

**Date:** Thursday 16th December 2021, at 2.00pm

**Venue:** Cavendish House, Teesdale Business Park, Stockton-On-Tees, TS17 6QY

**Membership:**

Mayor Ben Houchen (Tees Valley Mayor)

Cllr Mary Lanigan (Leader, Redcar & Cleveland Borough Council)

Mayor Andy Preston (Mayor of Middlesbrough)

Graham Robb (Independent Member)

David Smith (Independent Member)

Jacob Young MP (Independent Member)

Neil Schneider (Independent Member)

Julie Gilhespie (Group Chief Executive TVCA, STDC)

**Associate Membership:**

Tom Smyth (BEIS)

John Sampson (MD, Redcar & Cleveland Council)

## **AGENDA**

**1. Welcome & Introductions**

**2. Apologies for Absence**

**3. Declarations of Interest**

Attached

**4. Minutes from previous meeting**

Attached

**5. Chair's Update**

Verbal Update

**6. Group CEO Update**

Attached

**7. Finance Update**

Attached

**8. Site Update**

Attached

*Under the terms of paragraph 3 of schedule 12a Local Government Act 1972, this report and appendix are not for publication.*

**9. Freeport Update**

Attached

*Under the terms of paragraph 3 of schedule 12a Local Government Act 1972, this report and appendix are not for publication.*

**10. Confidential Item re: Commercial Opportunity**

*Under the terms of paragraph 3 of schedule 12a Local Government Act 1972, this report and appendix are not for publication*

**11. Date and Time of Next Meeting**

Thursday 24<sup>th</sup> March 2022 at 2pm

### **Members of the Public - Rights to Attend Meeting**

With the exception of any item identified above as containing exempt or confidential information under the Local Government Act 1972 Section 100A(4), members of the public are entitled to attend this meeting and/or have access to the agenda papers.

Persons wishing to obtain any further information on this meeting or for details of access to the meeting for disabled people, please contact:

[tvagovernance@teesvalley-ca.gov.uk](mailto:tvagovernance@teesvalley-ca.gov.uk)

## **South Tees Development Corporation Declaration of Interests Procedure**

1. The purpose of this note is to provide advice and guidance to all members of the Development Corporation Board and Audit & Risk Committee on the procedure for declaring interests. The procedure is set out in full in the Development Corporation's Constitution under the "Code of Conduct for Members" (Appendix 3).

### **Personal Interests**

2. The Code of Conduct sets out in full, the principles on the general conduct of members in their capacity at the Development Corporation. As a general principle, members should act impartially and should not use their position at the Development Corporation to further their personal or private interests.
3. There are two types of personal interests covered by the Constitution:
  - a. "disclosable pecuniary interests". In general, a disclosable pecuniary interest will involve any financial interests, such as paid employment or membership of a body, interests in contracts, or ownership of land or shares. Members have a pecuniary interest in a matter where there is a reasonable likelihood or expectation that the business to be considered will affect your well-being or financial position, or the well-being or financial position of the following persons:
    - i. a member of your family;
    - ii. any person with whom you have a close association;
    - iii. in relation to a) and b) above, their employer, any firm in which they are a partner, or a company of which they are a director;
    - iv. any person or body in whom persons described in a) and b) above have a beneficial interest in a class of securities exceeding the nominal value of £25,000; or
    - v. any body as described in paragraph 3 b) i) and ii) below.
  - b. Any other personal interests. You have a personal interest in any business of the Development Corporation where it relates to or is likely to affect:
    - i. any body of which you are a member (or in a position of general control or management) and to which you are appointed or nominated by the Development Corporation;
    - ii. any body which:
      - exercises functions of a public nature;
      - is directed to charitable purposes;
      - one of whose principle purposes includes influencing public opinion or policy (including any political party or trade union) of which you are a member (or in a position of general control or management).

