Tees Valley Combined Authority Cabinet

Cabinet Meeting

Agenda Pack

Date: Friday 26 September 2025 at 10:00am

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

Membership:

Mayor Ben Houchen (Tees Valley Mayor)
Councillor Stephen Harker (Leader of Darlington Borough Council)
Councillor Brenda Harrison (Leader of Hartlepool Borough Council)
Mayor Chris Cooke (Mayor of Middlesbrough)
Councillor Alec Brown (Leader of Redcar and Cleveland Borough Council)
Councillor Lisa Evans (Leader of Stockton-on-Tees Borough Council)
TBC (Chair of Tees Valley Business Board)

TEES VALLEY

Agenda

1. Apologies for Absence

   To receive any apologies for absence.

2. Declarations of Interest

   To receive any declarations of interest.

3. Minutes

   To approve as a correct record the minutes of the meetings held on 27 June 2025 and 25th July 2025.

4. Tees Valley Mayor's Update

   To receive a verbal update on the key activities since the last Cabinet meeting not covered elsewhere on the agenda.

5. Governance & Appointments

   To receive and consider a report from the Interim Monitoring Officer presenting appointments for confirmation.

6. Organisational Improvement Plan Progress

   To receive an update from the Chief Executive in respect of progress in delivering the Organisational Improvement Plan.

7. Independent Advisory Board Update

   To receive an update report from the Chair of the Independent Advisory Board

8. Quarter 1 Budget Report and Medium-Term Forward Plan Update

   To receive an update from the Interim Group Director of Finance & Resources on the financial position of the Combined Authority for the period ending 30 June 2025 and an updated Medium-Term Financial Plan.

9. Transport Programme Update

To receive and consider a report from the Director of Infrastructure presenting an update on the progress made since the programme was approved at the January 2024 Cabinet meeting.

10. Local Growth Plan and Investment Pipeline Update

To receive a report from the Chief Executive providing an update on progress in developing the Local Growth Plan and Investment Pipeline.

11. Get Tees Valley Working Plan

To receive a report from the Chief Executive which requests Cabinet approval of the first edition of the Get Tees Valley Working Plan.

12. Connect to Work

To receive a report from the Interim Director of Business Solutions requesting approval of the Connect to Work Delivery Plan.

13. Adult Skills Update

To receive a report from the Interim Director of Business Solutions which provides an update on the development of the approach to the delivery of adult skills provision from the 2026/27 academic year.

14. Overview & Scrutiny Committee – Education, Employment and Skills Sub-Committee

To receive a report from the Monitoring Officer seeking the adoption of the recommendation of the Overview and Scrutiny Committee following conclusion of the Education, Employment and Skills Sub-Committee's task and finish exercise

15. Overview & Scrutiny Annual Report

To receive a report from the Monitoring Officer seeking endorsement of the Overview and Scrutiny Committee's annual report for the 2024/25 Municipal Year.

16. North East & Yorkshire Net Zero Hub

To receive a report from the Interim Director of Business Solutions providing an update and requesting approval to implement a specific scheme of delegation.

17. Local Remediation Acceleration Plan

To receive a report from the Interim Director of Infrastructure requesting approval of the Local Remediation Acceleration Plan for publication on the TVCA website.

18. Delegated or Urgent Decisions

To receive a report from The Interim Group Chief Legal Officer providing an update on any delegated or urgent decisions made since the last Cabinet meeting.

19. Date and Time of Next Meetings

Friday 12th December 2025 @ 10am

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 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: The Governance Team – tvcagovernance@teesvalley-ca.gov.uk

Tees Valley Combined Authority Declaration of Interests Procedures

1. The purpose of this note is to provide advice and guidance to all members (the Mayor, elected and co-opted members, substitute members and associate members) of the Combined Authority Cabinet, Sub-Committees and Tees Valley Business Board Board, on the procedure for declaring interests. The procedure is set out in full in the Combined Authority's Constitution under the "Code of Conduct for Members" (Appendix 8).

Personal Interests

2. The Code of Conduct sets out in full, the principles on the general conduct of members in their capacity at the Combined Authority. As a general principle, members should act impartially and should not use their position at the Combined Authority 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 Combined Authority 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 Combined Authority;
        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. The constituent councils of the Combined Authority are closely integrated with its governance and financial arrangements, and financial relationships between the Combined Authority and Councils do not in themselves create a conflict of interest for Council Leaders who are also Combined Authority Cabinet members. Nor is it a conflict

of interest if the Combined Authority supports activities within a particular council boundary. Nevertheless, there are specific circumstances where the Cabinet is considering 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 Combined Authority. 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.

7. Details of any personal interests registered will be published on the Combined Authority's website, with the full register available at the Combined Authority'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

8. The Combined Authority will include a standing item at the start of each 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.

9. 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.

10. 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

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

TEES VALLEY COMBINED AUTHORITY

ANNUAL GENERAL MEETING

Friday, 27 June, 2025 at 10.00am
Teesside Airport Business Suite, Teesside International Airport, Darlington

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

ATTENDEES	
Members	
Mayor Ben Houchen (Chair)	Tees Valley Mayor
Councillor Brenda Harrison	Leader Hartlepool Borough Council
Councillor Stephen Harker	Leader, Darlington Borough Council
Mayor Chris Cooke	Leader, Middlesbrough Council
Councillor Alec Brown	Leader, Redcar and Cleveland Borough Council
Councillor Lisa Evans	Leader, Stockton-on-Tees Borough Council
Matthew Ord	Tees Valley Business Board
Officers	
Tom Bryant	Interim Chief Executive, Tees Valley Combined Authority
Gary Macdonald	Group Director of Finance and Resources, Tees Valley Combined Authority
Emma Simson	Group Chief Legal Officer and Monitoring Officer, Tees Valley Combined Authority
Hugh Grime	Head of Legal Services and Deputy Monitoring Officer, Tees Valley Combined Authority
Sarah Brackenborough	Director of Operations, Tees Valley Combined Authority
Sarah Walker	Interim Director of Business Solutions, Tees Valley Combined Authority
Alan Weston	Head of Transport & Infrastructure, Tees Valley Combined Authority

Denise McGuckin	Managing Director, Hartlepool Borough Council
Erik Scolley	Chief Executive, Middlesbrough Council
John Sampson	Chief Executive, Redcar and Cleveland Borough Council
Mike Greene	Chief Executive, Stockton on Tees Borough Council
Rose Rouse	Chief Executive, Darlington Borough Council
Sally Henry	Governance Officer, TVCA

	CHAIR'S OPENING REMARKS The Chair opened the meeting and welcomed everyone in attendance.
TVCA 01/25	APOLOGIES FOR ABSENCE There were no apologies for absence
TVCA 02/25	DECLARATIONS OF INTEREST Mayor Houchen declared a non-pecuniary interest in his capacity as current Chair of STDC Board, HDC Board and MDC Board. Councillor Brown declared a non-pecuniary interest in his capacity as a member of the STDC Board, STSC Board and Freeport Board. Mayor Cooke declared a non-pecuniary interest in his capacity as a member of the MDC Board. Councillor Harrison declared a non-pecuniary interest in her capacity as a member of the HDC Board.
TVCA 03/25	MINUTES RESOLVED that the minutes of the meeting held on 28th March 2025 were confirmed as an accurate record.

TVCA 04/25	GOVERNANCE & APPOINTMENTS Cabinet were provided a report that detailed a number of appointments for agreement and confirmation. Tom Bryant advised Cabinet members that the role of Portfolio Holders will be strengthened and he stressed he is keen to ensure this is progressed quickly as this is a key strand in the Organisational Improvement Plan. It was also highlighted that the Chair of the Business Board and several other members of the Board are stepping down and that a recruitment campaign will start soon to strengthen the Board, ensuring the appropriate skills and sector representation. He thanked the outgoing Chair, Siobhan McArdle, for her work on the Business Board. The Business Board terms of reference will be considered and brought back to Cabinet in September. Cabinet were also advised that a full review of the Constitution will be undertaken to ensure it is fit for purpose. Members were given an opportunity to comment or ask questions. Mayor Cooke requested that the portfolios were discussed immediately after the Cabinet meeting. Cabinet members agreed to discuss once the business of TVCA Cabinet had concluded. Cabinet was advised that TVCA Directors will be aligned to Portfolios, and that Portfolio Leads will present their Portfolio reports to Cabinet in the future. Councillor Harrison advised Cabinet members that she had sent an objection to the TVCA Monitoring Officer with regards to the process for appointment of the Chairs of the Development Corporations. She believes the process for appointing the Chairs was flawed and it went against what we, as a Combined Authority, are trying to do, working together collaboratively. The Chair advised Cabinet that the law states that the appointment of members to a Development Corporation and the appointment of Chair is a Mayoral power, but he had wanted to make the appointments in a collegiate way and obtain buy-in. There was an open application process and interview panels involving the Chief Operating Officer MDC/HDC/Chief Executive STDC and local authority Chief Executives. It was advised that the Development Corporation and TVCA Constitutions needed to be updated to reflect the law. Councillor Harrison queried whether permission

	from the Secretary of State was required for the appointment, and she was advised that this was not the case. Cllr Harrison noted that this reflects the need for Cabinet members to receive further training on the TVCA Constitution. It was reiterated that there will be a full review of the Constitution and this will be done in a collaborative way with Cabinet. RESOLVED that:- i. **NOTED** the position of the Chair of the Combined Authority as detailed in Paragraph 2 of the report; ii. **NOTED** the appointment of the Deputy Mayor as detailed in Paragraph 3 of the report; iii. **NOTED** the appointment to the Tees Valley Combined Authority Cabinet as detailed in Paragraph 4 of the report; iv. **NOTED** the proposed work to strengthen the role of Portfolio Holders amongst the Members of the Tees Valley Combined Authority Cabinet and **DELEGATED** to the interim Chief Executive, in consultation with Cabinet Members and the Monitoring Officer, the authority to finalise the new portfolios and new way of working, **SUBJECT TO** the Interim Chief Executive obtaining unanimous approval of all Cabinet members to the proposal, and to make the necessary changes to the TVCA Constitution as detailed in Paragraph 5 of the report; v. **APPROVED** the appointments to the Overview & Scrutiny Committee as detailed in Paragraph 6 of the report; vi. **APPROVED** the appointments to the Transport Committee as detailed in Paragraph 7 of the report; vii. **APPROVED** the appointments to the Audit & Governance Committee as detailed in Paragraph 8 of the report; viii. **RATIFIED** the amendment to the South Tees Development Corporation Constitution as approved by South Tees Development Corporation, in respect of Board quorum, as detailed in Paragraph 9.6.1 of the Report. ix. **RATIFIED** the proposed amendments to the South Tees Development Corporation Constitution, as detailed in Paragraph 9 **SUBJECT TO** approval of the same by South Tees Development Corporation Board; x. **NOTED** the appointments to the South Tees Development Corporation Board as detailed in Paragraph 9 of the report; xi. **APPROVED** the appointment of Councillor Alec Brown as Chair of South Tees Site Company Limited as detailed in Paragraph 10 of the report;

	xii.	NOTED the appointment of the Chair of South Tees Development Corporation Audit & Governance Committee as detailed in Paragraph 11 of the report;
	xiii.	NOTED the appointments to the Hartlepool Development Corporation Board as detailed in Paragraph 12 of the report;
	xiv.	RATIFIED the amendments to the Hartlepool Development Corporation Constitution, as detailed in Paragraph 12 and Appendix 6 of the report;
	xv.	RATIFIED the amendments to the Middlesbrough Development Corporation Constitution, as detailed in Paragraph 13 and Appendix 7 of the report;
	xvi.	NOTED the appointments to the Middlesbrough Development Corporation Board as detailed in Paragraph 13 of the report;
	xvii.	APPROVED the appointments to the Freeport Board as detailed in Paragraph 14 of the report;
	xviii.	NOTED the position in respect of the Chair and Vice Chair of Overview & Scrutiny Committee and Audit & Governance Committee as detailed in Paragraph 15 of the report;
	xix.	NOTED the membership of non-statutory committees as detailed in Paragraph 16 of the report;
	xx.	NOTED the update on the membership of the Business Board, the proposed process to recruit a new Chair and Board Members and the proposal to review the Terms of Reference as detailed in Paragraph 17 of the report;
	xxi.	NOTED the appointments to external bodies as detailed in Paragraph 18 of the report;
	xxii.	NOTED the appointments to officer groups at Paragraph 19 of the report;
	xxiii.	NOTED the members' allowances scheme for 2024-25 at paragraph 20 and Appendix 2 of the report;
	xxiv.	APPROVED the minor amendments to the Tees Valley Combined Authority Constitution documents as set out at paragraph 21.2 and Appendix 3 of the report;
	xxv.	APPROVED further amendments to the Tees Valley Combined Authority Constitution as referred to at Paragraph 21.6 and Appendix 8 of the report and
	xxvi.	NOTED that a full review of the Constitution will be undertaken collaboratively with the constituent local authorities, aligned to the Best Value Notice Organisational Improvement Plan and presented to a future Cabinet for approval, including the changes required to the Mayoral Development Corporation's Constitutions.

TVCA 05/25	APPOINTMENT AND REMUNERATION OF CHAIRS TO THE DEVELOPMENT CORPORATION BOARDS Cabinet were presented a report which lay out the proposals for the appointment of the three Development Corporation Chair roles, including recommendations for remuneration. Cabinet were also invited to consider and approve the Tees Valley Combined Authority's Group Members' Allowances Scheme. It was recommended that Cabinet members:- i. **Note** the appointment of David Smith as a Member and Chair of the South Tees Development Corporation. ii. **Note** the appointment of Tony Parkinson as a Member and Chair of the Middlesbrough Development Corporation. iii. **Note** the appointment of Mark Robinson as a Member and Chair of the Hartlepool Development Corporation. iv. **Adopt** the Group Members' Allowances Scheme. Members were given an opportunity to comment or ask questions. No comments or question were received. RESOLVED that Cabinet:- ii. **Noted** the appointment of David Smith as a Member and Chair of the South Tees Development Corporation. iii. **Noted** the appointment of Tony Parkinson as a Member and Chair of the Middlesbrough Development Corporation. iv. **Noted** the appointment of Mark Robinson as a Member and Chair of the Hartlepool Development Corporation. v. **Adopt** the Group Members' Allowances Scheme.
TVCA 06/25	TEES VALLEY MAYOR – SOUTH TEES DEVELOPMENT CORPORATION ANNUAL REVIEW Cabinet were provided a general update and summary of the key activities of the South Tees Development Corporation (STDC), together with confirmation of the Tees Valley Mayor's review of the continuing existence of the STDC. It was recommended that Cabinet noted the report. Members were given an opportunity to comment or ask questions.

	No comments or questions were received. RESOLVED that Cabinet noted the update.
TVCA 07/25	TEES VALLEY MAYOR – MIDDLESBROUGH DEVELOPMENT CORPORATION ANNUAL REVIEW Cabinet were provided a general update and summary of the key activities of the Middlesbrough Development Corporation (MDC), together with confirmation of the Tees Valley Mayor's review of the continuing existence of the STDC. It was recommended that Cabinet noted the report. Members were given an opportunity to comment or ask questions. Mayor Cooke commented that the transfer of assets had not gone as hoped and a better way of working was needed for the MDC. The Chair commented that the new Chair of the Middlesbrough DC Board has been tasked with making sure it reflects both what the Combined Authority and Middlesbrough want for the Middlesbrough DC area. Tom Bryant noted that conversations have already taken place with the Middlesbrough Chief Executive and Middlesbrough Mayor and they were all in agreement that the Masterplan for the next 3-5 years needs to be right. RESOLVED that Cabinet noted the update.
TVCA 08/25	TEES VALLEY MAYOR – HARTLEPOOL DEVELOPMENT CORPORATION ANNUAL REVIEW Cabinet were provided a general update and summary of the key activities of the Hartlepool Development Corporation (HDC), together with confirmation of the Tees Valley Mayor's review of the continuing existence of the HDC. It was recommended that Cabinet noted the report. Members were given an opportunity to comment or ask questions.

	No comments or questions were received. RESOLVED that Cabinet noted the update.
TVCA 09/25	RESOLVED that Cabinet noted the schedule of future Cabinet meetings. Date and Time of Future Meetings for 2025/2026 Friday, 26th September 2025 • Friday 12th December 2025 • Friday 30th January 2026 • Friday 20th March 2026 • Friday 26th June 2026 All of the above meetings are to commence at 10:00am

TEES VALLEY COMBINED AUTHORITY CABINET

Friday, 27 June, 2025 at 10.30am
Teesside Airport Business Suite, Teesside International Airport, Darlington

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

ATTENDEES	
Members	
Mayor Ben Houchen (Chair)	Tees Valley Mayor
Councillor Brenda Harrison	Leader Hartlepool Borough Council
Councillor Stephen Harker	Leader, Darlington Borough Council
Mayor Chris Cooke	Mayor, Middlesbrough Council
Councillor Alec Brown	Leader, Redcar and Cleveland Borough Council
Councillor Lisa Evans	Leader, Stockton-on-Tees Borough Council
Matt Ord	Tees Valley Business Board
Officers	
Tom Bryant	Interim Chief Executive, Tees Valley Combined Authority
Gary Macdonald	Group Director of Finance and Resources, Tees Valley Combined Authority
Sarah Brackenborough	Director of Operations, Tees Valley Combined Authority
Emma Simson	Group Chief Legal Officer and Monitoring Officer, Tees Valley Combined Authority
Hugh Grime	Head of Legal Services & Deputy Monitoring Officer, Tees Valley Combined Authority
Sarah Walker	Interim Director of Business Solutions, Tees Valley Combined Authority
Alan Weston	Head of Transport & Infrastructure. Tees Valley Combined Authority
Stephanie Rose	Policy Development Manager, Tees Valley Combined Authority

Denise McGuckin	Managing Director, Hartlepool Borough Council
Erik Scollay	Chief Executive, Middlesbrough Council
Brian Archer	Executive Director for Growth, Enterprise & Environment, Redcar and Cleveland Borough Council
Mike Greene	Chief Executive, Stockton on Tees Borough Council
Rose Rouse	Chief Executive, Darlington Borough Council
Sally Henry	Governance Officer, TVCA
Councillor Ian Blades	TVCA Overview & Scrutiny Committee

These Minutes capture the key points and decisions of the meeting, but they do not attempt to reproduce every word spoken. The full recording can be found here

	CHAIR'S OPENING REMARKS The Chair opened the meeting and welcomed everyone in attendance.
TVCA 10/25	APOLOGIES FOR ABSENCE There were no apologies for absence
TVCA 11/25	DECLARATIONS OF INTEREST Mayor Houchen declared a non-pecuniary interest in his capacity as Chair of STDC Board, HDC Board and MDC Board. Councillor Brown declared a non-pecuniary interest in his capacity as a member of the STDC Board and Freeport Board. Councillor Harrison declared a non-pecuniary interest in her capacity as a member of the HDC Board. Mayor Cooke declared a non-pecuniary interest in his capacity as a member of the MDC Board. Items 4 & 5 Mayor Houchen and Cllr Harrison declared an interest as both sat on the appointments panels.

	Item 12 Cllr Brown declared an interest as STDC are a shareholder of TWL Items 17 & 18 All members declared an interest.
TVCA 12/25	MAYORS UPDATE The Mayor advised Cabinet members that he had nothing to update them on which was not covered elsewhere on the agenda. Members were however given an opportunity ask questions. No questions were asked.
13/25	APPOINTMENT OF CHIEF EXECUTIVE Tom Bryant left the meeting room at this point of the meeting. *The Appendix to this Report is exempt from publication by virtue of paragraph 1 (information relating to any individual) of Schedule 12A of the Local Government Act 1972 which refers to information relating to any individual.* *Cabinet were advised that if the Appendix was to be discussed the press & public would need to be excluded.* The Director of Operations provided Cabinet a report which set out the options available in respect of the conclusion of a recruitment exercise for the post of TVCA Chief Executive. She provided an overview of the paper which included the full recruitment process. She also thanked the members of the recruitment panels. Cabinet were recommended to approve the appointment of Tom Bryant as TVCA Chief Executive. The Mayor asked Cabinet members if they wanted to discuss the confidential appendix or if they had any questions or comments. There were no comments or questions received. RESOLVED- That Cabinet APPROVED the appointment of Tom Bryant as TVCA Chief Executive.

	Tom Bryant rejoined the meeting once the decision had been made.
TVCA 14/25	APPOINTMENT OF DIRECTOR OF INWARD INVESTMENT & MARKETING The Director of Operations provided Cabinet a report which set out the options available in respect of the conclusion of a recruitment exercise for the post of Director of Inward Investment & Marketing. The Director of Operations provided an overview of the paper which included the full recruitment process. She also thanked the members of the recruitment panels. It was recommended that Cabinet approve the appointment of Craig Peacock as Director of Inward Investment & Marketing. Members were given an opportunity to comment or ask questions. There were no comments or questions received. RESOLVED that Cabinet APPROVE the appointment of Craig Peacock as Director of Inward Investment & Marketing.
TVCA 15/25	BEST VALUE NOTICE AND IMPROVEMENT PLAN - PUBLIC REPORT *Appendix 5.1 to this report is not for publication by virtue of paragraphs 1 (Information relating to an individual) and 2 (Information which is likely to reveal the identity of an individual) of Schedule 12A of the Local Government Act 1972* Cabinet received a report which sought approval of the TVCA Organisational Improvement Plan and accompanying detailed Action Plan which must be submitted to the Ministry of Housing, Communities and Local Government by 3 July 2025. Cabinet were also asked to endorse the establishment of an Independent Advisory Board and the Terms of Reference for the Board, whose role will be to support and challenge TVCA on its improvement journey. Cabinet approval was also sought for the proposed reporting arrangements to track progress against delivery of the Organisational Improvement Plan. It was recommended that Cabinet:-

	i. NOTES: the Tees Valley Combined Authority Best Value Notice letters issued on the 3 April 2025, included as Appendix 1. ii. NOTES: the extensive engagement that has been undertaken with members and officers to inform the Organisational Improvement Plan, summarised in paragraphs 10 to 12 of the report and detailed in Appendix 2. iii. APPROVES: the proposed Organisational Improvement Plan, summarised in paragraphs 13 – 16 of the report and included as Appendix 3, and the accompanying detailed Action Plan included as Appendix 4. iv. ENDORSES: the proposed membership of the Independent Advisory Board and Chair, summarised in paragraphs 17 – 22 of the report, with biographies detailed in Appendix 5 and Confidential Appendix 5.1. v. DELEGATES: authority to the Interim Chief Executive, in consultation with the Section 73 Officer and Monitoring Officer, to finalise contracts with each of the proposed Board members, specifying the number of days to be worked and day rates for an initial twelve-month period, as summarised in paragraphs 30 – 31 of the report. vi. ENDORSES: the proposed Terms of Reference for the Independent Advisory Board, referenced in paragraph 23 of the report and included as Appendix 6. vii. APPROVES: the proposed reporting arrangements to track progress against delivery of the Organisational Improvement Plan, summarised in paragraphs 24 – 25 of the report. Tom Bryant advised Cabinet that TVCA has an aspiration for organisational excellence, but is aware that there is a long way to go and a lot of work to do. He thanked Mayor Cooke and Erik Scollay for their help to date as Middlesbrough have already gone through this process The Director of Operations advised that a dedicated team has been established to oversee the implementation of the plan and Change & Transformation have been engaged as an organisational development partner to provide support. TVCA's statutory committees have been engaged and expressed a wish to continue to be involved.

	TVCA progress will be overseen by the Independent Advisory Board, chaired by Rob Whiteman. Members were given an opportunity to comment or ask questions. Councillor Brown enquired how success will be measured and was advised that Government will look to the Independent Advisory Board and external auditor EY, for updates on how we are progressing on the improvement journey. A report will be brought back to every Cabinet on progress to date and a further report will be provided by the Chair of the Independent Advisory Board. Councillor Brown commented that the Best Value Notice has been positively responded to so far as he feels more integral to TVCA. He thanked Tom Bryant and the team at TVCA. Councillor Harrison commented that a lot of progress has been made, and the organisation is moving in the right direction, working as a group now. The workshops were useful. She continued to say that she looks forward to further progress and to having an authority to be proud of. Mayor Cooke enquired who is holding the actions as if they are not allocated, nobody can be held to account. He was advised that every action will have an owner and this will be embedded throughout the organisation so that there is clear accountability. RESOLVED that Cabinet:- i. NOTED: the Tees Valley Combined Authority Best Value Notice letters issued on the 3 April 2025, included as Appendix 1. ii. NOTED: the extensive engagement that has been undertaken with members and officers to inform the Organisational Improvement Plan, summarised in paragraphs 10 to 12 and detailed in Appendix 2. iii. APPROVED: the proposed Organisational Improvement Plan, summarised in paragraphs 13 – 16 and included as Appendix 3, and the accompanying detailed Action Plan included as Appendix 4. iv. ENDORSED: the proposed membership of the Independent Advisory Board and Chair, summarised in paragraphs 17 – 22, with biographies detailed in Appendix 5 and Confidential Appendix 5.1. v. DELEGATED: authority to the Interim Chief Executive, in consultation with the Section 73 Officer and Monitoring Officer, to finalise contracts with each of the proposed Board members, specifying the

	number of days to be worked and day rates for an initial twelve-month period, as summarised in paragraphs 30 – 31. vi. ENDORSED: the proposed Terms of Reference for the Independent Advisory Board, referenced in paragraph 23 and included as Appendix 6. vii. APPROVED: the proposed reporting arrangements to track progress against delivery of the Organisational Improvement Plan, summarised in paragraphs 24 – 25.
TVCA 16/25	QUARTER 4 BUDGET REPORT AND MEDIUM-TERM FINANCIAL PLAN UPDATE Cabinet were provided a report which updated them on the indicative financial position of the Combined Authority for the period ending 31 March 2025 and presented an updated Medium-Term Financial Plan (MTFP). It was recommended that the Combined Authority Cabinet: i. Note the provisional quarter 4 outturn position for 31 March 2025; and ii. Note the revised Medium-Term Financial Plan. The Group Director of Finance & Resources provided Cabinet members with an overview of the report. Members were given an opportunity to comment or ask questions. Cllr Brown enquired when the funding for culture and tourism would be available and was advised that it would likely be shown in the December budget report to Cabinet. Councillor Harker enquired about the general reserves and was advised that TVCA are currently looking at ways of boosting the general reserves and would hope to report back to Cabinet later in the year following a review of all projects and activities. Cabinet were advised that TVCA cannot start the process of securing an integrated settlement until the Best Value Notice has been lifted. The Organisational Improvement Plan includes an action to prepare for this in advance. Mayor Cooke enquired about the transfers to and from reserves. He was advised that the majority is a result of slippage on capital schemes. The

	Group Director of Finance & Resources advised Cabinet that ways of reporting back to members is currently being reviewed. RESOLVED that Cabinet: i. Noted the provisional quarter 4 outturn position for 31 March 2025; and ii. Noted the revised Medium-Term Financial Plan.
TVCA 17/25	TREASURY MANAGEMENT OUTTURN REPORT 2024/2025 Cabinet members were provided a report which informed of the 2024/25 performance against the treasury management and prudential indicators set in the Treasury Management Strategy, approved by the Authority in March 2025. It is recommended that the Combined Authority Cabinet notes the content of the report. The Group Director of Finance & Resources provided Cabinet members with an overview of the report. Members were given an opportunity to comment or ask questions. No questions or comments were received. RESOLVED that Cabinet noted the contents of the report.
TVCA 18/25	SOUTH TEES DEVELOPMENT CORPORATION MEDIUM-TERM FINANCIAL PLAN Cabinet were provided with an update on the future financial activities of South Tees Development Corporation for 2025/26. It is recommended that Cabinet note the Budget and Medium- Term Financial Plan for South Tees Development Corporation as set out in Appendix 1. The Group Director of Finance & Resources provided Cabinet members with an overview of the report. Members were given an opportunity to comment or ask questions.

	No questions of comments were received. RESOLVED that Cabinet NOTED the Budget and Medium- Term Financial Plan for South Tees Development Corporation as set out in Appendix 1 to the report
TVCA 19/25	HARTLEPOOL DEVELOPMENT CORPORATION MEDIUM-TERM FINANCIAL PLAN Cabinet were provided with an update on the future financial activities of Hartlepool Development Corporation for 2025/26. It is recommended that Cabinet note the Budget and Medium- Term Financial Plan for Hartlepool Development Corporation as set out in Appendix 1. The Group Director of Finance & Resources provided Cabinet members with an overview of the report. Members were given an opportunity to comment or ask questions. No questions of comments were received. RESOLVED that Cabinet: NOTES: the Budget and Medium-Term Financial Plan for Hartlepool Development Corporation as set out in Appendix 1.
TVCA 20/25	MIDDLESBROUGH DEVELOPMENT CORPORATION MEDIUM-TERM FINANCIAL PLAN Cabinet were provided with an update on the future financial activities of Middlesbrough Development Corporation for 2025/26. It is recommended that Cabinet note the Budget and Medium- Term Financial Plan for Middlesbrough Development Corporation as set out in Appendix 1. The Group Director of Finance & Resources provided Cabinet members with an overview of the report.

	Members were given an opportunity to comment or ask questions. Mayor Cooke noted that there appears to be an amount of £220k revenue which is not going to be spent and enquired what the process is for this to be spent. He was advised that this is a decision of the MDC Board. He then asked whether it would be possible, in future reports, that it is made clear how this money can be spent and what restrictions there are on it. Cllr Brown enquired whether the Best Value Notice impacted future funding and spend for the Development Corporations. He was advised that the Development Corporations have their own Constitutions, and they are a standalone public body. RESOLVED that Cabinet: NOTES: the Budget and Medium-Term Financial Plan for Middlesbrough Development Corporation as set out in Appendix 1.
TVCA 21/25	TEESWORKS LIMITED ACCOUNTS Cabinet were provided a copy of the latest Teesworks Limited Accounts for the 2023/24 financial year. For context, South Tees Development Corporation is a 10% shareholder in the company. It is recommended that Cabinet note the 2023/24 Teesworks Limited Accounts. The Group Director of Finance & Resources provided Cabinet members with an overview of the report. Members were given an opportunity to comment or ask questions. No questions of comments were received. RESOLVED:- that Cabinet NOTES: the 2023/24 Teesworks Limited Accounts as set out in Appendix 1.
TVCA 22/25	TRANSPORT UPDATE Cabinet were provided a report on the transport investment programme which included:-

	• Details of the transport capital investment programme comprising Transforming Cities Fund, City Region Sustainable Transport Settlements 2022-2027 (CRSTS1) and 2027-2032 proposed allocation (CRSTS2), together with other funding which TVCA has been able to secure to support the delivery of the Strategic Transport Plan (2020-2030). • Details of the development funding committed since the last report to Cabinet to commence CRSTS2 project development. • Details of the Consolidated Active Travel Fund committed since the last report to Cabinet. • Details of the CRSTS revenue funding committed since the last report to Cabinet. Alan Weston, Head of Transport & infrastructure, provided Cabinet members with an overview of the report. Members were given an opportunity to comment or ask questions. Cllr Brown enquired when there will be a useable footbridge at the train station in South Bank. He was advised it should be complete by the end of summer. Cllr Harrison enquired whether the planned transport in and around Hartlepool were robust as, in the past, schemes have started and then been removed. She was advised that all the schemes have been worked up through the various officer groups and developed following consultation. Cllr Cooke asked about the UTMC investments. He was advised that this is still taking place as planned and that the revenue implications are being considered as part of the development work. Mayor Cooke also enquired about Tees Flex and was advised that there is still some work to be undertaken on the model following the announcement of the BSIP funding. RESOLVED that Cabinet:- i. NOTED: the update on the development of the transport capital investment programme as set out in paragraphs 1-44 and detailed in Appendix 1. ii. NOTED: the delegated decisions taken by the Director of Infrastructure to approve CRSTS2 development funding as set out in paragraphs 48 and 49 and detailed in Appendix 2. iii. NOTED: the delegated decisions taken by the Director of Infrastructure to approve Consolidated Active Travel Fund

	expenditure for the development and delivery of the transport capital investment programme as set out in paragraphs 48 and 49 iv. NOTED: the delegated decisions taken by the Director of Infrastructure to approve CRSTS revenue expenditure for the development of the transport capital investment programme as set out in paragraphs 50 and 51 v. NOTED: that a number of schemes are expected to be completing the project development phase in the next quarter (July – September) and the Business Cases will be appraised in accordance with TVCA's Assurance Framework, ahead of moving into the delivery phase as set out in paragraphs 18 - 31. The specific schemes are: • Levelling Up Fund (LUF) Active Travel Programme including: • Darlington Town Centre to Northgate. • Bowesfield Lane to Stockton Town Centre. • Stockton Town Centre to Bishopton Road. • Middlesbrough Town Centre to Newport Bridge. • Middlesbrough Town Centre to South Bank. • Redcar Town Centre to West Dyke Road. • Saltburn to Marske. • Hartlepool Town Centre to Seaton Carew. • Hartlepool Town Centre to Catcote Road. • Hartlepool Town Centre to the Headland. • A689 / A19 – Wynyard Pedestrian & Cycling Improvements Phase 2. • Darlington Woodland Road Phase 2. • Station Accessibility and Modal Integration Enhancements: Darlington North Road. • South Bank Station temporary footbridge. vi. APPROVED: an allocation of £250K to cover the operational costs associated with the Zetland car park for up to twelve months (as detailed in paragraphs 55-59) and note that an options assessment on the future of the asset will be reported back to Cabinet in September 2025.
TVCA 23/25	OVERVIEW AND SCRUTINY COMMITTEE: RECOMMENDATIONS OF THE TRANSPORT SUB-COMMITTEE

	Cabinet were provided a report which sought the adoption of the recommendations of the Overview & Scrutiny Committee following the conclusion of the Transport Sub-Committee's task and finish exercise. It is recommended that Cabinet: i. NOTES the report and recommendations detailed within paragraphs 7 – 9 of the report alongside the response from officers detailed within paragraphs 11 – 13; and AGREES to: ii. respond to the Overview and Scrutiny Committee indicating whether it agrees to adopt the recommendations; and iii. publish a response to the Committee's recommendations. Councillor Ian Blades from of Overview & Scrutiny Committee attended Cabinet to respond to any questions. Members were given an opportunity to comment or ask questions. No questions or comments were received. The Mayor asked Councillor Blades to pass on his thanks to the Overview & Scrutiny Committee for their work on this report. RESOLVED that Cabinet:- ii. NOTES the report and recommendations detailed within paragraphs 7 – 9 of the report alongside the response from officers detailed within paragraphs 11 – 13; and AGREES to: iii. respond to the Overview and Scrutiny Committee indicating whether it agrees to adopt the recommendations; and iv. publish a response to the Committee's recommendations.
TVCA 24/25	LOCAL GROWTH PLAN & INVESTMENT PIPELINE

	Tom Bryant provided Cabinet with a further update on the Local Growth Plan, specifically the areas where Government has committed to work jointly with the Combined Authority and the proposed approach and timeframe up to approval and publication of the final Local Growth Plan. He advised Cabinet that Local Growth Plans must include an investment pipeline to attract public and private investment across our region. He also set out the proposed vision and objectives of the Tees Valley Investment Pipeline and the proposed approach to its development. He advised that the pipeline work will inform the future Tees Valley Investment Plan, which will be reported to a future Cabinet for approval. It is recommended that Cabinet:- NOTES: the update on the Local Growth Plan; APPROVES the proposed approach to the development of the Local Growth Plan; APPROVES the proposals to develop a new monitoring and evaluation framework; APPROVES the proposed vision and objectives of the Investment Pipeline. APPROVES the proposed approach to develop the Investment Pipeline. APPROVES the proposed timescales for the development of the Local Growth Plan; NOTES: that the Tees Valley Local Growth Plan Investment Pipeline will inform the future Tees Valley Investment Plan and that the Investment Plan will be reported to Cabinet at a future meeting Members were advised that engagement sessions with all the Leaders have been scheduled and that each Local Authority had nominated officers to sit on a working group. Information on scheduled meetings and officers to be circulated to Leaders after the meeting. Members were advised that there is a lot of work going on to ensure we have a Local Growth Plan that highlights the strength of the Tees Valley. Members were given an opportunity to comment or ask questions.

	Councillor Brown offered his thanks for the good work that has been done to date and said he has been kept involved and updated by his officers. Stephanie Rose advised Cabinet that it is recognised that this is about attracting new investment – both private and public sector investment. Tom Bryant advised Cabinet members that TVCA's ambition is not constrained by the Best Value Notice. Investors will be told that there are opportunities in the Tees Valley. The Chair advised that a political change could mean a change of priorities however that should not affect the Investment Plan which will be evidence based. The original Investment Plan has stood the test of time. RESOLVED THAT CABINET:- • NOTED: the update on the Local Growth Plan; • APPROVED the proposed approach to the development of the Local Growth Plan; • APPROVED the proposals to develop a new monitoring and evaluation framework; • APPROVED the proposed vision and objectives of the Investment Pipeline. • APPROVED the proposed approach to develop the Investment Pipeline. • APPROVES the proposed timescales for the development of the Local Growth Plan; • NOTED: that the Tees Valley Local Growth Plan Investment Pipeline will inform the future Tees Valley Investment Plan and that the Investment Plan will be reported to Cabinet at a future meeting.
TVCA 25/25	GET TEES VALLEY WORKING PLAN Cabinet were provided an update report on Get Tees Valley Working Plan – which directly aligns to delivery of the workforce element of the Local Growth Plan. The report specifically deals with Government's requirements relating to the preparation and publication of the plan and timeframe. The initial summary of proposals for the Get Tees Valley Working Plan was also provided for Cabinet approval. It was recommended that Cabinet:- • NOTES the update on the Get Tees Valley Working Plan;

	• APPROVES the proposed approach and timescales for the development of the Get Tees Valley Working Plan; • APPROVES the initial summary of proposals for the Get Tees Valley Working Plan in Appendix 1 to be submitted to the Department for Work and Pensions. Members were given an opportunity to comment or ask questions. No comments or questions received. RESOLVED that:- • NOTES the update on the Get Tees Valley Working Plan; • APPROVES the proposed approach and timescales for the development of the Get Tees Valley Working Plan; • APPROVES the initial summary of proposals for the Get Tees Valley Working Plan in Appendix 1 to be submitted to the Department for Work and Pensions
TVCA 26/25	ADULT SKILLS UPDATE Cabinet were provided a report which provided an update on the approach for the delivery of Tees Valley Combined Authority's (TVCA) adult skills provision from the 2026/27 academic year. Following the Cabinet meeting held on the 28 March 2025, this report also provides further detail on the outcomes of the procurement process for the adult skills provision in 2025/26 academic year. It was recommended that Cabinet i. NOTES: the proposal for developing the approach to the delivery of adult skills provision from the 2026/27 academic year and that further reports on this proposal will be reported to Cabinet in September 2025 and December 2025; and ii. NOTES: the further detail provided in this report on the outcomes of the procurement process for the adult skills provision for the 2025/26 academic year. iii. NOTES: the update on the transfer of additional funding powers to the Combined Authority in relation to technical qualifications.

	iv. NOTES: the additional funding that has been allocated to the Combined Authority for Construction Skills. Members were given an opportunity to comment or ask questions. No comments or questions received. RESOLVED that Cabinet:- ii. NOTED: the proposal for developing the approach to the delivery of adult skills provision from the 2026/27 academic year and that further reports on this proposal will be reported to Cabinet in September 2025 and December 2025; and iii. NOTED: the further detail provided in this report on the outcomes of the procurement process for the adult skills provision for the 2025/26 academic year. iv. NOTED: the update on the transfer of additional funding powers to the Combined Authority in relation to technical qualifications. v. NOTED: the additional funding that has been allocated to the Combined Authority for Construction Skills.
TVCA 27/25	CONNECT TO WORK Cabinet were provided a report which set out a detailed overview of the national programme, the local delivery model options considered and the recommended delivery model for the Tees Valley Connect to Work programme. It was recommended that Cabinet:- i. NOTES: the options considered against the criteria identified, considering the requirements of the Connect to Work guidance. ii. ACCEPTS: the Tees Valley Connect to Work programme into the TVCA Investment Plan as a specific grant with an anticipated maximum funding allocation for 5 years of £17.7m (2027/28 onwards is subject to future spending reviews).

	iii. APPROVES: the proposed mixed-model of delivery through a grant award to Local Authorities; and iv. DELEGATES: authority to the TVCA Chief Executive, in consultation with the Section 73 Officer and Monitoring Officer, to take the necessary actions, including, but not limited to responding to Department for Work and Pensions (DWP) feedback, approval of the final delivery partners in line with the DWP approved delivery plan and entering relevant contracts and/or other legal agreements to implement the decision at (ii) and (iii) above. The Interim Director of Business Solutions provided Cabinet with an overview of the report and advised members that officers at TVCA have been working very closely with officers within the Local Authorities to determine the best delivery partners. Members were given an opportunity to comment or ask questions. RESOLVED that Cabinet:- i. NOTES: the options considered against the criteria identified, considering the requirements of the Connect to Work guidance. ii. ACCEPTS: the Tees Valley Connect to Work programme into the TVCA Investment Plan as a specific grant with an anticipated maximum funding allocation for 5 years of £17.7m (2027/28 onwards is subject to future spending reviews). iii. APPROVES: the proposed mixed-model of delivery through a grant award to Local Authorities; and iv. DELEGATES: authority to the TVCA Chief Executive, in consultation with the Section 73 Officer and Monitoring Officer, to take the necessary actions, including, but not limited to responding to Department for Work and Pensions (DWP) feedback, approval of the final delivery partners in line with the DWP approved delivery plan and entering relevant contracts and/or other legal agreements to implement the decision at (ii) and (iii) above.

