

AGENDA ITEM 5**REPORT TO THE TEES VALLEY
COMBINED AUTHORITY CABINET****22nd JULY 2022****REPORT OF THE TEES VALLEY MAYOR****TEES VALLEY MAYOR'S UPDATE****SUMMARY**

This report provides a general update on the key activities of the Mayor and Combined Authority since the last Cabinet meeting, which are not covered in other reports to this meeting.

RECOMMENDATIONS

It is recommended that the Tees Valley Combined Authority Cabinet notes the report.

DETAIL**TEESWORKS**

1. Site demolition activity continues, with all major demolition works expected to be complete by the end of 2022. Good progress continues to be made on the construction of South Bank Quay Phase 1, with the main quay wall very close to being completed and related river works scheduled to commence in September.
2. Several ground remediation projects are nearing completion, such as the 90-acre land platform for the recently announced SeAH Wind monopile manufacturing facility at South Bank, with work on the facility now under way. Work will also commence on the preparation of the 100-acre site for the Net Zero Teesside Power carbon capture, utilisation and storage project at the Redcar end of the site.
3. The new Eston Road roundabout scheme at Dorman Point is very close to completion, which will provide one of several strategic accesses into the Teesworks site. Construction of the Teesworks Skills Academy building on Dorman Point was completed at the end of March 2022 and the facility is now being readied for occupation.

FREEPORT

4. Following the submission of the Full Business Case (FBC) on 31st January, the Freeport has received and responded to HMG review panel questions and actions. The current HMG timetable suggests that the FBC process will conclude in Q3 2021.

5. Following the approval of the FBC, Teesside Freeport (through TVCA) will enter into an MOU to deliver the objectives of Freeport. The draft MOU which has been circulated to all English Freeports is being reviewed by external counsel, Muckles LLP, on behalf of the Teesside Freeport.
6. A number of events were held in March to further develop the Teesside Freeport Innovation concept of a “Centre for Frictionless Trade” and this has culminated in a coming together of a parallel and complementary project being developed through the ICC regarding a digital trade centre. The combination of both concepts has led to the establishment of the ICC’s Centre for Digital Trade and Innovation (C4DTI), launched virtually on 8th April, 12 months ahead of schedule. The launch coincided with ICC’s Digital Trade conference and can be viewed online.
7. Marketing of Teesside Freeport is focused on driving new investment and trade enquiries into the region. We have identified a gap in the knowledge of our target markets of what a freeport is and can offer, from stakeholder feedback. Our marketing focus in 2022 is to drive though leadership and educate the market in tandem with profile raising.

TEESSIDE INTERNATIONAL AIRPORT

8. TIA has been working to support the growth plans of several Northside tenants, including on the refurbishment of Hangar 2 with international company Willis Lease Finance Corporation so it can be used as a Maintenance, Repair and Overhaul facility. This involved Willis and FedEx swapping hangars so that both tenants are now in improved premises. Construction has begun on a new hangar for Draken, which will enable the company to expand its operational capacity and deliver a new training contract for the MOD.
9. Construction of the main access road into the airport’s Southside development started in spring 2022, and a planning application will be submitted for the phase 1 buildings in summer 2022. Redevelopment work continues on the main terminal building, with the landside Skybar now open to passengers, ahead of a new at-height viewing platform later this year.
10. Teesside Airport’s schedule of summer flights is now well under way. Teesside is one of Ryanair’s best performing airports for its flights to Palma, Alicante, Faro and Corfu. TUI’s summer season to Palma is almost sold out. The airport continues discussions with airlines with a view to delivering more airline partnerships, routes and services, and continuing to grow passenger numbers.

ONE PUBLIC ESTATE (OPE)

11. The OPE programme provides practical and technical support and funding to deliver ambitious property-focused programmes in collaboration with central government and other public sector partners. It aims to generate efficiencies, create economic growth and deliver better, more integrated customer services. The Combined Authority is the accountable body for the OPE programme in Tees Valley.
12. The Tees Valley OPE Partnership has been successful in securing £100,000 from the OPE 9 funding round for the Expansion and Re-Development of the Integrated

Care Centre (The Live Well Centre) in Middlesbrough, to fund feasibility and business case development.