### **Declarations of interest relating to the Councils' commercial role**

4. Financial relationships between the Development Corporation and individual councils do not in themselves create a conflict of interest for Council Leaders who are also Development Corporation Board members. Nor is it a conflict of interest if the Development Corporation supports activities within a council boundary. Nevertheless, there are specific circumstances where the Board may consider entering into direct contractual arrangements with a council, for example in relation to a particular commercial investment project, or in which that council is a co-funder. In these circumstances a non-pecuniary declaration of interest should be made by the Council Leader or their substitute.

### **Procedures for Declaring Interests**

5. In line with the Code of Conduct, members are required to adhere to the following procedures for declaring interests:

#### **Register of Interests**

6. Each member is required to complete a register of interests form with their personal interests, within 28 days of their appointment to the Development Corporation. If no declaration is received from elected members within 28 days the matter may be referred to the Head of Paid Service of your local authority and Leader of the political group you represent on your council for action. If a Declaration is not submitted within an appropriate timescale you may be prevented from attending committee meetings. Details of any personal interests registered will be published on the Development Corporation's website, with the full register available at the Development Corporation's offices for public inspection. The form will be updated on an annual basis but it is the responsibility of each member to notify the Monitoring Officer of any changes to the register throughout the year. Notification of a change must be made to the Monitoring Officer within 28 days of becoming aware of that change.

#### **Declaration of Interests at Meetings**

7. The Development Corporation will include a standing item at the start of each statutory meeting for declaration of interests. Where members are aware that any of their personal interests are relevant to an item of business being considered at a meeting they are attending, they must declare that interest either during the standing item on the agenda, at the start of the consideration of the item of business, or when the interest becomes apparent, if later.
8. Where members consider that their interest could be considered by the public as so significant that it is likely to prejudice the members' judgement then they may not participate in any discussion and voting on the matter at the meeting, but may attend the meeting to make representations, answer questions or give evidence relating to the business, before it is discussed and voted upon.
9. If the interest is a disclosable pecuniary interest (as summarised in paragraph 3a) then the member must leave the meeting room during discussion and voting on the item of business, but may make representations, give evidence and answer questions before

leaving the meeting room. Failure to comply with the requirements in relation to disclosable pecuniary interests is a criminal offence.

**Sensitive Information**

10. Members can seek the advice of the monitoring officer if they consider that the disclosure of their personal interests contains sensitive information.

## SOUTH TEES DEVELOPMENT CORPORATION (STDC) BOARD

These minutes are in draft form until approved at the next Board meeting and are therefore subject to amendments.

Date: 18<sup>th</sup> August 2021

Time: 10.00 am

Location: Teesworks, TMO Offices, Redcar, TS10 5QW

<b>Attendees:</b>		<b>Apologies:</b>
Ben Houchen (Chair)	Tees Valley Mayor	Jacob Young, Member of Parliament
Graham Robb	Recognition PR	
Andy Preston	Mayor of Middlesbrough	
David Smith (remote attendance)	Energy Networks UK	
Mary Lanigan	Leader, RCBC	
Tom Smyth	BEIS, Interim Government Representative	
Neil Schneider	Independent Member	
John Sampson	MD, RCBC	
Julie Gilhespie	TVCA, STDC Group	
Gary MacDonald	TVCA, STDC Group	
John McNicholas	STDC	
Peter Judge	TVCA	
Sharon Jones (Secretariat)	TVCA	