TVCA 28/25	BUSINESS GROWTH – SERVICE DELIVERY PLAN Cabinet were provided a report which set out the review of the current Business Growth service which has been undertaken prior to allocating the remaining 2025/26 UK Shared Prosperity Fund (UKSPF) Supporting Local Business allocation. The package of business support delivered through UKSPF to date was a pilot designed to test alternative delivery models, which finished at the end of March 2025, so further performance and evaluation data is now available. The report set out the review undertaken to date, the proposed Tees Valley model and made recommendations on the allocations of UKSPF in 2025/26, which support the transition to this new model. Cabinet were recommended to:- • TO APPROVE the new business support model in full and to DELEGATE delivery of the model as set out in this paper to the Interim Director of Business Solutions, in consultation with the Interim Chief Executive, Section 73 Officer and Monitoring Officer with regular reports coming back to Cabinet; • TO APPROVE the full proposed allocation set out in paragraphs 44 to 53, and the proposed delivery route as set out in the table in paragraph 48 and to • DELEGATE the delivery of the activity set out in paragraphs 44 to 53 of this report to the Interim Director of Business Solutions in consultation with the Interim Chief Executive, Section 73 Officer and Monitoring Officer with regular reports coming back to Cabinet. Sarah Walker provided an overview of the report and advised Cabinet that this is a strategic approach to funding, not just the UKSPF. She then invited Cabinet to ask questions or comment. Cllr Brown thanked Sarah Walker and her team for the work on this to date and recommended the proposal be approved. RESOLVED that Cabinet:- • APPROVED the new business support model in full and to DELEGATE delivery of the model as set out in this paper to the Interim Director of Business Solutions, in consultation with the Interim Chief Executive, Section 73 Officer and Monitoring Officer with regular reports coming back to Cabinet;

	• APPROVED the full proposed allocation set out in paragraphs 44 to 53, and the proposed delivery route as set out in the table in paragraph 48 and to • DELEGATED the delivery of the activity set out in paragraphs 44 to 53 of this report to the Interim Director of Business Solutions in consultation with the Interim Chief Executive, Section 73 Officer and Monitoring Officer with regular reports coming back to Cabinet.
TVCA 29/25	DELEGATED OR URGENT DECISIONS Cabinet were invited to consider a report which provided detail of all the Delegated and Urgent Decisions made since Cabinet last met on 31 March 2025. It was recommended that Cabinet • NOTES the Delegated Decision detailed in paragraph 3 and Appendix 1. • NOTES the Delegated Decision detailed in paragraph 4 and Appendix 2. • NOTES the Urgent Decision detailed in Paragraph 10 and Appendix 3. Members were given an opportunity to comment or ask questions. No questions of comments were received. • RESOLVED that Cabinet • NOTES the Delegated Decision detailed in paragraph 3 and Appendix 1. • NOTES the Delegated Decision detailed in paragraph 4 and Appendix 2. • NOTES the Urgent Decision detailed in Paragraph 10 and Appendix 3.
	DATE AND TIME OF FUTURE MEETINGS • 10am Friday, 26 September 2025

TEES VALLEY COMBINED AUTHORITY CABINET

Friday, 25 July, 2025 at 09.00am
Teesside Airport Business Suite, Teesside International Airport, Darlington

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

ATTENDEES	
Members	
Mayor Ben Houchen (Chair)	Tees Valley Mayor
Councillor Brenda Harrison	Leader Hartlepool Borough Council
Mayor Chris Cooke	Leader, Middlesbrough Council
Councillor Alec Brown	Leader, Redcar and Cleveland Borough Council
Councillor Lisa Evans	Leader, Stockton-on-Tees Borough Council
Officers	
Tom Bryant	Chief Executive, Tees Valley Combined Authority
Sarah Brackenborough	Director of Operations, Tees Valley Combined Authority
Clare Cuskin	Head of Legal Services, Tees Valley Combined Authority
Shaun Nattrass	Group Legal Services Manager, Tees Valley Combined Authority
Denise McGuckin	Managing Director, Hartlepool Borough Council
Erik Scollay	Chief Executive, Middlesbrough Council
Brian Archer	Managing Director, Redcar and Cleveland Borough Council
Ged Morton	Corporate Services Director, Stockton on Tees Borough Council
Amy Wennington	Assistant Director – Law & Governance, Darlington Borough Council
Kate Smith	Governance Officer, TVCA

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These Minutes capture the key points and decisions of the meeting, but they do not attempt to reproduce every word spoken. The full recording can be found here

	CHAIR'S OPENING REMARKS The Chair opened the meeting and welcomed everyone in attendance.
TVCA 30/25	APOLOGIES FOR ABSENCE Councillor Stephen Harker, Leader, Darlington Borough Council Rose Rouse, Chief Executive, Darlington Borough Council, Mike Greene, Chief Executive, Stockton Borough Council Matthew Ord, Interim Business Board Chair Substitutes Amy Wennington, Assistant Director – Law & Governance, Darlington Borough Council attended on behalf of Rose Rouse. Ged Morton, Corporate Services Director, Stockton on Tees Borough Council attended on behalf of Mike Greene.
TVCA 31/25	DECLARATIONS OF INTEREST None were declared.
TVCA 32/25	APPOINTMENT OF INTERIM GROUP DIRECTOR OF FINANCE & RESOURCES AND INTERIM MONITORING OFFICER Cabinet received a report seeking approval to appoint an interim Group Director of Finance & Resources and an Interim Monitoring Officer. The report detailed the proposed appointments and the requirements under legislation to ensure that TVCA has both a Monitoring Officer and a Section 73 Chief Finance Officer. Cabinet was advised by Tom Bryant, Chief Executive that the Group Director of Finance and Resources, and the Group Chief Legal Officer/Monitoring Officer have recently left the organisation. It was explained that recruitment agents had been engaged to ensure the interim replacements have the requisite experience and expertise, and it is proposed that: • Jo Moore is appointed Interim Group Director of Finance and Resources • Jodie Townsend is appointed Interim Monitoring Officer.

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	Tom Bryant explained that both candidates offer significant experience and expertise and will be valuable additions to the organisation, particularly with the implementation of the Organisational Improvement Plan. Cabinet was advised that opinion was also sought from Rob Whiteman and Helen Edwards from the Independent Advisory Board (IAB) who have previously worked with both candidates and are supportive of the appointments. Members were advised of a clarification that the intention is to have a permanent Group Director of Finance & Resources and Monitoring in post within the next 12 months, and it is proposed to advertise these roles in approximately 6 months' time to give time to go through a thorough process. Cabinet was also asked to support the continuation of Sarah Walker as Interim Director of Business Solutions, and Julie Hurley as Interim Director of Infrastructure and note that the recruitment for permanent appointments will commence in September and be reported to December Cabinet for decision. Cabinet was advised that the cost for the 12-month period will be £204,000, plus the agency fees to recruiters set out in Appendix 3. Questions and comments from members were invited: • Cllr Harrison stated that the process has been done well and agreed with going out to agency to engage the best candidates for the interim role. She noted that, if approved there will 4 'interim' directors, and requested assurances that this will be resolved in the next 12 months. Tom Bryant confirmed that there is the desire to get the permanent leadership team in place as soon as possible. It was outlined that the intention is to advertise the roles of Director of Business Solutions and Director of Infrastructure in September and go through the formal process of recruitment to bring back to Cabinet for approval in December. Discussions were had amongst members and the Chair in relation to the Group Director of Finance & Resources and Monitoring Officer roles, which will be advertised early in 2026. The Chair suggested that it may not be in time to bring back to Cabinet in March, however it was felt that, if necessary, an additional Cabinet meeting could be held in late Spring/early summer. Members agreed that the process should be agreed collaboratively with Cabinet.

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	• Cllr Brown asked whether the appointment of Interim officers may have negative repercussions on the lifting of the BVN, and if any impacts on the Development Corporations are foreseen. Tom Bryant clarified that there is no direct correlation, and the proposed interim appointments have been discussed with the IAB. It has been made clear in the plan to Government that the interims will transition into permanent appointments and will not impact on the ability to make improvements. With regards to the Development Corporations, TVCA currently provide group support services, although the Chief Operating Officers of the respective DCs are carrying out options reviews of support services going forward. In the short-term TVCA will continue to support. Cllr Brown also stated that Sarah Walker has been excellent in her role and asked for this to be placed on record. • Mayor Cooke raised a concern that the process for permanent recruitment has been discussed verbally, but has not been recorded and Members agreed that it should be noted. Mayor Houchen concurred and confirmed that the move to permanency needs to be at the correct point. It was stated formally that a permanent recruitment process will commence in early 2026 and the process will be developed collaboratively with Cabinet. • Tom Bryant reassured members that the appropriate people will be on the recruitment panel for the roles of Director of Business Solutions and Director of Infrastructure, and the process will follow recent similar recruitments. Members agreed this should begin in mid-September. • Cllr Evans asked whether the process would be developed in collaboration with Cabinet and was assured this would be the case . • Cllr Brown concluded by asking whether there is a handover of any pipeline from previous Officers, and Tom Bryant confirmed that arrangements are in place to ensure business as usual. RESOLVED that Cabinet; i. Approved the appointment of Jo Moore as Interim Group Director of Finance & Resources for a period of up to twelve months. ii. Approved the appointment of Jodie Townsend as Interim Monitoring Officer for a period of up to twelve months.

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	iii. **Noted** the continuation of Sarah Walker as Interim Director of Business. iv. **Noted** the continuation of Julie Hurley as Interim Director of Infrastructure. v. **Noted** that the additional cost of £204K for these interim appointments (plus agency fees), for up to twelve months, will be funded by delivering a saving on the expenditure on external legal/governance advice. vi. A permanent recruitment process will commence in early 2026 and the process will be developed collaboratively with Cabinet.
	DATE AND TIME OF FUTURE MEETINGS • 10am Friday, 26 September 2025 The Chair thanked all in attendance and Cabinet concluded 09:15am.

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AGENDA ITEM 5

REPORT TO THE TEES VALLEY
COMBINED AUTHORITY CABINET

26 SEPTEMBER 2025

REPORT OF THE INTERIM MONITORING OFFICER

GOVERNANCE AND APPOINTMENTS

SUMMARY

This report details a number of appointments to be confirmed by Cabinet.

RECOMMENDATIONS

It is recommended that Cabinet:

i. APPROVES the appointment of the Chair and Vice Chair of the Tees Valley Combined Authority Overview and Scrutiny Committee, as detailed in paragraph 3 of this Report;
ii. APPROVES the appointment of the Chair and Vice Chair of the Tees Valley Combined Authority Audit and Governance Committee, as detailed in paragraph 5 of this Report;
iii. NOTES the appointment of a member and substitute member to the Hartlepool Development Corporation Audit and Governance Committee as detailed in paragraph 7 of this report;
iv. NOTES the appointment of a member and substitute member to the Middlesbrough Development Corporation Audit and Governance Committee as detailed in paragraph 9 of this report;
v. NOTES the appointment of a member and substitute member to the South Tees Development Corporation Audit and Governance Committee as detailed in paragraph 11 of this report;
vi. APPROVES the appointment of the Substitute Member on the Overview & Scrutiny Committee, as detailed in paragraph 13 of this Report;
vii. NOTES the appointment of the Chair of South Tees Development Corporation Audit & Governance Committee as detailed in Paragraph 15.

DETAIL

1. At the Annual General Meeting of Cabinet on 27 June 2025, Cabinet received a Governance and Appointments paper, detailing a number of appointments to be made by Cabinet.

2. Paragraph 15 of the Governance and Appointments paper presented to the Cabinet AGM provided:

   The Chair and Vice Chair of the Combined Authority Overview and Scrutiny Committee, the Chair and Vice Chair of the Audit and Governance Committee and the Vice Chair of the Transport Committee will be brought forward to a future Cabinet meeting, once nominations have been received and agreed following their next respective meetings."

   Chair & Vice Chair of Overview & Scrutiny Committee

3. At its meeting on 10 September 2025, the Tees Valley Combined Authority Overview and Scrutiny Committee agreed to recommend the following appointments for approval by Cabinet:

   a. Councillor Ian Blades, Chair of Overview and Scrutiny Committee.
   b. Councillor Rachel Creevy, Vice Chair of Overview and Scrutiny Committee.

4. Cabinet is asked to APPROVE:

   a. the appointment of Councillor Ian Blades as Chair of the Tees Valley Combined Authority Overview and Scrutiny Committee; and
   b. the appointment of Councillor Rachel Creevy, Vice Chair of the Tees Valley Combined Authority Overview and Scrutiny Committee.

   Chair & Vice Chair of Audit & Governance Committee

5. At its meeting on 30 June 2025, the Tees Valley Combined Authority Audit and Governance Committee agreed to recommend the following appointments for approval by Cabinet:

   a. Councillor Mandy Porter, Chair of Audit and Governance Committee.
   b. Councillor Peter Grogan, Vice Chair of Audit and Governance Committee.

6. Cabinet is asked to APPROVE:

   a. the appointment of Councillor Mandy Porter, Chair of Audit and Governance Committee; and
   b. the appointment of Councillor Peter Grogan, Vice Chair of the Tees Valley Combined Authority Audit and Governance Committee.

   Audit & Governance Committee representative to serve on Hartlepool Development Corporation Audit & Governance Committee

7. At its meeting on 30 June 2025, the Tees Valley Combined Authority Audit and Governance Committee agreed to appoint one of its members as a representative to serve on Hartlepool Development Corporation's Audit and Governance Committee and also a member to serve as a substitute representative on Hartlepool Development Corporation's Audit and Governance Committee.

8. Cabinet is asked to NOTE:

    a. the appointment of Councillor Moss Boddy to the Hartlepool Development Corporation Audit & Governance Committee;
    b. the appointment of Councillor Aaron Roy as a substitute member to the Hartlepool Development Corporation Audit & Governance Committee.

Audit & Governance Committee representative to serve on Middlesbrough Development Corporation Audit & Governance Committee

9. At its meeting on 30 June 2025, the Tees Valley Combined Authority Audit and Governance Committee agreed to appoint one of its members as a representative to serve on Middlesbrough Development Corporation's Audit and Governance Committee and also a member to serve as a substitute representative on Middlesbrough Development Corporation's Audit and Governance Committee.

10. Cabinet is asked to NOTE:

    a. the appointment of Councillor Nicky Walker to the Middlesbrough Development Corporation Audit & Governance Committee;
    b. the appointment of Councillor Jill Ewan as a substitute member to the Middlesbrough Development Corporation Audit & Governance Committee.

Audit & Governance Committee representative to serve on South Tees Development Corporation Audit & Governance Committee

11. At its meeting on 30 June 2025, the Tees Valley Combined Authority Audit and Governance Committee agreed to appoint one of its members as a representative to serve on South Tees Development Corporation's Audit and Governance Committee and also a member to serve as a substitute representative on South Tees Development Corporation's Audit and Governance Committee.

12. Cabinet is asked to NOTE:

    a. the appointment of Councillor Peter Grogan to the South Tees Development Corporation Audit & Governance Committee;
    b. the appointment of Councillor Paul Salvin as a substitute member to the South Tees Development Corporation Audit & Governance Committee.

Overview & Scrutiny Committee – substitute member

13. At the Annual General Meeting of Cabinet on 27 June 2025, Cabinet received a Governance and Appointments paper, detailing a number of appointments to be made by Cabinet. At the time of the meeting, Middlesbrough had not submitted the names of all substitute members to the Overview & Scrutiny Committee.

14. Middlesbrough Council have nominated Councillor Linda Lewis as a substitute member to the Overview & Scrutiny Committee.

Cabinet is asked to APPROVE:

a. the appointment of Councillor Linda Lewis as a substitute member on the Overview & Scrutiny Committee.

South Tees Development Corporation – Audit & Governance Committee – Appointment of Chair

15. Paragraph 10 of the South Tees Development Corporation Constitution provides that the Tees Valley Mayor nominates, for Cabinet approval, an independent Chair of the South Tees Development Corporation Audit & Governance Committee. Such appointment cannot be an Independent Member who also sits on the South Tees Development Corporation Board.

16. Following the recent resignation of the existing Chair, Cabinet are asked to note that the Tees Valley Mayor nominates Geoff Westmoreland, the current Vice Chair of the South Tees Development Corporation Audit & Governance Committee, as Chair of the Committee.

17. Cabinet is asked to NOTE the appointment of Geoff Westmoreland as Chair of South Tees Development Corporation Audit & Governance Committee for the current municipal year.

FINANCIAL IMPLICATIONS

18. Support for the governance of the Tees Valley Combined Authority is provided from within the Authority's core budget, as agreed by Cabinet through the annual budget process, and funded through resources devolved from central government.

LEGAL IMPLICATIONS

19. The report relates to the Constitution of the Combined Authority which sets out the appropriate statutory framework. The Constitution came into effect on 8 May 2017 and is legally binding.

RISK ASSESSMENT

20. This report is categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.

Name of Contact Officer:	Sally Henry
Post Title:	Governance Officer
Telephone Number:	01325 792831
Email Address:	sally.henry@teesvalley-ca.gov.uk

Agenda Item 6

Report to the TVCA Cabinet

26 September 2025

Report of the Director of Operations

ORGANISATIONAL IMPROVEMENT PLAN PROGRESS

SUMMARY

This report provides an update on the progress with the Organisational Improvement Plan and several other matters, in relation to the Best Value Notice.

RECOMMENDATIONS

It is recommended that the Combined Authority Cabinet:

i. NOTES: the confirmation of Dame Amanada Milling, former government minister, as a member of the Independent Advisory Board.
ii. NOTES: progress on the Organisational Improvement Action Plan in section 12.

DETAIL

Background

1. On 3 April 2025 Tees Valley Combined Authority (TVCA) was issued with a non-statutory Best Value Notice (BVN) by the Ministry of Housing, Communities and Local Government (MHCLG). The letter set out the requirement to produce a clear, overarching and holistic improvement plan, agreed by members of the authority by 3 July 2025.

2. Furthermore, TVCA's external auditors (EY) wrote to TVCA Cabinet on the 15 April 2025 issuing three recommendations under Section 24, Schedule 7 (2) of the Local Audit and Accountability Act 2014. The TVCA response was approved at a meeting of the Cabinet on the 14 May 2025.

3. Following a period of engagement workshops with a wide range of officers and members, an Organisational Improvement Plan was approved by the TVCA Cabinet at

its meeting on 27 June 2025. The plan and action plan were subsequently submitted to the Ministry of Housing Communities and Local Government (MHCLG) following Cabinet approval.

Independent Advisory Board (IAB)

4. At its meeting on 27 June, Cabinet approved the establishment of an Independent Advisory Board (IAB). At that time one member required the approval of the independent Advisory Committee on Business Appointments (ACOBA) and therefore the appointment was subject to this sign off. This approval was granted on 31 July 2025 and Dame Amanda Milling, former government minister, has now joined the IAB. Dame Amanda's biography is attached at Appendix 1 for completeness.

5. The IAB has agreed to hold meetings monthly. There will be several formal, in person, meetings which focus on deep-dive topics and several informal virtual meetings. Since TVCA Cabinet on 27 June, the IAB has held two formal meetings on 11 July and 12 September and one informal meeting on 11 August. The formal meeting on 12 September focused on the deep-dive area of governance . Further details are set out below.

Meetings with MHCLG Best Value Notice (BVN) Team

6. Tees Valley Combined Authority's Chief Executive and Director of Operations attend monthly meetings with the Best Value Notice team at MHCLG to discuss progress. The Chair of the IAB, Rob Whiteman, attended part of the meeting on 15 July to give his view on progress to date.

Reporting

7. TVCA has committed to produce a monthly report to summarise progress against the Organisational Improvement Plan. The July and August reports can be found on the TVCA website https://teesvalley-ca.gov.uk/about/organisational-improvement-plan/ and have also been provided to the IAB, MHCLG, Cabinet and EY (external auditor) directly.

8. More detailed progress on implementing the Organisational Improvement Plan will be a standing item on all Cabinet agendas and this is covered in section 12 of this report. An independent report produced by the Chair of the Independent Advisory Board, Rob Whiteman, will also be standing item on all Cabinet agendas and this can be found at agenda item 7.

9. The Overview & Scrutiny Committee, Audit & Governance Committee and Transport Committee will review progress against the actions relevant to their remit and an update on current progress can be found at paragraphs 13 & 14.

Organisational Improvement – Summary of Progress

10. This section summarises some key areas of activity since the plan was approved. The full progress report can be found at **appendix 2.**

11. It should be noted that TVCA Cabinet met on 25 July 2025 to approve the appointments of two interim statutory officers – Jo Moore (Interim Director of Finance and Resources) and Jodie Townsend (Interim Monitoring Officer).

12. The Organisational Improvement Plan detailed Action Plan contains 47 headline actions that address the breadth and depth of change needed to ensure impactful and lasting improvements. There are several cross-cutting actions that will be prioritised to ensure an immediate and impactful improvement. Work will continue to address all headline actions, but those addressed below will be the first to progress.

BVN Theme: Partnerships and Continuous Improvement

Strategic Priority	Action	Target date (overall)	Status	Lead	Progress
Rebuild Trust & Shared Ownership	Implement a balanced external communications plan to ensure TVCA restores public confidence, promotes itself and manages challenge & external scrutiny, with a greater role for Cabinet portfolio holders.	Q4 2025/26	In progress	Director of Inward Investment & Marketing	Proactive external comms and stakeholder engagement plan in development in consultation with Local Authority Comms Leads. Significant engagement with senior stakeholders across the region led by the TVCA Executive Team. Tees Valley Comms Group (Including all heads of comms from the Tees Valley Councils now in place. Engaging with the LGA and other external communications

Strategic Priority	Action	Target date (overall)	Status	Lead	Progress
					professionals for support.
Strategic Clarity & Long-Term Planning	Implement a collaborative approach to strategic long-term priority setting and planning, working closely with constituent local authorities, with meaningful political engagement at the outset and throughout the process	Q2 2025/26 ongoing	In progress	Director of Operations	A workshop is being held with Cabinet members to discuss the Strategic Framework for the organisation, including Local Growth Plan, investment pipeline, future devolution and budget setting. The need to establish clarity of purpose to direct decision-making, inform prioritisation and allocation of resources is an essential governance foundation. Priority is to establish this clarity at the earliest opportunity and the workshop with Cabinet will focus on this. The development of the strategic planning process will be aligned with the development of a new Single Assurance Framework.
Build High-Performing Organisation	Develop & implement new operating model to improve processes, understanding and efficiency	2025/26 ongoing	In progress	Director of Operations	Operating Model is in progress. This action is overarching and links across the Improvement Plan to all areas that will lead to improved

Strategic Priority	Action	Target date (overall)	Status	Lead	Progress
					processes and ways of working. Areas being prioritised for review and development are officer schemes of delegation, approval systems and processes. This is alongside scoping for a people plan to review how directorates and teams will be structured, which will provide the framework for decision making and delegations.

BVN Theme: Use of Resources

Strategic Priority	Action	Overall Date	Status	Lead	Progress
Strengthen Governance, Oversight & Accountability	Review all finance processes and procedures and implement any necessary changes to ensure exemplar finance best practice, capture changes within the Constitution and improve awareness and understanding across the organisation.	Q3 2025/26	In progress and Scoping	Interim Director of Finance & Resources	Review of key processes commenced. Budget monitoring and Budget setting being prioritised with a clear scope for Budget monitoring now confirmed and action plan defined. This will include the external grant process. Approval processes now included under the Governance workstreams.

Strategic Priority	Action	Overall Date	Status	Lead	Progress
Strengthen Governance, Oversight & Accountability	Develop and implement a workforce development strategy, to ensure a sustainable and high-performing finance function.	Q2 2025/26	In progress and Scoping	Interim Director of Finance & Resources	Initial review undertaken and interim structure to be implemented from October 2025. The permanent workforce plan will be developed by the end of the calendar year with a view to embedding from 1 April 2026.
Strengthen Governance, Oversight & Accountability	Respond effectively and in a timely manner to address the recommendations and actions contained within the external auditor's statutory letter received on the 15 April 2025.	Q2 2025-Q4 2026	In progress and Scoping	Interim Director of Finance & Resources	The new S73 Officer is working closely with the external auditors. Capacity is being addressed as above. The public accounts inspection recommendation will be complied with. An update on the 2024/25 external audit and year end position has been provided to the Audit & Governance Committee on 18 September 2025. Suitably experienced interim resources will be prioritising resolving any residual 2024/25 matters as well as formulating a comprehensive plan for the 2025/26 year-end closing process.

BVN Theme: Governance

Strategic Priority	Action	Overall Date	Status	Lead	Progress
Strengthen Governance, Oversight & Accountability	Review all governance processes and procedures	Q3 2025/26	In progress	Interim Monitoring Officer	The review process has commenced with a focus on aligning the cycles for Cabinet, other statutory committees and Development Corporation meetings. A revised Cabinet cycle is scheduled to be implemented in time for the December 2025 Cabinet meeting, accompanied by the introduction of a refreshed report template to support the new approach.
Rebuild Trust & Shared Ownership	Review Cabinet portfolios and strengthen the role of portfolio holders	Q3 2025/26	In progress	CEO / Interim Monitoring Officer	Work is underway with Cabinet members to refresh portfolio areas and strengthen roles within organisation. Lead directors providing support to Cabinet portfolio holders with regular engagement and involvement in workstreams. Interim Monitoring Officer meeting all Cabinet Members to discuss Portfolio requirements
Strengthen Governance,	Undertake a comprehensive review of the TVCA Constitution,	Q3 2025/26	In progress	Interim Monitoring Officer	Numerous actions will result in updates to the constitution. The approach that has been identified is

Strategic Priority	Action	Overall Date	Status	Lead	Progress
Oversight & Accountability	including Scheme of Delegation, working closely with the constituent local authorities and Cabinet, to ensure it is fit for purpose.				to complete action related updates as progress is made and complete a comprehensive review once priority updates have been made. The initial focus includes: • Development of the Officer Scheme of Delegations and alignment with the approval process • Detailed examination of the Publication Scheme, aligning transparency requirements with approvals and delegations • Enhancing access to information procedures • Strengthening compliance policies, particularly in relation to Freedom of Information (FOI) requests and complaints handling These priorities aim to improve transparency, accountability, and operational efficiency across the organisation. Engagement is being undertaken with Cabinet

Strategic Priority	Action	Overall Date	Status	Lead	Progress
					Members by the Interim Monitoring Officer on this workstream. There will be appropriate input from all statutory committees in the revision of the constitution.
Rebuild Trust & Shared Ownership Across the Combined Authority	Implement regular informal Cabinet meetings, both with and without officers present, Cabinet workshop sessions where appropriate and portfolio meetings with senior TVCA officers and senior local authority officers where appropriate.	Q3 2025/26	In progress	Interim Monitoring Officer	Informal Cabinet meetings have been included within Corporate Calendar. Intention is to transition to the point where Cabinet portfolios lead the discussion on their portfolio with support from officers. The December 2025 Cabinet Cycle has been adjusted to ensure Informal Cabinet takes place at appropriate cycle point.

BVN Theme: Culture

Strategic Priority	Action	Overall Date	Status	Lead	Progress
Build a High-Performing Organisation with a strong Operating Model	Recruit a permanent Chief Executive (CEX) and recruit to the vacant Director posts and ensure appropriate input from the S73 Chief Finance Officer and Monitoring Officer	Q4 2025/26 Ongoing	In progress	Assistant Director of People & Operations	Permanent CEX appointed by TVCA Cabinet in June 2025. Members of the Independent Advisory Board were involved in the recruitment and interview process.

Strategic Priority	Action	Overall Date	Status	Lead	Progress
	in the senior leadership team.				Interim Group Director of Finance & Resources and interim Monitoring Officer appointed and part of the leadership team. Recruitment process has commenced for Director of Infrastructure and Director of Business Solutions.
Build a High-Performing Organisation with a strong Operating Model	Initiate and undertake a programme of Organisational Development (OD), with an external partner to provide support and challenge.	Q4 2025/26 Ongoing	In progress	Assistant Director of People & Operations	External OD partner procured with OD activity underway across a number of themes including senior team development.
Build a High-Performing Organisation with a strong Operating Model	Develop and implement a workforce development strategy for TVCA	Q4 2025/26	In progress	Assistant Director of People & Operations	Scoping the people plan to review how directorates and teams will be structured as first step, with priority focus on finance and governance.
Build a High-Performing Organisation with a strong Operating Model	Implement an internal communications plan to improve employee engagement and voice, through ongoing engagement and learning activity and to embed the actions within the Organisational	Q1-3 2025/26	In progress	Director of Marketing & Inward Investment	Improved internal engagement through all staff meetings, staff forum and regular updates from the Chief Executive. Further ideas for internal

Strategic Priority	Action	Overall Date	Status	Lead	Progress
	Improvement Plan across the organisation.				communications will be asked via the staff forum. Feedback will inform the final plan. Likely finalised by the end of October 2025 to allow for staff engagement and feedback.

13. The TVCA Senior Leadership Team have identified core workstreams which are being developed in order to support the improvement plan, these are;
    - Approval Process & Delegations
    - Organisational Structure
    - Internal System of Controls
    - Budgets, Registers & Data
    - Partnerships
    - Compliance

14. These workstreams were subject to check and challenge at the Independent Improvement Board meeting held on 12 September 2025. A senior lead for each workstream has been identified and detailed delivery scopes are being finalised.

Statutory Committees

15. The Overview and Scrutiny Committee held a second workshop on 31 July 2025 to continue the discussions on improvement for its effectiveness. It was facilitated by the Local Government Association (LGA) and was also attended by the Director of Operations, the Scrutiny Officer and the Head of Improvement. Members split into facilitated groups to discuss feedback from the previous workshop and agree required next steps on their journey to improve effectiveness. The Committee held a further discussion at its statutory meeting on 10th September.

16. The Interim Monitoring Officer is meeting the Chair of Overview & Scrutiny to discuss an Overview & Scrutiny Improvement Plan and the role of the function in the overall improvement journey. Furthermore, the Chief Executive has planned regular update meetings with the Chair.

17. The Audit and Governance Committee held a second workshop on 18 September 2025 with a similar format.

Measuring Success

18. The full Organisational Improvement Action Plan at Appendix 3 identifies several success measures. It is acknowledged that the feedback of partners is important to measuring success and it is proposed that a further round of facilitated workshops is held with Cabinet members, Officers and Statutory Committee members later in the year. The feedback from the listening workshops held in May and June will be used as a benchmark.

FINANCIAL IMPLICATIONS

19. The report to Cabinet on the 27 June 2025 identified a number of costs associated with the Organisational Improvement Plan, including:
    - Establishment of a dedicated team - £150K
    - Procurement of Change & Transformation as an organisational development partner - £150K
    - Estimated renumeration for members of the Independent Advisory Board - £132K (the Board has been established in conjunction with the LGA who will fund 50% of the cost via the MHCLG Improvement Grant).

20. TVCA will seek to identify a specific budget allocation to support Organisational Improvement, which will be factored into the budget review work. This will be developed in parallel with delivery of the Improvement Plan actions, as officers develop a better understanding of the potential resource implications. The resource implications will be kept under continual review and regularly reported to Cabinet.

LEGAL IMPLICATIONS

21. The letter from MHCLG states that ministers are concerned as to the authority's capacity to comply with its best value duty under the Local Government Act 1999 and have therefore decided to issue TVCA with this best value notice ("notice"). The notice is a formal notification that the department has concerns regarding the authority and requests that the authority engages with the department to provide assurance of improvement.

22. This notice is issued outside the statutory powers held by the Secretary of State under the Local Government Act 1999 to inspect or intervene in local authorities where there is evidence of best value failure and, separately, under Section 230 of the Local Government Act 1972 to request information from local authorities.

23. The majority of measures to move to Established Status and subsequently to achieve an integrated settlement are centred around governance, accountability and assurance. Developing and delivering robust governance, clear accountability, and rigorous assurance arrangements is a critical enabler to unlock additional devolved powers and resources. By demonstrating sound decision-making and transparent stewardship of public funds, TVCA can build the credibility needed to negotiate more ambitious devolution deals with central government.

RISK ASSESSMENT

24. A RACI Matrix, also known as a Responsibility Assignment Matrix, has been applied to each of the detailed actions within the Improvement Plan and regular progress meetings are now taking place with those responsible and accountable for their delivery to ensure early identification of risks.

25. The MHCLG letter recognises that embedding change across the organisation and ensuring that it is having the desired, long-term impacts is likely to take time and will require sustained effort from both officers and members at TVCA. The letter notes that the notice will be reviewed after 12 months.

CONSULTATION & COMMUNICATION

26. Consultation and communication have continued with a range of partners and stakeholders since TVCA Cabinet on 27 June 2025, and this report sets out above all meetings that have taken place.

27. Consultation and communication are key elements which run throughout the detailed actions, including members and staff to be consulted and informed as we progress. External challenge and validation is also a key element of our improvement journey as we work with the IAB, LGA and others to seek guidance and assurance on our progress.

EQUALITY & DIVERSITY

28. The Organisational Improvement Plan itself does not directly impact on groups of people with protected characteristics.

29. However, TVCA considers the potential impact on groups of people with protected characteristics in the development of policy, programmes and projects. Any actions within the action plan that relate to policy, programmes and projects will be subject to Equality Impact Assessments during the development phase.

Appendices

Appendix 1 – Bio: Dame Amanda Milling
Appendix 2 – Progress report
Appendix 3 – Organisational Improvement Plan

Name of Contact Officer:	Sarah Brackenborough
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Agenda Item 6, Appendix 1

Report to TVCA Cabinet

26 September 2025

Report of the Director of Operations

Rt Hon Dame Amanda Milling DBE

Rt Hon Dame Amanda Milling DBE is a consultant and a highly experienced public servant and businesswoman, with a career spanning government, Parliament, and the private sector.

Dame Amanda served as Member of Parliament for Cannock Chase from 2015 to 2024, during which time she held multiple ministerial and leadership roles as a Government Minister, including attending Cabinet as Minister without Portfolio.

Prior to Parliament, Dame Amanda served as a local councillor and had a successful career in market research and consultancy as a Director at Optimisa Research (formerly Quaestor Research and Marketing Strategists) specialising in strategic insights and financial services.

Theme: Partnerships and Continuous Improvement Accountable Director: Director of Operations					August 2025 Update	
Strategic Priorities (Note: Some of the below cross over into other or all areas, the below represents the dominant theme)	**Headline Actions**	**Key Steps**	**Overarching Measure of Success**	**Target Date to Achieve**	**Status**	**Commentary**
4. Embed a Culture of Continuous Improvement	Ensure progress against the actions contained within the Organisational Improvement Plan is effectively monitored, working closely with the constituent local authorities and the Independent Improvement Board, and reported in a transparent manner to Cabinet, the Improvement Board, the Ministry of Housing, Communities & Local Government (MHCLG) and EY (external auditor).	Regular engagement with all stakeholders, building relationships.	Clear & regular reporting, timely meeting papers, improved/positive feedback	Q4 2026	In Progress	IAB Board meetings in place. Stakeholder engagement workshops held. Ongoing relationship building through various groups and committees continues. Bi-weekly meeting with LA's to discuss & develop the Local Growth Plan.
		Set up report structure for both internal and external reporting at agreed frequency.			Complete	Reporting structure agreed by TVCA Cabinet and in place.
		Set up spreadsheet to show progress against each action or KPI.				Spreadsheet set up and actively updated.
		Attend Improvement Board and MHCLG meetings providing previous minutes and recording any actions.			Ongoing	Governance process established. Attendance at meetings ongoing.
1.Rebuild Trust & Shared Ownership Across the Combined Authority	Implement a balanced external communications plan to ensure TVCA restores public confidence, promotes itself and manages challenge & external scrutiny, with a greater role for Cabinet portfolio holders.	Develop plan	Clear, easily accessible information for the public that meets with legislation and best practice	Q2 2025	In Progress	Proactive external comms and stakeholder engagement plan in development in consultation with Local Authority Comms Leads. Significant engagement with senior stakeholders across the region led by the TVCA Executive Team. The plan articulates how portfolio holders will have a greater role in external comms.
		Work with partners, stakeholders and Members to embed plan			In Progress	TVCA have established a Communications group with the Local Authorities. Wider stakeholder/partner engagement continues to progress well with examples of improvements recorded. Engaging with the LGA and other external communications professionals for support.
		Review and update monthly			Ongoing	Plan in development. To be reviewed with progress and improvements captured. TVCA website to continue to show monthly progress updates.
4. Embed a Culture of Continuous Improvement	Take part in a Local Government Association (LGA) peer review in 18-24 months and seek external support and challenge from the LGA, the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Centre for Governance and Scrutiny (CFGS) to support the Organisational Improvement Plan.	Liaise with LGA/CIPFA/CFGS for peer review and external support & challenge	Agreed dates with each planned into TVCA timescales	Ongoing	Ongoing	Engagement with LGA/CIPFA/CFGS being accessed as appropriate to support improvement journey. Peer review dates to be agreed for 18-24 months.
		Agree dates & timescales				Dates to be agreed at appropriate point.
5. Deliver Strategic Clarity, Long-Term Planning & Performance Focus & Prepare for the next phase of long term devolution	Undertake an assessment and identify any new actions to ensure that we are striving for excellence in the remaining categories set out in the statutory guidance on best value standards and interventions (not covered in the Best Value Notice (BVN) or by the external auditor statutory letter), which are leadership, use of resources and service delivery	Undertake assessments and identify & implement any actions involving partners & key stakeholders when appropriate - using BVN guidance as the framework/benchmark	Positive benchmarking/improved position recorded & continually measured.	Ongoing/Q4 2025	Ongoing	Improvement team established to provide assessments and continuous monitoring of progress against actions. Consultations and engagements identified and will continue as work progresses.
5. Deliver Strategic Clarity, Long-Term Planning & Performance Focus & Prepare for the next phase of long term devolution	Implement a collaborative approach to strategic long-term priority setting and planning, working closely with the constituent local authorities, with meaningful political engagement at the outset and throughout the process.	Implement a series of workshops for priority setting, engage key partners and Members and ensure the workshops fit with the corporate calendar.	Partners and key stakeholders understand long term plans and provide positive/improved feedback on meaningful engagement.	Ongoing/Q2 2025	In Progress	TVCA CEO is actively engaging with key partners and stakeholders including MPs, Local Authority Leaders and CEOs and business leaders. A series of external workshops are being planned regarding Strategic Priorities including the Local Growth Plan, future Devolution, Investment Pipeline Planning. A workshop is being held with Cabinet members to discuss the Strategic Framework for the organisation, which also includes key items including Local Growth Plan, investment pipeline, future devolution and budget setting. The need to establish clarity of purpose to direct decision-making, inform prioritisation and allocation of resources is an essential governance foundation. Priority is to establish this clarity at the earliest opportunity and the workshop with Cabinet will focus on this. The development of the strategic planning process will be aligned with the development of a new Single Assurance Framework.
3. Build a High-Performing Organisation with a strong Operating Model	Develop and implement a new organisation-wide operating model to improve processes, efficiency, understanding and quality.	Set out how directorates and teams will be structured and where decision making will sit in order to create a set of general accountabilities for Directors, which are expressed through their objectives to deliver against the policies set out by the Combined Authority.	Agreed operating model is rolled out and understood. Staff can report via surveys understanding of high level objectives and where their role impacts these.	Ongoing Q4 2026	In Progress	Operating Model is in progress. This action is overarching and links across the Improvement Plan to all areas that will lead to improved processes and ways of working. Areas being prioritised for review and development are officer schemes of delegation, approval systems and processes. This is alongside scoping for a people plan to review how directorates and teams will be structured, which will provide the framework for decision making and delegations.
		Create a scheme of delegation that covers specific delegations or requirements for compliance where officers are fulfilling these accountabilities.				
		Undertake an internal review of existing polices & processes, identify gaps and improvements to be made, implement any changes and roll out any appropriate internal				
3. Build a High-Performing Organisation with a strong Operating Model	Implement a Programme Management Office (PMO), with standardised processes and tools, to ensure consistency in terms of how the organisation develops, manages and monitors projects and programmes.	Explore the structure of a PMO within TVCA to ensure it is fit for purpose and specific to TVCA. implement a fit for purpose PMO.	An appropriate PMO 'model' is in place for TVCA. Demonstrable benefits of the PMO can be seen & recorded.	Q4 2025	In Progress	Initial scoping is underway to develop an appropriate timeline and holistic approach, linked to all actions that will deliver improved processes as an outcome, recognising the interdependencies with constitutions and schemes of delegations and ensuring they flow through the processes. Pre-market engagement is underway.
2. Strengthen Governance, Oversight & Accountability	Refocus the Chief Executives meetings into a Tees Valley Strategic Leadership Team, made up of the six chief executives (5 LAs and 1 CA, CEXs) supporting the delivery of priority workstreams.	Undertake a review of the TV CEXs meetings, priorities and Terms of Reference, implement changes from the review appropriately and reflect any changes in the governance structure and corporate calendar of the wider organisation and embed changes to processes.	Implementation of Tees Valley Strategic Leadership Team meetings. Positive feedback and demonstrable impact of the working arrangements	Q3 2025	In Progress	Discussions are ongoing at CEX level to ensure strategic focus on priorities with alignment to the review.
4. Embed a Culture of Continuous Improvement	Undertake an assessment and identify any new actions to ensure that we are striving for excellence in the remaining categories set out in the statutory guidance on best value standards and interventions (not covered in the Best Value Notice or by the external auditor statutory letter), which are leadership and service delivery.	Undertake assessment. Agree actions and develop implementation plan.	Through continuous monitoring a clear positive direction of travel can be demonstrated.	Q4 2025	Ongoing	Initial assessment of the remaining areas in the Best Value Notice guidance is being undertaken.