13. In February 2022, the Tees Valley OPE Partnership was awarded £142,000 Opportunity Development Funding to provide capacity funding. The funding will assist the Partnership develop a pipeline of investable public sector property opportunities in Tees Valley.

BUSINESS INVESTMENT

14. The Business Investment Team held two outreach webinars in April with the Department for International Trade's (DIT) staff in locations across Europe, Asia and North America to promote Offshore Wind opportunities in Tees Valley. This was part of DIT's joint marketing initiative with the Humber who also participated in the webinar. In May, a session to help identify potential overseas companies to target for this type of investment also took place.
15. The Business Investment Team exhibited at the two-day CHEM UK event held at the NEC in May to promote the area for inward investment into the chemicals and process industry. We promoted the decarbonisation and hydrogen project announcements in the region, alongside the opportunities presented by the Teesside Freeport.

EDUCATION, EMPLOYMENT AND SKILLS

16. The Combined Authority has been awarded £3.2m from the Department for Education (DfE) to implement L3-L5 employer-led Skills Bootcamps. These courses of up to 16 weeks train residents for the jobs available from employers. Delivery is intended to run from July 2022 until the 31 March 2023.
17. DfE has also confirmed the £2.5m allocation to the Combined Authority for the Level 3 Adult Offer (Free Courses for Jobs) for the 2022/23 academic year. This programme is aimed at targeting Tees Valley residents aged 24+ who do not already have a level 3 qualification (or equivalent). The existing 15 providers procured in 2021 will continue to deliver this offer alongside additional providers.
18. The DfE has allocated £3.6m to the Combined Authority over the next three years to implement the Multiply programme as part of the wider UK Shared Prosperity Funding (UKSPF). The programme is aimed at improving the levels of numeracy skills in adults (19+), and is expected to commence from September 2022.
19. The devolved Adult Education Budget for the 2022/23 academic year has been confirmed by DfE as £30.5m. The existing 31 providers procured in 2021 will continue to deliver the adult skills programmes into the next academic year and thereafter for up to the next 2+1 academic year.
20. The Department for Work and Pensions (DWP) Kickstart Scheme closed to new applicants on 31st March 2022. The TVCA Gateway continues to support businesses and young people who are still in placement. The last placement will finish 30th September 2022, with 516 young people taking them up.

TRANSPORT

21. There has been significant progress on key rail projects as summarised below:

- **Billingham station** – work has got underway 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. Billingham is currently the only regularly served station in Tees Valley without step-free access to any of its platforms. The work will involve car park and access route improvements to make the station better for all the station's users. All work on the station is due to be complete in spring 2023.
- **Middlesbrough Station** – work has now begun on the second phase of the scheme, which will revitalise the disused and dilapidated undercroft, ahead of creating a modern new entrance into the subway, new business workspace and changes to the ticket hall building. The current ticket hall stairs will be removed, a new staircase built off the central thoroughfare, open public space created in front of the ticket hall at the east end of the former car park, plus a new pedestrian walkway created between Zetland Road at the south of the station and the existing subway. The first phase of works, to extend platform one, was completed in December 2021, to accommodate the new LNER Azuma direct service to London. Phase 3 to create additional capacity at the station by adding a new platform and additional infrastructure is currently in development.
- **Hartlepool Station** – the planning application for the redevelopment of the station has now been submitted. The scheme will see the station's redundant second through platform removed and a new platform to comply with modern standards will be built, creating additional capacity and unlocking the potential for a future growth in services. New lifts and a footbridge will be installed to provide access to the platform. Subject to approval the work is set to begin later this summer with an ambitious programme for completion by summer 2023.