No.	Agenda Item	Summary of Discussion	Actions Required	Responsibility
1.	<b>Welcome and introductions</b>	The Chair welcomed everyone to the meeting.		
2.	<b>Apologies for Absence</b>	Apologies were given as noted above.		
3.	<b>Declarations of Interest</b>	There were no interests declared.		
4.	<b>Teesworks Development</b>	<p>A report was circulated detailing a number of items for agreement and confirmation by the Board.</p> <p><b>Resolved that the Board:</b></p> <ul style="list-style-type: none"> <li>i. Note the detail of the report</li> <li>ii. Approve the recommendations within the report</li> </ul>		
5.	<b>Dorman Long Tower</b>	<p>A report was circulated regarding the independent structural review carried out on Dorman Long Tower.</p> <p><b>Resolved that the Board</b> approve the recommendations within the report</p>		
12.	<b>Date &amp; Time of Next Meeting</b>	<p><b>16<sup>th</sup> September 2021 – This meeting will be cancelled</b></p> <p><b>The next meeting is scheduled for 2<sup>nd</sup> December</b></p>		





## AGENDA ITEM 6

### REPORT TO THE STDC BOARD

16<sup>TH</sup> DECEMBER 2021

### REPORT OF THE GROUP CHIEF EXECUTIVE

## GROUP CHIEF EXECUTIVE UPDATE

### SUMMARY

The purpose of this paper is to provide an update to the Board on the key activity within STDC since the last meeting.

### RECOMMENDATIONS

It is recommended that the Committee notes the content of this update report.

### ORGANISATIONAL DEVELOPMENTS

1. Since the Last update to the Board the Tees Valley has been announced as one of the successful bidders for Freeport Status. As a large area of the proposed Freeport sits within the Teesworks Site Boundary, work is ongoing to reflect the impacts of freeports on the wider regeneration programme to ensure best advantage is taken of freeport incentives. In particular, tax zones, which offer a range of time limited tax incentives to eligible businesses
2. In addition to confirmation of Freeport status STDC has continued to develop a business case for additional funding linked to development of the Tees Valley Offshore Wind Hub on the South Bank area of the site. This business case has secured a further £20m of funding to support site preparation works and ensure that the site is ready to accommodate offshore wind manufacturers at the earliest opportunity. A large part of the Offshore Wind hub also forms part of the Teesside Freeport and is expected to have tax zone status. The complimentary development of South Bank Quay has also received approval from the UK Investment Bank (UKIB) for £107m funding in line with the Business Case taken to the Board on 29<sup>th</sup> July 2021.
3. As part of the plans for the proposed offshore wind hub, in March LM Wind (a subsidiary of GE Renewable Energy) announced plans to open and operate plant for the production of offshore wind turbine blades on the Teesworks Site and Heads of terms have been agreed. The plant is currently in the detailed design phase and is expected to open and start production in 2023 alongside the completion of the Teesworks Quay at South Bank
4. Further developments by operational area are provided below.

## **FREEPORT**

5. At the Autumn Budget on 27th October, Teesside Freeport was confirmed.
6. The following day, Teesside Freeport branding was launched, and the website went live.
7. The budget confirmation resulted in the Statutory Instrument for the Tax Land being laid on 29th October and following a 3-week review period, these will pass into law on 19th November.
8. The Primary Custom Zone was delivered by the end of the month and has been audited by HMRC / UKBF on 9th November.
9. Teesworks must review the remaining custom zone land in accordance with the issued guidance and confirm the areas to be included as customs sites by 15<sup>th</sup> December.

## **UTILITIES**

10. A Network Protection Study has been undertaken to confirm the appropriateness of the protection settings for the Teesworks electrical distribution network. The work was contracted in May 2021 and an initial draft report was received in Oct 2021. The report has been reviewed and amended during November and the final version of the report is expected to be received 10<sup>th</sup> Dec 2021.
11. In September 2021, STDC executed a Bilateral Connection Agreement with National Grid. The contract is a standard form agreement that describes the technical parameters of the dual connection to the grid. This BCA is a mandatory requirement for all connections to the National Grid network and its absence was a non-compliance for both STDC and National Grid. The execution of the agreement will now allow STDC to progress connection applications for the 100MW Battery and the Energy from Waste facility.