Theme: Use of Resources Accountable Director: Interim Group Director of Finance and Resources					August 2025 Update	
Strategic Priorities (Note: Some of the below cross over into other or all areas, the below represents the	**Headline Actions**	**Key Steps**	**Overarching Measure of Success**	**Target Date to Achieve**	**Status**	**Commentary**
2. Strengthen Governance, Oversight & Accountability	Review all finance processes and procedures and implement any necessary changes to ensure exemplar finance best practice, capture changes within the Constitution and improve awareness and understanding across the organisation.	Produce a baseline assessment of finance processes and procedures and 'gap analysis' where applicable to form the basis of future improvement plan.	Fully documented finance business processes and procedure documentation is widely available and understood by staff	End Q3 026	In Progress	Team away day held to review processes and agree improved controls.
		Cabinet approval of finance process changes as required in line with Constitution.			In Progress	Stakeholder engagement workshops held. Ongoing relationship building through various groups and committees continues.
		Roll out of processes across the organisation (including all necessary awareness raising and training)	Ownership and accountability is demonstrated through budget holder leadership for their respective areas of delegated authority.	Q1 2026	Scoping	Review of key processes commenced. Budget monitoring and budget setting being prioritised with a clear scope for Budget Monitoring now confirmed and action plan defined. This will include the external grant process. Approval processes now included under the Governance workstreams.
		Implementation of the necessary system changes to reflect the new sub-scheme of delegation				
		Roll out training for all new budget holders and individuals with delegations				
		Roll out training for document authorisation system	Document authorisation processes are compliant, timely and accurate working to agreed service standards across the Group	Q3 2026 02/03/26		
2. strengthen Governance, Oversight & Accountability	Develop and implement a workforce development strategy, to ensure a sustainable and high-performing finance function.	Produce baseline of Finance team capacity and capability. Produce Terms of Reference for review of Finance team and approval by Cabinet	The Finance team has a clear structure building on current capabilities to ensure an appropriately qualified team and a development pathway to a resilient high performing service	Q2 2025	In Progress	Initial review undertaken and interim structure to be implemented from October. The permanent workforce plan will be developed by the end of the calendar year with a view to embedding from 1 April 2026
		Benchmarking analysis and review by Tees Valley Strategic Resources Group (FDs) for feedback			In Progress	
		SWOT analysis and local government finance workforce action plan key recommendations analysis performed to support review of the Finance Team				
		Formulation of Finance Team structure options and funding requirements as applicable and recommendations to TVCA Senior Leadership Team and stakeholder groups		02/03/26	In Progress	
2. strengthen Governance, Oversight & Accountability	Respond effectively and in a timely manner to address the recommendations and actions contained within the external auditor's statutory letter received on the 15th April 2025.	Capacity review	All public inspection periods for the Annual Financial Statements (including narrative report) and Annual Governance Statement are complied with in line with legislation.	Q2 2025	In Progress	The new S73 Officer is working closely with the external auditors. Capacity is being addressed as above. The public accounts inspection recommendation is now understood and will be complied with. An update on the 2024/25 external audit and year end position will be provided to the Authority's A&G Committee on 18 September. Suitably experienced interim resources will be prioritising resolving any residual 2024/25 matters as well as formulating a comprehensive plan for the 2025/26 year-end closing process.
		Process review		Q2 2025	In Progress	
		Clear timetable for production of its 2024/25 Statement of Accounts	All year-end statutory deadlines met for the production of Annual Financial Statements (including narrative report) and Annual Governance Statement to deliver before the backstop date	Q4 2026	Complete	
2. Strengthen Governance, Oversight & Accountability	Produce a readiness plan for fiscal devolution, including a potential future integrated settlement, and new accountability arrangements as set out in the Devolution White Paper.	Produce baseline self-assessment of readiness against best practice using models produced for MCAs who have already progressed through readiness activity.	TVCA Cabinet approved readiness plan	Q3 2025	Scoping	Scoping underway to identify approach to be taken and the extent to which the Interim Monitoring Officer will want to shape that approach.
		Produce an action plan designed to address any gaps in readiness identified through the baseline assessment work to deliver for March 2026 to inform formal readiness processes with Government. This is on the basis that the				
		Approval of readiness plan with stakeholders				
2. Strengthen Governance, Oversight & Accountability	Ensure that all actions from audit reports are addressed in an effective and timely manner and progress is reported to Audit & Governance (A&G) Committee and Cabinet.	The detailed activities are covered by other actions in the use of resources section. The formal reporting to TVCA AGC and TVCA Cabinet will follow the approved plan. This requires reports to be produced for circulation with these stakeholders for May, June, September and November.	External Audit recommendations evidenced as complete with Auditors	Q3 2025	Scoping	Scoping underway to identify approach to be taken and the extent to which the Interim Monitoring Officer will want to shape that approach.

Theme: Governance Accountable Officer: Group Chief Legal Officer/Monitoring Officer					August 2025 Update	
Strategic Priorities (Note: Some of the below cross over into other or all areas, the below represents the dominant priority)	**Headline Actions**	**Key Steps**	**Overarching measure of success**	**Target Date to Achieve**	**Status**	**Commentary**
2. Strengthen Governance, Oversight & Accountability	Review all governance processes and procedures and implement any necessary changes to ensure exemplar governance and decision-making best practice, capture changes within the Constitution and improve awareness and understanding across the organisation.	Undertake internal review of processes, sub-divide to directorate/teams, identify changes to be made. Identify stakeholders and consultees and decision making needed i.e. from Cabinet. Incorporate review by formalising each process into TVCA governance structure.	Clear, demonstrable and effective governance processes demonstrated through positive feedback from Members, partners and stakeholders and understanding of key processes by TVCA staff.	Q3 2025	In progress	The review process has commenced with a focus on aligning the cycles for Cabinet, other statutory committees and Development Corporation meetings. A revised Cabinet cycle is scheduled to be implemented in time for the December 2025 Cabinet meeting, accompanied by the introduction of a refreshed report template to support the new approach.
2. Strengthen Governance, Oversight & Accountability	Undertake a comprehensive review of the TVCA Constitution, including Scheme of Delegation, working closely with the constituent local authorities and Cabinet, to ensure it is fit for purpose.	Complete internal review of the Constitution, engage members and partners in the review and formalise revised version at a future Cabinet meeting.	Revised Constitution is agreed at TVCA Cabinet. TVCA has clear, demonstrable and effective governance processes	Q3 2025	In progress	Numerous actions will result in updates to the constitution. The approach that has been identified is to complete action related updates as progress is made and complete a comprehensive review once priority updates have been made. The initial focus includes: •Development of the Officer Scheme of Delegations and alignment with the approval process •Detailed examination of the Publication Scheme, aligning transparency requirements with approvals and delegations •Enhancing access to information procedures •Strengthening compliance policies, particularly in relation to Freedom of Information (FOI) requests and complaints handling These priorities aim to improve transparency, accountability, and operational efficiency across the organisation. Engagement is being undertaken with Cabinet Members by the Interim Monitoring Officer on this workstream. There will be appropriate input from all statutory committees in the revision of the constitution.
1. Rebuild Trust & Shared Ownership Across the Combined Authority	Review Cabinet portfolios and strengthen the role of portfolio holders, ensuring TVCA priorities reflect and deliver on local priorities where this is appropriate and can add value, including appropriate support from senior TVCA officers, and capture changes within the Constitution.	Working with the LAs and Cabinet, agree how portfolio holders are identified and agreed, and how portfolio holders input into TVCA governance processes. Make any necessary changes to the TVCA Constitution and internal processes.	Feedback from Cabinet members of shared ownership and contribution. Identifiable output in decision making and wider governance, which acknowledges the role and remit of portfolio holders.	Q3 2025	In progress	Work is underway with Cabinet members to refresh portfolio areas and strengthen roles within organisation. Lead directors providing support to Cabinet portfolio holders with regular engagement and involvement in workstreams. Interim Monitoring Officer meeting all Cabinet Members to discuss Portfolio requirements Draft External Comms Plan reinforces inclusion and importance of portfolio leads in comms activity.
1. Rebuild Trust & Shared Ownership Across the Combined Authority	Implement regular informal Cabinet meetings, both with and without officers present, Cabinet workshop sessions where appropriate and portfolio meetings with senior TVCA officers and senior local authority officers where appropriate.	Implement a cycle of Informal cabinet meetings, workshop sessions and portfolio meetings in the corporate calendar, which have an identified and timely link to the governance processes.	Production of corporate calendar, which is agreed and owned by TVCA, partners and Members. Evidence of additional engagement with Cabinet members, with all feedback addressed and reported back to Cabinet members.	Q3 2025	In progress	Informal Cabinet meetings have been included within Corporate Calendar. Feedback from officers and Members on process and outcomes considered and will be reported back to Cabinet members. Intention is to transition to the point where Cabinet portfolios lead the discussion on their portfolio with support from officers. The December 2025 Cabinet Cycle has been adjusted to ensure Informal Cabinet takes place at appropriate cycle point.
1. Rebuild Trust & Shared Ownership Across the Combined Authority	Review the Cabinet decision-making process and implement any necessary changes to ensure meaningful political engagement at the outset, including presenting Members with thorough options appraisals, and throughout the process.	Undertake a detailed review of Cabinet decision making process, engage partners and Members in this review, and make any necessary changes to the Constitution and internal processes.	Clearly documented process from origin to decision.	Q3 2025	In progress	Linked to reviewing processes and decision making.
2. Strengthen Governance, Oversight & Accountability	Review the operation of all TVCA statutory committees, ensuring appropriate officer support, and implement any necessary changes to ensure that the responsibilities of each are addressed effectively and efficiently with robust work plans.	Review legislative requirements and terms of reference for each Statutory Committee, engage partners and Committee members in the review, and update the constitution accordingly.	Revised Terms of References produced. Evidence of training and feedback from Committee members. Changes reflected in governance processes and Constitution.	Q3 2025	Scoping	Scoping underway to identify approach to be taken and the extent to which the Interim Monitoring Officer will want to shape that approach. Scoping will involve evaluation of roles, responsibilities and alignment with organisation objectives as well as fit with best practice approaches and governance opportunities. Scoping exercise will involve examination of target date.
2. Strengthen Governance, Oversight & Accountability	Ensure committee reports are of sufficient quality and draw attention to the pertinent information, considering best practice and feedback from Cabinet and local authority officers.	Review structure and content of reports & deliver report writing training to identified staff. Deadline for reports clearly communicated with escalation process and action taken recorded.	Demonstrable audit trail of informed decision making. Testing of the process to ensure robustness.	Q3 2025	In progress	Scoping underway to identify approach to be taken and the extent to which the Interim Monitoring Officer will want to shape that approach.
2. Strengthen Governance, Oversight & Accountability	Ensure that all TVCA statutory committees are appropriately supported and challenged to maximise effectiveness.	Review governance officer capacity. Action log developed and maintained, and reported to each Committee meeting. Review use of confidential items at statutory committees. Implement staff training.	Review of effectiveness of each Committee.	Q3 2025	Scoping	Scoping underway to identify approach to be taken and the extent to which the Interim Monitoring Officer will want to shape that approach. Scoping linked to that being undertaken for SGOA16-19 and will also link into assessment of governance resourcing, process and procedure and good governance behaviours. Scoping exercise will involve examination of target date.
3. Build a High-Performing Organisation with a strong Operating Model	Review the non-statutory officer advisory group governance structure, in collaboration with the constituent local authorities and other key stakeholders and implement any necessary changes to ensure efficiency and effectiveness.	Review what exists, what they do and how they contribute to overall governance across the authority, engaging with key partners and stakeholders in the review.	Coherent committee and non-statutory advisory group structure that supports the authority and work of Cabinet. Demonstrated in Committee effectiveness reviews.	Q3 2025	Scoping	Scoping underway to identify approach to be taken and the extent to which the Interim Monitoring Officer will want to shape that approach. Scoping will include examination of best practice advisory board/ committee structures within CAs as well as the specific functions, membership, opportunity and organisational alignment required within the TVCA governance framework. Scoping exercise will involve examination of target date.
2. Strengthen Governance, Oversight & Accountability	Implement a new Member induction process and on-going programme of development, learning from best practice, for members of all TVCA statutory committees to ensure that they are familiar with TVCA, their roles & responsibilities	Request feedback from Members and stakeholders on the current induction process. Develop Member induction process for Cabinet and all Statutory Committees.			In progress	Workshops held and future workshops planned which will provide feedback in order to progress further.
2. Strengthen Governance, Oversight & Accountability	Review the TVCA Publication Scheme and make any necessary changes, to make the maximum amount of information readily available to the public.	Assess what is currently published against what we are able to share publicly.	Revised publication scheme linked to legislative requirements, which is regularly updated and enhanced, with scheduled reviews	Q2 2025	Scoping	Scoping underway to identify approach to be taken and the extent to which the Interim Monitoring Officer will want to shape that approach. Scoping to include examination of best practice approaches to ensure maximum transparency compliance and identification of gaps in policy and process required to inform publication scheme. Scoping exercise will involve examination of target date.
2. Strengthen Governance, Oversight & Accountability	Undertake a comprehensive review of the Code of Conduct for Officers and Members and implement any necessary changes to ensure it is fit for purpose and aligns with best practice.	Review current Code of Conduct, secure Cabinet sign off and implement changes.	Revised Code of Conduct that aligns to best practice approved by Cabinet and included in member induction processes.	Q3 2025	Scoping	Scoping underway by Interim Monitoring Officer focused on review of existing approach, constitutional content and identified areas for focus and improvement. Scoping will include assessment of language, clarity and accessibility; ethical standards; compliance; supporting protocols and process; required training and awareness; links to reporting and whistleblowing; examination of enforcement and available sanctions; clarity on process and opportunities for use of Independent Persons. Scoping exercise will involve examination of target date.
2. Strengthen Governance, Oversight & Accountability	Develop and implement an on-going improvement plan with the Overview & Scrutiny (O&S) Committee to continue to make improvements to the effectiveness of the overview and scrutiny function, including a more strategic approach to work planning and improving the relationship with	Work with O&S Committee to develop improvement plan (merging any actions under the previous Centre for Governance & Scrutiny review where appropriate), with identified aims, objectives and timescales. Ensure improvement	O&S Committee have shaped and developed the plan, the effectiveness of which can be demonstrated in its work and results.	Q3 2025	In progress	Initial workshop and follow up workshop have taken place. Development of improvement activity to be included in work plan following workshop sessions.
2. Strengthen Governance, Oversight & Accountability	Implement a new governance e-agenda and forward planning system to improve efficiency and compliance.	Implement modern.gov, & roll out training to staff, partners and members.	Modern.gov works for staff and members with feedback regularly sought and actions taken to address issues	Q2 2025	In progress	Scoping in relation to modern.gov started.
2. Strengthen Governance, Oversight & Accountability	Review the format and effectiveness of the existing Annual Governance Statement in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) & the Society of Local Authority Chief Executives and Senior Managers (SOLACE) Good Governance Framework, and make any necessary changes.	Review current format, engage partners and members as appropriate, taking into account best practice.	Production of annual governance statement which fairly reflects the position of governance across the authority with open and transparent acknowledgement where improvements need to be made, with appropriate actions to address.	Q3 2025	Scoping	Scoping underway to identify approach to be taken and the extent to which the Interim Monitoring Officer will want to shape that approach. Scoping will involve examination of best practice and latest guidance. Scoping exercise will involve examination of target date. Scoping exercise will involve examination of target date.
2. Strengthen Governance, Oversight & Accountability	Undertake a comprehensive review of the TVCA Assurance Framework, taking into account best practice, working closely with the constituent local authorities and Cabinet, and implement any necessary changes to ensure it remains fit for purpose.	Undertake an internal review of the Assurance Framework. Work with partners and Members to update. Seek Cabinet approval.	Approval of updated Assurance Framework. Data is available providing evidence of effective assurance processes.	Q2 2025	In progress	A plan has been developed to outline the process of the review including consultation required. Suggestion to develop an interim single assurance framework design principles to consult on with a view to taking it to December cabinet. Further work will continue on a longer term review as the improvement work continues.
4. Embed a Culture of Continuous Improvement	Ensure that TVCA continues to embed the organisational response to all recommendations from the independent Tees Valley review and reports produced by the Centre for Governance and Scrutiny (CfGS) and the Chartered Institute of Public Finance and Accountancy and (CIPFA).	Establish baseline and progress against recommendations and develop action plan to address outstanding actions. Develop and implement continuous improvement actions.	Demonstrable progress towards embedded actions.	Q3 2026	Ongoing	Work underway to explore internal programme and project management options to map processes and improve operational effectiveness. Each process improvements will be mapped and systemised to ensure continuous improvement. Internal audits can establish baseline and improvements.
5. Deliver Strategic Clarity, Long-Term Planning & Performance Focus & Prepare for the next phase of long term devolution	Undertake a business planning exercise and produce a readiness plan in anticipation of the expanded powers set out in the Devolution White Paper.	Planning exercise. Agree readiness plan.	Readiness plan is in place with clear target dates and responsibilities.	Q4 2025	Scoping	Scoping underway to identify approach to be taken and the extent to which the Interim Monitoring Officer will want to shape that approach. Scoping will include assessment of identified key steps and measures of success as well as examination of readiness plans at other CAs accessed via the CA Governance Network

Theme: Culture Accountable : Assistant Director People and Operations					August 2025 Update	
Strategic Priorities (Note: Some of the below cross over into other or all areas, the below represents the dominant theme)	**Headline Actions**	**Key Steps**	**Overarching Measure of Success**	**Target Date to Achieve**	**Status**	**Commentary**
3. Build a High-Performing Organisation with a strong Operating Model	Initiate and undertake a programme of Organisational Development (OD), with an external partner to provide support and challenge.	Procure O&D partner to support the OD development, develop the programme of OD for consideration and agreement by TVCA Senior Leadership Team.	O&D Programme is developed and agreed with clear steps for implementation over the short, medium and long term.	Ongoing/Q4 2025/26	In progress	External OD partner procured with OD activity underway across a number of themes including senior leadership team development.
2. Strengthen Governance, Oversight & Accountability	Review TVCA staff induction process to improve organisational awareness and understanding of governance and finance processes.	Review existing induction content and work with governance, procurement & finance teams to build fit for purpose induction content.	New induction process rolled out to staff.	Q3 2025	In progress	Internal review undertaken, induction content complete in most areas, finance to be finalised.
3. Build a High-Performing Organisation with a strong Operating Model	Recruit a permanent Chief Executive (CEX) and recruit to the vacant Director posts, and ensure appropriate input from the S73 Chief Finance Officer and Monitoring Officer in the senior leadership team. All future recruitment will be undertaken in accordance with the new and emerging cultural values of the organisation. All senior leaders will be expected to exhibit, champion and inspire the behaviours of cultural change.	Engage with external recruitment agency to develop staged process for vacant CEX post. Undertake a process to recruit remaining Director vacancies. Review Senior Leadership Team to ensure appropriate input from statutory officers. Link with senior Leadership Team development. Design & implement a series of stakeholder surveys.	Recruitment concluded. High performing senior leadership team. Recoding of improved data.	Q3 2025	In progress	Permanent CEX appointed by TVCA Cabinet in June 2025. Members of the Independent Advisory Board were involved in the recruitment and interview process. Interim Group Director of Finance & Resources and interim Monitoring Officer appointed and part of the leadership team. Recruitment process has commenced for Director of Infrastructure and Director of Business Solutions.
2. Strengthen Governance, Oversight & Accountability	Develop and implement a workforce development strategy, to ensure a sustainable and high-performing finance function.	Create baseline assessments of workforce - identify skills gaps - creation of team and individual development plans. Develop a draft strategy for consideration and agreement by TVCA Senior Leadership Team. Set out the steps for implementation over the short medium and long term.	Production of a workforce development strategy which is clear on the steps to achieve a high performing workforce. Staff Utilise staff surveys to monitor impact.	Q1 2026	In progress	Initial review undertaken and interim structure to be implemented from October. The permanent workforce plan will be developed by the end of the calendar year with a view to embedding from 1 April 2026
2. Strengthen Governance, Oversight & Accountability	Develop and implement a workforce development strategy, to ensure a sustainable and high-performing governance function.				Scoping	Scoping underway to identify approach to be taken and the extent to which the Interim Monitoring Officer will want to shape that approach. Scoping for people plan to review how directorates and teams will be structured as first step, with priority focus on finance and governance.
3. Build a High-Performing Organisation with a strong Operating Model	Develop and implement a workforce development strategy through a demand and skills analysis, to ensure appropriate capacity and capability, across the organisation, focused on Cabinet approved priorities.				In progress	Operating Model is in progress. This action is overarching and links across the Improvement Plan to all areas that will lead to improved processes and ways of working. The outcome of linked actions will help further inform the progress and timeline for a strengthened operating model. As an initial first step we are scoping the people plan to review how directorates and teams will be structured which will provide the framework for decision making and delegations.
3. Build a High-Performing Organisation with a strong Operating Model	Develop and implement a workforce development strategy, to ensure expertise and experience across TVCA & the constituent local authorities are fully utilised in support of continued organisational improvement.				In progress	Links to Operating Model and Organisational Development Plan. The outcome of those actions will help inform work force strategy. Plan of stakeholder engagement to be developed to include Local Authorities.
3. Build a High-Performing Organisation with a strong Operating Model	Develop and implement a workforce development strategy, to enhance skills and knowledge at all levels within the organisation.				In progress	Links to Operating Model and Organisational Development Plan. The outcome of those actions will help inform work force strategy. As above, scoping the people plan to review how directorates and teams will be structured as first step, with priority focus on finance and governance.
3. Build a High-Performing Organisation with a strong Operating Model	Ensure that the TVCA values (open, empathetic, collaborative & focussed) are embedded through everyday activity, organisational development and the appraisal process.	Design and implement a recordable system to give positive feedback where TVCA's values are lived out and demonstrated	Clear data showing increasing evidence of TVCA staff living our values	Q3 2025	In progress	Market analysis has taken place. Following scoping most logical and best value approach is to adapt the existing shout out function on the TVCA intranet, which is recordable.
3. Build a High-Performing Organisation with a strong Operating Model	Embed appraisal process that ensures individual accountability through clear objective setting, which is aligned to team and organisational priorities and robust performance management.	Run training sessions for appraising managers on effective objective setting to ensure consistency. Create a process that overlays the appraisal incremental time points (6month and annual) whereby objectives review is more fluid to create	Appraisal process is embedded. Objectives are demonstrably achieved or action is taken to address this.	Q4 2024	In progress	Content has been researched and now being developed. Training sessions to be planned.
3. Build a High-Performing Organisation with a strong Operating Model	Create a healthier work environment by engaging with staff through the staff survey and staff forum and making changes/delivering activities that will influence staff satisfaction in terms of wellbeing and engagement.	Set up staff forum. Staff surveys acted upon to address issues/concerns - plan 12 month series of lunch & learns - provide multi-purpose space for staff as part of office refurbishment.	Staff forum is up & running. Staff survey results are analysed and areas of concern are addressed and re-surveyed to measure improvements & show positive direction of travel. Staff agree their wellbeing is valued and can see positive improvements.	Q1 2025	In progress	Staff forum continues to meet. Lunch and learn sessions are ongoing. Following analysis of initial staff survey results focussed staff survey workshops have been planned with a view to establishing further insight around the results. A wellbeing space has been planned and is in the process of being built.
3. Build a High-Performing Organisation with a strong Operating Model	Develop and implement a professional development plan for the Chief Executive (CEX) and all Directors to ensure continued development, and establish a high performing senior leadership team	Develop Organisational Development (OD) road map, which details a 12 month rolling programme of OD workshops, mentoring, coaching, and supplementary interventions.	Personal Development Plans in place for the CEX and Directors.	Q3 2025	In progress	Work has progressed with the Organisational Development Road Map, draft has been agreed. To be shared with Directors for comments.
3. Build a High-Performing Organisation with a strong Operating Model	Improve relationships between senior management and all staff through improved communication, visibility, engagement activity, openness to receiving feedback/challenge and demonstrating that the organisation is responsive to staff.	Develop and embed an internal communications plan, which is shared with all staff. Continually monitor plan to ensure effectiveness.	Communications plan is agreed and staff are reporting positive feedback (through regular feedback requests) on communication and visibility.	Q1 2025	In progress	Research into plan has started. Ideas for internal communications will be asked via the staff forum. Feedback will inform the final plan. Likely finalised by the end of October to allow for staff engagement and feedback.
3. Build a High-Performing Organisation with a strong Operating Model	Implement an internal communications plan to improve employee engagement and voice, through ongoing engagement and learning activity and to embed the actions within the Organisational Improvement Plan across the organisation.	Regular staff updates via TVCA intranet - request feedback from staff - on-going staff surveys - Discussion at all staff meetings on progress of embedding change.	Evidence shared on TVCA intranet - staff confirm they are informed through regular feedback requests.	Q1 2025	Ongoing	Improved internal engagement through all staff meetings, staff forum, Lunch and Learn sessions, Reception display board notifications and regular updates from the Chief Executive and Director of Operations. Further ideas for internal communications will be asked via the staff forum. Feedback will inform the final plan. Likely finalised by the end of October 2025 to allow for staff engagement and feedback.

Partnerships and Continuous Improvement

Strategic Priorities (Note: Some of the below cross over into other or all areas, the below represents the dominant theme)	Headline Actions	Key Steps	Overarching Measure of Success	Target Date to Achieve
4. Embed a Culture of Continuous Improvement	Ensure progress against the actions contained within the Organisational Improvement Plan is effectively monitored, working closely with the constituent local authorities and the Independent Improvement Board, and reported in a transparent manner to Cabinet, the Improvement Board, the Ministry of Housing, Communities & Local Government (MHCLG) and EY (external auditor).	Regular engagement with all stakeholders, building relationships. Set up report structure for both internal and external reporting at agreed frequency. Set up spreadsheet to show progress against each action or KPI. Attend Improvement Board and MHCLG meetings providing previous minutes and recording any actions.	Clear & regular reporting, timely meeting papers, improved/positive feedback	Q4 2026
1.Rebuild Trust & Shared Ownership Across the Combined Authority	Implement a balanced external communications plan to ensure TVCA restores public confidence, promotes itself and manages challenge & external scrutiny, with a greater role for Cabinet portfolio holders.	Develop plan Work with partners, stakeholders and Members to embed plan Review and update monthly	Clear, easily accessible information for the public that meets with legislation and best practice	Q2 2025
4. Embed a Culture of Continuous Improvement	Take part in a Local Government Association (LGA) peer review in 18-24 months and seek external support and challenge from the LGA, the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Centre for Governance and Scrutiny (CFGS) to support the Organisational Improvement Plan.	Liaise with LGA/CIPFA/CFGS for peer review and external support & challenge Agree dates & timescales	Agreed dates with each planned into TVCA timescales	Ongoing

5. Deliver Strategic Clarity, Long-Term Planning & Performance Focus & Prepare for the next phase of long term devolution	Undertake an assessment and identify any new actions to ensure that we are striving for excellence in the remaining categories set out in the statutory guidance on best value standards and interventions (not covered in the Best Value Notice (BVN) or by the external auditor statutory letter), which are leadership, use of resources and service delivery.	Undertake assessments and identify & implement any actions involving partners & key stakeholders when appropriate - using BVN guidance as the framework/benchmark	Positive benchmarking/improved position recorded & continually measured.	Ongoing/Q4 2025
5. Deliver Strategic Clarity, Long-Term Planning & Performance Focus & Prepare for the next phase of long term devolution	Implement a collaborative approach to strategic long-term priority setting and planning, working closely with the constituent local authorities, with meaningful political engagement at the outset and throughout the process.	Implement a series of workshops for priority setting, engage key partners and Members and ensure the workshops fit with the corporate calendar.	Partners and key stakeholders understand long term plans and provide positive/improved feedback on meaningful engagement.	Ongoing/Q2 2025
3. Build a High-Performing Organisation with a strong Operating Model	Develop and implement a new organisation-wide operating model to improve processes, efficiency, understanding and quality.	Set out how directorates and teams will be structured and where decision making will sit in order to create a set of general accountabilities for Directors, which are expressed through their objectives to deliver against the policies set out by the Combined Authority. Create a scheme of delegation to cover specific delegations or requirements for compliance where officers are fulfilling these accountabilities. Create a scheme of delegation that covers specific delegations or requirements for compliance where officers are fulfilling these accountabilities.	Agreed operating model is rolled out and understood. Staff can report via surveys understanding of high level objectives and where their role impacts these.	Ongoing Q4 2026
3. Build a High-Performing Organisation with a strong Operating Model	Implement a Programme Management Office (PMO), with standardised processes and tools, to ensure consistency in terms of how the organisation develops, manages and monitors projects and programmes.	Explore the structure of a PMO within TVCA to ensure it is fit for purpose and specific to TVCA. implement a fit for purpose PMO.	An appropriate PMO 'model' is in place for TVCA. Demonstrable benefits of the PMO can be seen & recorded.	Q4 2025
2. Strengthen Governance, Oversight & Accountability	Refocus the Chief Executives meetings into a Tees Valley Strategic Leadership Team, made up of the six chief executives (5 LAs and 1 CA, CEXs) supporting the delivery of priority workstreams.	Undertake a review of the TV CEXs meetings, priorities and Terms of Reference, implement changes from the review appropriately and reflect any changes in the governance structure and corporate calendar of the wider organisation and embed changes to processes.	Implementation of Tees Valley Strategic Leadership Team meetings. Positive feedback and demonstrable impact of the working arrangements received.	Q3 2025

4. Embed a Culture of Continuous Improvement	Undertake an assessment and identify any new actions to ensure that we are striving for excellence in the remaining categories set out in the statutory guidance on best value standards and interventions (not covered in the Best Value Notice or by the external auditor statutory letter), which are leadership, use of resources and service delivery.	Undertake assessment. Agree actions and develop implementation plan.	Through continuous monitoring a clear positive direction of travel can be demonstrated.	Q4 2025

Use of Resources

Strategic Priorities (Note: Some of the below cross over into other or all areas, the below represents the dominant theme)	Headline Actions	Key Steps	Overarching Measure of Success	Target Date to Achieve
2. strengthen Governance, Oversight & Accountability	Review all finance processes and procedures and implement any necessary changes to ensure exemplar finance best practice, capture changes within the Constitution and improve awareness and understanding across the organisation.	Produce a baseline assessment of finance processes and procedures and 'gap analysis' where applicable to form the basis of future improvement plan.	Fully documented finance business processes and procedure documentation is widely available and understood by staff	End Q3 026
		Cabinet approval of finance process changes as required in line with Constitution.		
		Roll out of processes across the organisation (including all necessary awareness raising and training)	Ownership and accountability is demonstrated through budget holder leadership for their respective areas of delegated authority.	02/03/26
		Implementation of the necessary system changes to reflect the new sub-scheme of delegation		
		Roll out training for all new budget holders and individuals with delegations		
		Roll out training for document authorisation system	Document authorisation processes are compliant, timely and accurate working to agreed service standards across the Group	End Q3 2026
2. strengthen Governance,	Develop and implement a workforce development strategy, to ensure a	Produce baseline of Finance team capacity and capability. Produce Terms of Reference for review of Finance team and approval by Cabinet	The Finance team has a clear structure building on current capabilities to ensure an	End Q2 2025

Oversight & Accountability	sustainable and high-performing finance function.	Benchmarking analysis and review by Tees Valley Strategic Resources Group (FDs) for feedback	appropriately qualified team and a development pathway to a resilient high performing service	
		SWOT analysis and local government finance workforce action plan key recommendations analysis performed to support review of the Finance Team		
		Formulation of Finance Team structure options and funding requirements as applicable and recommendations to TVCA Senior Leadership Team and stakeholder groups		
2. strengthen Governance, Oversight & Accountability	Respond effectively and in a timely manner to address the recommendations and actions contained within the external auditor's statutory letter received on the 15th April 2025.	Capacity review	All public inspection periods for the Annual Financial Statements (including narrative report) and Annual Governance Statement are complied with in line with legislation.	Q2 2025
		Process review		Q2 2025
		Clear timetable for production of its 2024/25 Statement of Accounts	All year-end statutory deadlines met for the production of Annual Financial Statements (including narrative report) and Annual Governance Statement to deliver before the backstop date	Q4 2026
2. Strengthen Governance, Oversight & Accountability	Produce a readiness plan for fiscal devolution, including a potential future integrated settlement, and new accountability arrangements as set out in the Devolution White Paper.	Produce baseline self-assessment of readiness against best practice using models produced for MCAs who have already progressed through readiness activity.	TVCA Cabinet approved readiness plan	Q3 2025
		Produce an action plan designed to address any gaps in readiness identified through the baseline assessment work to deliver for March 2026 to inform formal readiness processes with Government. This is on the basis that the first financial year where further fiscal devolution and integrated settlement could occur for TVCA is 1 April 2027.		
		Approval of readiness plan with stakeholders		

2. Strengthen Governance, Oversight & Accountability	Ensure that all actions from audit reports are addressed in an effective and timely manner and progress is reported to Audit & Governance (A&G) Committee and Cabinet.	The detailed activities are covered by other actions in the use of resources section. The formal reporting to TVCA AGC and TVCA Cabinet will follow the approved plan. This requires reports to be produced for circulation with these stakeholders for May, June, September and November.	External Audit recommendations evidenced as complete with Auditors	Q3 2025

Governance

Strategic Priorities (Note: Some of the below cross over into other or all areas, the below represents the dominant priority)	**Headline Actions**	**Key Steps**	**Overarching measure of success**	**Target Date to Achieve**
2. Strengthen Governance, Oversight & Accountability	Review all governance processes and procedures and implement any necessary changes to ensure exemplar governance and decision-making best practice, capture changes within the Constitution and improve awareness and understanding across the organisation.	Undertake internal review of processes, sub-divide to directorate/teams, identify changes to be made. Identify stakeholders and consultees and decision making needed i.e. from Cabinet. Incorporate review by formalising each process into TVCA governance structure.	Clear, demonstrable and effective governance processes demonstrated through positive feedback from Members, partners and stakeholders and understanding of key processes by TVCA staff.	Q3 2025
2. Strengthen Governance, Oversight & Accountability	Undertake a comprehensive review of the TVCA Constitution, including Scheme of Delegation, working closely with the constituent local authorities and Cabinet, to ensure it is fit for purpose.	Complete internal review of the Constitution, engage members and partners in the review and formalise revised version at a future Cabinet meeting.	Revised Constitution is agreed at TVCA Cabinet. TVCA has clear, demonstrable and effective governance processes	Q3 2025
1. Rebuild Trust & Shared Ownership Across the Combined Authority	Review Cabinet portfolios and strengthen the role of portfolio holders, ensuring TVCA priorities reflect and deliver on local priorities where this is appropriate and can add value, including appropriate support from senior TVCA officers, and capture changes within the Constitution.	Working with the LAs and Cabinet, agree how portfolio holders are identified and agreed, and how portfolio holders input into TVCA governance processes. Make any necessary changes to the TVCA Constitution and internal processes.	Feedback from Cabinet members of shared ownership and contribution. Identifiable output in decision making and wider governance, which acknowledges the role and remit of portfolio holders.	Q3 2025
1. Rebuild Trust & Shared Ownership Across the Combined Authority	Implement regular informal Cabinet meetings, both with and without officers present, Cabinet workshop sessions where appropriate and portfolio meetings with senior TVCA officers and senior local authority officers where appropriate.	Implement a cycle of Informal cabinet meetings, workshop sessions and portfolio meetings in the corporate calendar, which have an identified and timely link to the governance processes.	Production of corporate calendar, which is agreed and owned by TVCA, partners and Members. Evidence of additional engagement with Cabinet members, with all feedback addressed and reported back to Cabinet members.	Q3 2025

1. Rebuild Trust & Shared Ownership Across the Combined Authority	Review the Cabinet decision-making process and implement any necessary changes to ensure meaningful political engagement at the outset, including presenting Members with thorough options appraisals, and throughout the process.	Undertake a detailed review of Cabinet decision making process, engage partners and Members in this review, and make any necessary changes to the Constitution and internal processes.	Clearly documented process from origin to decision.	Q3 2025
2. Strengthen Governance, Oversight & Accountability	Review the operation of all TVCA statutory committees, ensuring appropriate officer support, and implement any necessary changes to ensure that the responsibilities of each are addressed effectively and efficiently with robust work plans.	Review legislative requirements and terms of reference for each Statutory Committee, engage partners and Committee members in the review, and update the constitution accordingly.	Revised Terms of References produced. Evidence of training and feedback from Committee members. Changes reflected in governance processes and Constitution.	Q3 2025
2. Strengthen Governance, Oversight & Accountability	Ensure committee reports are of sufficient quality and draw attention to the pertinent information, considering best practice and feedback from Cabinet and local authority officers.	Review structure and content of reports & deliver report writing training to identified staff. Deadline for reports clearly communicated with escalation process and action taken recorded.	Demonstrable audit trail of informed decision making. Testing of the process to ensure robustness.	Q3 2025
2. Strengthen Governance, Oversight & Accountability	Ensure that all TVCA statutory committees are appropriately supported and challenged to maximise effectiveness.	Review governance officer capacity. Action log developed and maintained, and reported to each Committee meeting. Review use of confidential items at statutory committees. Implement staff training.	Review of effectiveness of each Committee.	Q3 2025
3. Build a High-Performing Organisation with a strong Operating Model	Review the non-statutory officer advisory group governance structure, in collaboration with the constituent local authorities and other key stakeholders and implement any necessary changes to ensure efficiency and effectiveness.	Review what exists, what they do and how they contribute to overall governance across the authority, engaging with key partners and stakeholders in the review.	Coherent committee and non-statutory advisory group structure that supports the authority and work of Cabinet. Demonstrated in Committee effectiveness reviews.	Q3 2025
2. Strengthen Governance, Oversight & Accountability	Implement a new Member induction process and on-going programme of development, learning from best practice, for members of all TVCA statutory committees to ensure that they are familiar with TVCA, their	Request feedback from Members and stakeholders on the current induction process. Develop Member induction process for Cabinet and all Statutory Committees.		