22. The programme to roll out **electric vehicle charging points** is now underway, supplemented by a successful bid for £720,000 from the Government's Office for Zero Emission Vehicles, to support the installation of public charging points for residents without off-street parking. The first phase roll-out will see 145 chargers installed in 32 public car parks across the Tees Valley, increasing the current provision by 75% to 336. The charging points will start to be operational this summer. TVCA is also working with the local authorities to develop a plan and investment strategy to further increase the provision of charging points in the coming years.

CLEAN GROWTH AND INNOVATION

23. TVCA's Clean Growth and Innovation team has supported a group of the region's industrial cluster with submissions to the BEIS CCUS Cluster Sequencing competition, the outcome is expected in July. The Redcar Hydrogen Community bid, which TVCA assisted, has been announced by Northern Gas Networks. We are developing a Hydrogen Vision with BP, Kellas, Northern Gas Networks and Arup and have completed our own study on hydrogen demand to assist Arup, and our own work on the ISCF-funded Cluster Plan for Decarbonisation.

24. TVCA is leading a £3.2m Home Upgrade Grant programme to improve the energy efficiency of low income off-gas properties in the region. It is also leading a £4.5m Social Housing Decarbonisation Fund programme, in partnership with Beyond Housing, Darlington Borough Council, North Star Homes, and Thirteen group.
25. The BEIS-funded North East and Yorkshire Energy Hub, for which TVCA is the accountable body, has rebranded to the North East and Yorkshire Net Zero Hub. It has launched and is delivering a programme of COP26 Legacy Grants to SMEs. It has secured additional resources for the Rural Community Energy Fund, one of the beneficiaries of which is Hartlepower. It has launched a programme of funded support to help local authorities bid into the Public Sector Decarbonisation Fund.

CREATIVE PLACE

26. The Business Case for TVCA's Growth Programme for the Creative & Visitor Economies has been formally approved. There are four key programme pillars: Sustainable Sector Growth for the Cultural Industries; Festivals & Events; Destination Product Development; Profile Raising. Launch events are now being planned.
27. Eight home-grown Tees Valley festivals with high growth potential will be supported through a new Festivals Scale-Up Programme. The programme will combine financial investment with tailored business development support to accelerate capacity development and enable longer-term sustainability of organisations delivering distinctive regional festivals.
28. With grant funding of up to 10k from TVCA, eight cultural businesses were supported to prepare bids to become part of Arts Council England's National Portfolio. Tees Valley currently has six National Portfolio Organisations (NPOs), all of which have reapplied to retain their status – the eight businesses supported through this grant programme are new applicants. As a designated Priority Place, increased investment in the NPO profile will create jobs, support creative & visitor economy growth and create wider reach & greater impacts for local audiences and communities.
29. The Business Case for a North East-wide approach to developing the Screen Industries sector has been approved. A collective investment of £11.4m has been confirmed by the three Combined Authority areas and will provide match to the £25m commitment from the BBC. TVCA will act as the Accountable Body for the programme which will be overseen by a new North East Screen Industries Development Partnership.

MAYOR'S ALBANIAN TRADE MISSION

30. In June Mayor Houchen embarked on a trade mission to Albania, during which he visited the country's capital Tirana to meet Prime Minister Edi Rama, Tirana Mayor Erion Veliaj and Alastair King-Smith, the UK's Ambassador to the country. There, they discussed how the regions could work more closely together to boost investment for both. The Mayor also gave an update on Teesworks and the Teesside Freeport, sharing his learnings to inform Tirana's plans to undertake similar private/public sector partnerships, expand its airport and grow its ports. The Mayor also visited Albania's

main airport, Tirana International, and the container terminal Port of Durrës and the port of Romano.

FINANCIAL IMPLICATIONS

31. There are no financial implications to this report.

LEGAL IMPLICATIONS

32. There are no legal implications to this report.

RISK ASSESSMENT

33. This report is an update and therefore is categorised as low risk.

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