## **PROGRAMME DEVELOPMENT**

12. Dorman Point (150-acre site)
  - Eston Road Highway Access Scheme
    - (a) Construction progress: 35% complete.
    - (b) Principal activities undertaken to date relate to Holme Beck watercourse diversion.
    - (c) Programmed completion: 31-Mar-22, on target.
  - Site Preparation and Ground Remediation Works
    - (a) Phase 1a (ERF Site, 25 acres): 100% complete.
    - (b) Phase 1b (15 acres): 30% complete, further work temporarily on hold.
    - (c) Phase 2 (50 acres, eastern zone of site): 75% complete, completes 28-Feb-21.
    - (d) Phase 3 (30 acres, central zone of site): dates to be confirmed.
    - (e) Phase 4 (30 acres – former SSI land): dates to be confirmed.
13. South Bank
  - South Bank Quay Phase1 (450 linear metres of usable quay)

- (a) Construction works commenced 06-Sep-21 and are well underway, with the focus being on the preparatory major earthworks phase of the project.
- (b) Primary construction materials (tubular piles, sheet piles, etc) that are impacted by long lead-in times are all now under order.
- (c) Phase 1a completion (250m of quay): 31-Dec-22.
- (d) Phase 1b completion (200m of quay): 31-Mar-23.
- (e) Project is on programme.

#### Site Preparation and Ground Remediation Works

##### Area C (GE Blade Manufacturing Facility site – 45 acres main site plus 20 acres storage)

- (a) Advance major site clearance and demolition works: 100% complete.
- (b) Ground remediation works: 70% complete, on programme.
- (c) Target completion:
  - Area 1 (main factory site): revised to 17-Dec-21 due to temporary suspension in Anglo American mudstone deliveries.
  - Area 2 (factory site north): revised to 31-Jan-22.
  - Area 3 (factory site south): 28-Feb-22.

##### Area B1 (Land immediately behind South Bank Quay Phase 1 – 12 acres)

- (d) Construction progress: 100% complete.

#### 14. Demolition Works Programme

##### Heavy Fuel Oil (HFO) Tank Farm and Buildings at South Bank

- (a) HFO Tank Farm: 100% complete.
- (b) Buildings at South Bank: 100% complete.

##### Advance Demolitions, Redcar (the Foundry and NZT sites)

- (a) Coal Handling Facility, Redcar: 100% complete.
- (b) RDL Stores, Tube City, various conveyors: 100% complete.
- (c) Raw Materials Handling Facility: 90% complete, completes 17-Dec-21. The major demolitions completed in the past two months. 90% complete, completes 17-Dec-21.
- (d) Sinter Yard Conveyors: 100% complete.
- (e) Completion: 17-Dec-21.

#### Primary Demolition Programme

- (a) The primary demolition projects are all now awarded, progress is as follows:
  - Stock Houses and Area Workshops: 75% complete. Major blow down of stock houses successfully completed 01-Nov-21. Project is on programme.
  - South Bank Coke Ovens By-Products Plant: 10% complete. Progress has required further work. Interventions are being made to resolve this.
  - South Bank Coke Ovens Battery Facility: 100% complete. Project completed on time, inclusive of the blow down of Dorman Long Tower.
  - BOS Plant: 20% complete. Project progressing on programme.
  - BOS Plant COGM Cleaning/Decontamination: 100% complete.
  - Redcar Blast Furnace: 8% complete. Project progressing on programme.

- Redcar Coke Ovens Battery Facility: 15% complete. progress has required further work. Interventions are being made to resolve this.
- Redcar Coke Ovens By-Products Plant: 5% complete. Progress has required further work. Interventions are being made to resolve this.
- Redcar Sinter Plant: 25% complete. Project progressing on programme.
- Redcar Power Station: 0% complete. Project on hold pending execution of asbestos survey works, which are imminent, and vacation of the premises by Keep Safe personnel.

15. Net Zero Teesside Site (125 acres)

- (a) Agreement is close to being reached on ground remediation and site preparation requirements with BP.
- (b) Planning application for ground remediation was submitted on 3 December 2021.
- (c) Planned start date for ground remediation works is 07-Mar-22.