	roles & responsibilities and the expectations of their position.			
2. Strengthen Governance, Oversight & Accountability	Review the TVCA Publication Scheme and make any necessary changes, to make the maximum amount of information readily available to the public.	Assess what is currently published against what we are able to share publicly.	Revised publication scheme linked to legislative requirements, which is regularly updated and enhanced, with scheduled reviews	Q2 2025
2. Strengthen Governance, Oversight & Accountability	Undertake a comprehensive review of the Code of Conduct for Officers and Members and implement any necessary changes to ensure it is fit for purpose and aligns with best practice.	Review current Code of Conduct, secure Cabinet sign off and implement changes.	Revised Code of Conduct that aligns to best practice approved by Cabinet and included in member induction processes.	Q3 2025
2. Strengthen Governance, Oversight & Accountability	Develop and implement an on-going improvement plan with the Overview & Scrutiny (O&S) Committee to continue to make improvements to the effectiveness of the overview and scrutiny function, including a more strategic approach to work planning and improving the relationship with Cabinet and portfolio holders.	Work with O&S Committee to develop improvement plan (merging any actions under the previous Centre for Governance & Scrutiny review where appropriate), with identified aims, objectives and timescales. Ensure improvement activity is appropriately included in the Committee's work plan.	O&S Committee have shaped and developed the plan, the effectiveness of which can be demonstrated in its work and results.	Q3 2025
2. Strengthen Governance, Oversight & Accountability	Implement a new governance e-genda and forward planning system to improve efficiency and compliance.	Implement modern.gov, & roll out training to staff, partners and members.	Modern.gov works for staff and members with feedback regularly sought and actions taken to address issues	Q2 2025
2. Strengthen Governance, Oversight & Accountability	Review the format and effectiveness of the existing Annual Governance Statement in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) & the Society of Local Authority Chief Executives and Senior Managers (SOLACE)	Review current format, engage partners and members as appropriate, taking into account best practice.	Production of annual governance statement which fairly reflects the position of governance across the authority with open and transparent acknowledgement where improvements need to be made, with appropriate actions to address.	Q3 2025

	Good Governance Framework, and make any necessary changes.			
2. Strengthen Governance, Oversight & Accountability	Undertake a comprehensive review of the TVCA Assurance Framework, taking into account best practice, working closely with the constituent local authorities and Cabinet, and implement any necessary changes to ensure it remains fit for purpose.	Undertake an internal review of the Assurance Framework. Work with partners and Members to update. Seek Cabinet approval.	Approval of updated Assurance Framework. Data is available providing evidence of effective assurance processes.	Q2 2025
4. Embed a Culture of Continuous Improvement	Ensure that TVCA continues to embed the organisational response to all recommendations from the independent Tees Valley review and reports produced by the Centre for Governance and Scrutiny (CfGS) and the Chartered Institute of Public Finance and Accountancy and (CIPFA).	Establish baseline and progress against recommendations and develop action plan to address outstanding actions. Develop and implement continuous improvement actions.	Demonstrable progress towards embedded actions.	Q3 2026
5. Deliver Strategic Clarity, Long-Term Planning & Performance Focus & Prepare for the next phase of long term devolution	Undertake a business planning exercise and produce a readiness plan in anticipation of the expanded powers set out in the Devolution White Paper.	Planning exercise. Agree readiness plan.	Readiness plan is in place with clear target dates and responsibilities.	Q4 2025

Culture

Strategic Priorities (Note: Some of the below cross over into other or all areas, the below represents the dominant theme)	**Headline Actions**	**Key Steps**	**Overarching Measure of Success**	**Target Date to Achieve**
3. Build a High-Performing Organisation with a strong Operating Model	Initiate and undertake a programme of Organisational Development (OD), with an external partner to provide support and challenge.	Procure O&D partner to support the OD development, develop the programme of OD for consideration and agreement by TVCA Senior Leadership Team.	O&D Programme is developed and agreed with clear steps for implementation over the short, medium and long term.	Ongoing/Q4 2025
2. Strengthen Governance, Oversight & Accountability	Review TVCA staff induction process to improve organisational awareness and understanding of governance and finance processes.	Review existing induction content and work with governance, procurement & finance teams to build fit for purpose induction content.	New induction process rolled out to staff.	Q3 2025
3. Build a High-Performing Organisation with a strong Operating Model	Recruit a permanent Chief Executive (CEX) and recruit to the vacant Director posts, and ensure appropriate input from the S73 Chief Finance Officer and Monitoring Officer in the senior leadership team. All future recruitment will be undertaken in accordance with the new and emerging	Engage with external recruitment agency to develop staged process for vacant CEX post. Undertake a process to recruit remaining Director vacancies. Review Senior Leadership Team to ensure appropriate input from statutory officers. Link with senior	Recruitment concluded. High performing senior leadership team. Recoding of improved data.	Q3 2025

	cultural values of the organisation. All senior leaders will be expected to exhibit, champion and inspire the behaviours of cultural change.	Leadership Team development. Design & implement a series of stakeholder surveys.		
2. Strengthen Governance, Oversight & Accountability	Develop and implement a workforce development strategy, to ensure a sustainable and high-performing finance function.	Create baseline assessments of workforce - identify skills gaps - creation of team and individual development plans. Develop a draft strategy for consideration and agreement by TVCA Senior Leadership Team. Set out the steps for implementation over the short medium and long term.	Production of a workforce development strategy which is clear on the steps to achieve a high performing workforce. Staff Utilise staff surveys to monitor impact.	Q1 2026
2. Strengthen Governance, Oversight & Accountability	Develop and implement a workforce development strategy, to ensure a sustainable and high-performing governance function.			
3. Build a High-Performing Organisation with a strong Operating Model	Develop and implement a workforce development strategy through a demand and skills analysis, to ensure appropriate capacity and capability, across the organisation, focused on Cabinet approved priorities.			
3. Build a High-Performing Organisation with a strong Operating Model	Develop and implement a workforce development strategy, to ensure expertise and experience across TVCA & the constituent local authorities are fully utilised in support of continued organisational improvement.			
3. Build a High-Performing Organisation with a strong Operating Model	Develop and implement a workforce development strategy, to enhance skills and knowledge at all levels within the organisation.			
3. Build a High-Performing Organisation with a strong Operating Model	Ensure that the TVCA values (open, empathetic, collaborative & focussed) are embedded through everyday activity, organisational development and the appraisal process.	Design and implement a recordable system to give positive feedback where TVCA's values are lived out and demonstrated	Clear data showing increasing evidence of TVCA staff living our values	Q3 2025
3. Build a High-Performing Organisation with a strong Operating Model	Embed appraisal process that ensures individual accountability through clear objective setting, which is aligned to team and organisational priorities and robust performance management.	Run training sessions for appraising managers on effective objective setting to ensure consistency. Create a process that overlays the appraisal incremental time points (6month and annual) whereby objectives review is more fluid to create accountability.	Appraisal process is embedded. Objectives are demonstrably achieved or action is taken to address this.	Q4 2024

3. Build a High-Performing Organisation with a strong Operating Model	Create a healthier work environment by engaging with staff through the staff survey and staff forum and making changes/delivering activities that will influence staff satisfaction in terms of wellbeing and engagement.	Set up staff forum. Staff surveys acted upon to address issues/concerns - plan 12 month series of lunch & learns - provide multi-purpose space for staff as part of office refurbishment.	Staff forum is up & running. Staff survey results are analysed and areas of concern are addressed and re-surveyed to measure improvements & show positive direction of travel. Staff agree their wellbeing is valued and can see positive improvements.	Q1 2025
3. Build a High-Performing Organisation with a strong Operating Model	Develop and implement a professional development plan for the Chief Executive (CEX) and all Directors to ensure continued development, and establish a high performing senior leadership team	Develop Organisational Development (OD) road map, which details a 12 month rolling programme of OD workshops, mentoring, coaching, and supplementary interventions.	Personal Development Plans in place for the CEX and Directors.	Q3 2025
3. Build a High-Performing Organisation with a strong Operating Model	Improve relationships between senior management and all staff through improved communication, visibility, engagement activity, openness to receiving feedback/challenge and demonstrating that the organisation is responsive to staff.	Develop and embed an internal communications plan, which is shared with all staff. Continually monitor plan to ensure effectiveness.	Communications plan is agreed and staff are reporting positive feedback (through regular feedback requests) on communication and visibility.	Q1 2025
3. Build a High-Performing Organisation with a strong Operating Model	Implement an internal communications plan to improve employee engagement and voice, through ongoing engagement and learning activity and to embed the actions within the Organisational Improvement Plan across the organisation.	Regular staff updates via TVCA intranet - request feedback from staff - on-going staff surveys - Discussion at all staff meetings on progress of embedding change.	Evidence shared on TVCA intranet - staff confirm they are informed through regular feedback requests.	Q1 2025

Agenda Item 7
Report to the TVCA Cabinet
26 September 2025
Report of the Chief Executive

INDEPENDENT ADVISORY BOARD PROGRESS REPORT

SUMMARY

This report provides the first progress update from the Chair of the Independent Advisory Board.

RECOMMENDATIONS

It is recommended that the Cabinet:

i. Considers the progress update from the Chair of the Independent Advisory Board.

DETAIL

1. On 3 April 2025 Tees Valley Combined Authority (TVCA) was issued with a non-statutory Best Value Notice (BVN) by the Ministry of Housing, Communities and Local Government MHCLG).

2. In response Cabinet, at its meeting on 27 June, approved the establishment and scope of an Independent Advisory Board (IAB) to be chaired by Rob Whiteman. Cabinet also agreed an Organisational Improvement Plan at the same meeting that followed a period of engagement workshops with a wide range of officers and members.

3. The IAB meets on a monthly basis and it has been agreed that the Chair will provide a progress report to every Cabinet meeting. Attached at Appendix A is the first IAB Progress Update from its Chair, Rob Whiteman.

FINANCIAL IMPLICATIONS

4. There are no direct financial implications as a result of this report. Cabinet will receive an officer report at every meeting on the Organisational Improvement Plan progress, which will include details of any financial implications associated with the Improvement Plan.

LEGAL IMPLICATIONS

5. The Best Value Notice is issued outside the statutory powers held by the Secretary of State under the Local Government Act 1999 to inspect or intervene in local authorities where there is evidence of best value failure and, separately, under Section 230 of the Local Government Act 1972 to request information from local authorities.

6. There are no direct legal implications as a result of this report.

RISK ASSESSMENT

7. A RACI Matrix, also known as a Responsibility Assignment Matrix, has been applied to each of the detailed actions within the Improvement Plan and regular progress meetings are now taking place with those responsible and accountable for their delivery to ensure early identification of risks. This Matrix is available to members of the IAB.

CONSULTATION & COMMUNICATION

8. The progress update from the Chair of the IAB follows from meetings held of the IAB.

EQUALITY & DIVERSITY

9. The Organisational Improvement Plan itself does not directly impact on Groups of people with protected characteristics. Any such implications would be identified in the Organisational Improvement Plan Progress which is separate to this update from the Chair of the IAB

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Tees Valley Combined Authority

Update Report of the Improvement Board

Introduction

This note is the first written update to the Cabinet of Tees Valley Combined Authority on the independent Improvement Board's assessment of progress following the issuance of a Best Value Notice by the Ministry of Housing Communities and Local Government (MHCLG).

In 2024, it was agreed by TVCA and the Local Government Association (LGA) to establish an independent panel to provide assurance that the recommendations of the external review commissioned by MHCLG and led by Angie Ridgwell were being implemented. This report was received in January 2024.

This approach was strengthened in response to the non-statutory intervention taken by MHCLG. The Improvement Board, which remains a voluntary action by the Authority, provides independent assurance to you as well as the department.

You are aware that the Terms of Reference of the Board have been amended to reflect the enhanced role and recruitment made to strengthen its membership. The Board held its first meeting in its new form in July 2025.

Best Value Notice

On 3rd April 2025, a letter to the Authority from James Blythe set out the department's expectations for TVCA to demonstrate enhanced overview and scrutiny, greater transparency, development of the right culture, partnership working and stronger governance.

Progress to Date

We have seen an appropriately good response by the Authority to the Best Value Notice where the intention to act upon external recommendations has clearly been accepted and acted upon.

We were fully involved in the recruitment process for the new Chief Executive and thank Mayor Houchen for the manner in which we were fully sighted on the process.

Following appointment, the new Chief Executive has acted with energy to make a strong start to accelerate improvement activity. Whilst he will wish to build the executive team

for the long term, we think the appointment of two very experienced interims as Chief Financial Officer and Monitoring Officer respectively was the right way forward.

It is early days, but at our September meeting we received a strong deep dive From Jodie Townsend on governance and amongst the considerable review work to be undertaken on the constitution, we particularly welcomed the need for effective forward planning. When meeting members of the Cabinet and local government CEOs for introductory meetings, the feedback was clear that aligning communication and consideration of decisions through appropriate time and briefing is important. The need for good governance is being taken seriously by everyone we meet.

We also welcomed Jo Moore's advice on the need to improve finance capabilities in the organisation. As a Board, our feedback has been that the development of clear advice on value for money, especially in complex commercial decisions in a public sector context, is needed.

As Chair of the Improvement Board, I have met your external auditors, and we have agreed that we will triangulate assurance where possible over the next year.

The Authority's improvement plan, incorporating the above points, is a considerable body of work to implement. We have set out a plan for future meetings to deep dive on key themes. We will continue to meet Cabinet Members, CEOs and stakeholders to test the assurance we receive in Improvement Board meetings. We remain keen to work with you outside of meetings as a resource to bring insight and support.

We will wish to see delivery of training and development, including elected members, as new processes are developed and embedded. Supporting the relationship between constituent councils and the Combined Authority is important, not least how Cabinet Members are dually supported as Leaders to both represent their council within the Combined Authority but also to represent the Combined Authority in their own council. Our question to test whether there is constant two-way challenge and rigour to decisions.

Finally, in our work so far we have suggested the need for strategic communications to be reviewed. Given the reset wanted in the Combined Authority's external reputation, our advice to you is to develop beyond reactive communications to proactively engage and use the feedback and intelligence received to inform options and rounded decisions through governance.

I would like to thank officers for the support we are receiving.

Rob Whiteman

Chair, Improvement Board

Agenda Item 8
Report to the TVCA Cabinet
26 September 2025
Report of the Group Director of Finance & Resources

Quarter 1 2025/26 - Forecast Revenue & Capital Outturn and Capital Programme 2025/26-2028/29

PURPOSE OF THE REPORT

To provide details of the 2025/26 revenue and capital forecast outturn position for Tees Valley Combined Authority (TVCA), highlighting significant variances between the approved budget for the year and the forecast outturn, based on the position as at the end of June 2025.

The report also includes a revised capital programme 2025/26 to 2028/29 to take account of the Investment Plan refresh approved by Cabinet in March 2025. The revised programme also includes new projects where capital grant funding has been secured. A revised capital budget for 2025/26 is also proposed for approval.

A revised revenue budget is also proposed for approval which incorporates borrowing costs impacts from the revised capital programme as well as additional revenue grant funding secured.

SUMMARY

TVCA, as a combined authority, is required by law to set a balanced revenue budget annually together with a capital budget for the year ahead which must be formally approved by Cabinet prior to start of each financial year (1 April to 31 March). The 2025/26 budgets were presented and approved by Cabinet on 31 January 2025. The Budget provides the financial framework within which the Combined Authority will operate in the financial year (2025/2026) and over the medium-term financial plan (MTFP) period.

During the financial year, the Cabinet is presented with quarterly reports with details of how the Authority is performing against the financial framework and specific budgets. This report presents the forecast position for both revenue and capital as at the end of June 2025, Quarter 1.

The revenue budget approved in March included a net deficit of £5.772m which was to be funded from the use of earmarked grant reserves. The net revised revenue budget proposed remains at £5.772m.

As part of the finance improvement plan a key workstream relates to the Authority's reserves and related grant income which should be concluded for the Quarter 2 report.

Against the proposed capital programme, the Authority is forecasting gross capital expenditure of £237.223 for 2025/26 which is in line with the approved budget. A detailed review of the capital programme project delivery is currently underway and any identified variances and proposed corrective action will be reported in the Quarter 2 report.

Since the capital programme and budgets were approved on 31 January 2025, £1.034bn of additional external capital grant funding has been made available to TVCA over the life of the capital programme. This report seeks permission to formally include this additional funding, and associated investment programmes, into a revised capital programme.

Within 2025/26, an additional £30.967m of capital is now proposed to be included for schemes such as the Warm Homes Social Housing Fund Wave 3, City Region Sustainable Transport projects and the airport hangar development.

Members should note that, whilst the airport hangar scheme (£12.52m) included within this proposed £30.967m is partly funded by £6.5m of government grant (UKSPF), the residual £6.02m is to be funded by TVCA borrowing. This additional capital expenditure and the associated revenue financing cost is included in the proposed revised 2025/26 capital and revenue budgets.

In line with the Authority's Improvement Plan under the Best Value Notice, key financial processes are being reviewed with a view to ensuring that they follow best practice. A more structured and rigorous programme of budget monitoring is being implemented in collaboration with accountable budget managers and directors. This initiative is designed to ensure that Cabinet is kept fully informed of any emerging financial issues and the corresponding remedial actions required to maintain strong budgetary control and financial stewardship. It is anticipated that detailed forecasts will be presented within the Quarter 2 forecast of outturn report. Members will note the new style budget monitoring report format.

At 1 April 2025, the Authority had a Capital Financing Requirement (CFR) of £664.3m which represents the underlying need to borrow for-historic capital investment. Based on the current capital programme this is forecast to rise to £809.99m at the end of March 2026 based on the forecast capital outturn position at the end of Quarter 1. Determining the precise timing of capital expenditure can be challenging and as such a CFR of £809.99 is likely to represent the maximum figure for the 31 March 2026. However, it is of note that the opening CFR figure of £664.3m is significantly in excess of the current actual borrowing figure.

The Authority's actual borrowing is forecast to be £389.177m by the end of March 2026. Therefore, the Authority currently has a forecast under-borrowed position of £420.813m. This prudent position has been sustained through robust cashflow management, aligned with the approved Treasury Management Strategy. Maintaining an under-borrowed position allows the Authority to reduce external interest costs by temporarily funding capital expenditure from internal resources (i.e., cash balances), where prudent.

However, if the Authority were to borrow the full CFR externally, this would result in a significant increase in revenue costs (due to the interest payable and MRP contributions) on the additional recurrent increased cost estimated at £20.77m. These costs would need to be met from the Authority's revenue budget, potentially impacting the availability of resources for service delivery or requiring compensatory savings elsewhere.

The forecast revenue outturn at the end of Quarter 1 assumes that the amount of internal borrowing remains static for the remainder of the 2025/26 financial year. To ensure that borrowing decisions are financially optimal and aligned with the Authority's risk appetite and strategic objectives, the Authority engages professional treasury advisors Arlingclose.

These advisors provide independent guidance on market conditions, interest rate forecasts, and borrowing strategies, helping the Authority to manage its treasury position in a way that balances cost, risk, and long-term sustainability. Arlingclose are currently working closely with senior finance officers reviewing cashflow forecasts and balance sheet resources to confirm that no further external borrowing is required in 2025/26.

It is of note that (based on the PWLB certainty rate for annuity loans over 25 years (5.98%)) for each £1m of borrowing adds an annual cost of c£78k of revenue costs (MRP and interest). This will vary dependant on the prevailing interest rate. Based on their latest estimates of interest rate forecasts, the total revenue costs of the Authority's CFR £664.3m being fully borrowed would be £51.867m per annum.

The total projected revenue cost of borrowing for the 2025/26 financial year (assuming no further external borrowing) is £23.87m. This includes:

- £9.056m for the Minimum Revenue Provision (MRP), which represents a revenue amount set aside to repay principal on outstanding debt.
- £14.77m in interest payments, based on the authority's current loan portfolio and additional borrowing anticipated before the end of this financial year.

Of the Authority's total CFR (£664.3m), £476.77m has been on-lent to entities within the TVCA group and to third-party organisations under varying terms and conditions and interest rates.

Since the initial loans £476.78m were issued, £9.736m in principle has been repaid, and £35.606m in interest has accrued and remains outstanding. This has been compounded with the previously outstanding principal debt. This leads to a total outstanding loan balance of £502.637m as at 1 April 2025. Further details regarding this on-lending activity are provided within this report.

The 2025/26 revenue budget assumes that £271.290m of the on-lent funds will generate interest income from the respective borrowers, contributing to a total forecasted revenue interest income of £8.426m for the year. Of this amount, £2.391m is expected to be received in cash, with a further £6.035m anticipated to accrue during the financial year.

Offsetting this accrued and actual income against the 2025/26 interest payable cost incurred by TVCA of £14.77m (highlighted above), leaves a net borrowing cost to the Authority of £6.12m which must be met from the Authority's core revenue funding.

The Authority has been awarded significant amounts of additional revenue and capital grant funding from central government. For 2025/26, the Authority's revenue budgets contain £59.902m of revenue grant income. These increases in grant have been matched by increased expenditure forecast equivalent to the additional grant.

Capital grants amount to £143.208m and are included as sources of funding for the capital budget and programme as set out in the section 'TVCA Revised Capital Budget - 2025/26 to 2028/29 (paragraph 40).

At 1 April 2025, the Authority had revenue reserves of £59.074m. Of the £59.074m, £1.058m relates to the Authority's General Fund balance, a reserve maintained by way a general contingency for unforeseen events. The remaining £58.016m relates to the Authority's earmarked reserves which are funds set aside for specific purposes to meet grant funding terms and conditions.

In addition, the report highlights significant additional external funding made available to TVCA and seeks permission to formally include this in revised budgets to allow services to develop proposed plans, subject to appropriate assurance and decision-making, for the increased funding identified.

This report also highlights the key assumptions within the Quarter 1 forecasts and any key financial risks within their appropriate sections of the report.

Members will note that the format of the quarterly report has been substantially revised officers would welcome any feedback on the new format.

RECOMMENDATIONS

It is recommended that the TVCA Cabinet:

i. Note the new quarterly report format;
ii. Note the Q1 revenue forecast of net deficit of £5.772m for year ending 31 March 2026 to be funded from reserves and in line with approved budgets;
iii. Approve the proposed changes to the 2025/26 revenue budget as set out in paragraph 17.
iv. Note the revenue implications of the additional £6.020m of borrowing for capital investment arising from the Investment Plan refresh approved in March 2025;
v. Note the revenue reserve position and the planned use of reserves over the period 2025/26 to 2028/29;
vi. Note the Q1 forecast gross capital expenditure of £237.223m for financial year ending 31 March 2026 in line with the proposed revised capital Budget.
vii. Approve the proposed changes to capital budget as set out in section paragraph 47.

viii. Note the Capital Reserves position and the planned use of reserves as set out in Appendix C.

Introduction

The following report's presentation has been revised to provide increased clarity and to align more closely with Public Sector reporting best practice.

The financial information provided is consistent with information previously considered by Cabinet but now more clearly differentiates between revenue activity and capital investment. Additional detail is provided within the revised report format to describe planned and actual financial activity both in terms of the thematic areas of and the type of goods and services procured and income streams.

To further strengthen budgetary control and accountability, it is proposed that future financial reports will focus on delivery service activity aligned with the current operational directorates, rather than being structured around Mayoral themes. This change is intended to provide clearer insight into directorate-level performance and resource utilisation. It is envisaged that this revised reporting format will be implemented in the Q2 Revenue and Capital Cabinet Report.

Background

Net Revenue Approved Budget 2025/26

1. TVCA net revenue budget, as agreed at Cabinet on the 31 January 2025, totalled £5.772m representing gross expenditure of £101.701m and in year income of budgeted at £95.929m.

2. Table 1 below summarises the current approved TVCA net revenue budget (2025/26) by area of activity as at 30 June 2025.

Table 1 – TVCA Approved (31 January 2025) Revenue Budget 2025/26 (by activity themes)

	2025/26 budget £'000
Transport	2,335
Education, Employment & Skills	1,983
Business Growth	473
Culture & Tourism	1,960
Innovation & Clean Growth	1,191
Place	-
Investment Plan Total	7,934
Concessionary Fares	167
Commercial Projects	(550)
Research & Evaluation	27
Core Running Costs	(6,781)
Costs of Borrowing	4,976
Net (surplus)/deficit	5,772

*The table above summarises the net revenue income and expenditure position.

3. Table 2 below provides a summary of the current approved net revenue budget (2025/26) categorised by the type of expenditure and income.

Table 2 TVCA Approved Revenue Budget 2025/26 (by type of expenditure)

	2025/26 budget £'000
Employees	6,846
Premises	492
Transport	689
Supplies and Services	62,362
Concessionary Fares	10,216
Cost of Borrowing	21,094
Expenditure	101,701
Specific Grant	(58,561)
Contribution from Local Authorities	(11,946)
Contributions Grant	(265)
Interest receivable	(25,157)
Income	(95,929)
Net (surplus)/deficit	5,772

4. The 2025/26 budgeted net deficit of £5.772m was to be met by use of earmarked revenue reserves. A summary of the reserves is set out below and a more detailed breakdown is provided in Appendix C of this report.

TVCA Proposed Revised Revenue Budget 2025/26

5. The TVCA revenue budget for 2025/26 was approved on 31 January 2025. On the 25 March 2025 Cabinet considered an 'Investment Plan Refresh' which had both capital and revenue impacts (borrowing costs) neither of which were included within the budgets approved in January 2025.

6. The increase to the capital programme and budget for 2025/26 are set out below together with the revenue budget impacts.

Additional external revenue grants 2025/26

7. In addition to the amendments presented to Cabinet within the 'Investment Plan Refresh' report, additional grant funding announcements have been made since the budget was approved. These are now incorporated in the proposed revised budget. With the exception of the additional brownfield housing and the mayoral capacity grant, these increases have a nil impact on the bottom line. Further work is ongoing to ensure that the grant T&Cs do not require match funding or any other contribution from TVCA. A number of these grants enable the Authority to top slice a management fee which impact on the Quarter 2 core support services forecasts as well.

8. Of the additional revenue funding announced totals £134.957m over the period 2025/26 to 2028/29, additional funding of £55.800m relates to 2025/26. Appendix A provides a detailed breakdown the funding sources and the thematic areas it is anticipated will oversee the additional investment along with an indication of when the funding is likely to be received.

9. Tables 3 below summaries the additional 2025/26 revenue funding by funding Source

Table 3 – Additional /changes to TVCA Revenue Funding 2025/26

	2025/26 £'000
UKSPS Additional Allocation	8,798
Adult Skills Fund	(4,116)
Connect to Work	5,200
Investment Zone	30,955
Youth Trail blazer	5,000
CRSTS revenue	8,510
Active travel	561
Department for Education	892
	55,800

10. It is assumed for this report, that all additional income is matched by additional expenditure. Any underspend will be transferred to a grant reserve unless grant terms and conditions require the funding to be spent by the end of the financial year. As highlighted above, there is also an assumption that no TVCA match funding is required. Members will note the reduction of £4.116m to the Adult Skills Fund from £29.104m to £25.988m. The forecast outturn is predicated on associated expenditure being similarly reduced.

11. Members should note control and monitoring of external grant funding is an important workstream within the Finance Improvement Plan under the Best Value Notice. Detailed work is currently underway to improve this process.

12. If approved by Cabinet, it is proposed to reflect the changes within the revised revenue budget for 2025/26 (Table 4 and 5) forming the basis for the Quarter 2 reporting.

Other Revenue funding Adjustments

13. The Income budget has also been amended to reflect an additional £6m of funding in relation to Brownfield Housing activity budget. Clarity is required whether an element of this additional funding relates to capital and any amendment required will be reflected on the Q2 report.

14. There has also been an indicated increase of £500K in the 'Mayoral support funding', increasing the expected grant income from £1m to £1.5m in 2025/26. It is still unclear whether this a recurrent increase in the grant or a one-off increase. The figures above adopt a prudent view and assume this is a one-year increase.

Revenue impacts of proposed revised capital budget 2025/26

15. While revenue and capital activities are examined separately in this report, capital activity will at times have an impact on revenue expenditure either through increases or decreases in running costs associated with that capital investment or through increased borrowing costs.

16. There is an increase in forecast capital expenditure connected to the 'Hangar Infrastructure' project at Teesside International Airport- a £6.02m element of which is not supported by external funding and requires increased borrowing. This will result in an increase in revenue financing costs from 2026/27 forward. These costs are estimated at £300k pa. The impact of this additional revenue cost will not impact on the 2025/26 revenue budget and as such is not reflected in table 5 below – this financing cost is included in appendix B which details the proposed revenue budget over the period 2025/26 to 2028/29.

Proposed Revised Revenue Budget for 2025/26

17. Accounting for the proposed changes in the revenue budget summarised above leads to a revised revenue budget for TVCA over the period 2025/26 as presented in Tables 4 and 5 below.

Table 4 – TVCA proposed revenue budget 2025/26 (by area of activity)

	2025/26 £'000
Transport	2,335
Education, Employment & Skills	1,983
Business Growth	473
Culture & Tourism	1,960
Innovation & Clean Growth	1,191
Place	-
Investment Plan Total	7,941
Concessionary Fares	165
Commercial Projects	(550)
Research & Evaluation	19
Core Running Costs	(6,779)
Financing Costs	4,976
Net (surplus)/deficit	5,772

Table 5 TVCA proposed revenue Budget 2025/26 - (by type of expenditure)

	2025/26 £'000
Employees	10,115
Premises	878
Transport	771
Supplies and Services	120,926
Central Support and Other Recharges	-
Third Party Payments	-
Concessions	10,216
Cost of Borrowing	21,094
Expenditure	164,001
Specific Grant	(120,861)
Contribution from Local Authorities	(11,946)
Contributions Grant	(265)
Interest Receivable	(25,157)
Income	(158,229)
Net (surplus)/deficit	5,772

18. It is of note that the Tables 4 and 5 indicate a net revenue deficit which will be funded by the application and investment of useable revenue reserves maintained by TVCA.

TVCA 2025/26 Revenue – Q1 Forecast Outturn (against revised budget)

19. Robust financial management should include ongoing scrutiny of actual financial activity to-date to determine whether these costs and income correlate to expectations when compared with the annual budget. This on-going regular review should ensure early identification of potential financial issues (or opportunities) providing managers with opportunity to propose action to address any negative variances or potentially propose investment of any managed underspends forecast.

20. Planning is currently underway to work with managers across TVCA to refine the existing approved revenue budget into a lower level of granular detail and calculate an estimated revenue outturn position.

21. As at Q1 this work was still in progress, and it is anticipated that this work will form a robust outturn forecast to be presented to Cabinet at Q2. For the purposes of this report at Q1, the forecast revenue outturn for 2025/26 is in line with the revised budget. Tables 6 and 7 below provide a breakdown of the forecast outturn,

analysed by the type of expenditure and income (Table 6) and over the thematic areas of activity (Table 7).

Table 6 TVCA -Revenue 2025/26 Outturn forecast (by type of expenditure)

	Revised Budget 2025/26 £'000	Forecast Outturn £'000	Variance £'000
Employees	10,115	10,115	-
Premises	878	878	-
Transport	771	771	-
Supplies and Services	120,926	120,926	-
Central Support and Other Recharges	-	-	-
Third Party Payments	-	-	-
Concessions	10,216	10,216	-
Cost of Borrowing	21,094	21,094	-
Expenditure	164,001	164,001	-
Specific Grant	(120,861)	(120,861)	-
Contribution from Local Authorities	(11,946)	(11,946)	-
Contributions Grant	(265)	(265)	-
Charges	-	-	-
Rents	-	-	-
Recharges	-	-	-
Interest Receivable	(25,157)	(25,157)	-
Income	(158,229)	(158,229)	-
Net (surplus)/deficit	5,772	5,772	-

Table 7 TVCA -Revenue 2025/26 Outturn forecast analysed by thematic area of activity

	Annual Budget £'000	Forecast Outturn £'000	Variance £'000
Transport	2,335	2,335	-
Education, Employment & Skills	1,983	1,983	-
Business Growth	473	473	-
Culture & Tourism	1,960	1,960	-
Innovation & Clean Growth	1,191	1,191	-
Place	-	-	-
Investment Plan Total	7,941	7,941	-
Concessionary Fares	165	165	-
Commercial Projects	(550)	(550)	-
Research & Evaluation	19	19	-
Core Running Costs	(6,779)	(6,779)	-
Costs of Borrowing	4,976	4,976	-
Net (surplus)/deficit	5,772	5,772	-

Capital Financing Requirement - CFR

22. The Capital Financing Requirement (CFR) represents an organisation's underlying need to borrow to finance capital expenditure. It is calculated as the total capital investment less any external funding sources such as grants, third-party contributions, or direct revenue funding. The CFR concept was introduced by central government to promote borrowing practices that are affordable, prudent, and sustainable.

23. Within the TVCA Group, the CFR and the associated Minimum Revenue Provision (MRP) are calculated on a consolidated basis. Given the material level of internal borrowing across the group, management—supported by external subject matter experts—has determined the most appropriate entity within the group to calculate the CFR and apply the MRP policy. This assessment considers whether the responsibility lies with TVCA, which initially borrowed funds from the Public Works Loan Board (PWLB) and UK Infrastructure Bank (UKIB), or with the onward internal borrowers such as Teesside International Airport Limited (TIAL) or South Tees Development Corporation (STDC).

24. A review of the MRP policy is currently underway, with expert advice provided by Arlingclose, to ensure that both CFR and MRP are calculated in a manner that is prudent, appropriate, and optimally beneficial for the TVCA Group.

Borrowing

25. TVCA engages external Treasury Management experts to monitor the organisation's borrowing requirements and to secure favourable terms for financing capital expenditure.

26. As a local authority, TVCA is eligible to access borrowing facilities from the Public Works Loan Board (PWLB) and the UK Investment Bank (UKIB), provided the capital expenditure financed is not primarily intended to generate commercial income.

27. TVCA currently has ten outstanding loans with the PWLB and UKIB, as detailed in Table 10 below.

28. Notably, c25% of the total outstanding loan value relates to a £111m, 50-year loan agreement with the UKIB (now operating as the National Wealth Fund, NWF). The long duration, the relatively low Bank of England base rate at the time of agreement, and preferential rates for infrastructure projects resulted in a competitive interest rate of 1.99%.

29. The remaining loans are with the PWLB, with loan terms ranging from 1.25 years to 25 years.

30. The Weighted Average Lending Rate (WALR) is a recognised metric used to assess the average interest rate across an organisation's borrowing portfolio.

31. Based on all outstanding loans, TVCA's WALR is 3.78%. However, this figure is significantly influenced by the low rate of the UKIB loan. The WALR for PWLB loans alone is 4.44%

32. It is important to note that three fixed-maturity PWLB loans, totalling £65m, are due to mature in 2026/27 and will require refinancing which will need to be considered for budget setting. For the purposes of forecasting the MTFP borrowing position, it has been assumed that 25-Year Annuity Loans will be refinanced with an indicative interest rate of 4%pa.

33. A detailed summary of the current Borrowing Portfolio for the period 2025/25 to 2028/29 contained in Appendix D and is summarised in Table 8 Below. Member should note that the following forecasts only assume refinancing cost changes and not any additional borrowing. This will need to be revised for budget for setting for 2026/27 and for the forecasts for Quarter 2, once Arlingclose have concluded their current review work.

Table 8 – Summary of TVCA borrowing and interest and Principal Repayments 2025/26 to 2029/30

	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000
Opening Balance	398,233	389,177	378,996	367,626	355,803
New Loans (Refinancing)	-	65,000	-	-	-
Repayments	9,056	75,182	11,370	11,823	12,295
Closing Balance	389,177	378,996	367,626	355,803	343,508
Cost of Borrowing	14,776	14,810	13,520	13,067	12,595

Lending

34. A significant element of TVCA's capital investment involves the provision of loans to South Tees Development Corporation (STDC), Teesside International Airport Limited (TIAL), the five borough councils within the TVCA region, and a limited number of private sector organisations. The total value of loans outstanding including accrued interest as at 1st April 2025 was £502.637m. (Table 9)

35. As shown in Table 9 below, several loans issued by TVCA are provided at discounted or zero interest rates.

Table 9 – Summary of TVCA Lending and balance outstanding as at 31/3/2025

Loan Title	Rate	Max Loan Agreed £'000	Date of First Draw down	Drawn Down (to 31-3-25) £'000	Interest Repaid (to 31-3-25) £'000	Principal Repaid (to 31-3-25) £'000	Accrued Interest (to 31-3-25) £'000	Closing Balance 31/3/25 £'000
TIAL Purchase	5.09%	40,200	15/02/19	40,200	-	-	14,666	54,866
TIAL Opex & Capex	2.39% / 5.09%	64,400	19/02/19	64,400	-	-	6,835	71,235
Southside	5.09%	23,600	12/08/20	23,519	-	-	2,310	25,829
Deposit	0.00%	6,000	31/03/20	6,000	-	6,000	-	-
TeesAMP	1.64%	4,400	01/04/16	4,400	482	1,983	-	2,417
Other	0.00%	300	01/04/23	300	-	-	-	300
Cool Runnings	10.73%	89	01/04/19	89	-	-	77	166
Feethams*	0.00%	3,230	01/04/20	3,230	-	-	-	3,230
Liberty	7.50%	3,642	01/04/19	3,642	1,720	354	-	3,288
Waste Loan 1	1.11%	2,143	23/07/21	2,143	-	-	90	2,233
Waste Loan 2	2.62%	480	25/04/22	480	-	-	38	518
Waste Loan 3	4.71%	574	29/03/23	574	-	-	56	629
Waste Loan 4	4.91%	83	13/04/23	83	-	-	8	91
Waste Loan 5	4.25%	358	11/07/24	358	-	-	11	369
TVCA Investment Programme	0% increasing to 3.5% from 1/4/24	46,474	31/03/19	46,474	-	-	1,623	48,096
STDC GENERAL-0.0%	0% increasing to 3.5% from 1/4/24	159,843	01/04/23	159,843	-	-	5,581	165,424
STDC NZT-0.0%	0.00%	14,296	01/04/24	14,296	-	-		14,296
STDC 2024-25 Capital Exp	0% increasing to 5% from 1/4/30	61,837	01/04/25	-	-	-	-	-
STDC Quay	1.99%	106,737	01/05/22	106,737	2,203	1,399	4,312	109,650
		538,685		476,768	4,405	9,736	35,606	502,637

*Agreed waterfall arrangements mean that repayments will start from 2025/26

36. A number of loans have agreed 'payment holiday' windows. Some of these arrangements indicate that no interest is accrued and rolled up into the principal outstanding, some arrangements determine that interest is still due although it is anticipated that interest is still due and will be rolled up into the principal outstanding. While interest continues to accrue during these periods where the interest rate is above 0%, the uncertainty around repayment commencement impacts TVCA's liquidity position.

37. Table 10 below presents the forecast outstanding loan position at the end of 2025/26. The table also differentiates between loans that are 'accruing' interest which is compounded with principal outstanding and those loans where it is anticipated that the interest due in 2025/26 will be received.

Table 10. Summary of TVCA Forecast Lending –2025/26 –with Forecast of Loan repayments and interest charges

Loan Title	Closing Balance 31/3/25 £'000	Draw down £'000	Principal Repaid £'000	Accrued Interest £'000	Closing Balance 31-3-26 £'000
Total of Loans where No Cash Receipt Forecast 2025/26					
TIAL Purchase	54,866	-	-	2,859	57,724
TIAL Opex & Capex	71,235	39	-	1,721	72,995
Southside	25,828	-	-	1,348	27,176
Deposit	-	-	-	-	-
Cool Runnings	166	-	-	18	184
Feethams	3,230	-	-	-	3,230
Waste Loan 1	2,233	-	-	25	2,259
Waste Loan 2	518	-	-	14	531
Waste Loan 3	629	-	-	30	659
Waste Loan 4	91	-	-	4	96
Waste Loan 5	369	-	-	16	385
STDC NZT-0.0%	14,296	-	-	-	14,296
STDC 2024-25 Capital Exp	-	61,837	-	-	61,837
	173,461	**61,876**	**-**	**6,035**	**241,372**

Total of Loans where Cash Receipt Forecast 2025/26					
	Closing Balance 31/3/25 £'000	Draw down £'000	Principal Repaid £'000	Interest Repaid £'000	Closing Balance (31-3-26) £'000
TeesAMP	2,417	-	279	34	2,138
Shades	300	-	-	-	300
Liberty	3,288	-	818	182	2,470
TVCA Investment Programme	48,096	-	-	-	48,096
STDC GENERAL-0.0%	165,424	-	-	-	165,424
STDC Quay	109,650	-	1,427	2,175	108,222
	329,176	**-**	**2,525**	**2,391**	**326,651**
	502,637	**61,876**	**2,525**	**8,426**	**568,023**

38. A more detailed breakdown of the anticipated lending position over the period 2025/26 to 2029/30 is presented in Appendix E.

