capture – various reports – press release shortly, this links in with the hydrogen situation.</p> <p><u>Alison Thain – Place Group</u></p> <p>Refocusing the group, taking a more strategic approach, a much broader view (not just housing)</p> <p><u>Ian Kinnery</u></p> <p>Brainstorming session in the last meeting.</p> <p>Presentation from David Robinson on High Tide, well received. This is a model that works (36 companies engaged, 16 schools).</p> <p>Discussion about the 3 models locally – High Tide, Foundation for Jobs, Esh Group Project. Redcar also setting up a Foundation for Jobs and Hartlepool has the Youth Investment Project.</p> <p>IK asking for initial feedback from Board to concentrate resources. Ideas exchanged.</p>
<p>9</p>	<p>Any Other Business</p>

	None
10	Dates of next meetings 28 th January 2015 22 nd April 2015