16. GE Blade Manufacturing Facility, South Bank

- (a) The appointed design team continues to develop the detailed design in consultation with Teesworks and LM Wind.
- (b) The procurement of the Design and Build contractor is nearing a conclusion, with two bidders in the running.
- (c) Construction programme: Dec-21 to Mar-23.
- (d) Commercial negotiations with GE continue.

17. Key Risks to Delivery

As noted, STDC is working on a number of significant projects all of which carry deliver risks. These are actively in mitigation through our project management arrangements, with plans in place and measures being taken to address potential impacts to programme.

**EQUALITY & DIVERSITY**

18. No specific impacts on groups of people with protected characteristics have been identified

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## **AGENDA ITEM 7**

### **REPORT TO THE STDC BOARD**

**16 DECEMBER 2021**

### **REPORT OF DIRECTOR OF FINANCE AND RESOURCES**

## **FINANCE UPDATE**

### **SUMMARY**

The purpose of this paper is to update the Board on financial performance for the 6 months to 30 September 2021 and the forecast outturn for 2021/22.

### **RECOMMENDATIONS**

It is recommended that the STDC Board:

- i. Notes the content of this report

## FINANCIAL PERFORMANCE STDC GROUP 2021/ 2022

1. The financial information below for STDC, STDL and STDC covers:
  - Actual financial performance for 2020/21;
  - Actual financial performance for the 6 months to 30 September 2021;
  - Forecast financial position for Q3 and Q4, being the 6 months to 31 March 2022; and
  - Total expected outturn for 2021/22.

**Table 1**

	Actual 12 months to 31 March 2021	YTD Actual April 2021 - 30 September 2021	Forecast October 2021 - 31 March 2022	Expected 12 months to 31 March 2022
<b>Performance overview</b>				
<b>STDC</b>				
<b>Central costs</b>				
Overheads	2,270	1,692	4,515	6,207
STDL Site management	1,031	2,063	1,275	3,338
	<b>3,301</b>	<b>3,754</b>	<b>5,790</b>	<b>9,544</b>
<b>Projects</b>				
Dorman Point	12,758	15,135	6,786	21,921
The Foundry	154	6,055	23,151	29,206
Lackenby	128	3,290	6,894	10,183
Net Zero Teesside	4	970	1,307	2,276
Quay	2,500	1,524	29,414	30,939
Site wide decontaminatic	0	92	1,029	1,121
South Bank	12,553	15,312	18,459	33,771
Steel House	2,421	2,752	197	2,948
Teesworks	2,006	196	616	812
Freeport	0	340	51	391
HV JV	355	28	195	224
Other	218	574	218	792
	<b>33,098</b>	<b>46,267</b>	<b>88,318</b>	<b>134,585</b>
<b>Land acquisition</b>				
CPO settlement /other	15,764	1,214	610	1,824
<b>Total STDC</b>	<b>52,162</b>	<b>51,235</b>	<b>94,718</b>	<b>145,953</b>
<b>STSC</b>				
Keep safe	14,401	6,756	7,861	14,617
Invest to save	10,221	5,729	11,508	17,237
Tier 3 / Safety led demolition	1,608	892	1,542	2,434
<b>Total STSC</b>	<b>26,230</b>	<b>13,377</b>	<b>20,911</b>	<b>34,288</b>
<b>Total spend</b>	<b>78,392</b>	<b>64,612</b>	<b>115,629</b>	<b>180,241</b>