39. While all loans in Table 10 and Appendix E are scheduled to be repaid. The combination of interest payment holidays and discounted interest rates on the on-lending portfolio means that the interest receivable to TVCA is less than the interest being paid on TVCA borrowing and lost investment income. The S73 Officer will be reviewing previous subsidy advice commissioned.

Capital programme 2025/26 to 2028/29

40. TVCA has a significant approved capital programme between 2025/26 and 2028/29 of more than £490m. Predominantly this programme is funded from anticipated future capital grants (£346m), capital grants received in advance and held in reserves (£145m) .

41. The current capital programme as approved in January 2025 is summarised below in Table 11.

Table 11 – TVCA Approved Capital Programme 2025/26 to 2028/29

	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	Total £'000
Capital Commissioned services	63,048	83,468	34,254	34,254	215,024
Capital Grants expenditure	143,208	77,438	27,746	27,746	276,138
Expenditure	206,256	160,906	62,000	62,000	491,162
Specific Grant	149,282	70,973	64,308	62,000	346,563
Revenue funding					-
Net Budget (before application of reserves)	56,974	89,933	(2,308)	-	144,599
(Use) of/Contribution to Reserves	(56,974)	(89,933)	2,308	-	(144,599)
Borrowing (Capital Financing Requirement)	-	-	-	-	-

42. The gross approved capital programme between 2025/26 and 2028/29 of more than £490m is analysed by Thematic areas in Table 12 below.

Table 12 – TVCA Approved Capital Programme Expenditure 2025/26 to 2028/29 (analysed by Thematic activity)

	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	Total £'000
Transport	114,368	151,079	62,000	62,000	389,447
Education, Employment & Skills	-	-	-	-	-
Business Growth	25,244	-	-	-	25,244
Culture & Tourism	2,127	-	-	-	2,127
Innovation & Clean Growth	2,158	-	-	-	2,158
Place	43,470	3,500	-	-	46,970
Investment Plan Total	**187,367**	**154,579**	**62,000**	**62,000**	**465,946**
Concessionary Fares	-	-	-	-	-
Commercial Projects	18,889	6,327			25,216
Research & Evaluation	-	-	-	-	-
Core Running Costs	-	-	-	-	-
					-
	206,256	160,906	62,000	62,000	491,162

TVCA Revised Capital Budget 25/26 and Programme - 2025/26 to 2028/29

43. On the 25 March 2025 Cabinet approved an 'Investment Plan Refresh'. Changes within this report agreed by Cabinet on 25 March 2025 were not reflected in the report 'Quarter 4 Budget Report and Medium-Term Financial Plan Update' presented to Cabinet on the 30 June 2025.

44. In addition to the amendments presented to cabinet within the 'Investment Plan Refresh' report, additional funding has been identified further funding announcements have been received most notably £978m of CRSTS grant, these changes are summarised in Tables 16 and 17 below.

45. Table 13 summaries the thematic areas impacted by the changes and Table 14 provides a breakdown of the same information over the MTFP Period.

Table 13 –Revised TVCA Capital programme 2025/26 to 2028/29 – analysed by thematic areas

	Business Growth £'000	Transport £'000	Innovation & Clean Growth £'000	Total £'000
UKSPF additional Airport Hanger	6,500			6,500
Non-Externally Funded Expenditure - Airport Hanger	6,020			6,020
CRSTS 2027/28		200,000		200,000
CRSTS 2028/29		778,000		778,000
Intra City Transport		3,500		3,500
Active travel		1,913		1,913
The Freeport Seed Capital Programme		300		300
SHDF Wave 3 (2025/26)			12,734	12,734
SHDF Wave 3 (2026/27)			15808	15,808
SHDF Wave 3 (2027/28)			15369	15,369
	12,520	983,713	43,911	1,040,144

Table 14 –TVCA revised capital programme 2025/26 to 2028/29 - analysed by financial year

	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	Total £'000
UKSPF Additional Airport Hanger	6,500	-	-	-	6,500
Non-Externally Funded Expenditure - Airport Hanger	6,020	-	-	-	6,020
CRSTS	-	-	200,000	778,000	978,000
Intra City Transport	3,500	-	-	-	3,500
Active travel	1,913	-	-	-	1,913
The Freeport Seed Capital Programme	300	-	-	-	300
SHDF Wave 3	12,734	15,808	15,369	-	43,911
	30,967	15,808	215,369	778,000	1,040,144

46. It is of note that all but one of the capital programme projects (totalling £1.04bn) will be funded by external grant and contribution. The exception is a £6.02m of the proposed £12.52m investment in hanger infrastructure at Teesside international Airport which is proposed to be financed from borrowing. The estimated annual revenue impact of borrowing £6m (c£300K) has been factored into the proposed revenue budget revisions for cabinets consideration, discussed earlier in the revenue element of this report.

47. If agreed by Cabinet, the revised Capital Programme and associated funding is summarised in Table 15 below.

Table 15 – TVCA Revised Capital Programme 2025/26 to 2028/29

	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	Total £'000
Capital Commissioned services	63,048	83,468	34,254	34,254	215,024
Capital Grants expenditure	174,175	93,246	243,115	805,746	1,316,282
Expenditure	237,223	176,714	277,369	840,000	1,531,306
Specific Grant	180,249	86,781	279,677	840,000	1,386,707
Revenue funding					-
Net Budget (before application of reserves)	56,974	89,933	(2,308)	-	144,599
(Use)/ Contribution to Reserves	(56,974)	(89,933)	2,308		(144,599)
Borrowing (Capital Financing Requirement)	-	-	-	-	-

48. If approved by Cabinet, the revised Gross Capital investment programme for TVCA between 2025/26 and 2028/29 is summarised in Table 16 below.

Table 16-TVCA revised Capital Programme Expenditure 2025/26 to 2028/29 (analysed by thematic activity)

	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	Total £'000
Transport	119,781	151,079	262,000	840,000	1,372,860
Education, Employment & Skills	-	-	-	-	-
Business Growth	38,064	-	-	-	38,064
Culture & Tourism	2,127	-	-	-	2,127
Innovation & Clean Growth	14,892	15,808	15,369	-	46,069
Place	43,470	3,500	-	-	46,970
Investment Plan Total	**218,334**	**170,387**	**277,369**	**840,000**	**1,506,090**
Concessionary Fares	-	-	-	-	-
Commercial Projects	18,889	6,327	-	-	25,216
Research & Evaluation	-	-	-	-	-
Core Running Costs	-	-	-	-	-
Costs of Borrowing	-	-	-	-	-
	237,223	176,714	277,369	840,000	1,531,306

Q1 Capital Forecast Outturn 2025/26

49. Planning is currently underway work with managers across TVCA to refine the existing approved capital budget into a lower level of granular detail and calculate a revised forecast based on updated programme delivery and costs.

50. As at Q1 this work was still in progress, and it is anticipated that this work will form a robust outturn forecast to be presented to Cabinet at Q2. For the purposes of this report at Q1 the forecast Capital outturn for 2025/26 is in line with the annual budget. Table 17 below provide a breakdown of the 2025/26 capital budget, the actual expenditure to date and the forecast outturn, analysed over the thematic areas of activity.

Table 17 TVCA – Capital 2025/26 Forecast Outturn (by thematic area of activity)

	Annual Budget £'000	YTD Actual £'000	Forecast Outturn £'000	Variance £'000
Transport	119,781	(16,157)	119,781	-
Education, Employment & Skills	-	1	-	-
Business Growth	38,064	(780)	38,064	-
Culture & Tourism	2,127	424	2,127	-
Innovation & Clean Growth	14,892	-	14,892	-
Place	43,470	(6,306)	43,470	-
Investment Plan Total	**218,334**	(22,818)	**218,334**	-
Concessionary Fares	-	-	-	-
Commercial Projects	18,889	-	18,889	-
Research & Evaluation	-	(4,136)	-	-
Core Running Costs	-	-	-	-
Costs of Borrowing	-	-	-	-
	237,223	(26,954)	237,223	-

FINANCIAL IMPLICATIONS

51. This report provides an update on performance against the Authority's approved Revenue and Capital budgets. It seeks Cabinet approval to increase both budgets in response to indications of additional external funding.

52. Cabinet should note the increase in the capital budget of £6.02m, financed through additional capital borrowing. The forecast recurrent revenue impact of this borrowing is estimated at £300,000 per annum, effective from the 2026/27 financial year.

53. The report also outlines proposed amendments to the format and content of future quarterly budget reports to Cabinet, aimed at improving transparency and alignment with operational delivery.

54. The report highlights the potential financial and cash flow risks associated with TVCA's on-lending arrangements.. While the Combined Authority has maintained a carefully managed under-borrowed position—effectively reducing short-term interest costs—this strategy introduces longer-term uncertainty regarding future borrowing needs that may ultimately be unavoidable.

55. As highlighted in the report, certain loans on -lent (based on pre-approval with TVCA) are currently not being serviced and interest receivable is being accrued in the Authority's accounts and added to the principal outstanding from the third party. The S73 Officer will need to undertake further due diligence to establish whether these increased loans are capable of being serviced going forward.

LEGAL IMPLICATIONS

56. There are no legal implications associated with the recommendations within this report.

RISK ASSESSMENT

57. This Budget Report remains as medium risk to reflect the work on the implementation of the TVCA group risk management strategy and the year-end reviews of commercial projects and loans and investment returns as set out in the paper. Following the completion of the 2024-25 financial year end processes and audit, and the review of commercial projects and reserve levels as part of this process, the Group Director of Finance and Resources will report back to Cabinet on any proposed updates to this risk assessment and any implications for the overall funding requirements of the medium-term financial plan.

EQUALITY & DIVERSITY

58. There are no equality and diversity implications associated with the recommendations in this report. Specific proposals associated with business cases and Investment Plan funding draw down will consider these implications where applicable.

CONSULTATION

59. This report has been discussed with Tees Valley Chief Executives, Management Group and Finance Directors.

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Appendix A1 –

Additional Revenue Funding 2025/26 to 2028/29 analysed by Funding Sources and thematic activity

	Business Growth £'000	Transport £'000	Education, Employment & Skills £'000	Place £'000	Total £'000
UKSPS Additional Allocation	2,066		2,966	3,766	8,798
Adult Skills Fund			(4,116)		(4,116)
Connect to Work (2025/26)			5,200		5,200
Connect to Work (2026/27))			5,200		5,200
Investment Zone (2025/26)	30,955				30,955
Investment Zone (2026/27)	23,691				23,691
Investment Zone (2027/28)					
Investment Zone (2028/29)					
Youth Train blazer					
CRSTS revenue (2025/26)					
CRSTS revenue (2026/27)					
CRSTS revenue (2027/28)					
CRSTS revenue (2028/29)					
Active travel					
Department for Education					

Additional Revenue Funding 2025/26 to 2028/29 analysed Funding Sources and Financial Year

	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	Total £'000
UKSPS Additional Allocation	8,798	-	-	-	8,798
Adult Skills Fund	(4,116)	-	-	-	(4,116)
Connect to Work	5,200	5,200	-	-	10,400
Investment Zone	30,955	23,691	12,889	11,847	79,382
Youth Train blazer	5,000	-	-	-	5,000
CRSTS revenue	8,510	8,510	8,510	8,510	34,040
Active travel	561	-	-	-	561
Department for Education	892	-	-	-	892
	55,800	37,401	21,399	20,357	134,957

Appendix A2 –

Additional Capital Funding 2025/26 to 2028/29 analysed by Funding Sources and thematic activity

	Business Growth £'000	Transport £'000	Education, Employment & Skills £'000	Culture & Tourism £'000	Innovation & Clean Growth £'000	Place £'000	Total £'000
UKSPF Additional Airport Hanger	6,500						6,500
Non-Externally Funded Expenditure - Airport Hanger	6,020						6,020
CRSTS 2027/28		200,000					200,000
CRSTS 2028/29		778,000					778,000
Intra City Transport		3,500					3,500
Active travel		1,913					1,913
The Freeport Seed Capital Programme		300					300
SHDF Wave 3 (2025/26)					12,734		12,734
SHDF Wave 3 (2026/27)					15808		15,808
SHDF Wave 3 (2027/28)					15369		15,369
	12,520	983,713	-	-	43,911	-	1,040,144

Additional Capital Funding 2025/26 to 2028/29 analysed Funding Sources and Financial Year

	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	Total £'000
UKSPF Additional Airport Hanger	6,500				6,500
Non-Externally Funded Expenditure - Airport Hanger	6,020				6,020
CRSTS 2027/28			200,000		200,000
CRSTS 2028/29				778,000	778,000
Intra City Transport	3,500				3,500
Active travel	1,913				1,913
The Freeport Seed Capital Programme	300				300
SHDF Wave 3 (2025/26)	12,734			-	12,734
SHDF Wave 3 (2026/27)		15,808			15,808
SHDF Wave 3 (2027/28)			15,369		15,369
	30,967	15,808	215,369	778,000	1,040,144

Appendix b - **TVCA proposed revenue budget 2025/26 to 2028/29**

Area of activity	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	Total £'000
Transport	2,335	-	-	-	12,434
Education, Employment & Skills	1,983	5,674	5,484	5,484	27,199
Business Growth	473	1,416	2,903	3,152	9,990
Culture & Tourism	1,960	1,727	-	-	12,161
Innovation & Clean Growth	1,191	-	-	-	6,340
Place	-	(5,729)	(5,303)	(5,526)	(16,598)
Investment Plan Total	7,941	3,088	3,084	3,110	51,526
Concessionary Fares	165	-	-	-	886
Commercial Projects	(550)	116	114	117	(2,582)
Research & Evaluation	19	-	-	-	143
Core Running Costs	(6,779)	(33,842)	(34,005)	(33,246)	(137,201)
Costs of Borrowing	4,976	34,453	37,070	36,671	134,689
Net (surplus)/deficit	5,772	3,815	6,263	6,652	47,461

Type of expenditure	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	Total £'000
Employees	6,846	8,750	7,842	8,218	36,678
Premises	492	483	483	496	2,468
Transport	689	867	864	947	3,626
Supplies and Services	62,362	76,515	59,262	58,509	331,176
Central Support & Other Recharges	-	-	-	-	-
Third Party Payments	-	-	-	-	-
Concessions	10,216	12,786	12,786	12,786	51,190
Cost of Borrowing	21,094	34,453	37,070	36,671	134,689
Expenditure	101,700	133,854	118,307	117,627	559,826
Specific Grant	(58,561)	(96,759)	(80,451)	(81,256)	(380,403)
Contribution from Local Authorities	(11,946)	(12,786)	(12,786)	(12,786)	(50,304)
Contributions Grant	(265)	(2,227)	(500)	(500)	(3,492)
Interest Receivable	(25,157)	(18,267)	(18,307)	(16,433)	(78,164)
Income	(95,929)	(130,039)	(112,044)	(110,975)	(512,363)
Net (surplus)/deficit	5,771	3,815	6,263	6,652	47,463

Appendix C

TVCA Reserves 1-4-25

Revenue Reserves 1-4-2025

Reserve	Balance 1-4-25 £'000
Adult Education Budget	8,156
Kickstart	238
Seah Lease	2,368
Concessionary Fares	470
Core Reserves	1,058
Airport Interest Generated	24,172
General TVCA Funds	343
DECC City Deal CCS Project	51
Low Carbon Action Plan	41
One Public Estate	54
SSI Apprentices	453
SSI Flexible Fund	1,507
SSI Jobs Investment Scheme	231
SSI Business Start Up	30
SSI Devolved Pot	1,334
Business Rate Growth	2,856
Sales, Fees & Charges	245
BEIS NET ZERO HUB Reserve	1,614
LOCAL ELECTRIC VEHICLE INFRASTRUCURE CAPABILITY FUND	555
CONSOLIDATED ACTIVE TRAVEL FUND	1,371
Operating Surplus Reserve	190
Devolution - Unallocated	11,737
Total	59,074

Capital Reserves 1-4-2025

Reserve	Balance 1-4-25 £'000
Active Travel	4,268
Brownfield Housing	12,351
CRSTS	99,815
Levelling Up Fund	3,352
LEVI	6,471
Rural England Prosperity Fund	124
SHDF 2	151
TCF	18,101
TSOG	1,369
Wynyard	270
Green Homes Grant	613
STDC Business Case	739
LUF2 Programme Management	5,379
Urban Traffic Management	215
Freeport (Capital)	1,979
RNEP	273
ZEBRA- DFT	6,659
Total	162,129

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Appendix D

Borrowing 2025-26

Loan Type	Original Loan PRINCIPAL	TERM	RATE	Start Date	MATURITY	Opening Balance	New Loans	Repayments	Closing Balance	Interest Period
PWLB Fixed Annuity	£30,000,000	20 years	2.67%	22/01/2020	22/01/2040	£25,477,770	-	£978,665	£24,499,105	£673,767
PWLB Fixed Annuity	£37,500,000	20 years	3.92%	01/12/2022	01/12/2042	£34,920,418	-	£1,366,869	£33,553,549	£1,355,615
PWLB Fixed Annuity	£37,500,000	25 years	4.04%	01/12/2022	01/12/2047	£35,682,268	-	£964,870	£34,717,397	£1,431,916
PWLB Fixed Maturity	£25,000,000	3 years	5.31%	29/09/2023	29/09/2026	£25,000,000	-	-	£25,000,000	£1,327,500
PWLB Fixed Maturity	£20,000,000	3 years	5.12%	22/11/2023	22/11/2026	£20,000,000	-	-	£20,000,000	£1,024,000
PWLB Fixed Annuity	£70,000,000	20 years	4.63%	21/12/2023	21/12/2043	£67,811,237	-	£2,291,276	£65,519,961	£3,113,442
PWLB Fixed Annuity	£30,000,000	25 years	4.98%	12/09/2024	12/09/2049	£29,691,371	-	£640,504	£29,050,867	£1,470,754
PWLB Fixed Annuity	£30,000,000	14 years	4.98%	13/12/2024	13/12/2038	£30,000,000	-	£1,385,880	£28,614,120	£1,476,958
PWLB Fixed Maturity	£20,000,000	1 years 3 Months	4.83%	17/03/2025	17/06/2026	£20,000,000	-	-	£20,000,000	£727,154
UKIB Fixed Annuity	£111,049,331	50 years	1.99%	01/05/2024	01/05/2074	£109,649,868	-	£1,427,451	£108,222,418	£2,174,966
PWLB Fixed Annuity	£25,000,000	25 years	4.00%	30/09/2026	30/09/2051	-	-	-	-	-
PWLB Fixed Annuity	£20,000,000	25 years	4.00%	23/11/2026	23/11/2051	-	-	-	-	-
PWLB Fixed Annuity	£20,000,000	25 years	4.00%	18/06/2026	18/06/2051	-	-	-	-	-
	£411,049,331					£398,232,932	£0	£9,055,515	£389,177,417	£14,776,072

Appendix D cont.

Borrowing 2026-27

Loan Type	Original Loan PRINCIPAL	TERM	RATE	Start Date	MATURITY	Opening Balance	New Loans	Repayments	Closing Balance	Interest Period
PWLB Fixed Annuity	£30,000,000	20 years	2.67%	22/01/2020	22/01/2040	£24,499,105	-	£1,004,970	£23,494,135	£647,462
PWLB Fixed Annuity	£37,500,000	20 years	3.92%	01/12/2022	01/12/2042	£33,553,549	-	£1,420,976	£32,132,573	£1,301,509
PWLB Fixed Annuity	£37,500,000	25 years	4.04%	01/12/2022	01/12/2047	£34,717,397	-	£1,004,245	£33,713,152	£1,392,541
PWLB Fixed Maturity	£25,000,000	3 years	5.31%	29/09/2023	29/09/2026	£25,000,000	-	£25,000,000	-	£663,750
PWLB Fixed Maturity	£20,000,000	3 years	5.12%	22/11/2023	22/11/2026	£20,000,000	-	£20,000,000	-	£1,024,000
PWLB Fixed Annuity	£70,000,000	20 years	4.63%	21/12/2023	21/12/2043	£65,519,961	-	£2,398,590	£63,121,370	£3,006,128
PWLB Fixed Annuity	£30,000,000	25 years	4.98%	12/09/2024	12/09/2049	£29,050,867	-	£672,798	£28,378,069	£1,438,460
PWLB Fixed Annuity	£30,000,000	14 years	4.98%	13/12/2024	13/12/2038	£28,614,120	-	£1,455,756	£27,158,365	£1,407,082
PWLB Fixed Maturity	£20,000,000	1 years 3 Months	4.83%	17/03/2025	17/06/2026	£20,000,000	-	£20,000,000	-	£483,000
UKIB Fixed Annuity	£111,049,331	50 years	1.99%	01/05/2024	01/05/2074	£108,222,418	-	£1,455,998	£106,766,420	£2,146,418
PWLB Fixed Annuity	£25,000,000	25 years	4.00%	30/09/2026	30/09/2051		£25,000,000	£295,580	£24,704,420	£500,000
PWLB Fixed Annuity	£20,000,000	25 years	4.00%	23/11/2026	23/11/2051		£20,000,000	£236,464	£19,763,536	£400,000
PWLB Fixed Annuity	£20,000,000	25 years	4.00%	18/06/2026	18/06/2051		£20,000,000	£236,464	£19,763,536	£400,000
	£411,049,331					£389,177,417	£65,000,000	£75,181,841	£378,995,576	£14,810,351

Appendix D cont.

Borrowing 2027-28

Loan Type	Original Loan PRINCIPAL	TERM	RATE	Start Date	MATURITY	Opening Balance	New Loans	Repayments	Closing Balance	Interest Period
PWLB Fixed Annuity	£30,000,000	20 years	2.67%	22/01/2020	22/01/2040	£23,494,135	-	£1,031,982	£22,462,153	£620,451
PWLB Fixed Annuity	£37,500,000	20 years	3.92%	01/12/2022	01/12/2042	£32,132,573	-	£1,477,224	£30,655,349	£1,245,261
PWLB Fixed Annuity	£37,500,000	25 years	4.04%	01/12/2022	01/12/2047	£33,713,152	-	£1,045,226	£32,667,926	£1,351,560
PWLB Fixed Maturity	£25,000,000	3 years	5.31%	29/09/2023	29/09/2026	-	-	-	-	-
PWLB Fixed Maturity	£20,000,000	3 years	5.12%	22/11/2023	22/11/2026	-	-	-	-	-
PWLB Fixed Annuity	£70,000,000	20 years	4.63%	21/12/2023	21/12/2043	£63,121,370	-	£2,510,930	£60,610,440	£2,893,788
PWLB Fixed Annuity	£30,000,000	25 years	4.98%	12/09/2024	12/09/2049	£28,378,069	-	£706,720	£27,671,349	£1,404,537
PWLB Fixed Annuity	£30,000,000	14 years	4.98%	13/12/2024	13/12/2038	£27,158,365	-	£1,529,155	£25,629,210	£1,333,683
PWLB Fixed Maturity	£20,000,000	1 years 3 Months	4.83%	17/03/2025	17/06/2026	-	-	-	-	-
UKIB Fixed Annuity	£111,049,331	50 years	1.99%	01/05/2024	01/05/2074	£106,766,420	-	£1,485,117	£105,281,303	£2,117,300
PWLB Fixed Annuity	£25,000,000	25 years	4.00%	30/09/2026	30/09/2051	£24,704,420	-	£609,014	£24,095,406	£982,147
PWLB Fixed Annuity	£20,000,000	25 years	4.00%	23/11/2026	23/11/2051	£19,763,536	-	£487,211	£19,276,325	£785,718
PWLB Fixed Annuity	£20,000,000	25 years	4.00%	18/06/2026	18/06/2051	£19,763,536	-	£487,211	£19,276,325	£785,718
	£411,049,331					£378,995,576	£0	£11,369,789	£367,625,787	£13,520,161

Appendix D cont.

Borrowing 2028-29

Loan Type	Original Loan PRINCIPAL	TERM	RATE	Start Date	MATURITY	Opening Balance	New Loans	Repayments	Closing Balance	Interest Period
PWLB Fixed Annuity	£30,000,000	20 years	2.67%	22/01/2020	22/01/2040	£22,462,153	-	£1,059,719	£21,402,434	£592,713
PWLB Fixed Annuity	£37,500,000	20 years	3.92%	01/12/2022	01/12/2042	£30,655,349	-	£1,535,699	£29,119,651	£1,186,786
PWLB Fixed Annuity	£37,500,000	25 years	4.04%	01/12/2022	01/12/2047	£32,667,926	-	£1,087,880	£31,580,046	£1,308,907
PWLB Fixed Maturity	£25,000,000	3 years	5.31%	29/09/2023	29/09/2026	-	-	-	-	-
PWLB Fixed Maturity	£20,000,000	3 years	5.12%	22/11/2023	22/11/2026	-	-	-	-	-
PWLB Fixed Annuity	£70,000,000	20 years	4.63%	21/12/2023	21/12/2043	£60,610,440	-	£2,628,532	£57,981,908	£2,776,186
PWLB Fixed Annuity	£30,000,000	25 years	4.98%	12/09/2024	12/09/2049	£27,671,349	-	£742,353	£26,928,996	£1,368,905
PWLB Fixed Annuity	£30,000,000	14 years	4.98%	13/12/2024	13/12/2038	£25,629,210	-	£1,606,255	£24,022,955	£1,256,583
PWLB Fixed Maturity	£20,000,000	1 years 3 Months	4.83%	17/03/2025	17/06/2026	-	-	-	-	-
UKIB Fixed Annuity	£111,049,331	50 years	1.99%	01/05/2024	01/05/2074	£105,281,303	-	£1,514,818	£103,766,486	£2,087,599
PWLB Fixed Annuity	£25,000,000	25 years	4.00%	30/09/2026	30/09/2051	£24,095,406	-	£633,618	£23,461,789	£957,543
PWLB Fixed Annuity	£20,000,000	25 years	4.00%	23/11/2026	23/11/2051	£19,276,325	-	£506,894	£18,769,431	£766,034
PWLB Fixed Annuity	£20,000,000	25 years	4.00%	18/06/2026	18/06/2051	£19,276,325	-	£506,894	£18,769,431	£766,034
	£411,049,331					£367,625,787	£0	£11,822,661	£355,803,125	£13,067,289

Appendix D cont.

Borrowing 2029-30

Loan Type	Original Loan PRINCIPAL	TERM	RATE	Start Date	MATURITY	Opening Balance	New Loans	Repayments	Closing Balance	Interest Period
PWLB Fixed Annuity	£30,000,000	20 years	2.67%	22/01/2020	22/01/2040	£21,402,434	-	£1,088,203	£20,314,231	£564,229
PWLB Fixed Annuity	£37,500,000	20 years	3.92%	01/12/2022	01/12/2042	£29,119,651	-	£1,596,488	£27,523,163	£1,125,997
PWLB Fixed Annuity	£37,500,000	25 years	4.04%	01/12/2022	01/12/2047	£31,580,046	-	£1,132,274	£30,447,772	£1,264,512
PWLB Fixed Maturity	£25,000,000	3 years	5.31%	29/09/2023	29/09/2026	-	-	-	-	-
PWLB Fixed Maturity	£20,000,000	3 years	5.12%	22/11/2023	22/11/2026	-	-	-	-	-
PWLB Fixed Annuity	£70,000,000	20 years	4.63%	21/12/2023	21/12/2043	£57,981,908	-	£2,751,642	£55,230,266	£2,653,077
PWLB Fixed Annuity	£30,000,000	25 years	4.98%	12/09/2024	12/09/2049	£26,928,996	-	£779,783	£26,149,213	£1,331,475
PWLB Fixed Annuity	£30,000,000	14 years	4.98%	13/12/2024	13/12/2038	£24,022,955	-	£1,687,242	£22,335,713	£1,175,595
PWLB Fixed Maturity	£20,000,000	1 years 3 Months	4.83%	17/03/2025	17/06/2026	-	-	-	-	-
UKIB Fixed Annuity	£111,049,331	50 years	1.99%	01/05/2024	01/05/2074	£103,766,486	-	£1,545,112	£102,221,373	£2,057,304
PWLB Fixed Annuity	£25,000,000	25 years	4.00%	30/09/2026	30/09/2051	£23,461,789	-	£659,216	£22,802,573	£931,945
PWLB Fixed Annuity	£20,000,000	25 years	4.00%	23/11/2026	23/11/2051	£18,769,431	-	£527,373	£18,242,058	£745,556
PWLB Fixed Annuity	£20,000,000	25 years	4.00%	18/06/2026	18/06/2051	£18,769,431	-	£527,373	£18,242,058	£745,556
	£411,049,331					£355,803,125	£0	£12,294,705	£343,508,420	£12,595,245

Appendix E -

Forecast Loan Income - Accrued and Cash Receipts 2025/26 to 2029/30

Loan Title	Closing Balance 31/3/25 £'000	25/26 draw down £'000	25/26 Principal £'000	25/26 Interest £'000	26/27 Principal £'000	26/27 Interest £'000	27/28 Principal £'000	27/28 Interest £'000	28/29 Principal £'000	28/29 Interest £'000	29/30 Principal £'000	29/30 Interest £'000	closing Balance (31-3-30) £'000
Total of Loans where No Cash Receipt Forecast (2025/26 to 2029/30)													
TIAL Purchase	54,866	-	-	2,859	3,323	3,008	-	3,171	-	3,323	-	3,503	70,728
TIAL Opex & Capex	71,235	39	-	1,721	1,845	1,763	-	1,809	-	1,845	-	1,894	80,307
Southside	25,828	-	-	1,348	1,567	1,418	-	1,495	-	1,567	-	1,651	33,307
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-
Cool Runnings	166	-	-	18	25	20	-	23	-	25	-	28	279
Feethams	3,230	-	-	-	-	-	-	-	-	-	-	-	3,230
Waste Loan 1	2,233	-	-	25	26	26	-	26	-	26	-	27	2,364
Waste Loan 2	518	-	-	14	15	14	-	14	-	15	-	15	589
Waste Loan 3	629	-	-	30	34	31	-	33	-	34	-	36	792
Waste Loan 4	91	-	-	4	5	5	-	5	-	5	-	5	116
Waste Loan 5	369	-	-	16	18	16	-	17	-	18	-	19	455
STDC NZT-0.0%	14,296	-	-	-	-	-	-	-	-	-	-	-	14,296
STDC 2024-25 Capital Exp	-	61,837	-	-	-	-	-	-	-	-	-	-	61,837
	173,461	**61,876**	**-**	**6,035**	**6,857**	**6,301**	**-**	**6,593**	**-**	**6,857**	**-**	**7,177**	**268,299**
Total of Loans where Cash Receipt Forecast (2025/26 to 2029/30)													
Loan Title	Closing Balance 31/3/25 £'000	25/26 draw down £'000	25/26 Principal £'000	25/26 Interest £'000	26/27 Principal £'000	26/27 Interest £'000	27/28 Principal £'000	27/28 Interest £'000	28/29 Principal £'000	28/29 Interest £'000	29/30 Principal £'000	29/30 Interest £'000	closing Balance (31-3-30) £'000
TeesAMP	2,417	-	279	34	20	30	288	25	293	20	298	16	1,239
Other	300	-	-	-	-	-	-	-	-	-	-	-	300
Liberty	3,288	-	818	182	-	117	953	47	633	-	-	-	883
TVCA Investment Programme	48,096	-	-	-	1,683	-	-	-	-	1,683	-	1,742	48,096
STDC GENERAL-0.0%	165,424	-	-	-	5,790	-	-	-	-	5,790	-	5,992	165,424
STDC Quay	109,650	-	1,427	2,175	2,088	2,146	1,485	2,117	1,515	2,088	1,545	2,057	101,590
	329,176	**-**	**2,525**	**2,391**	**9,581**	**2,293**	**2,727**	**2,189**	**2,441**	**9,581**	**1,843**	**9,808**	**317,533**
	502,637	**61,876**	**2,525**	**8,426**	**16,438**	**8,594**	**2,727**	**8,782**	**2,441**	**16,438**	**1,843**	**16,985**	**585,832**

Agenda Item 9

Report to the TVCA Cabinet

26 September 2025

Report of the Interim Director of Infrastructure

TRANSPORT PROGRAMME UPDATE

SUMMARY

To receive and consider a report from the Interim Director of Infrastructure on the transport investment programme, including:

- Details of the transport capital investment programme comprising Transforming Cities Fund, City Region Sustainable Transport Settlement 2022-2027 (CRSTS1), the Transport for City Regions (TCR) 2027-2032 (formerly CRSTS2), together with other funding which TVCA has been able to secure to support the delivery of the Strategic Transport Plan (2020-2030).
- Details of the development funding committed since the last report to Cabinet to commence TCR project development.
- Details of the Consolidated Active Travel Fund committed since the last report to Cabinet.
- Details of the CRSTS1 revenue funding committed since the last report to Cabinet.

RECOMMENDATIONS

It is recommended that Cabinet:

i. NOTES the update on the development of the transport capital investment programme as set out in paragraphs 1-65 and detailed in Appendix 1.
ii. NOTES the additional delegated decisions taken by the Interim Director of Infrastructure to finalise Bus Service Improvement Plan (BSIP) funding allocations for 2025/26 (updating the provisional allocations made previously) as set out in paragraphs 80-82 and Appendix 2.
iii. NOTES the delegated decisions taken by the Interim Director of Infrastructure to approve CRSTS1 revenue expenditure for the development of the transport capital investment programme as set out in paragraphs 84 and 85 and detailed in Appendix 3.
iv. NOTES that a number of schemes are expected to be completing the project development phase in the next quarter (October – December) and the Business Cases will be appraised in accordance with TVCA's Assurance Framework, ahead of moving into the delivery phase as set out in paragraphs 30-32. The specific schemes are:
    - Urban Traffic Management and Control
    - Connected Autonomous Vehicle Trial
v. DELEGATES authority to the Interim Director of Infrastructure to take all decisions required to manage the Pavement Channels Grant allocation for 2025/26, in consultation with Tees Valley Management Group / Transport Advisory Group as set

out in paragraphs 88 and 89. It is proposed that the funding will be used to support the development and delivery of the Electric Vehicles Infrastructure theme of the transport investment programme, and in accordance with the grant conditions and agreement of Department for Transport.

vi. DELEGATES authority to the Director of Infrastructure to take all decisions required to progress delivery of business cases for each project within the approved CRSTS / TCR programme in consultation with TAG / TVMG. In accordance with the Tees Valley Assurance Framework, the approval of business cases is delegated to the Tees Valley Combined Authority Chief Executive, in consultation with the Tees Valley Management Group, and the Tees Valley Combined Authority Section 73 Officer and Monitoring Officer.

DETAIL

Transport capital investment programme update

1. The table in Appendix 1 outlines the programme and funding allocation for each capital funded transport project. The table provides a deliverability assessment for the stated projects, but it should be noted that some of the timescales included in the table are target dates and will continue to be refined further as programme development continues and the detailed feasibility work progresses. The table also provides a current assessment of deliverability within the funding allocation.

2. One additional project has been added since the last reporting period, which is the Thornaby Town Deal Connectivity project – further details are set out below. The table below provides an overview of the delivery assessment for each of the 102 projects within the programme:

Delivery assessment	Number of projects	Change compared to previous period
Completed	4	No change
Very Likely	32	+3
Likely	55	-3
Feasible	5	No change
Unlikely	0	No change
Very Unlikely	1	+1
On Hold or Discontinued	5	No change
Total	102	

3. The table below sets out the funding / cost affordability assessment for all projects (excluding those completed) outlining whether there are risks to the funding strategy for the delivery of the project:

Funding / cost affordability assessment	Number of projects	Change compared to previous period
Green	30	No change
Green / Amber	53	+2
Amber	10	-4
Amber / Red	2	+1
Red	3	+2
Total	**102 8 + 4 completed)**	

4. The paragraphs below set out a summary of the key points to note from the table in Appendix 1.

Progress Report for Projects in Delivery Phase

5. Middlesbrough station Phase 2
Now that a solution is believed to have been found to address the water ingress issues, Network Rail is working with their main contractor to recommence work on the undercroft project. The works are due for completion later in 2025 and, following a period of testing to ensure that the units are watertight, the project will be complete and the units available for handover and occupation. The proposal is for TVCA to take the head lease for the units and put in place sub-leases with interested parties to support the Middlesbrough Development Corporation aspiration of developing a creative station quarter, building upon the existing offer in the area.

6. Eaglescliffe Staton
Work on this project continues to progress and the project is expected to be delivered on time and to budget. The SBC-led new car park has been completed, ahead of the new footbridge being completed in November and opened before the end of the year. This will allow maintenance work to be carried out on the existing footbridge and the whole project to be completed in early 2026.

7. Darlington Station
Delivery of the Darlington Station project continues to progress. Currently, some risks have materialised for both Network Rail and TVCA, which means there are some emerging programme and costs pressures, but both parties continue to collaborate to try to manage and mitigate these. This means it is looking unlikely that construction can be wholly finished and the authorisation processes completed to enable the new station and platforms to open in time for the December timetable change. Network Rail and TVCA continue to work together with the planned completion date now revised from December 2025 to spring 2026.

8. Despite the issues, Network Rail works are continuing to progress with the canopy on the new platform taking shape, the fit out of the new station shell being close to completion and the new link bridge also at an advanced stage. The TVCA-led work to the multistorey car park and external landscaping is ongoing, with the new entrance from Neasham Road to the short stay interchange area now created to further facilitate the completion of this work. Liaison is underway with the Highways Authority and utility companies for the associated highways works.

9. The detailed design of the Darlington Station Western Gateway has been completed and is awaiting an updated cost estimate. Demolition work has commenced and is expected to be complete by the end of August / early September. Work is ongoing to develop the programme for the main highway improvements scheme, but it is anticipated that this will commence later this year.

10. South Bank Temporary Footbridge
    All the necessary funding arrangements were put in place to enable Network Rail to commence the demolition of the life expired footbridge, and this work was expected to commence in August. However, during preparatory work Network Rail's contractor identified some potential risks and issues that need to be addressed which require consideration and additional planning and preparatory works.

11. Linthorpe Road – proposal to reinstate previous layout
    TVCA has worked alongside Middlesbrough Council on the proposal to reinstate the previous layout on Linthorpe Road. A funding agreement has been put in place which has enabled Middlesbrough Council to draft the required Traffic Regulation Orders ahead of construction which is scheduled to commence in August 2025 with the work anticipated to be completed in April 2026.

12. Town Centre Access Improvements: Thornaby Town Deal Connectivity project
    The scheme is being led by Stockton-on-Tees Borough Council and is part funded by Town Deal money. A CRSTS1 funding contribution is being made from the Town Centre accessibility project to enable delivery of the scheme. The business case for the project has been appraised and a funding agreement has been put in place to enable Stockton-on-Tees Borough Council to enter into contracts for the whole scheme and for delivery to commence from September.

13. Urban Traffic Management and Control (UTMC) Improvement Programme
    The UTMC digital transport project has delivered a programme of works funded from the Transforming Cities Fund programme and continues to make progress in trialling and testing new systems to optimise traffic management across the Tees Valley. This trialling and testing enables an improved understanding to be built of the challenges and opportunities and enables a scope of works to be built for further expansion and roll out, which can then be included within future business cases.

14. The Digital Twin Bus Reliability trial is now operational, and the system has been handed over and integrated into business-as-usual operations. This is a key investment to improve bus reliability and performance across Tees Valley and a demonstration of investment in AI to enhance the transport network. The tool identifies bus delay incidents, assesses different potential response strategies, and suggests recommended actions for the UTMC Control Room Staff to review and implement. Investment in this system is reducing the need to implement physical changes to the highway network infrastructure to address bus delays. Further enhancements and expansion of the system is planned over coming months.

15. The Fusion – Next Generation Adaptive Control project uses data from multiple sources and advanced decision-making approaches to control and manage the traffic and pedestrian signals to optimise the road network and transport infrastructure for all road users. Implementation has commenced with the first two

of five planned delivery phases already completed and the remainder on track for completion by January 2026. Early monitoring and evaluation at the A66/A135 junction in Stockton have shown encouraging improvements in performance and journey time savings. To date, 17 sites have been delivered across the region, with more to follow as the programme continues.

16. The Real Time Passenger Information (RTPI) project is now in its final stages for handover to business-as-usual operations. This has seen the replacement of equipment at 87 strategically placed sites across the region and the upgrade of 21 displays, to enable the introduction of a digitally smart, public-facing regional capability that helps users to plan journeys more effectively, whilst increasing confidence in the network to encourage a shift toward more sustainable transport modes.

17. Plans are currently being developed for an expansion of RTPI to provide screens at additional locations across Tees Valley. This is linked to the Bus Service Improvement Plan (BSIP) priority around improving customer experience. Funding for the delivery of additional screens will be from the allocations made to the 9 bus priority corridor projects and the station enhancements and modal integration project.

18. Finally, having secured £2.6m of Traffic Signals Obsolesce Grant (TSOG), the funding is being used for a Traffic Signals Replacement Programme. Running from April 2024 – March 2026, this project has currently delivered 19 site upgrades across the region. A further 17 sites are scheduled for upgrades within the remainder of 2025/26. This helps to address local highway authority maintenance backlogs, improve energy efficiency and address the risks associated with the failure of old and aging assets.

19. Local Highway Authority Funding (2022-2027)
In addition to the £16.578m annual funding allocation from CRSTS, which is split between each local highway authority on a pro-rata basis for local highway maintenance and minor improvements, additional Highway Maintenance Funding of £4.873m has been awarded to TVCA for 2025/26. As part of the funding criteria, 25% of the allocation is to be initially retained by DfT pending local highway authorities publishing a Local Highways Maintenance Transparency Report onto their website by 30 June 2025. This deadline was met and further details and links to each of the reports can be found on the TVCA website:
Local Highways Maintenance Transparency Report - Travel - Tees Valley

20. Electric Vehicle Charging Infrastructure
Work is continuing on the delivery of the initial phase of Electric Vehicle Charging Infrastructure in conjunction with our delivery partner Blink to complete installation at the remaining sites. Alongside this development work is the continuation of the next phase of EV charger roll-out using the £6.5m Local Electric Vehicle Infrastructure funding which has been secured. This funding is focused on providing on-street infrastructure for those without driveways. Work has focused on working with local authorities to prepare the procurement documentation ahead of commencing the process of finding a delivery partner for this work. The procurement is expected to commence in August / September.

21. Zero Emission Buses

Securing Zero Emission Buses Regional Area (ZEBRA) Round 2 funding has enabled TVCA to work with Stagecoach and Arriva to support the transition to Zero Emission Buses in the Tees Valley at the Arriva Darlington and Stagecoach Stockton depots. In the case of the latter this has been a stimulus for additional investment by the company and plans for an all-electric depot. Stagecoach have been able to complete the necessary works at the depot and are now operating electric buses on some of their routes from Stockton. Funding agreements are in place with Arriva which have enabled them to place the order for the buses, but given the current demand there is a substantial lead time of up to 12 months.

Progress Report for Projects moving towards the delivery phase

22. In the June 2025 Cabinet report, it was identified that a number of projects were at an advanced stage and were expected to move into the investment assurance stage during the July to September period, ahead of delivery commencing.

23. Levelling Up Fund (LUF) Active Travel Programme

Business cases for the 9 identified active travel schemes in the LUF programme are expected to be submitted for appraisal in accordance with TVCA's Assurance Framework in late August. It is anticipated that this will mean that funding agreements and contracts can be put in place to enable construction to commence from September 2025 onwards as detailed in Appendix 1. Most schemes have a target date for completion of March 2026, although delivery of the Middlesbrough Town Centre to Newport Bridge project is expected to extend until later in 2026. The delays on this scheme have been caused by the need to carry out some redesign work.

24. Additionally, the Middlesbrough Town Centre to South Bank project is also going to be delayed, however, dates for the commencement and completion of this scheme are now confirmed. This delay is due to a vehicle striking a bridge along the route, which has required a weight restriction to be imposed on the bridge and consequentially a delay to the traffic regulation order process which is required to confirm the changes to the highway network to enable the scheme to be delivered.

25. Hartlepool Town Centre to the Headland

Detailed design and development work is close to being completed on this scheme and it is expected that the Business Case for the project will be submitted for appraisal in September, enabling funding agreements to be put in place with Hartlepool Borough Council and delivery to commence shortly afterwards. It is currently expected that the project will take 6-9 months to be completed, which will be confirmed in the coming weeks and prior to the business case being approved.

26. A689 / A19 – Wynyard Pedestrian & Cycling Improvements Phase 2

As highlighted in the previous Cabinet report, additional funding has now been secured in-principle to fill the identified funding gap of c£3.3m. This comprises money from section 106 agreements for highway improvements, additional voluntary developer contributions, for which legal agreements are being put in place, and an additional contribution from Active Travel England funding. In parallel the business case has been completed and is expected to be submitted in late August to enable

Funding Agreements to be put in place with Stockton Borough Council for the delivery of this scheme.

27. Advanced utilities work is required ahead of delivery commencing on the main scheme. It is currently expected that the advanced utilities works will commence in autumn and be completed by the end of the year. Once this is completed the main works can commence on the construction of the project, and this is expected to be completed by March 2027.

28. Darlington Woodland Road Phase 2
    This scheme is at an advanced stage of development with the Business Case expected to be completed and submitted for appraisal in late August, to enable Funding Agreements to be put in place with Darlington Borough Council and construction to commence later in the year. The critical path activity for the commencement of the delivery of this project is utility diversion work, and due to the long-lead times the orders have been placed to enable this to take place with an anticipated completion date of September. The main works to deliver the cycling, walking and wheeling improvements is planned to start following this enabling works.

29. Station Accessibility and Modal Integration Enhancements: Darlington North Road
    The scheme is at an advanced stage of detailed design with submission to Network Rail to enable them to carry out their necessary checks on the proposals scheduled for early September to enable the designs to be finalised and agreed by the end of October. The Business Case is now expected to be completed and submitted for appraisal by October. Following this Network Rail will need to amend the plans and begin the process of amending leases to reflect the new design and layout and acquire the land required to deliver the scheme. In parallel construction planning and development with Network Rail and stakeholders will continue to ensure the project can be delivered as soon as practicable.

Projects Shortly Moving into Delivery Phase

30. A number of schemes are at an advanced stage of project development and are expected to have business cases prepared and ready for assurance in the next reporting period (October – December), prior to moving into delivery.

31. Urban Traffic Management and Control (UTMC) Improvement Programme
    Details of the advance phase of works is set out in paragraph 12, and the initial investment in the system and trialling of different technology solutions has helped to define the proposed scope of works to be funded from this project. Progress has been made on developing and costing the proposals and work on the business case has commenced to enable an expansion of the work to date to improve the efficiency and management of the highway network.

32. Connected Autonomous Vehicle Trial
    In March an agreement was reached to approve the delivery of the autonomous vehicle pilot project, subject to approval of the business case. Development work on the Connected and Automated Mobility (CAM) project has continued and procurement for the autonomous vehicles, maintenance and support is now

complete, and a preferred supplier, a global provider of autonomous vehicles, has been identified. The business case is expected to be completed and submitted for appraisal in the October – December period.

Key Highlights for Projects in Development

33. In relation to the other projects identified in Appendix 1, the key points to note are as follows:

34. Eaglescliffe to Northallerton Gauge Clearance
An updated construction feasibility report along with an indicative programme and high-level cost estimates for the works have been produced. Project delivery was due to commence in winter 2025, however the risk noted in the last report around securing the additional DfT Rail Network Enhancements Pipeline (RNEP) funding to deliver to suggested programme has been realised.

35. In early July the Secretary of State for Transport made a statement to the House of Commons outlining a series of road and rail investment schemes. Unfortunately, this project, which provides a great deal of benefit and enables the growth of the transport and logistics sector by upgrading the infrastructure to allow the largest common shipping containers to be carried on trains by the most efficient route, was not included on the list and therefore it is understood that the project is no longer able to access RNEP funding for delivery.

36. In view of the funding invested by TVCA in the project development work to date, it is proposed to continue to work with Network Rail to complete the work commissioned and develop the updated Outline Business Case for the project, alongside work to develop a new funding strategy for the project's delivery. Unfortunately, this is not likely to be an easy or quick process and therefore the £7.1m allocated for the delivery of this project, which needs to be committed by March 2027, will be reallocated to other projects.

37. Middlesbrough station Phase 3
The work being carried out by Network Rail for the development of this project to build a third platform and the associated infrastructure to provide capacity for additional services across Tees Valley and long-distance services is at an advanced stage. Revised cost estimates and delivery programmes have been developed and suggest that construction could start in March 2026.

38. As TCR funding is now confirmed, a funding package is now in place to deliver this project, and therefore the development of the business case has commenced. The outstanding issue is that there is some misalignment between funding availability and the delivery programme / spend profile for the project. TVCA are working with DfT to try to address this to enable investment assurance to take place later in 2025/26, construction to commence as per the programme and the benefits for the rail network to be realised as soon as possible.

39. Town Centre Improvements: Zetland Car Park
At its meeting in June 2025, TVCA Cabinet approved the request for funding required to continue to operate the car park until a decision was taken on its future. Since that date officers have been working to secure a suitable operator for 1

October 2025. This process has been challenging and is currently ongoing. An initial procurement concluded in mid-July and unfortunately produced no bids. However, a preferred contractor willing to provide the required services has now been identified and officers are currently finalising the contractual arrangements to enable the new arrangements to be put in place from 1 October.

40. In parallel, work continues on the detailed options appraisal for the asset, which includes a range of options from disposal to retention and investment in improving the asset as part of Middlesbrough Development Corporation's masterplan for the Station Quarter and TVCA's aspirations for better integrated transport at the station. Cabinet will be asked to consider and agree the options in December when the options assessment work has been completed to an appropriate level of detail.

41. Redcar Central Station Improvements
As highlighted in previous reports, TVCA has an allocation of £3.5m towards improvements at this station and was unsuccessful in trying to secure with Northern Rail an additional £1m for accessibility improvements from Access for All funding. TVCA have now directly commissioned consultants to look at options to take forward this project. Cost estimates and a construction programme will be finalised as part of the project development phase, however, whilst options are being developed early design cost estimates for a completely new bridge and associated works have been provided and included in Appendix 1, which exceed the £3.5m budget allocation. This is the costliest option and includes a significant level of risk and contingency. Updated cost estimates will be provided towards the end of project development work around the turn of the year. It is proposed to try to accommodate this increase in funding from underspends within the rail investment programme and across the CRSTS programme.

42. Active Travel schemes
Good progress continues to be made on the development of these schemes and recent work has included consultation events on a number of schemes during July to provide an update on proposals.

43. Milestones for each of the active travel schemes have been updated to reflect the latest delivery programmes which have been agreed with the respective local highway authorities. The current programme is for a business cases to be produced and submitted for appraisal and assurance of the following schemes by the turn of the year:
    - A68 to Cockerton and Faverdale
    - Middlesbrough, Acklam and Hemlington connectivity (Green Lane and Stainton Way)
    - Norton to Stockton Town Centre
    - A689 Hartlepool to Wolviston
    - Yarm Road to Teesside International Airport
    - Marton Road to Nunthorpe
    - Thornaby to Stockton Town Centre
    - Redcar Town Centre to Teesworks

44. This will enable agreements to be put in place and construction to commence on the majority of the schemes in early 2026 with a target date for completion of all of

the schemes by March 2027. However, indicative delivery programmes are suggesting that the extent of work required may mean that some schemes will run into 2027/28 before completion.

45. There are a couple of schemes which are being developed to slightly different timescales. Progress has been made on the Nunthorpe to Guisborough scheme, although due to the nature of the proposal and the close proximity to an operational railway line the designs are subject to Network Rail approval. Additional time is therefore required and has been built into the programme for this scheme to obtain the necessary statutory approvals and permissions.

46. Whilst the Redcar Town Centre to Teesworks scheme is at an advanced stage of development and is expected to be included in the business case approval submission set out above, it is likely that construction will not be able to commence immediately afterwards. There are already construction works taking place on the highway in and around this area and therefore the interfaces between schemes will need to be managed carefully to minimise disruption to the highway network. A more detailed programme for delivery is currently being developed to provide an updated programme.

47. The Thornaby to Stockton Town Centre project links to improved walking, wheeling and cycling being delivered by Stockton Borough Council as part of a Thornaby Town Deal project and therefore consideration needs to be given as to whether both of these schemes can be delivered concurrently due to the potential impact on the highway network. Discussions are taking place with the local highway authority to agree the programmes for both schemes.

48. Funding allocated for the delivery of the Linthorpe Road Phase 2 scheme is now being reallocated to other schemes within the active travel investment package.

49. Bus Priority Corridors

Aligned to the active travel schemes, progress is also being made on the bus priority corridor projects:

- Branksome to Red Hall Corridor
- Darlington to Middlesbrough Corridor
- Darlington to Durham Corridor
- Middlesbrough to Redcar Corridor
- Middlesbrough to Hartlepool Corridor
- Ingleby Barwick to Middlesbrough Corridor
- Coulby Newham to Middlesbrough Corridor
- Middlesbrough to Netherfields & Overfields Corridor
- Middlesbrough to East Cleveland Hospital Corridor

50. The capital investment programme in the bus priority corridors complements the objectives of the Tees Valley BSIP. As originally proposed the investment programme included a large number of physical improvements to the highway network to help reduce delays and improve bus reliability and performance. However, as outlined elsewhere in this report, the implementation of the Digital Twin Bus Reliability project as part of the UTMC investments, is delivering improvements without the need for physical changes and therefore the extent of

work being proposed is not as extensive as first envisaged. Work is progressing well where improvements are proposed, and a number of schemes are integrated with active travel improvements.

51. This creates an opportunity within the bus investment package for additional investment in other projects linked to the BSIP. Additional funding can potentially be used to improve bus stops across Tees Valley, through a major programme of replacement of the local authority owned and maintained bus shelters (noting that this will be a capital investment programme and therefore the local authorities will still need to maintain these going forward). In addition, at-stop information provision could be enhanced by renewing or expanding what is currently in place, including expanding the provision of real-time passenger information screens.

52. TVCA had commissioned a bus shelter condition survey on all at-stop infrastructure across the whole of Tees Valley and this work has recently been completed. This provides a baseline and enables proposals to be developed for these enhancements. Work is beginning to procure a delivery partner who can work alongside us to develop a delivery programme for the implementation of this element of these projects.

53. Alongside the infrastructure investment, locally funded fare offers to reduce the cost of travel are a key part of the BSIP investment programme to encourage bus usage and provide support for groups of people. Nationally, it was announced by government, as part of the Comprehensive Spending Review, that the £3 fare cap has been extended until March 2027, which provides a good baseline. Locally, the 21 and under fare offer was introduced in June 2024 and funding is available to extend this until at least March 2026. Any further extension will need to be subject to a review of the impact of the scheme, consideration of the amount of funding allocated to Tees Valley and the prioritisation of projects.

54. Additionally, following approval at the cabinet meeting in March, TVCA are also developing a care leavers bus pass offer. This has proved complex to introduce as it will require the establishment of a whole new back-office system to administer the scheme and enable applications to be made by care leavers for a pass. This has required the procurement of a card management system and a process for eligible applicants to be identified. The implementation of the scheme will require local authority support and a small amount of capacity to provide an element of the scheme administration.

55. As BSIP funding is only currently available for 2025/26, the scheme will initially be introduced for a 1-year period, with further extensions subject to additional funding allocations. Once launched, the scheme will enable care leavers across Tees Valley (aged 17-25) to travel for free on local Tees Valley bus services.

56. Teesworks Stations and Transport Hubs
This project comprises a number of individual elements. Proposals have been developed for the re-opening of British Steel Redcar Station, which had services suspended in December 2019, given the need to secure and prevent unauthorised access to the redundant steelworks site. TVCA are working with Network Rail and Northern to re-introduce services to the station which would provide access for those working on the construction of the Net Zero Teesside project and on other

projects on the site. Despite never being closed, the current guidance is that the small-scale improvement work, which would be required to re-introduce services and improve the station will trigger the need for the station to comply with the current station standards for a new station. Given the additional cost, this is likely to make the project unviable. Further discussions are taking place with Network Rail to confirm the requirements from the project.

57. Additionally, the other element to note is the Lackenby Transport Hub proposal which was previously included within the Transport Investment Programme on the basis of providing a facility for lorries which would be required to serve the Electric Arc Furnace proposal. Whilst this project is paused, there remains a need to ensure that there are suitable facilities in the area to support the movement of goods and provide appropriate facilities for HGV lorry drivers to park to mitigate the impact of increased requirements for parking on the highway network. A review of the project scope is currently underway to ensure an appropriate size and scale of development is taken forward to meet the growth needs of the area.

58. Tees Flex

As previously reported the Tees Flex capital project remains on hold. The current Tees Flex model is being contracted as a revenue project, using BSIP 2025/26 money and the additional one-off allocation of TVCA funding agreed by Cabinet in March 2025. This has enabled Tees Flex to be contracted until at least March 2026. Further detail is currently awaited on the BSIP allocations from 2026/27 onwards and it is expected that this may be announced in October. Work has already started to identify potential different funding scenarios and review how this may be best utilised to deliver our BSIP aspirations.

59. Tees Flex has been operated using revenue funding since its inception in March 2020 and this is the preferred delivery model moving forward with the operator paid to run the service and provide the vehicles. With only 18 months remaining of the CRSTS programme, in view of spend pressure on other parts of the programme, it is proposed to formally reallocate this funding to other schemes within the CRSTS Capital Programme.

60. Wheels to Works Scheme

In September 2024, Cabinet agreed to extend the scheme for one year at an estimated cost of almost £220k of revenue funding. The CRSTS capital allocation was envisaged to enable replacement of the wheels to work vehicle fleet in 2024 to enable the scheme to continue in operation, but this has not proved necessary.

61. With uncertainty over future revenue funding for the delivery of this scheme, and the relatively high costs and low numbers of beneficiaries despite the best efforts of all parties, it was difficult to justify a further continuation of the scheme. A proposal was submitted by Redcar and Cleveland Voluntary Development Agency (RCVDA), our delivery partner, to continue delivery after September 2025 without TVCA funding. Having considered a number of options this was deemed to be the best option going forward.

62. This proposal requires the transfer of the e-motorbikes and e-cycles from TVCA to RCVDA. The vehicles have no residual asset value due to their age, and therefore legally can be transferred for a nominal sum. Both organisations are currently

working together to put in place the necessary arrangements to enable this to happen and for the scheme to continue from 1 October 2025.

63. Overcoming Transport Barriers to Employment
It continues to be recognised that there are parts of Tees Valley where there are issues of connectivity and transport barriers to employment exist. With the emerging priorities and objectives of the Local Growth Plan, there is a need to identify appropriate options for projects that can address these transport barriers. Work is currently underway to build the evidence base and understanding of the issues at a granular level.

64. When the Transport Investment Programme was agreed by Cabinet in January 2024 this project was allocated £10m of funding to addressing this issue. However, the Transport in City Regions funding has now been confirmed as an infrastructure investment capital programme and the type of projects likely to be identified for delivery as part of this project are anticipated to be predominantly revenue projects requiring on-going annual funding. Further information will be provided regarding this to a future Cabinet meeting when more work has been carried out.

FINANCIAL IMPLICATIONS

CRSTS Programme (April 2022 to March 2027)

65. TVCA continues to report to the Department of Transport progress on the delivery of the agreed £310m CRSTS1 Programme on a quarterly basis. As anticipated from the outset of the programme, there is a significant level of spend and project delivery in 2025/26 and 2026/27 as a culmination of the development work which needed to take place in earlier years.

66. As identified above there are several projects where current estimated costs are above the project allocations, and this is being carefully monitored to ensure it can be managed within the budget envelope and overprogramming. There are also some projects that are currently expected to require less money than allocated, although this will only be confirmed when updated cost estimates are produced and ultimately when contract prices are known and risk and contingency levels are reduced. Overall, TVCA is managing these changes with DfT and within the parameters of the programme.

67. Currently, no formal guidance has been made available by DfT regarding the interface between the CRSTS and TCR programmes, although this is currently anticipated to be available in early September. It has been indicated that there is expected to be some flexibility between the two funding streams with delivery of CRSTS schemes potentially extending beyond March 2027 and delivery of TCR schemes potentially commencing before April 2027. In view of the blurring of the boundaries between schemes considered CRSTS funded and those considered TCR funded it is proposed to start to align the processes.

68. Accordingly, it is proposed to update the delegation made by Cabinet in January 2024, in relation to the £1bn CRSTS transport Investment programme. The recommendation which was agreed was that Cabinet:

Delegates authority to the Director of Infrastructure to take all decisions required to progress delivery of business cases for each project within the approved funding allocations. In accordance with the Tees Valley Assurance Framework, the approval of business cases is delegated to the Tees Valley Combined Authority Chief Executive, in consultation with the Tees Valley Management Group, and the Tees Valley Combined Authority Section 73 Officer and Monitoring Officer.

69. The revised delegation would extend the scope to include the £310m of CRSTS projects as well as £1bn of projects which are part of the TCR programme. This report therefore seeks approval from Cabinet to delegate authority to the (Interim) Director of Infrastructure to take all decisions required to progress delivery of business cases for each project within the approved CRSTS / TCR programme in consultation with TAG / TVMG. In accordance with the Tees Valley Assurance Framework, the approval of business cases is delegated to the Tees Valley Combined Authority Chief Executive, in consultation with the Tees Valley Management Group, and the Tees Valley Combined Authority Section 73 Officer and Monitoring Officer.

70. Agreement to this will provide a consistent approach between the two funding streams in relation to the approval processes for work required in advance of business cases. As currently, if approved, any decisions made under this delegation will be reported to Cabinet on a quarterly basis as part of this report.

71. As outlined above and in Appendix 1, there are a number of projects which are at an advanced stage of development and could be accelerated, to realise the benefits sooner if resourcing constraints can be resolved. TVCA are working with DfT to try to resolve this.

TCR Programme (April 2026 to March 2032)

72. The TCR funding allocation is profiled over the funding period from April 2026 as follows:

	2026/27 £m**	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m	2031/32 £m	Total
Capital	7.374	117.196	147.618	192.197	229.481	222.134	916.000
Revenue	2.896	11.874	11.874	11.874	11.874	11.608	62.000
Total	10.270	129.070	159.492	204.071	241.355	233.742	978.000

** N.B. The funding in 2026/27 is in addition to the current CRSTS (2022/23 – 2026/27) programme

73. Clarification has been sought from DfT in relation to the revenue funding allocation and it has been confirmed that this money is to be used for infrastructure project development work only and not for the delivery of services. So, for example, the funding cannot be used to fund additional bus services. As highlighted above in paragraphs 63 and 64, this is a potential constraint in developing a programme to overcome transport barriers to employment linked to the emerging Tees Valley local growth plan.

74. TVCA is continuing to use funding available, including CRSTS funding, to continue to develop the investment pipeline programme as agreed by Cabinet in January 2024, in advance of TCR money becoming available from April 2027. As outlined above there is funding allocated in 2026/27 but given the amount of money this is likely to be predominantly used for further project development work ahead of delivery in April 2027. However, by looking at the overall funding from CRSTS and TCR and proposed timescales for projects, this is not anticipated as being a barrier to delivery and can be managed even where acceleration of delivery is proposed.

Transforming Cities Fund Guidance

75. A letter has been received from DfT setting out guidance on the Transforming Cities Fund.

76. Areas will receive a Consolidated Mayoral Transport Pot, consolidating TCR funding with wider transport funding. Transport outcomes are expected to align with priorities set out in areas' Local Transport Plans and the Governments emerging Integrated National Transport Strategy.

77. TCR objectives include a focus on modal shift towards public transport and active travel. However, it is noted and recognised by DfT that some areas will need to invest in local highway capacity to deliver economic growth and unlock housing.

    Summary headlines from the letter are detailed below:

    - The Tees Valley will receive a Consolidated Mayoral pot. The pot will include
        - TCR funding
        - Local highway Maintenance pot
        - Local Transport Enhancements funding
    - TCR objectives include a focus on a modal shift towards public transport and active travel
    - Plans should allocate no more than 10% of funding to local highways schemes
    - The use of TCR funding should not increase carbon emissions from transport
    - Projects over £50m will still require DfT oversight/approval.
    - TCR Revenue funding needs to be accounted for to DfT
    - Local contribution requirement - Amount will be through negotiation with HMG. HMG appreciate that different areas have differing abilities to raise local contributions and that a one size fits all, does not apply.
    - More flexibility in the transition between CRSTS and the TCR funding periods
    - Details on the governance and process around the Consolidated Mayoral Pot

    The Tees Valley TCR programme has more than the 10% of its funding allocated to local highways schemes to deliver on its local priorities. TVCA officers have raised this with DfT. DfT are aware of this and have confirmed that they open to a conversation in relation to our programme.

    TVCA and Local Authority partners will work together to produce a briefing note/internal risk assessment and undertake scenario planning of which projects could

be affected by the guidance. It is proposed that TVMG leads on this ahead of a meeting being arranged with DfT.

MSAs have given initial feedback to DfT on the letter and further guidance is expected in due course.

TCR development funding expenditure

78. At the TVCA Cabinet meeting on 26th January 2024 the following was approved in relation to expenditure committed to date to develop the TCR project pipeline: *Delegates authority to the Director of Infrastructure to take all decisions required to progress delivery of business cases for each project within the approved funding allocations.*

79. There have been no decisions in relation to this funding in the reporting period.

Bus Service Improvement Plan (BSIP) funding 2025/26

80. To complement the capital investments in relation to bus, the BSIP funding is being used to deliver a programme of activity. As set out in the March 2025 Cabinet Report this has been supplemented by a one-off investment of TVCA resources to enable the introduction of the care leavers pass.

81. In the delegated decision of 17th February 2025 (Appendix 4 of the March 2025, Transport Programme Update Cabinet report), in addition to firm commitments, a number of provisional allocations were made for the delivery of projects. The additional work to confirm these details have now been completed and an additional delegated decision has been agreed. A copy of this is provided in Appendix 2. This sets out how the £7.278m (including £125k Capacity and Capability money) and the additional funding has been used to support the aspirations of the Tees Valley BSIP and fund the following interventions:

    Sustainable Network for the future

    - Committed £4.2m to continue a number of supported services by extending existing contracts until March 2026 and support a number of additional services which were proposed to be cut following the increase in employer's National Insurance contributions which made the services not commercially viable.
    - In addition, Darlington Borough Council have secured section 106 funding for a further enhancement to service 6/6A, meaning that TVCA have been able to add to the existing supported service and it now operates on an evening and on a Sunday.

    Enhanced customer experience

    - Committed £75k to continuing to improve information provision at bus stops (this will be complemented by proposed investment in the bus stop infrastructure using CRSTS funding).
    - Committed £125k of the separate Capacity and Capability allocation to fund the Connect Tees Valley service to support the provision of passenger information at-stop about changes to scheduled bus services due to, for example, roadworks or unplanned / reactive events.

- Committed £15k to passenger engagement through the Transport Focus survey.

Fare Offer

- Committed £2.71m to the continuation of the U21 fares offer, which started in June 2024 and is now funded until at least March 2026. At the time of writing this report, TVCA are currently agreeing this scheme extension with the local bus operators.
- Committed funding to the introduction of a care leaver pass.
- The allocations to fares offers also include budget for marketing and promotion.

82. In addition, TVCA manage the English National Concessionary Travel Scheme for the Tees Valley, with funding coming from the Local Authorities. For 2025/26 the cost of this is £105k including consultancy support, and local enhancements to the statutory ENCTS offer.

CRSTS revenue funding expenditure

83. At the TVCA Cabinet meeting on 28 March 2025 the following was approved in relation to the £8.51m of CRSTS revenue funding that has been allocated to TVCA for 2025/26: *Delegates authority to the Director of Infrastructure to take all decisions required to manage the CRSTS revenue funding for 2025/26 to support the development and delivery of the transport capital investment programme, in accordance with the grant conditions and agreement of the Department for Transport.*

84. As outlined in Appendix 3, expenditure has been committed to develop the following project:

Reference number	Project name and description	Amount authorised
CF20-2025	LEVI Procurement and Technical Support TVCA successfully obtained £6.5m Local Electric Vehicle Infrastructure (LEVI) funding from Government to provide a step change in on street EV charging infrastructure in the region. The LEVI contract will be procured on a concessionary basis, with a significant amount of private sector investment expected by the charge point operator, subsidised by LEVI funding. TVCA require specialist technical support in two areas in relation to the LEVI project. 1. Procurement Support is required with the following: • Answering clarification questions received from bidders relating to technical requirements	£150,000

	• To act as an evaluator for the procurement submissions. • To provide technical advice/guidance to TVCA evaluators There is a need to put this arrangement in place in advance to enable the LEVI Charge Point Operator procurement to commence by the end of September to meet funding timescales. 2. <u>Technical support for TVCA during the initial roll out of the LEVI contract</u> Construction (Design and Management) Regulations – Client support TVCA will require ongoing support and guidance in relation to CDM to cover the following: • Discharge of client CDM duties on behalf of the TVCA. • Support with review of risk assessments and other documentation submitted to TVCA by the CPO under the concession contract. Technical Specialist Advisor support to TVCA to assist contract management for the LEVI concession contract • Support with the assessment of site assessments submitted by the CPO under the concession contract, including in relation to cost estimates and request for LEVI subsidy, reviewing the outputs of the charge point operator's Equality Impact Assessment, outputs of fire and flood risk assessments, and outputs of lighting assessments. • Supporting with the tracking of some key performance indicators. • Ad hoc support and advice to TVCA in relation to technical aspects of the project.	

Consolidated Active Travel Fund 2025

85. Also at the TVCA Cabinet meeting on 28th March 2025 the following was approved in relation to the Consolidated Active Travel Fund (which comprises £560,501 of revenue and £1,913,379 of capital money) that has been allocated to TVCA for 2025/26: *Delegates authority to the Director of Infrastructure to take all decisions required to manage the Consolidated Active Travel Fund allocation for 2025/26, in consultation with Tees Valley Management Group / Transport Advisory Group.*

86. No decisions have been made in this period.

87. However, in addition to the Consolidated Active Travel Fund money an additional £810,303 has been allocated from Active Travel Fund money. It is proposed that this money should be considered as part of the Consolidated Active Travel Fund and the updated total value for 2025/26 is £2.724m Capital and £0.561m.

Pavement Channels Grant

88. The Government have launched a capital grant for additional support in deploying EV charging infrastructure, especially for residents without off-street parking, with a specific focus on delivering cross-pavement channels. This is a specific solution and complements the work already taking place in relation to the development of the LEVI project currently in development. Cross pavement solutions have been trialled in Middlesbrough and Hartlepool over recent months as potential solutions to the challenges of providing on-street infrastructure solutions. TVCA will work with the local authorities to develop and deliver a programme of improvements across Tees Valley.

89. This report seeks approval from Cabinet to delegate authority to the Interim Director of Infrastructure to take all decisions required to manage the £479k Pavement Channels Grant funding for 2025/26, in consultation with Tees Valley Management Group / Transport Advisory Group. It is proposed that the funding will be used to support the delivery of the Electric Vehicles Infrastructure theme of the transport investment programme, particularly with reference to the LEVI programme, and in accordance with the grant conditions and agreement of Department for Transport.

LEGAL IMPLICATIONS

90. There are not considered to be any legal implications arising from the recommendations in this report. All procurements have been carried out in accordance with the relevant guidance and legislation.

91. The legal implications relating to the transport programme have been detailed to Cabinet in previous reports. Where there are likely to be legal implications for individual projects, appropriate legal advice will be sought as required.

RISK ASSESSMENT

92. Risk registers have been developed at a programme level for each of the major funding streams. Detailed risk registers at a project level have then been developed by TVCA and / or delivery partners, including the local highway authorities and Network Rail as projects have developed and matured. These are considered and included within business cases prior to investment decisions being made. Risk registers are used by project managers to manage and mitigate risks through the project lifecycle.

CONSULTATION AND COMMUNICATION

93. As reported previously, TVCA continues to engage closely with each local authority on the development and delivery of highway schemes, given their role as local highway authority. Non-statutory consultation on the CRSTS funded active travel schemes is underway. Consultations for the Green Lane, Stainton Way and Wynyard to Hartlepool schemes were held in July and were well attended have already taken place with consultations for the remaining schemes expected to take place from September through to December 2025.

94. Mechanisms are in place to ensure ongoing engagement with local authorities and key stakeholders, including Teesside International Airport, Network Rail, National Highways and South Tees Development Corporation on the programme. Additional public consultation and engagement will take place as schemes reach an appropriate level of design and development maturity to enable this to take place in a meaningful way.

EQUALITY AND DIVERSITY

95. Two of the high-level Strategic Transport Plan outcomes, which the transport programme has been designed to deliver on, relate to equality and diversity:
- Improve access for those with physical disabilities, mental health conditions, learning difficulties and those with sensory impairment.
- Improve equality of opportunity for remote and deprived communities and enhance health and wellbeing.

96. As each project is developed, the equality impacts will be fully considered through Equality Impact Assessments and appropriate mitigations will be implemented. All procurement specifications will include a requirement to consider the equality impacts as projects are developed.

97. TVCA is already effectively applying this approach in delivering the current transport programme, including engagement with local and national bodies representing the different protected characteristics.

Appendices

Appendix 1 – Transport Capital Investment Programme – Project Summary
Appendix 2 – Delegated Decision, Bus Service Improvement Plan (BSIP) funding allocations for 2025/26
Appendix 3 – CRSTS Revenue Record of Expenditure

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Agenda Item 9, Appendix 1

Report to the TVCA Cabinet

26 September 2025

Report of the Interim Director of Infrastructure

Transport Capital Investment Programme – Project Summary

The following table sets out a brief summary position for each of the projects that are part of the Transport Capital Investment Programme. The majority of the programme is funded from Transforming Cities Fund (TCF) / City Region Sustainable Transport Settlements (CRSTS1) although projects funded from other monies are also included, including those identified within the Transforming City Regions (TCR) programme (formerly the CRSTS2 programme). The project development / construction start / end dates and programme delivery assessment reflect the approach reported to the Department for Transport (DfT) on a quarterly basis for the CRSTS1 programme. The assessment uses the following key:

	Definition
Completed	Project has been completed
Very Likely	Successful delivery to time, cost and quality appears very likely as there are no major outstanding issues that at this stage appear to threaten delivery.
Likely	Successful delivery appears likely, however, constant attention will be needed to ensure risks do not materialise into major issues threatening delivery.
Feasible	Successful delivery appears feasible but significant issues already exist requiring management attention. These appear resolvable at this stage and if addressed promptly, should not present a cost/schedule overrun.
Unlikely	Successful delivery is unlikely, with major risks or issues apparent in a number of key areas. Urgent action is needed to ensure these are addressed and assess whether resolution will be subsequently feasible.

	Definition
Very Unlikely	Successful delivery appears to be very unlikely. There are major issues on definition, schedule, budget required, quality or benefits delivery, which do not appear to be manageable or resolvable. May need overall viability re-assessment.
On Hold	Work has been placed 'On Hold' or Discontinued

Where projects have not yet reached a sufficient level of development maturity to confirm dates for the start and end of construction then target dates are included within the table and are shown in italics. These will be updated as delivery programmes are signed off.

The funding / cost deliverability assessment reflects the confidence in being able to achieve the deliverables within the funding allocation available for the project and includes whether the funding is secured or indicative.
The funding / cost deliverability assessment uses the following key:

	Definition
Green	Estimated cost to deliver the project is reasonably robust and the funding is secured to deliver the project
Green / Amber	Either, there is some uncertainty around the estimated cost to deliver the project or additional funding needs to be secured to deliver the project and there is some uncertainty that this can be achieved
Amber	Either, there is a risk around the estimated cost to deliver the project or additional funding needs to be secured to deliver the project but there is a significant risk that this cannot be achieved
Amber / Red	Either, there is a significant risk around the estimated cost to deliver the project or additional funding needs to be secured to deliver the project and there is a significant risk that this cannot be achieved
Red	The estimated costs to deliver this project means that there is not currently a funding package in place

In the following report these abbreviations are used:

TCF	Transforming Cities Fund	Transforming Cities Fund was devolved funding received by TVCA for delivering transport projects. Originally due to end in March 2023, this programme was subsequently rolled into the CRSTS1 programme.
CRSTS1	City Region Sustainable Transport Settlement: Tranche 1 (2022-2027)	£310m programme of projects agreed with government. Programme includes agreed over-programming to provide flexibility should there be slippage of some projects.

TCR (formerly CRSTS2)	Transport for City Regions (2027-2032) (formerly City Region Sustainable Transport Settlement: Tranche 2 (2027-2032))	£978m funding programme announced by government. The funding has now been confirmed by government but detailed guidance not yet issued. TVCA Cabinet agreed an outline programme in January 2024.
LUF	Levelling Up Fund	£17.8m of funding secured through a competitive bidding process to deliver a programme of active travel projects agreed with government. TVCA contributing £3.0m for match funding
ATF	Active Travel Fund	There have been a number of rounds of Active Travel England's capital investment programme from which TVCA have secured funding to deliver a number of different schemes
ATCF	Active Travel Capability Fund	There have also been a number of rounds of Active Travel England's Capability Fund which is a revenue investment programme to support the capital investment programme. TVCA have secured allocations from each round to support a programme of behaviour change activity.
RNEP	Rail Network Enhancements Pipeline	This is the government's funding pot to deliver improvements to the rail network. Working with Network Rail, TVCA have successfully secured funding for Darlington Station and have an allocation to the gauge clearance project.
GBF	Getting Building Fund	£9.65m was secured when the government announced in 2020 the Getting Building Fund to support the delivery of shovel-ready infrastructure projects to boost economic growth, and fuel local recovery and jobs following the pandemic.
TSOG	Traffic Signals Obsolescence Grant	This funding was secured through a competitive funding bid and will enable the replacement and updating of the oldest traffic signals in Tees Valley. This is linked to the Urban Traffic Management and Control (UTMC) system and projects.
ORCS	On-Street Residential Chargepoint Scheme	This funding was secured to support the initial phase of Electric Vehicle Charging Infrastructure rolled-out by TVCA.
LEVI	Local Electric Vehicle Infrastructure	£6.5m of funding was secured from this programme to support the roll-out of electric vehicle infrastructure predominantly in residential areas with on-street parking.
ZEBRA	Zero Emission Bus Regional Area	£7.8m of funding was secured from this programme to support major investment by Arriva and Stagecoach to roll-out electric buses on a number of routes in Tees Valley.