### **Actual financial performance for 2020/21**

2. Management accounts for the 12 months ended 31 March 2021 show total delivered spend of £78.3m compared to a forecast of £73.1m. With STDC and STDL making up £52.1m of the delivered spend, compared to an original budget of £40.7m and a stretch MFTP target of £60.1m and STSC delivering spend more than forecast by £3.86m.
3. The eventual outturn performance for STDC and STDL of £52.1m sits in the middle of the spend range as anticipated. The operational performance on the Teesworks site is being accelerated at pace, prioritising key areas of land remediation and demolition activity to enable the transformation of the site and meet STDC's key objectives. The key driver is the acceleration of the c£100m demolition programme.
4. The key drivers behind STSC's results were:
  - Invest to save accelerated spend. This is as a result of 2021/22 phasing and bringing spend forward into 21/22. Overall spend is forecast to be in line with the original business plan.
  - Tier 3 expenditure is directly linked to safety led proactive activities on site.

### **Actual Financial performance for the 6 months to 30 September 2021 Group and STDC**

5. The financial performance for the six months to 31 September 2021 shows a delivered spend of £64.6m and is in line Q1 forecast expectations for accelerated delivery. Due to the acceleration of the demolition programme a significant number of procurements completed during the period, therefore reversing the previous reported lag from phased targets.
6. **Overheads** – Overhead costs are tracking in line with budget at **£3.5m** and the previous reported underspend has now been utilised, with the increase being matched to the accelerated activity.
7. **Project expenditure** – Project expenditure is now running ahead of the original budget by **£10.1m** this is due to the completion of significant levels of procurement activity resulting in programme acceleration. The demolition programme is the largest contributor with an accelerated spend ahead of phasing of **£11.3m**. The key drivers behind the acceleration are the prioritisation of tax site locations on Teesworks West and East and the enabling works in respect of the development of General Electric (GE) site/Quay.
8. **Land acquisition costs** – land acquisition costs have predominantly completed following the Compulsory Purchase Order (CPO) vesting process. There is a forecast underspend of £1.6m.
9. **Financial commitments pipeline** – Since the previous meeting, the successful procurement of the South Bank Quay Design and build has been awarded.



## Actual Financial performance for the 6 months to 30 September 2021- South Tees Site Company

10. At South Tees Site company, the costs of core keep safe operations since transition are in line with the levels anticipated in STDC's Medium term financial plan. Although for the 6-month period to September 2021 overall spend is **£3.3m** below the planned spend, it is forecast that spend for the full year will be within 5% of the business plan.
11. The following update relates to the financial performance of STSC versus the plan set by BEIS for the four-month period to 30 September 2021.

Sep 2021	Year to date		
	Actual	Business Plan	Variance
	£000s'	£000s'	£000s'
Total Keep Safe	6,756	6,956	(201)
Total Invest to Save	5,729	7,822	(2,094)
Total Tier 3/Safety Led Demolition	892	1,900	(1,008)
	<b>13,376</b>	<b>16,679</b>	<b>(3,303)</b>

12. Overall spend reported is **£3.3m** below the STDC planned level, the variance has been analysed by project below.
- Keep safe** – Costs are in line with plan.
  - Invest to save** - costs on the decontamination project are running at a **£2.1m** underspend. The descoped RCO and SBCO are the key drivers behind this.
  - Tier 3** – This budget is for reactive safety led works, with an underspend to date of **£1.0m**. Tier 3 spend programmed into the Medium-Term plan was a high-level estimate for unforeseen costs of a reactive nature. In the year these costs have been limited to those related to the demolition of the Ammonia washers on site. Funding earmarked for these reactive costs can be diverted if overspends occur on other areas.
13. Overall, the planned spend on I2S is £48.9m including all costs incurred to date from inception in 2018/19. This includes c£40m of costs relating to the post transition period, which aligns with expectations and funding parameters set out in STDC Group's business case to government.
14. As a result of plans to accelerate demolition activity across the Teesworks site. The Keep Safe spend position is under detailed review. A detailed manpower plan has been completed, considering the future requirements of Keep Safe activities in line with asset decommissioning. Financial plans drawn up following completion of this review and are in the final stages of review. An update of the financial plans will be provided at the next board meeting as part of the Budget and Medium-Term Financial Plan report.