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
Rail Programme									
Hartlepool Station platform reinstatement Re-opening the disused platform and constructing a new footbridge / lifts.	Complete	✓	✓	✓	✓	Completed	**£13.5** allocated from £1.5 TCF +£12.0 CRSTS1	**£13.5**	N/A
Billingham Station Installing a new footbridge to replace the previous life-expired one and lifts, along with reconfiguring current car parking.	Complete	✓	✓	✓	✓	Completed	**£1.0** allocated from £0.9 TCF +£0.1 CRSTS1	**£3.8** includes £0.2 SBC + £2.6 Network Rail / Access for All (both secured)	N/A
Middlesbrough Station Phase 1 Platform extension to enable the introduction of London LNER service	Complete	✓	✓	✓	✓	Completed	**£72.2** allocated from £9.3 TCF +£13.2 CRSTS1 +£40 TCR and additional money secured: £9.7 from GBF	**£77.5** includes £5.3 Network Rail (secured)	N/A
Middlesbrough Station Phase 2 Redevelopment of station Undercroft to create new entrance and business units	Delivery	✓	✓	✓	*Target date Was June 2025 now Nov 2025*	**Feasible** Network Rail now have a plan with their main contractor and a proposed timeframe to resolve the issues which are delaying completion.			**Green / Amber** Unforeseen delays to construction completion have potential cost implications – in discussion with Network Rail to mitigate impact on TVCA

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
Middlesbrough Station phase 3 Construct a new 3rd platform to improve capacity and resilience	Development	✓	August 2025	*Target date Jan 2026*	*Target date May 2027*	**Likely** Now TCR funding has been confirmed there is a potential opportunity to accelerate the delivery of this project. Construction programme is being reviewed and finalised as part of project development phase.			**Green / Amber** Cost estimate to be updated at the end of the current phase of feasibility work. TCR funding now confirmed so exploring the potential of funding being brought forward to enable investment assurance to take place later in 2025/26.
Eaglescliffe Station New footbridge and lifts to improve accessibility and create new station entrance to the west to access new car park and industrial park beyond	Delivery	✓	✓	✓	Jan 2026	**Very Likely** Project delivery has commenced and is in line with revised construction programme	**£8.8** allocated from £1.8 TCF +£7.0 CRSTS1	**£15.3** Includes £7.5 Network Rail / Access for All Funding (secured). In addition SBC are investing £2m on the new western station car park	**Green** Delivery contract with Network Rail has been signed and project is expected to be delivered to budget.
Darlington Station Eastern Gateway TVCA-led contract to construct new station shell, MSCP and transport interchange with associated highway works	Delivery	✓	✓	✓	Dec 2025	**Likely** Project delivery has commenced there are some risks to the construction programme. Final approvals for the highway works are	**£44.1** allocated from £25.0 TCF +£8.0 CRSTS1 and additional money secured: £8.8 RNEP	**£140.3** Includes £96.2 RNEP to Network Rail (secured)	**Amber** Work on site is progressing well with the main contract. There remain some cost risks particularly around the rail industry interfaces and specifications. In addition there are cost pressures

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
						in the process of being agreed	+£1.0m Darlington Borough Council's Town Deal +£1.3 ATF		around the extent of the highway works that are required as part of the planning approval.
<u>Darlington Station Western Gateway</u> TVCA-led enhancement to the western gateway to provide transport interchange facilities for the bus network serving the western side of the town and a key active travel gateway to the town centre	Delivery	✓	✓	✓	*Target date was Dec 2025 now Jan 2026*	**Likely** Demolition work has commenced. Construction programme currently being finalised as part of project development phase. Interfaces with LNER work to the station Porte Cochere are being managed			**Amber** Updated cost estimates have been received but a risk remains until the completion of the detailed design.
<u>Darlington Station Rail Enhancements</u> Fit out of new station and construction of two new platforms	Delivery	✓	✓	✓	Dec 2025	**Very Likely** Project delivery has commenced and is in line with construction programme	£0		**Green** Network Rail managing the risk of this element of the project with no financial risk to TVCA; however, Network Rail are also facing their own cost pressures which they are currently working through.
<u>Teesside Airport Station Phase 1</u> Demolition of existing platforms due to H&S risk	Complete	✓	✓	✓	✓	**Completed** Phase 1 completed using £1m TCF	£21.0 allocated from £1.0 TCF	£21.0	N/A

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
							+£20.0 TCR		
Teesside Airport Station Phase 2 New station built at Teesside Airport to modern standards with a regular train service stopping	Early Development	✓	*Target date Aug 2026*	*TCR funding start date* Apr 2027	*Target date Mar 2029*	**Likely** Now TCR funding has been confirmed there is a potential opportunity to accelerate the delivery of this project. Construction programme is being reviewed and finalised as part of project development phase.			**Green / Amber** Based on previous work and cost estimates this is likely to be deliverable within this budget allocation. Funding for the delivery of this project is from the TCR allocation
Redcar Central Station Improvements Construction of a new footbridge compliant with modern accessibility standards, to complement the old station project regeneration project	Early Development	✓	*Target date was Aug 2025 now Jan 2026*	*Target was Oct 2025 now Feb 2026*	*CRSTS1 funding end date Mar 2027*	**Likely** Development programme received from the consultants working on this project. Construction programme to be finalised as part of project development phase	**£3.5** allocated from CRSTS1	**£8.0m** Was £4.5. Updated cost estimate includes significant risk and contingency budget at this design stage	**Amber / Red** Updated cost estimates will be available towards the end of project development work. Seeking to increase funding available for this project from underspends in other parts of the CRSTS programme.
Station Accessibility and Modal Integration Enhancements	Early Development	✓	Dec 2025	*Target date*	*CRSTS1 funding*	**Likely** Development programme to be	**£9.5** allocated from CRSTS1,	**£9.5**	**Green** Early estimates for each station to be updated /

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
to make improvements at a number of stations across Tees Valley including potential improved cycling and parking infrastructure, pedestrian accessibility, bus connectivity and car parking facilities. This package includes:				*Jan 2026*	*end date Mar 2027*	confirmed. Construction programme to be finalised as part of project development phase	including £1.5m allocated to Darlington North Road station – see below		provided at the end of the current phase of feasibility work. Work to be prioritised and scoped to budget.
<u>Darlington North Road Station</u> Station improvements and upgrade to meet current station accessibility requirements building on the work carried out as part of the Hopetown improvements	Development	✓	*Target date June 2025*	*Target date Nov 2025*	*Target date Apr 2026*	**Likely** Indicative programme is in place which will be refined as development progresses	**£1.5** allocated from Station Accessibility and Modal integration Enhancements Package	**£1.5**	**Green / Amber** Cost estimate to be updated at the end of the current phase of development work
<u>Deliver infrastructure to enable direct trains between Darlington and Hartlepool</u> Identify and deliver the infrastructure required to enable a direct rail service to be introduced between Darlington and Hartlepool. The work will also demonstrate the viability of running a new service.	Early Development	✓	*Target date Mar 2027*	*Target date Apr 2027*	*Target date Mar 2030*	**Likely** Timetabling work is to be completed in August which will identify infrastructure improvements required to deliver this service enhancement. Development programme to be confirmed when procurement is	**£40.0** allocated from TCR	**£40.0**	**Green / Amber** Cost estimates will be obtained through initial development work but assumed at this stage that budget will be sufficient. Funding for the delivery of this project is from the TCR allocation

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
						completed. Construction programme to be finalised as part of project development phase			
<u>Middlesbrough to Nunthorpe rail enhancements feasibility study</u> Develop an Outline Business Case for enhancements to the Middlesbrough to Nunthorpe route to facilitate an increase in the frequency of trains on the line. The work will also need to demonstrate the viability of running an enhanced service.	Early Development	✓	*Target date Mar 2026*	N/A	N/A	**Likely** Now TCR funding has been confirmed this work will be procured. Delivery programme to be finalised once procurement completed	**£1.0** allocated from TCR	**£1.0**	**Green** Based on similar previous work this is likely to be deliverable within this budget allocation. Funding for the delivery of this project is from the TCR allocation but seeking to use CRSTS1 funding to carry out project development work
<u>East Cleveland Rail Feasibility Study</u> Build upon previous feasibility work to determine the viability of re-introducing passenger services on the Saltburn to Boulby freight line in East Cleveland.	Early Development	✓	Phase 1 Detailed Study May 2025 now August 2025	N/A	N/A	**Very Likely** Further work may need to be commissioned following detailed feasibility study	**£1.0** allocated from TCR	**£1.0**	**Green** Funding for the delivery of this project is from the TCR allocation but CRSTS1 funding has been used to carry out initial project development work. Initial consultancy commission has committed some budget but a large amount remains for commissioning any further follow-on work

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
Improving freight access to the rail network Explore opportunities in and around the existing rail network to identify any improvements that are needed to support rail freight growth.	Early Development	✓	*Target date Mar 2027*	*Target date Apr 2027*	*TCR funding end date Mar 2032*	**Likely** Development programme to be confirmed when procurement completed. Construction programme to be finalised as part of project development phase	£35.0 allocated from TCR	£35.0	**Green / Amber** Cost estimates will be obtained through initial development work. Potential for work to be prioritised and scoped to budget. Funding for the delivery of this project is from the TCR allocation
West Dyke Road, Redcar feasibility study To consider whether there is an alternative to the current level crossing at West Dyke Road or at any alternative locations along the line	Early Development	✓	*Phase 1 feasibility study target date August 2025*	N/A	N/A	**Very Likely** Development programme for phase one set through procurement	£1.0 allocated from TCR	£1.0	**Green** Funding for the delivery of this project is from the TCR allocation but CRSTS1 funding has been used to carry out initial project development work. Based on similar previous work this is likely to be deliverable within this budget allocation.
Eaglescliffe to Northallerton Gauge clearance To provide a more direct W12 gauge cleared route to the East Coast Main Line (ECML) to enable more freight to be moved efficiently by rail, particularly between the Northallerton and Stockton Cut Junction	Development	✓	Preferred Option Report Sept 2025	*TBC*	*TBC*	**Very Unlikely** Time now needs to be spent considering alternative funding strategies to deliver this project.	£7.1 allocated from CRSTS1	£27.1 assumed c£20m RNEP to Network Rail (subject to Business Case) however, this project has now been removed from the RNEP projects list	**Red** Delivery of this project was dependent upon securing DfT Rail Network Enhancements Pipeline (RNEP) funding. Alternative funding strategy now required.

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
Electrification Feasibility Study To develop a business case for the electrification of the Tees Valley rail network to enable passenger service enhancements and decarbonise freight	Early Development	✓	*TBC*	N/A	N/A	**Likely** Development programme to be finalised once proposal agreed with Network Rail for the delivery of an initial scope of work	**£3.0** allocated from TCR	**£3.0**	**Green / Amber** Funding for this project is from the TCR allocation but CRSTS1 funding has been used to carry out initial project development work. Initial commission is likely to be well within budget. The amount required to commissioning further follow-on work is unknown but a large amount remains available
Line Speed & Capacity Improvements to review and prioritise the pinch point locations were infrastructure improvements are needed.	Early Development	✓	*TBC*	*TBC*	*TBC*	**On Hold** Timetabling work is to be completed in August which will identify line speed improvements required to deliver service enhancements.	**£10.0** allocated from CRSTS1	**£10.0**	**Green** Funding allocated to this project is being used to advance the development of a number of linked TCR projects
Rail Devolution proposition develop a proposition, which articulates the case for change, sets out how rail devolution could work in the Tees Valley and provides a detailed financial assessment / commercial model.	Early Development	✓	*TBC*	N/A	N/A	**On Hold** Procurement of support for this project has been paused awaiting further clarity on the government's rail policy	**£5.0** allocated from TCR	**£5.0**	**Green / Amber** Cost estimates will be obtained prior to any development work. Working collaboratively with neighbouring Combined Authorities to articulate shared rail priorities to government. Funding for the delivery of this

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
									project is from the TCR allocation
Bus									
Branksome to Red Hall Corridor Delivery of a number of schemes along this route to improve bus reliability / prioritisation / journey time improvements.	Development	✓	Was Nov 2025 now January 2026	Was Jan 2026 Now Feb 2026	Target date Mar 2027 potential to slip beyond	Very Likely Construction programme has been updated will be finalised as part of project development phase. This project interfaces with other schemes and therefore to minimise disruption to the highway network, delivery timeframes need to be co-ordinated	£6.2 allocated from CRSTS1	£6.2	Green / Amber Updated design cost estimate due shortly for the individual improvement proposals / schemes within this programme for the corridor. Bus reliability improvements being delivered by the digital twin project is reducing the need for physical works. Potentially, the underspends on this project to be reallocated to contribute to other BSIP objectives
Darlington to Middlesbrough Corridor Delivery of a number of schemes along this route to improve bus reliability / prioritisation / journey time improvements.	Development	✓	Was Nov 2025 now January 2026	Was Jan 2026 Now Feb 2026	Target date Mar 2027 potential to slip beyond	Very Likely Construction programme has been updated will be finalised as part of project development phase. This project interfaces with other schemes and therefore to minimise disruption to the highway network, delivery	£0	£0	Green / Amber All intervention locations identified on this corridor are also on other identified priority corridors and therefore no costs are attributed to this project. However, Updated design cost estimate due shortly for the individual improvement proposals / schemes within this programme for the corridor. Bus reliability improvements being delivered by digital twin

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
						timeframes need to be co-ordinated			is reducing the need for physical works. Potentially, the underspends on this project to be reallocated to contribute to other BSIP objectives
Darlington to Durham Corridor Delivery of a number of schemes along this route to improve bus reliability / prioritisation / journey time improvements.	Development	✓	Was Nov 2025 now January 2026	Was Jan 2026 Now Feb 2026	Target date Mar 2027 potential to slip beyond	Very Likely Construction programme has been updated will be finalised as part of project development phase. This project interfaces with other schemes and therefore to minimise disruption to the highway network, delivery timeframes need to be co-ordinated	£4.0 allocated from CRSTS1	£4.0	Green / Amber Updated design cost estimate due shortly for the individual improvement proposals / schemes within this programme for the corridor. Bus reliability improvements being delivered by digital twin is reducing the need for physical works. Potentially, the underspends on this project to be reallocated to contribute to other BSIP objectives
Middlesbrough to Redcar Corridor Delivery of a number of schemes along this route to improve bus reliability / prioritisation / journey time improvements.	Development	✓	Was Nov 2025 now January 2026	Was Jan 2026 Now Feb 2026	Target date Mar 2027 potential to slip beyond	Very Likely Construction programme has been updated will be finalised as part of project development phase. This project interfaces with other schemes and therefore to minimise disruption	£6.9 allocated from CRSTS1	£6.9	Green / Amber Updated design cost estimate due shortly for the individual improvement proposals / schemes within this programme for the corridor. Bus reliability improvements being delivered by digital twin is reducing the need for physical works. Potentially, the underspends on this project to

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
						to the highway network, delivery timeframes need to be co-ordinated			be reallocated to contribute to other BSIP objectives
Middlesbrough to Hartlepool Corridor Delivery of a number of schemes along this route to improve bus reliability / prioritisation / journey time improvements.	Development	✓	Was Nov 2025 now January 2026	Was Jan 2026 Now Feb 2026	Target date Mar 2027 potential to slip beyond	Very Likely Construction programme has been updated will be finalised as part of project development phase. This project interfaces with other schemes and therefore to minimise disruption to the highway network, delivery timeframes need to be co-ordinated	£14.6 allocated from CRSTS1	£14.6	Green / Amber Updated design cost estimate due shortly for the individual improvement proposals / schemes within this programme for the corridor. Bus reliability improvements being delivered by digital twin is reducing the need for physical works. Potentially, the underspends on this project to be reallocated to contribute to other BSIP objectives
Ingleby Barwick to Middlesbrough Corridor Delivery of a number of schemes along this route to improve bus reliability / prioritisation / journey time improvements.	Development	✓	Was Nov 2025 now January 2026	Was Jan 2026 Now Feb 2026	Target date Mar 2027 potential to slip beyond	Very Likely Construction programme has been updated will be finalised as part of project development phase. This project interfaces with other schemes and therefore to minimise disruption to the highway	£1.7 allocated from CRSTS1	£1.7	Green / Amber Updated design cost estimate due shortly for the individual improvement proposals / schemes within this programme for the corridor. Bus reliability improvements being delivered by digital twin is reducing the need for physical works. Potentially, the underspends on this project to be reallocated to contribute to other BSIP objectives

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
						network, delivery timeframes need to be co-ordinated			
Coulby Newham to Middlesbrough Corridor Delivery of a number of schemes along this route to improve bus reliability / prioritisation / journey time improvements.	Development	✓	Was Nov 2025 now January 2026	Was Jan 2026 Now Feb 2026	Target date Mar 2027 potential to slip beyond	Very Likely Construction programme has been updated will be finalised as part of project development phase. This project interfaces with other schemes and therefore to minimise disruption to the highway network, delivery timeframes need to be co-ordinated	£2.6 allocated from CRSTS1	£2.6	Green / Amber Updated design cost estimate due shortly for the individual improvement proposals / schemes within this programme for the corridor. Bus reliability improvements being delivered by digital twin is reducing the need for physical works. Potentially, the underspends on this project to be reallocated to contribute to other BSIP objectives
Middlesbrough to Netherfields & Overfields Corridor Delivery of a number of schemes along this route to improve bus reliability / prioritisation / journey time improvements.	Development	✓	Was Nov 2025 now January 2026	Was Jan 2026 Now Feb 2026	Target date Mar 2027 potential to slip beyond	Very Likely Construction programme has been updated will be finalised as part of project development phase. This project interfaces with other schemes and therefore to minimise disruption to the highway network, delivery	£4.1 allocated from CRSTS1	£4.1	Green / Amber Updated design cost estimate due shortly for the individual improvement proposals / schemes within this programme for the corridor. Bus reliability improvements being delivered by digital twin is reducing the need for physical works. Potentially, the underspends on this project to be reallocated to contribute to other BSIP objectives

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
						timeframes need to be co-ordinated			
<u>Middlesbrough to East Cleveland Hospital Corridor</u> Delivery of a number of schemes along this route to improve bus reliability / prioritisation / journey time improvements.	Development	✓	Was Nov 2025 now January 2026	Was Jan 2026 Now Feb 2026	Target date Mar 2027 potential to slip beyond	**Very Likely** Construction programme has been updated will be finalised as part of project development phase. This project interfaces with other schemes and therefore to minimise disruption to the highway network, delivery timeframes need to be co-ordinated	£6.1 allocated from CRSTS1	£6.1	**Green / Amber** Updated design cost estimate due shortly for the individual improvement proposals / schemes within this programme for the corridor. Bus reliability improvements being delivered by digital twin is reducing the need for physical works. Potentially, the underspends on this project to be reallocated to contribute to other BSIP objectives
<u>Tees Valley Bus Shelter Improvements</u> Tees Valley wide project to complement the bus corridor work by developing a hierarchy of bus shelter provision and specifying the expected level of provision / facilities for each category building upon the shelters provided via a commercial concession contract	Development	✓	✓	Target Date was Sept 2025 now Nov 2025	*Target date Mar 2027*	**Likely** Bus shelter condition survey has now been completed and is being analysed to establish the extent of work required. Procurement documents being drafted. Delivery programme to be considered as part of the procurement.	£1.0 allocated from CRSTS1 plus additional bus shelter improvements to be made and funded as part of each identified corridor and the station modal integration work	£1.0	**Green** Cost estimates will be obtained through initial development work. Potential for work to be prioritised and scoped to budget.

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
Middlesbrough Bus Station This project will deliver a modern, fit-for-purpose bus station that provides an appropriate gateway to Middlesbrough, which meets the needs of bus operators and the expectations of passengers / customers.	Early Development	✓	*Target date Mar 2027*	*Target date Apr 2027*	*Target date Mar 2029*	**Likely** Development programme to be confirmed when procurement completed. Construction programme to be finalised as part of project development phase	£15.0 allocated from TCR	£15.0	**Green / Amber** Based on similar previous work this is likely to be deliverable within this budget allocation. Funding for the delivery of this project is from the TCR allocation
Active Travel									
Woodland Road Phase 2 improved infrastructure to facilitate cycling, wheeling and walking	Development	✓	✓	Was July 2025 now Sept 2025	Was Mar 2026 Now June 2026	**Likely** Utility diversions works are required in advance of the main works and these orders were placed in July with completion expected by September to enable scheme construction to follow on afterwards	**Was £2.1 now £2.6** £1.8m allocated from ATF, proposed reallocation of funding being discussed with ATE to ensure ATF allocated to schemes which are currently "on hold" are retained within Tees Valley. Additional funding to	**Was £2.1 now £2.6**	**Green** Additional ATF funding received, and scheme design reviewed by ATE. The cost of the scheme has increased but this can be managed within the Active Travel Investment programme by with underspends anticipated on other schemes.

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		Start	End	Start	End				
							cover the cost increase from CRSTS		
Linthorpe Road – proposal to reinstate previous layout changes to the previously implemented scheme on Linthorpe Road.	Delivery	✓	✓	Aug 2025	*March 2026*	**Likely** Delivery programme being finalised by MBC considering TRO and procurement requirements.	**£2.4** allocated from CRSTS1	**£2.4**	**Green** Based on similar previous work this is likely to be deliverable within this budget allocation.
Linthorpe Road Phase 2 improved infrastructure to facilitate cycling, wheeling and walking	Development	✓	✓	TBC	TBC	**On hold** Current designs for this scheme connect to Linthorpe Road Phase 1, which is proposed to be removed	**£3.9** allocated from £1.5 CRSTS1 and £2.4m of ATF money secured. Change control request submitted to ATE to reallocate this funding to other schemes within Tees Valley	**£3.9**	**Red** This scheme is not deliverable, and the funding is proposed for reallocation to other active travel schemes
Nunthorpe to Guisborough improved infrastructure to facilitate cycling, wheeling and walking	Development	✓	Was Dec 2025 now June 2026	Was Jan 2026 now Aug 2026	Target date Mar 2027 potential to slip beyond	**Feasible** Development work progressing. Network Rail design approvals will be required due to close proximity of	**£4.2** allocated from CRSTS1	**£4.2**	**Green / Amber** Cost estimate expected in the Autumn, but anticipated to be in budget, with no changes required to Network Rail apparatus.

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Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
						route to operational railway line. Scheme is subject to small amount of land acquisition. Approval by Network Rail to design is expected in September 2025. Delivery is likely to slip beyond March 2027 due to the permissions required.			
A68 to Cockerton and Faverdale improved infrastructure to facilitate cycling, wheeling and walking	Development	✓	Was Feb 2026 now Jan 2026	Was Mar 2026 now Apr 2026	Mar 2027	**Likely** This project interfaces with the Woodlands Road Phase 2 scheme and therefore to minimise disruption to the highway network, delivery timeframes for these two schemes need to be co-ordinated	**£1.2** allocated from CRSTS1	**£1.2**	**Green / Amber** Recent updated costs suggest budget pressure which will require value engineering and / or de-scoping. Updated design cost estimate due in August 2025
Middlesbrough, Acklam and Hemlington Connectivity improved infrastructure to facilitate cycling, wheeling and	Development	✓	Was Dec 2025 now Jan 2026	Was Jan 2026 now Feb 2026	Target date Mar 2027	**Likely** Revised scheme now being developed. Revised timescales reflect	**£6.8** allocated from CRSTS1	**£6.8**	**Amber** Updated cost estimates to be provided as part of the revised designs. This will be reviewed

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
walking. Original proposal was to extend from Linthorpe Road Phase 1 / Phase 2, but now proposal agreed with MBC is to focus on Green Lane, connecting Acklam / Acklam Road with Marton Road and NCN route. Stainton Way will connect Coulby Newham area to Acklam Road.						the work needed to design the revised scheme proposal. Potential to slip beyond March 2027 reflecting extent of Green Lane scheme.			against the original budget allocation.
Norton to Stockton Town Centre improved infrastructure to facilitate cycling, wheeling and walking	Development	✓	Was Dec 2025 now Jan 2026	Was Jan 2026 now Feb 2026	Target date Mar 2027	**Feasible** Template programme agreed. Detailed programme to be finalised. Potential risks currently being managed through public engagement and consultation	£2.6 allocated from CRSTS1	£2.6	**Green / Amber** Recent updated costs suggest budget pressure which will require value engineering and / or de-scoping. Updated design cost estimate due in August 2025
Redcar Town Centre to Teesworks improved infrastructure to facilitate cycling, wheeling and walking	Development	✓	Was Dec 2025 Now Jan 2026	Was Jan 2026 Now May 2026	Target date Mar 2027 potential to slip beyond	**Likely** Template programme agreed. Detailed programme to be finalised. This project interfaces with other Teesworks schemes and therefore to minimise disruption to the highway network, delivery timeframes for	£4.4 allocated from CRSTS1	£4.4	**Green / Amber** Recent updated costs suggest budget pressure which will require value engineering and / or de-scoping. Updated design cost estimate due in August 2025

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
						these schemes need to be co-ordinated			
Hartlepool Town Centre to Wolviston Connectivity improved infrastructure to facilitate cycling, wheeling and walking between Hartlepool Town Centre and south west Hartlepool area.	Development	✓	Was Dec 2025 now Jan 2026	Was Jan 2026 now Feb 2026	Target date Mar 2027	**Likely** Template programme agreed. Detailed programme to be finalised	**£2.0** allocated from CRSTS1 Originally assumed £7.9m of MRN funding now linked to TCR funded A689 Corridor Improvement Programme	£2.0	**Green / Amber** Recent updated costs suggest budget pressure which will require value engineering and / or de-scoping. Updated design cost estimate due in August 2025
Yarm Road to Teesside International Airport improved infrastructure to facilitate cycling, wheeling and walking	Development	✓	Was Dec 2025 now Jan 2026	Was Jan 2026 now Feb 2026	Target date Mar 2027	**Likely** Template programme agreed. Detailed programme to be finalised. Potential to slip beyond March 2027 reflecting extent of scheme and following early contractor involvement discussions.	**£9.1** allocated from CRSTS1	£9.1	**Green / Amber** Recent updated costs suggest budget pressure which will require value engineering and / or de-scoping. Updated design cost estimate due in August 2025

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
Marton Road to Nunthorpe improved infrastructure to facilitate cycling, wheeling and walking. Original proposal was along Marton Road but now proposed to focus on improvements along parallel Ormesby Beck & NCN routes.	Development	✓	Was Dec 2025 now Jan 2026	Was Jan 2026 now Feb 2026	Target date Mar 2027	**Likely** Template programme agreed. Detailed programme to be finalised	£6.5 allocated from CRSTS1	£6.5	**Amber** Updated cost estimates to be provided as part of the revised designs. This will be reviewed against the original budget allocation but expected to be within budget allocation.
Thornaby to Stockton Town Centre improved infrastructure to facilitate cycling, wheeling and walking. Linked to Thornaby Town Deal Connectivity scheme being delivered by Stockton Borough Council.	Development	✓	Was Dec 2025 now Jan 2026	Was Jan 2026 now Feb 2026	Target date Mar 2027	**Likely** Template programme agreed. Detailed programme to be finalised. This project interfaces with the Stockton Borough Council LUF funded scheme. To minimise disruption to the highway network, delivery timeframes for these two schemes need to be co-ordinated	£5.2 allocated from CRSTS1	£5.2	**Green / Amber** Recent updated costs suggest budget pressure which will require value engineering and / or de-scoping. Updated design cost estimate due in August 2025
Thornaby Town Deal Connectivity	Development	✓	✓	Sept 2025	Sept 2026	**Very Likely** Dates are from the proposed delivery programme from	£3.25 allocated from CRSTS1 Town Centre	£6.8 Additional £3.3m funding allocated from	**Green** TVCA is only making a funding contribution to the scheme with responsibility for the cost

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Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
improved infrastructure to facilitate cycling, wheeling and walking to improve connectivity in Thornaby Town Centre.						the business case. Funding agreement between TVCA and SBC to be issued shortly	Accessibility Project	the Stockton Borough Council led Thornaby Town Deal funding programme plus funding from SBC	and delivery of the scheme with SBC
Hartlepool Town Centre to the Headland improved infrastructure to facilitate cycling, wheeling and walking	Development	✓	Was Aug 2025 now Sept 2025	Oct 2025	Was Mar 2026 now June 2026	**Likely** Template programme agreed. Detailed programme to be finalised	**£6.0** allocated from CRSTS1	**£6.0**	**Green / Amber** Recent updated costs suggest budget pressure which will require value engineering and / or de-scoping.
A689 / A19 – Wynyard Pedestrian & Cycling Improvements Phase 2 improved infrastructure to facilitate cycling, wheeling and walking	Development	✓	Was Aug 2025 now Sept 2025	Was Oct 2025 now Dec 2025	Mar 2027	**Likely** Timescales dependent on getting all of the agreements in place and the advance utilities diversion works	**£5.8** allocated from TCF plus additional £1.9m from section 106 / developer contributions and additional £1.8m from Active Travel England subject to confirmation	**£9.5**	**Green / Amber** In principle agreements in place to secure additional section 106 / developer contributions alongside additional Active Travel England money to fill the funding gap. Agreements currently being drafted
Darlington Town Centre to Northgate	Development	✓	Aug 2025	Sep 2025	Mar 2026	**Likely** Template programme agreed. Detailed	**£0.1** secured for this scheme as part of the LUF	**£0.4**	**Green / Amber** Recent updated costs (which include contingencies) suggests budget pressure on

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
improved infrastructure to facilitate cycling, wheeling and walking						programme to be finalised	programme – in discussion with DfT about changes		this programme. Potential need to increase match funding as part of CRSTS over-programming.
Bowesfield Lane to Stockton Town Centre improved infrastructure to facilitate cycling, wheeling and walking	Development	✓	Aug 2025	Sep 2025	Mar 2026	**Likely** Template programme agreed. Detailed programme to be finalised	**£4.3** secured for this scheme as part of the LUF programme – in discussion with DfT about changes	**£2.0**	**Green / Amber** Recent updated costs (which include contingencies) suggests budget pressure on this programme. Potential need to increase match funding as part of CRSTS over-programming.
Stockton Town Centre to Bishopton Road improved infrastructure to facilitate cycling, wheeling and walking	Development	✓	Aug 2025	Sep 2025	Mar 2026	**Likely** Template programme agreed. Detailed programme to be finalised	**£1.6** secured for this scheme as part of the LUF programme – in discussion with DfT about changes	**£2.0**	**Green / Amber** Recent updated costs (which include contingencies) suggests budget pressure on this programme. Potential need to increase match funding as part of CRSTS over-programming.
Middlesbrough Town Centre to Newport Bridge improved infrastructure to facilitate cycling, wheeling and walking	Development	✓	Aug 2025	Was Sep 2025 now Nov 2025	Was Mar 2026 now Nov 2026	**Likely** Template programme agreed. Detailed programme to be finalised. Revised project completion now slipping beyond Mar 2026 due to redesigns of the scheme	**£2.7** secured for this scheme as part of the LUF programme – in discussion with DfT about changes	**£3.1**	**Green / Amber** Recent updated costs (which include contingencies) suggests budget pressure on this programme. Potential need to increase match funding as part of CRSTS over-programming and use this funding if delivery extends beyond March 2026.

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
Middlesbrough Town Centre to South Bank improved infrastructure to facilitate cycling, wheeling and walking	Development	✓	Aug 2025	Target Date Jan 2026	Target Date Mar 2027	**Feasible** Whilst development work has been completed Traffic Regulation Orders (TROs) have been delayed due to issues with the condition of a bridge condition along the route	**£2.9** secured for this scheme as part of the LUF programme – in discussion with DfT about changes	**£6.8**	**Green / Amber** Recent updated costs (which include contingencies) suggests budget pressure on this programme. Potential need to increase match funding as part of CRSTS over-programming and use this funding if delivery extends beyond March 2026.
Redcar Town Centre to West Dyke Road improved infrastructure to facilitate cycling, wheeling and walking	Development	✓	Aug 2025	Sep 2025	Mar 2026	**Likely** Template programme agreed. Detailed programme to be finalised	**£3.1** secured for this scheme as part of the LUF programme – in discussion with DfT about changes	**£1.8**	**Green / Amber** Recent updated costs (which include contingencies) suggests budget pressure on this programme. Potential need to increase match funding as part of CRSTS over-programming.
Saltburn to Marske improved infrastructure to facilitate cycling, wheeling and walking	Development	✓	Aug 2025	Sep 2025	Mar 2026	**Likely** Template programme agreed. Detailed programme to be finalised	**£2.0** secured for this scheme as part of the LUF programme – in discussion with DfT about changes	**£2.5**	**Green / Amber** Recent updated costs (which include contingencies) suggests budget pressure on this programme. Potential need to increase match funding as part of CRSTS over-programming.

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Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
Hartlepool Town Centre to Seaton Carew improved infrastructure to facilitate cycling, wheeling and walking	Development	✓	Aug 2025	Sep 2025	Mar 2026	**Likely** Template programme agreed. Detailed programme to be finalised	**£1.0** secured for this scheme as part of the LUF programme – in discussion with DfT about changes	**£2.7**	**Green / Amber** Recent updated costs (which include contingencies) suggests budget pressure on this programme. Potential need to increase match funding as part of CRSTS over-programming.
Hartlepool Town Centre to Catcote Road improved infrastructure to facilitate cycling, wheeling and walking	Development	✓	Aug 2025	Sep 2025	Mar 2026	**Likely** Template programme agreed. Detailed programme to be finalised	**£3.4** secured for this scheme as part of the LUF programme – in discussion with DfT about changes	**£2.8**	**Green / Amber** Recent updated costs (which include contingencies) suggests budget pressure on this programme. Potential need to increase match funding as part of CRSTS over-programming.
Hartlepool Raby Road (Scheme development) improved infrastructure to facilitate cycling, wheeling and walking	Development	✓	✓	N/A	N/A	**Very Likely** Based upon current delivery programme which has been revised to focus on schemes for delivery in 2025/26	**£0.5** secured from ATF	**£0.5**	**Green** Design work to be delivered with funding available but funding strategy for delivery of the scheme needs to be developed. Project should be considered for delivery as part of TCR active travel and bus package
Active Travel Hubs (Capital) Capital investment in hubs to provide services including secure cycle parking which help to encourage modal shift	Development	✓	Sept 2025	Oct 2025	*CRSTS1 funding end date Mar 2027*	**Likely** Development and delivery of this project is linked to review of role of	**£1.8** allocated from CRSTS1 + Revenue funding	**£1.8**	**Green** Cost estimates will be obtained through initial development work. Potential for work to be prioritised and scoped to budget.

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
						active travel hubs in supporting growth	secured from ATCF		
Digital									
Urban Traffic Management Control Development Phase 1 Connection of assets and enhancement of the control room to progress the development of a smart road network	Delivery	✓	✓	✓	August 2025	**Very Likely** Project at advanced stage of delivery	**£3.5** allocated from TCF	**£3.5**	**Green** Funding has been fully committed, and project is in the final stages of delivery.
Digital Twin Phase 1 – Bus reliability The initial phase of the Digital Twin project is a module to support bus reliability.	Delivery	✓	✓	✓	✓ *Pilot phase is in delivery roll out to be expanded in future*	**Very Likely** Project at advanced stage of delivery	**£1.3** allocated from CRSTS1	**£1.3**	**Green** Project is in the monitoring and evaluation stage of delivery. Full automation will be turned on when this phase is completed to fully complete the project delivery.
FUSION Adaptive Traffic Management Control Next generation adaptive control and a replacement for SCOOT (Split Cycle Offset Optimisation Technique) technology.	Delivery	✓	✓	✓	*Target date Jan 2026*	**Very Likely** Project at advanced stage of development. Delivery programme to be finalised	**£0.8** allocated from CRSTS1	**£0.8**	**Green** Delivery contract has been signed and project is expected to be delivered to budget

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		Start	End	Start	End				
Real Time Passenger Information Display (RTPI) – Phase 1 Replacement of the back-office system and replacement of a number of RTPI screens to improve customer information at key bus stop locations	Delivery	✓	✓	✓	✓	**Very Likely** Project is at advanced stage of delivery	£0.5 Allocated from CRSTS1 digital programme	£0.5	**Green** The project is in the final stage of delivery with one display waiting for power to finalise installation.
Real Time Passenger Information Display (RTPI) – Phase 2 Linked to bus shelter improvement project this includes the identification of locations for the enhancement and expansion of RTPI screen provision	Early Development	✓	*Target date Was July 2025 now Sept 2025*	*Target date Sept 2025 now Nov 2025*	*CRSTS1 funding end date Mar 2027*	**Very Likely** Bus shelter survey work has now been completed but was delayed which has had a knock-on effect to the development of this project	TBC To be funded as part of the identified bus corridor improvements schemes and the station modal integration work	TBC	**Amber** Further development work to take place as outlined, however, delivery at a number of sites will be funded as part of the bus corridor packages and additional locations from the station enhancements and modal integration project.
Digital Twin Phase 2 – will create a virtual replica of the Traffic Network to enhance performance and reliability. The digital representation allows us to simulate, analyse and optimise traffic flow and infrastructure in real time, leading to more efficient and effective management.	Development	✓	*Target date Mar 2026*	*Target date Apr 2026*	*CRSTS1 funding end date Mar 2027*	**Likely** Development programme to be confirmed when procurement completed. Delivery programme to be finalised as part of project development phase	£3.2 allocated from CRSTS1	£3.2	**Green** Updated cost estimates will be obtained through project development work. Potential for work to be prioritised and scoped to budget. Commencement of work is subject to the business case approval

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		Start	End	Start	End				
Data Platform will form the foundational digital infrastructure for TVCA, allowing for data analytics capabilities. It will enable data to be collected, aggregated, analysed and shared. It will provide convenient access for TVCA and third parties to work with data to gain insights and identify trends.	Development	✓	*Target date Dec 2025*	*Target date Jan 2026*	*CRSTS1 funding end date Mar 2027*	**Likely** Development programme to be confirmed when procurement completed. Delivery programme to be finalised as part of project development phase	**£0.1** allocated from CRSTS1	**£0.1**	**Green** Updated cost estimates will be obtained through project development work. Potential for work to be prioritised and scoped to budget. Commencement of work is subject to the business case approval
Digital Service will deliver the customer-facing offering that will enable TVCA to communicate, engage and interact with users. This will also potentially see the transfer of operational services to TVCA to ensure delivery of schemes and the on-going development of digital services.	Development	✓	*Target date Dec 2025*	*Target date Jan 2026*	*CRSTS1 funding end date Mar 2027*	**Likely** Development programme to be confirmed when procurement completed. Delivery programme to be finalised as part of project development phase	**£4.2** allocated from CRSTS1	**£4.2**	**Green** Updated cost estimates will be obtained through project development work. Potential for work to be prioritised and scoped to budget. Commencement of work is subject to the business case approval
Traffic Signals Replacement Programme to upgrade traffic signal systems, replacing unreliable and obsolete equipment to improve reliability.	Delivery	✓	✓	✓	Mar 2026	**Very Likely** Based upon current delivery programme	**£2.6** secured from TSOG	**£2.6**	**Green** Delivery contract has been signed and project is expected to be delivered to budget
Digital Technology Package	Development	✓	*Target date*	*Target date*	*Target date*	**Likely** Delivery programme to be	**£60.0** allocated from TCR	**£60.0**	**Green / Amber** Cost estimates will be obtained through initial

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		Start	End	Start	End				
will continue to build on the prior digital transport investments. This will deliver projects such as future phases of the Digital Twin solution with additional AI and machine learning, introduce physical sensors and floating car data to cover blackspot areas to enhance predictions, build on the regional data platform, improve bus data and address obsolescence of equipment by replacement of failing traffic signal equipment.			*Mar 2027*	*Apr 2027*	*Mar 2030*	finalised during project development phase			development work. Potential for work to be prioritised and scoped to budget. Funding for the delivery of this project is from the TCR allocation
<u>Autonomous Public Transport</u> This project will see the introduction of an autonomous 'tram-like service' in each of the five town centres alongside the associated digital infrastructure to enable the trams to operate	Development	✓	*Target date Mar 2027*	*Target date Apr 2027*	*Target date Mar 2029*	**Likely** Delivery programme to be finalised during project development phase	**£18.0** allocated from TCR	**£18.0**	**Green / Amber** Cost estimates will be obtained through initial development work. Potential for work to be prioritised and scoped to budget. Funding for the delivery of this project is from the TCR allocation
<u>Connected Autonomous Vehicle Trial</u> This project is a pilot at Teesside International Airport linked to the digital trade test bed and	Development	✓	*Target date Sept 2025*	*Target date Dec 2025*	*Target date Dec 2026 (1 year trial)*	**Likely** Delivery programme to be finalised during project development phase	**£2.0** advanced from TCR Autonomous Public Transport	**£2.0**	**Green / Amber** Based on project development work this is likely to be deliverable within this budget allocation. Costs will be

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
providing learning for the delivery of autonomous vehicle projects in Tees Valley and future phases of roll out							project to deliver pilot		confirmed following the procurement process
Multi Modal									
Teesworks Stations and Transport Hubs - comprising:							£60.0 allocated from £20m CRSTS1 +£40m TCR (South Bank Transport Hub)	£60.0	
British Steel Redcar Station and Transport Hub Reopening of station and link to transport hub	Development	✓	✓	*Target date Was Sep 2025 now Dec 2025*	*CRSTS1 funding end date* Mar 2027	**Feasible** Completion of development work has been delayed as further discussion has been needed with Network Rail / Office of Rail and Road about the extent of work required to meet rail station standards. Delivery programme to be finalised once this is resolved			**Amber / Red** Recent discussions are that stopping train services at this station again would be treated as a new station development and therefore would need compliance with the standards for a new station. The extent of work would have significant cost and may mean the project would no longer be viable.