### **Forecast financial position for Q3 and Q4, being the 6 months to 31 March 2022**

15. The forecast spend for the remaining six months is £115.6m, taking the total expected delivery spend for 2021/22 to £180.2m as per Table 1.
16. While spend for the second half of the year is almost double the first half, director and delivery leads have a high level of confidence that the forecasts presented in the business case to Government would be exceeded ensuring delivery targets are met for government funding and ensuring that significant proportions of the revised budget/MTFP target for the year would be met.
17. In terms of procurement for Q3 and Q4, Utility diversion contracts and South Bank Road access procurements will be ongoing to enable further site development. Additionally, an appointment of a Management Contractor for the site management company (TEMCo).

#### **Total expected outturn for 2021/22**

18. The total expected delivery spend for 2021/22 to £180.2 being £43m lower than original budget for the year. This is attributable to:
  - Secondary customs zone early Freeport cost estimates that are linked to future inward investment proposals and are not required at this time and have therefore been descope £39m along with any associated funding requirement;
  - Land acquisition cost savings of £1.6m;
  - Invest to save cost savings of £1.5m
  - Project/capitalizable strategic underspend of £1.4m
19. A site management budget review has been performed post transition and has resulted in initial savings of £1.5m.
20. A number of zones/projects are expected to conclude in 2021/22:
  - The required remediation obligations to enable the ERF site and initial remediation activity across Dorman Point are all envisaged to be completed by the end of 2021-22 financial year. Therefore, the STDC obligations in all respects would be discharged at this point.
  - Lackenby forecast spend is for the decontamination of the Coke Oven Gas Main and subsequent demolition activity associated with the BOS and CONCAST Plants, and the demolition of the Mould Bay and Export Bay respectively. All activity except the BOS and CONCAST Plants in relation to this area are expected to be concluded in Q3 and Q4.

## **GROUP FUNDING POSITION MARCH 2021**

21. Considering the reported performance noted above the Group is forecast to fully utilise all Government funding streams allocated to 2021/22. Following engagement with Government, STDC has been approached to assess the likelihood of accelerating eligible expenditure in respect of 2022/23 MHCLG allocation (£25.66m). On review of the current programme this has been assessed as deliverable and a change request submitted via the Regional Government office to the department to bring forward all of 2022/23 MHCLG allocation to the current year. This has the effect of reducing the sums required from other funding streams in 2021/22. A summary table is provided below for information.
22. The other funding streams incorporate the £107m South Bank Quay borrowing secured successfully from the UK Infrastructure Bank (UKIB) and the proportion of this forecast to be required in 2021/22 financial year.
23. The reduction in funding is due to the items reported at paragraph 18 of this report.

**Table 2**

	<b>21/22</b>	<b>21/22</b>	<b>21/22</b>
	<b>Budget</b>	<b>Forecast</b>	<b>Variance</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
BEIS RDEL	34,412	34,412	0
BEIS CDEL	11,688	11,688	0
MHCLG CDEL	11,107	11,107	0
BEIS WIND	20,000	20,000	0
MHCLG CDEL bfwd*	25,662	25,662	0
Other	120,582	77,373	-43,209
<b>Total Funding</b>	<b>223,451</b>	<b>180,242</b>	<b>-43,209</b>

### **FINANCIAL IMPLICATIONS**

24. Financial implications are discussed in the body of this report.

### **LEGAL IMPLICATIONS**

25. There are no legal implications associated with the recommendations of this report.

### **RISK ASSESSMENT**

26. This is an update report and as such is categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.”

### **CONSULTATION & COMMUNICATION**

27. Data reported in this paper has been considered by the STDC operational performance group and delivery group before being collated into this Board report

28. No specific impacts on groups of people with protected characteristics have been identified

**Name of Contact Officer:** Gary Macdonald  
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