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
Steel House Transport Hub Creation of a transport hub adjacent to Steel House and linked to British Steel Redcar station	Development	✓	✓	✓	Phase 1&2 Dec 2025 Phase 3 Target date April 2026	**Very Likely** Based upon current delivery programme			**Amber** Project is identified as a TCR project but needs to be delivered as transport infrastructure for the site ahead of 2027. Identified as CRSTS1 overprogramming but needs to be agreed with government. Alternative funding strategy in place to facilitate required pace of delivery.
South Bank Station temporary footbridge Demolition of the existing life-expired footbridge and installation of a temporary footbridge to enable access across the railway until a permanent structure is installed through the new station project	Delivery	✓	*End of June 2025*	*July 2025*	*End of August 2025*	**Likely** Programme to be confirmed	**£1.0** £0.75m CRSTS1 from £60m for Teesworks Stations and Transport Hubs project plus £0.25m RCBC contribution	**£1.0**	**Green** Agreement in place Network Rail to demolish the existing footbridge and install a new temporary structure. RCBC are making a contribution of £250k for the demolition of the bridge and TVCA are making a contribution from the South Bank station project budget
New South Bank Station Footbridge with access ramps to replace the current life expired asset to provide connectivity over the railway and new station building to create a gateway to the site.	Development	✓	*Target date Was Sep 2025 now Jan 2026*	*Target date was Jan 2026 will slip beyond – new date TBC*	*Target date was Mar 2027 will slip beyond – new date TBC*	**Likely** Development programme to be confirmed when next phase of work is contracted. Delivery programme to be			**Green / Amber** Recent updated costs suggest budget pressure which will require value engineering and / or de-scoping. Identified as CRSTS1 overprogramming but needs to be agreed with government. Part of the

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
						finalised as part of project development phase. Focus has necessarily been on the temporary footbridge project. Network Rail now appointing contractor for next phase of development work			funding for the delivery of this project is from the TCR allocation
<u>South Bank Transport Hub</u> Transport hub, including a park and ride facility and highway improvements.	Development	✓	*Target date TBC*	*Target date TBC*	*Target date TBC*	**Likely** Delivery programme under review			**Amber** Project is identified as a TCR project, but needs to be delivered as transport infrastructure for the site ahead of 2027. Identified as CRSTS1 overprogramming but needs to be agreed with government. Alternative funding strategy in place to facilitate required pace of delivery.
<u>Lackenby Transport Hub</u> The Transport Hub was originally proposed to provide a holding area for British Steel's scrap delivery lorries for the proposed Electric Arc Furnace; serve other vehicle movements to/from the Freeport; and as a general	Development	✓	*Target date TBC*	*Target date TBC*	*Target date TBC*	**Likely** Delivery programme under review	**£20.0** allocated from TCR	**£20.0**	**Amber** Project is identified as a TCR project, but needs to be delivered as transport infrastructure for the site ahead of 2027. Identified as CRSTS1 overprogramming but needs to be agreed with government. Alternative funding strategy in place to

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
stopover facility. However, there is still a need to provide some hub facilities at this location. A review of scope is currently underway.									facilitate required pace of delivery.
A66 Capacity Constraints - comprising:									
Tees Dock Road / Lackenby Access roundabout Lane widening and other minor improvements.	Development	✓	✓	*Target date TBC*	*Target date TBC*	**Likely** Delivery programme under review	£40.0 allocated from TCR	£40.0	**Amber** Project is identified as a TCR project but needs to be delivered as transport infrastructure for the site ahead of 2027. Alternative funding strategy in place to facilitate required pace of delivery.
A174 / A1053 Greystones Roundabout Lane widening, improvements to A174 eastbound exit, a new link through the roundabout	Development	✓	*Target date Mar 2027*	*Target date Apr 2027*	*Target date Mar 2028*	**Likely** Development programme to be confirmed when next phase of work is contracted. Delivery programme to be finalised as part of project development phase			**Green / Amber** Based on similar previous work this is likely to be deliverable within this budget allocation. Funding for the delivery of this project is from the TCR allocation
A1085 Trunk Road roundabout	Development	✓	*Target date*	*Target date*	*Target date*	**Likely** Development programme to be			**Green / Amber** Based on similar previous work this is likely to be deliverable

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
Lane widening and other minor improvements			*Mar 2028*	*Apr 2028*	*Mar 2029*	confirmed when next phase of work is contracted. Delivery programme to be finalised as part of project development phase			within this budget allocation. Funding for the delivery of this project is from the TCR allocation
Tees Valley Care & Health Innovation Zone – comprising:									
Teesdale Business Park / Tees Marshalling Yards transform the 110-hectare Teesdale Business Park / Tees Marshalling Yards area, into a home for social care and health services, sector-specific businesses, research, teaching and learning facilities, and housing to meet local needs.	Early Development	✓	*Target date Mar 2027*	*Target date Apr 2027*	*TCR funding end date Mar 2032*	Very Likely Development programme to be confirmed when next phase of work is contracted. Delivery programme to be finalised as part of project development phase	£140.0 allocated from TCR	£140.0	Green / Amber Cost estimates will be obtained through initial development work. Potential for work to be prioritised and scoped to budget. Funding for the delivery of this project is from the TCR allocation
Teesside Park Station Creation of a new transport hub, including a rail station, in the Tees Marshalling Yards that could serve both the Care and Health Innovation Zone and Teesside Park	Early Development	✓	*Target date Mar 2027*	*Target date Apr 2027*	*Target date Mar 2029*	Very Likely Development programme to be confirmed when next phase of work is contracted. Delivery programme to be finalised as part of			Green / Amber Cost estimates will be obtained through initial development work. Based on similar previous work this is likely to be deliverable with a budget allocation of around £20m from the £140m allocation. Funding for the

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
						project development phase			delivery of this project is from the TCR allocation
<u>Thornaby Station</u> Creation of a transport hub at Thornaby station which will incorporate rail, bus, cycle parking and car parking in addition to a new station building on Station Street	Early Development	✓	*Target date Mar 2027*	*Target date Apr 2027*	*Target date Mar 2030*	**Very Likely** Development programme to be confirmed when next phase of work is contracted. Delivery programme to be finalised as part of project development phase	£10.0 allocated from TCR	£10	**Green / Amber** Based on similar previous work this is likely to be deliverable within this budget allocation. Funding for the delivery of this project is from the TCR allocation
Town Centre Accessibility A number of projects including: transport infrastructure to support the objectives of Middlesbrough and Hartlepool Development Corporation Masterplans and in Darlington, Stockton and Redcar to support the objectives of other funding programmes	Early Development	✓	*Target Date Mar 2025*	*Target Date Apr 2025*	*CRSTS1 funding end date Mar 2027*	**Likely** Construction programme to be finalised as part of project development phase	£31.0 allocated from CRSTS1	£31.0	**Green** Cost estimates will be obtained through initial development work. Potential for work to be prioritised and scoped to budget.
Road									
<u>Darlington Northern Link Road</u> to provide a new strategic link better connecting the A66 to the A1(M) to the north of Darlington enabling growth along the A66 corridor	Early Development	✓	*Target date Mar 2027*	*TCR funding start date Apr 2027*	*Target date TBC*	**Likely** Development programme to be confirmed when Options Assessment completed.	£250.0 allocated from TCR	£250.0	**Green / Amber** Updated cost estimates will be obtained through initial development work. Funding for the delivery of this project is from the TCR allocation

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
						Construction programme to be finalised as part of project development phase			
A66 Resilience Package including carriageway resurfacing, remediation work on bridges and structures, and safety barrier replacement to enable the A66 to continue at existing capacity	Early Development	✓	*Target date Mar 2027*	*Target date Apr 2027*	*Target date Mar 2029*	**Likely** Development programme to be confirmed when procurement completed. Construction programme to be finalised as part of project development phase	£20.0 allocated from TCR	£20.0	**Green / Amber** Updated cost estimates will be obtained through initial development work. Funding for the delivery of this project is from the TCR allocation
A689 Corridor Improvements package of interventions to address congestion pinch points, increase capacity, improve resilience, improve journey time reliability, reduce journey times, improve access to multiple strategic employment locations and facilitate housing growth in the area.	Early Development	✓	*Target date Mar 2027*	*Target date Apr 2027*	*Target date Mar 2030*	**Likely** Development programme to be confirmed when procurement completed. Construction programme to be finalised as part of project development phase	£50.0 allocated from TCR	£50.0	**Green / Amber** Updated cost estimates will be obtained through initial development work. Funding for the delivery of this project is from the TCR allocation
A19 New Tees Crossing Development Work The project will enable further work to be undertaken to	Early Development	✓	*Target date Mar 2027*	N/A	N/A	**Likely** Development programme to be confirmed when	£15.0 allocated from TCR	£15.0	**Green / Amber** Updated cost estimates will be obtained through initial development work with

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
develop an alternative, lower risk option to the one proposed in the Outline Business Case, given the change in circumstances since the original work was completed.						procurement completed.			National Highways. Funding for the delivery of this project is from the TCR allocation
<u>Eastern Tees crossing feasibility work.</u> This project will further explore the concept of an additional crossing over the River Tees to the east, linking Hartlepool and Redcar. The work will set out the strategic context of the project, make an initial recommendation for a way forward and address the affordability of the project.	Early Development	✓	*Target date Mar 2027*	N/A	N/A	**Likely** Development programme to be confirmed when procurement completed.	£1.0 allocated from TCR	£1.0	**Green / Amber** Based on similar previous work this is likely to be deliverable within this budget allocation. Funding for the delivery of this project is from the TCR allocation
<u>Contribution to deliver the A19 / Elwick Road / North Lane Junction and Elwick Road / Hartlepool Western Link Project</u> to provide a new strategic route from Hartlepool to the A19.	Development	✓	*Target date Feb 2027*	*Target date Summer 2027*	Target date TBC	**Likely** Construction programme to be finalised as part of project development phase. Land acquisition route still to be confirmed. Programme is subject to land	£5.0 allocated from TCR	£5.0	**Green / Amber** Hartlepool Borough Council led project and funding strategy for delivery in place. Funding for the delivery of this project is from the TCR allocation

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
						negotiations and ongoing development. TCR funding potential constraint			
Transporter Bridge Bringing the bridge back into operation	Development	✓	*Target date Mar 2027*	*Target date Apr 2027*	*Target date Mar 2029*	**Likely** Construction programme to be finalised as part of project development phase. TCR funding potential constraint	£30.0 allocated from TCR	£30.0	**Amber** Recent updated costs suggest budget pressure which will require value engineering and / or de-scoping. Funding for the delivery of this project is from the TCR allocation
Local Highway Authority Funding (2022-2027) Integrated Transport Block, highways maintenance and pothole funding.	Delivery	N/A	N/A	Apr 2022	Mar 2027	**Very Likely** Programme identified on an annual basis by local highway authorities to spend the allocated funding	£82.8 allocated from CRSTS1	£82.8	**Green** Funding agreement process in place with each local authority and delivery to budget. 2025/26 Funding Agreements have been issued and grant payments made.
Local Highway Authority Funding (2027-2032) Integrated Transport Block, highways maintenance and pothole funding.	Development	N/A	N/A	Apr 2027	Mar 2032	**Very Likely** Programme identified on an annual basis by local highway authorities to spend the allocated funding	£83.0 allocated from TCR	£83.0	**Green** Funding agreement process in place with each local authority and delivery to budget
Local Highways Maintenance Funding Allocations 2025/26	Delivery	N/A	N/A	Apr 2025	Mar 2026	**Very Likely**	£4.873	£4.873	**Green**

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
Additional one-off funding allocation to supplement CRSTS funding for local highway authorities. 25% of funding allocation is contingent on local highway authorities demonstrating compliance with certain criteria aimed at driving best practice and continual improvement in highways maintenance practice.						Programme identified on an annual basis by local highway authorities to spend the allocated funding.	allocated from additional specific grant received for 2025/26		Funding agreement process in place with each local authority and delivery to budget. 2025/26 Funding Agreements have been issued and grant payments made.
Decarbonisation									
Electric Vehicle Charging Infrastructure a network of publicly accessible EV charging points with the first phase installed in LA car parks.	Delivery	✓	✓	✓	*CRSTS1 funding end date Mar 2027*	**Very Likely** TCF / ORCS funded project at advanced stage of delivery	**£4.7** allocated from £2.0m TCF +£2.0m CRSTS1 and additional money secured: £0.7m from ORCS	**£4.7**	**Green** TCF / ORCS Funding has been fully committed and project is in the final stages of delivery.
Local Electric Vehicle Infrastructure Programme	Development	✓	*Target date was*	*Target date was*	*15 year contract –*	**Likely** Working closely with the funders assessment body.	**£6.5** secured from LEVI	**£6.5**	**Green** Early market engagement suggests project is deliverable for available funding. Updated

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
Deliver a network of publicly accessible EV charging points predominantly in on-street locations for houses without off-street parking.			*Jun 2025 now Dec 2025*	*Oct 2025 now Jan 2026*	*delivery until 2041*	Procurement to commence in September for a delivery partner. Development programme to be confirmed when this is completed. Installation programme to be finalised through procurement. Main installation phase anticipated to be 5 years from award of contract.			cost estimates will be obtained through initial development work. Potential for work to be prioritised and scoped to budget. Additional funding for Pavement Channels Grant to be linked to this work
<u>Zero Emission Bus Regional Area Round 2</u> Collaboration with Stagecoach & Arriva to support the electrification of the Tees Valley bus fleet	Delivery	✓	✓	✓	Target date Was Mar 2026 now Aug 2026	**Was Likely now Very Likely** Stagecoach element of the project is at an advanced stage of delivery (all DfT funded aspects of the project are complete). Funding agreement in place, programme for the Arriva element now agreed and bus order to be placed shortly.	**£7.8** secured from ZEBRA2	**£30.0** Includes investment secured from commercial bus operators	**Green** Programme and funding agreed.

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
Accessibility									
Wheels to Work Capital (2024-2027) Subsidised hire of e-motorcycles and e-cycles to overcome transport barriers to employment or training	Development	✓	*Target date Mar 2025*	*TBC*	*TBC*	**On hold** Further capital expenditure not currently required. Project delivery now linked to work on the Tees Valley local growth plan and identifying projects which need to be delivered to improve connectivity and as part of the over-coming barriers to employment project.	**£0.5** allocated from CRSTS1	**£0.5**	**Green** Based on capital investment in this scheme previous this is likely to be deliverable within this budget allocation.
Tees Flex (Capital) Tees Valley's Demand Responsive Transport solution for areas that are not well-served for commercially operated bus services.	Development	✓	*Target date Mar 2025*	*TBC*	*TBC*	**On hold** Capitalisation of expenditure not likely to be a feasible delivery model. The service is being delivered until March 2026 using BSIP revenue funding	**£3.0** allocated from CRSTS1	**£3.0**	**Green / Amber** Project funded to March 2026 using BSIP 2025/26 revenue funding. Delivery beyond this date is being explored and awaiting confirmation of BSIP funding for 2026/27 and beyond.

Project	Programme						Funding		
Project Name	Project Status	Project development		Project delivery		Programme Deliverability Assessment	TVCA Funding allocation (£m)	Total Estimated Cost (£m)	Funding / Cost Deliverability Assessment
		Start	End	Start	End				
<u>Overcoming Barriers to Employment</u> The project will develop transport schemes to overcome barriers to employment	Early Development	✓	*Target date Mar 2027*	*Target date Apr 2027*	*Target date Mar 2032*	**Very Likely** Based upon emerging delivery programme	£10.0 allocated from TCR	£10.0	**Red** Highly likely that revenue funding will be required to deliver this proposal. Whilst there is a capital (£916m) / revenue (£62m) split for TCR in discussion with DfT it has been made clear the revenue is for project development work and not for service delivery. A funding strategy therefore needs to be developed to deliver this project
<u>Package to deliver improvements to local journeys to access employment, education and training</u> It will build upon the current CRSTS1 investment programme, with a focus on key corridors, providing access to town centres, major investment/regeneration sites, major employment sites, and university, college and school sites, across the Tees Valley	Early Development	✓	*Target date Mar 2027*	*Target date Apr 2027*	*Target date Mar 2032*	**Very Likely**	£45.0 allocated from TCR	£45.0	**Green / Amber** Based on similar previous work this is likely to be deliverable within this budget allocation. Funding for the delivery of this project is from the TCR allocation

Item 9 Appendix 2

DELEGATED DECISION TO APPROVE BUS SERVICE IMPROVEMENT PLAN FUNDING FOR THE 2025/26 FUNDING PERIOD

OFFICER: Julie Hurley, Director of Infrastructure	DATE DECISION TAKEN: 8th September 2025 - decision relates to 2025/26 expenditure.
DECISION NO: AF07-2025	DELEGATION POWER AND PAGE OF CONSTITUTION: On the 22nd July 2022, TVCA Cabinet resolved: *That Tees Valley Combined Authority (TVCA) become party to the 'shell' bus Enhanced Partnership agreement, noting that there are no direct obligations at this stage, and delegate authority to the Assistant Director for Transport & Infrastructure to engage through the Bus Partnership governance structure and agree further detail in relation to any element of the delivery plan, which has implications on TVCA, subject to confirmation of funding and satisfactory completion of the necessary statutory processes.* On the 15th December 2023, TVCA Cabinet resolved: *That Cabinet approved the re-grade of the Assistant Director of Infrastructure to Director and as a result, promoted Tom Bryant to Director.* *Furthermore, on 27th June 2025 Tom Bryant was confirmed to the role of TVCA CEO and Julie Hurley was appointed to the role of Interim Director for Transport & Infrastructure.*
DETAILS OF DECISION: This decision is an update of AF02-2025 which was agreed in Feb 2025 to enable commitments to be made for the continuation of funding, securing various subsidised services and fares offers from 1st April. However, this decision also included provisional sum allocations for services which needed to be firmed up. This decision therefore supersedes AF02-2025 and confirms the allocation of all of the 2025/26 BSIP funding. The Enhanced Partnership is a statutory partnership that was formed in 2022, made up of Tees Valley Combined Authority (TVCA), local bus operators, the five local authorities and the Confederation of Passenger Transport.	

The Enhanced Partnership is responsible for the development and delivery of the Bus Service Improvement Plan (BSIP). The BSIP must set out the vision and plan for delivering improvements to bus services. The BSIP was first published in October 2021 as a bidding document to the Department for Transport (DfT), with no funding allocated to TVCA at the time. A subsequent review of the BSIP was then published in November 2022, and also June 2024. Whilst at the time these were not bidding documents, the BSIP did outline a funding ask, and TVCA has since received BSIP funding allocations to support some of the aspirations outlined. As the Local Transport Authority, TVCA is the accountable body for this funding on behalf of the Enhanced Partnership. A total of £6,909,954 has previously been allocated to support BSIP delivery across the 2023/24 and 2024/25 financial years.

Our latest allocation for 2025/26 is £7,153,668, with an additional £125,000 of BSIP capacity and capability funding (£7,278,668 in total). In addition to the 2025/26 funding allocation £747,720.78 of underspend from 2024/25 has also been carried over to the 2025/26 financial year. Meaning the total BSIP funding for the 2025/26 period is £8,026,388.78. The underspend is a result of the money allocated to the U22 fares offer for the 2024/25 financial year. Due to the uncertainty around expected usage, alongside the impact on the U22 fares offer as a result of changes to the national fare cap from £2 to £3 from January 2025, there was a need to maintain a risk / contingency budget for this scheme should there have been a substantial increase in the reimbursement due to the bus operators.

The 2025/26 funding allocation is the third annual BSIP funding settlement awarded to TVCA and whilst the increase in funding is welcomed, there is currently no ability to look longer-term as there is no future certainty.

The requirement of this funding from the DfT is that it is used to deliver the Tees Valley BSIP Plan (2024 update) which sets out actions structured around a five-point delivery plan. The BSIP revenue funding is used to complement other capital investment money:

- Sustainable network for the future (delivered with BSIP funding)
- Improved fares offer (delivered with BSIP funding)
- Enhanced customer experience (delivered with BSIP / City Region Sustainable Transport Settlement 'CRSTS' funding)
- Bus priority improvements (delivered with CRSTS funding)
- Decarbonising the bus fleet (delivered with Zero Emissions Bus Regional Areas 'ZEBRA' funding)

Following careful consideration of all the options, and considering the continued short-term nature of the funding, the proposal is to use the 2025/26 BSIP money to focus on continuing the interventions funded in 2024/25 and support the following themes from the BSIP Plan (2024 update) with a commitment to fund, or provisionally allocate funding, towards the interventions as detailed below:

<u>Sustainable Network for the future</u>
The previous delegated decision (AF02-2025), committed a confirmed allocation of £2.896m to continue support for various supported services until March 2026, with an additional proposal to also provisionally allocate £1.495m to extend other services where further procurement was

required to secure provision until March 2026 (equating to a total supported services budget of £4.391m).

As the necessary procurements have now taken place, this decision proposes to:

- Commit £2.776m of BSIP to supported services across the 2025/26 period, securing a number of contracts until March 2026. Further details are provided within the 'Financial Implications' section of this report.

In addition to the contributions from TVCA, there are private, and Local Authority contributions to the supported service network across the 2025/26 period. Whilst TVCA do not have the delegated authority on these specific funds, as they form part of the annual supported bus budget we have included details within the report for information only.

- A commitment of £25k from Tesco to the continuation of service 101 (Middlesbrough – Teesport) from March 2025 to April 2026.
- A commitment of £80.4k from Darlington Borough Council through S106 contributions to support additional enhancements to service 6/6A/6B.

This equates to £105.4k of funding in total from private and Local Authority contributions.

Finally, to enable the continuation of Tees Flex through to March 2026, the £1.430m previously allocated under AF02-2025 to cover contract costs until March 2026 is now accounted through alternate Intra-City TVCA funds, in accordance with March 2026 cabinet agreeing to utilise this funding to bolster the BSIP funding allocation. There is therefore no requirement to fund this directly from BSIP.

In total, with the BSIP allocation, private and Local Authority contributions, plus the alternate funds for Tees Flex, the total supported services budget for 2025/26 equates to £4.311m.

Enhanced customer experience

The previous delegated decision (AF02-2025) committed to £200k of funding to continue to support improvements to customer information, including at-stop timetable information, and improvements to the way in which passengers are informed of pre-planned and unplanned disruption to the network.

Following further work on contract commitments, this decision proposes to:

- Commit £125k of separate capacity and capability funding to fund the Connect Tees Valley service to support the delivery of the BSIP including providing passenger information to be printed and installed at stops and improving information about changes to scheduled bus services due to, for example, roadworks or unplanned / reactive events.
- Commit £103k to extend the timetable printing and posting contracts until March 2026 to ensure that accurate and up-to-date information continues to be provided at bus stops and further improvements are made to the customer experience (this will be complemented by proposed investment in the bus stop infrastructure using CRSTS funding in 2025/26).

- Commit £7.7k towards the provision of a storage container, shelving units and bus stop flag brackets to allow the update and replacement of bus stop flags function to be re-instated since the transition of the Connect Tees Valley Team to TVCA.
- Commit £50k towards the marketing and promotional activity of BSIP funded initiatives, such as the U22 fares offer.
- Commit £14.6k towards Transport Focus Surveys. Transport Focus are the independent watchdog for transport users. Using their survey 'Your Bus Journey', TVCA can monitor passenger satisfaction to give an overall look at current feelings towards bus service provision across the Tees Valley.
- Commit £0.5k towards ATCO Membership Fees for Local Transport Association officers.

In total, this represents a £301k commitment from the BSIP funds towards Enhancing the Customer Experience.

Improved Fares offer

At the previous cabinet meeting held on 28th March 2025 it was agreed that TVCA would enable the extension of the under 21 fares offer and the introduction of a care leaver pass. A allocation of BSIP funding has therefore been committed to support these proposals.

This decision proposes to:

- Commit £2.4m to continue the 22 and under fare offer until March 2026. This includes a surplus allocation to manage reimbursement uncertainty and provide scheme security.
- Commit £105k as TVCA contributions to the ENCTS Scheme, covering scheme enhancement contributions and administration requirements.

In addition, it is proposed to provisionally allocate £2.445m to enable the introduction of a care leavers offer due to launch within the 2025/26 financial year.

Following the introduction of the care leavers offer, once more refined costings are known, a further delegated decision will be required should the provisional allocation to this scheme be greater than the required funding amount. Any surplus funding remaining will be reallocated in accordance with the BSIP delivery aspirations. Options for potential underspend are currently being explored by officers.

In total, this represents a £7.278m commitment against £7.278m of BSIP 2025/26 funding available, plus a commitment to utilise the £748k of 2024/25 BSIP underspend from 2024/25 across the 2025/26 financial year. A decision to commit funding to these services is required in September to ensure the contractual arrangements can be put in place to allow the continuation of the U22 Fares offer until March 2026 and introduce the care leavers offer.

FINANCIAL IMPLICATIONS:

TVCA received £7,153,668 and an additional £125,000 of BSIP capacity and capability funding (£7,278,668 in total) in 2025/26. In addition to the 2025/26 funding allocation £747,720.78 of underspend from 2024/25 has also been carried over to the 2025/26 financial year.

The total BSIP funding for the 2025/26 period is therefore **£8,026,388.78.**

The financial implication of this delegated decision is the confirmed BSIP funding allocation of **£5.582**, alongside the provisional allocation of **£2.445m** (Care Leavers Scheme).

Type of measure	Description	Other funds (TVCA or LA contributions)	2024/25 Underspend	2025/26 BSIP	TOTAL
Continued supported service contracts form April 2025 to March 2026	Service 3 (Redcar)	£0.00	£44,140.53	£0.00	**£44,140.53**
	Services 3&4 (Darlington)	£0.00	£79,478.66	£0.00	**£79,478.66**
	Service 29 (Middlesbrough)	£0.00	£208,897.81	£0.00	**£208,897.81**
	Service 17&18 (Darlington)	£0.00	£173,094.59	£0.00	**£173,094.59**
	Service 6/6A (Darlington & Stockton)	£0.00	£242,109.19	£307,577.25	**£549,686.44**
	Service 6, 6A & 6B - further service enhancements (Darlington & Stockton)	£80,383.00	£0.00	£1,600.00	**£81,983.00**
	Service 1&2 (Redcar/ East Cleveland)	£0.00	£0.00	£463,899.06	**£463,899.06**
	Service RP1 (Middlesbrough)	£0.00	£0.00	£218,914.47	**£218,914.47**
	Service X40/X41 (Stockton/ Hartlepool)	£0.00	£0.00	£435,248.01	**£435,248.01**
	Service 16 (Darlington)	£0.00	£0.00	£136,772.26	**£136,772.26**
	Service 101 (Middlesbrough - Teesport)	£24,989.36	£0.00	£24,989.36	**£49,978.72**
	Service 13/13b (Middlesbrough & Stockton)	£0.00	£0.00	£132,999.58	**£132,999.58**
	Service 35	£0.00	£0.00	£166,641.77	**£166,641.77**
	Service 3/3a (Hartlepool)	£0.00	£0.00	£139,330.59	**£139,330.59**
	Continuation of Tees Flex	£1,429,708.55	£0.00	£0.00	**£1,429,708.55**

Total Sustainable Network for the future commitment		**£1,535,080.91**	**£747,720.78**	**£2,027,972.35**	**£4,310,774.04**
Improved Fare Offer	22 and Under Fares Offer	£0.00	£0.00	£2,400,000.00	**£2,400,000.00**
	Care Leavers Scheme **(Provisional Allocation)**	£0.00	£0.00	£2,444,790.88	**£2,444,790.88**
	TVCA contributions to the ENCTS Scheme	£0.00	£0.00	£105,000.00	**£105,000.00**
Total Fare offer commitment		**£0.00**	**£0.00**	**£4,949,790.88**	**£4,949,790.88**
Enhanced Customer Experience	Annual Connect Tees Valley costs (BSIP C&C)	£0.00	£0.00	£125,000.00	**£125,000.00**
	Timetable Printing & Posting	£0.00	£0.00	£103,157.37	**£103,157.37**
	Bus Stop Flag Brackets	£0.00	£0.00	£3,907.40	**£3,907.40**
	Storage Facility/ Operational Capacity	£0.00	£0.00	£3,740.00	**£3,740.00**
	BSIP Marketing	£0.00	£0.00	£50,000.00	**£50,000.00**
	Transport Focus	£0.00	£0.00	£14,600.00	**£14,600.00**
	Atco Fees	£0.00	£0.00	£500.00	**£500.00**
Total Customer Experience commitment		**£0.00**	**£0.00**	**£300,904.77**	**£300,904.77**
Total Allocated		**£1,535,080.91**	**£747,720.78**	**£7,278,668.00**	**£9,561,469.69**

EXISTING CABINET DECISION WHICH ASSIGNED THE NECESSARY FUNDING:

On the 22nd July 2022, TVCA Cabinet resolved:
That Tees Valley Combined Authority (TVCA) become party to the 'shell' bus Enhanced Partnership agreement, noting that there are no direct obligations at this stage, and delegate authority to the Assistant Director for Transport & Infrastructure to engage through the Bus Partnership governance structure and agree further detail in relation to any element of the delivery plan, which has implications on TVCA, subject to confirmation of funding and satisfactory completion of the necessary statutory processes.

Furthermore, note that on the 15th December 2023, TVCA Cabinet resolved:

That Cabinet approved the re-grade of the Assistant Director of Infrastructure to Director and as a result, promoted Tom Bryant to Director.

Furthermore, on 27th June 2025 Tom Bryant was confirmed to the role of TVCA CEO and Julie Hurley was appointed to the role of Interim Director for Transport & Infrastructure.

IS THIS A KEY DECISION?

No – the Director of Infrastructure has delegated authority from Cabinet to agree further detail in relation to delivery of the BSIP, subject to confirmation of funding. The Director of Infrastructure has therefore taken decisions in relation to expenditure of the BSIP funding in accordance with this delegation, as TVCA is the accountable body for the funding. Before making decisions there has been extensive engagement with the Enhanced Partnership, local authorities and TVCA statutory committees to help inform the prioritisation.

RELEVANT CABINET POLICY FRAMEWORK:

As the Local Transport Authority, TVCA is the statutory body responsible for the development and delivery of the BSIP. The BSIP delivers upon the Tees Valley Strategic Transport Plan approved by TVCA Cabinet in 2020.

PROCESS OF PARTNER CONSULTATION:

TVCA engaged extensively with members of the Enhanced Bus Partnership, including seeking input from the
local authorities before agreeing the allocation of BSIP funding to specific projects.

There has also been engagement with TVCA Cabinet and Transport Committee.

HOW THE ASSURANCE PROCESS WILL BE APPLIED TO THE DECISION:

The BSIP funding must be used to deliver on the priorities set out within the BSIP. TVCA is required to report to the DfT on progress against the BSIP priorities and BSIP spend. The DfT is therefore providing the assurance in terms of BSIP spend. However, TVCA is monitoring the impact of the interventions locally through the BSIP monitoring and evaluation framework.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED:

The DfT expect all interventions to be consistent with official guidance on Bus Service Improvement Plans and the published BSIP. This investment proposal sets out a series of interventions to deliver the priorities set out in the Tees Valley BSIP.

The strategy adopted in the development of this proposal has been to continue support for all the subsidised services funded in 2024/25, and a continuation of interventions to improve at-stop and service disruption information. This is to avoid stop / start investments that lead to uncertainty amongst passengers and to try to give some of the subsidised services a longer timeframe in which to try to establish commercial viability or at least reduce the level of subsidy required.

The package of interventions proposed has been identified as the best to meet the BSIP objectives, whilst also ensuring value for money for each individual proposal. This proposal does not commit all the funding available, although it does provide an indication of the additional interventions that the remaining funding is proposed to be used for.

BSIP partners were invited to submit ideas and proposals for the funding and a number were received and considered. However, the lack of long-term funding certainty means that making changes to the existing subsidised services network and introducing new interventions. which may have to be cut after 12 months, was not deemed to be the best strategic approach to using this funding in 2025/26.

ACTUAL OR PERCEIVED CONFLICT OF INTEREST BY ANY OF THE DECISION-MAKERS:

None

SIGNATURE:

DIRECTOR OF INFRASTRUCTURE Julie Hurley

DATE: 08/09/25

All sections below are for Governance Team use only

DATE REPORTED TO MANAGEMENT GROUP:

KEY DECISION YES NO

If Yes circulate to Overview & Scrutiny Committee within 2 working days

DATE CIRCULATED: OFFICER NAME:

DEADLINE DATE FOR CALL IN BY OVERVIEW & SCRUTINY COMMITTEE (5 days from the date Committee notified of the decision):

DATE FUNDS CAN BE RELEASED:

CRSTS Revenue Record of Expenditure

OFFICER:	RECORD NO:	PROJECT TITLE:
Sally Brown	CRSTS-RE-2025-03	LEVI Procurement and Technical Support
AGREED PROJECT FUNDING ALLOCATION:		**PROJECT EXPENDITURE APPROVAL AMOUNT:**
£150,000		£150,000

DETAILS OF PROJECT:

TVCA successfully obtained £6.5m Local Electric Vehicle Infrastructure (LEVI) funding from Government to provide a step change in on street EV charging infrastructure in the region.

The LEVI contract will be procured on a concessionary basis, with a significant amount of private sector investment expected by the charge point operator, subsidised by LEVI funding.

TVCA require specialist technical support in two areas in relation to the LEVI project.

1. Procurement

Support is required with the following:

- Answering clarification questions received from bidders relating to technical requirements
- To act as an evaluator for the procurement submissions.
- To provide technical advice/guidance to TVCA evaluators

There is a need to put this arrangement in place in advance to enable the LEVI Charge Point Operator procurement to commence by the end of September to meet funding timescales.

2. Technical support for TVCA during the initial roll out of the LEVI contract

Construction (Design and Management) Regulations – Client support

TVCA will require ongoing support and guidance in relation to CDM to cover the following:

- Discharge of client CDM duties on behalf of the TVCA.
- Support with review of risk assessments and other documentation submitted to TVCA by the CPO under the concession contract.

Technical Specialist Advisor support to TVCA to assist contract management for the LEVI concession contract

- Support with the assessment of site assessments submitted by the CPO under the concession contract, including in relation to cost estimates and request for LEVI subsidy, reviewing the outputs of the charge point operator's Equality Impact Assessment, outputs of fire and flood risk assessments, and outputs of lighting assessments.
- Supporting with the tracking of some key performance indicators.
- Ad hoc support and advice to TVCA in relation to technical aspects of the project.

FINANCIAL IMPLICATIONS:

As reported to Cabinet in March 2025, TVCA has been allocated £8.51m of CRSTS revenue for 2025/26 and this delegation relates specifically to this allocation. This is in addition to prior allocations of CRSTS revenue made for the period 2022/23 – 2024/25. The purpose of this funding allocation is to provide financial support for the development and delivery of the Transport Investment Programme, including funding for improving capacity and capability to deliver the projects.

The financial implication of this decision is to allocate funding from this grant. The following table outlines the decisions which have been made in relation to this funding:

		Total funding available	£8,500,000
Record No:	Description	Project funding allocation	Funding remaining
	No commitments have yet been made		
		Funding remaining	
This decision	LEVI Procurement and Technical Support	£150,000	£8,350,000

Further decisions will be forthcoming in relation to the use of this funding as a contribution towards TVCA support services (legal, finance procurement, etc) and Transport team staffing costs and for project development work. This will be the subject of separate decision records.

POTENTIAL RISK(S):

Due to the limited CRSTS revenue funding available there is a risk that future projects are limited due to this expenditure. LEVI revenue funding provided by DfT is not permissible to be used for consultancy support.

PROCESS OF PARTNER CONSULTATION:

Local Authorities have been involved throughout the development of the LEVI project through Transport Planning Officers Group, Transport Advisory Group. This has involved meetings, workshops to collaboratively develop the procurement specification in advance of publication

HOW THE ASSURANCE PROCESS WILL BE APPLIED TO THE DECISION:

This decision enables the Procurement Approval Form to be signed off by the Director of Infrastructure and Finance Director to approve the procurement of the support.

This support will be procured via a mini competition from an established procurement framework, for which suppliers have already been through a compliant procurement process. Pre-tender market engagement has been carried out to ensure there are parties interested in bidding for the opportunity. There is a need to appoint by the end of September to coincide with the full LEVI procurement opportunity going live.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED:

TVCA do not currently have the technical experience in house to support the evaluation of technical procurement tenders for the LEVI project. Progressing without this technical support has been considered but would pose a risk to the project.

ACTUAL OR PERCEIVED CONFLICT OF INTEREST BY ANY OF THE DECISION-MAKERS:

None

SIGNATURE:

Interim Director of Infrastructure:	
Date:	03/09/2025

Agenda Item 10

Report to the TVCA Cabinet

26 September 2025

Report of the Chief Executive

LOCAL GROWTH PLAN & INVESTMENT PIPELINE

SUMMARY

An update on the Tees Valley Local Growth Plan was reported to Cabinet in June 2025. Cabinet approved the proposed approach to and timescales for the development of the Local Growth Plan, and the proposals to develop a new monitoring and evaluation framework. Cabinet also approved the proposed vision and objectives and approach to the development of the Investment Pipeline.

Cabinet was asked to note the report, including that the Local Growth Plan would be reported back to Cabinet for approval at a future meeting.

This report provides a further update on the Local Growth Plan, specifically on recent policy updates, wider partner and stakeholder engagement and the development of the Tees Valley Investment Pipeline.

RECOMMENDATIONS

i. NOTES the update on the Local Growth Plan.

DETAIL

Local Growth Plan Policy

1. On 10 July 2025, the Government introduced the English Devolution and Community Empowerment Bill to Parliament with the intention that it will provide provision to deliver further on their commitment to deepen and widen devolution across England.

2. Strategic Authorities will be responsible for unlocking investment, infrastructure and economic growth across larger geographies and will be empowered to operate across seven key areas – transport and local infrastructure; skills and employment support; housing and strategic planning; economic development and regeneration; environment; health, wellbeing and public service reform; and public safety – collectively defined as 'areas of competence'.

3. The Bill confirms that a new duty will be placed on Mayors to produce Local Growth Plans. Local Growth Plans provide a long-term 10-year strategic framework for growth

in their region. They are produced and owned by Mayoral Strategic Authorities, focused on the holistic needs and opportunities in their region, and should set out the priorities where the authority will focus its devolved powers and funding to drive productivity and growth.

4. The Government has also published Guidance for Mayoral Strategic Authorities on developing Local Growth Plans. It includes a section on how Mayoral Strategic Authorities can develop an investment pipeline to support opportunities in the region.

5. As part of the Local Growth Plan guidance, Government have also published the Agreed shared Local Growth Plan priorities. Shared priorities are a region's most significant opportunities and constraints to economic growth which would most benefit from central-regional collaboration, as determined using robust evidence. They are cross-cutting priorities that can benefit a wide range of sectors and the regional economy at large.

Other related policy

6. On 19 June 2025, the Chief Secretary to the Treasury presented to Parliament the UK Infrastructure: A 10 Year Strategy. The Strategy brings together economic infrastructure (transport, energy, water, wastewater digital, flood risk management and waste) and social infrastructure (housing, schools, colleges, hospitals, prisons and courts) under a single, long-term framework.

7. On 23 June 2025, the Secretary of State for Business and Trade presented to Parliament the UK's Modern Industrial Strategy. The strategy sets out a new economic approach to backing the UK's strengths, with ambitious sector plans for 8 high-growth sectors (IS-8) to be published.

Tees Valley Local Growth Plan

8. Following the publication of the UK's Modern Industrial Strategy and guidance on Local Growth Plans, including specifically the Investment Pipeline, there has a been an opportunity to review and reflect on these publications, understanding what they mean for Tees Valley.

9. Work conducted to date, including the production of a robust evidence base and economic assessment, the 'why' we should do something, has provided us with the foundations on which to progress to the next stage of development of our Local Growth Plan, identifying the 'what' we should do.

10. The overarching aim of the Tees Valley Local Growth Plan is to 'secure sustained and inclusive growth to exceed the UK growth rate by building on our success to date, to power a diverse and balanced economy, with job growth and productivity gain that creates opportunities for everyone.'

11. Alongside the development of the Local Growth Plan, is the development of the Get Tees Valley Working Plan (see agenda item 11 for detail). The Get Tees Valley Working Plan includes analysis of key local labour market challenges and drivers for different groups of people across our economy and is intended to inform a whole system approach (work, health and skills) to tackling the supply and demand side challenges within local labour markets. The alignment of this work will ensure that the Local Growth Plan addresses the inclusive growth agenda and seeks to integrate with other agendas to address health and socio-economic inequality.

12. The Local Growth Plan and the Get Tees Valley Working Plan are both locally owned documents and whilst Government will not 'micromanage' the production of Local Growth Plans they do expect Local Growth Plans, as a minimum, to include the following three core elements:

    - Economic overview: Local Growth Plans must set out an economic overview of the region that identifies the key strengths, opportunities, and challenges for the regional economy. This should include an overview of the most significant growth-driving sectors for the region.

    - Shared priorities: Local Growth Plans must include shared priorities, which should underpin the plan as a whole. Shared priorities should be the region's most significant opportunities and constraints to economic growth.

    - Investment pipeline: Recognising that Mayoral Strategic Authorities are already developing and managing investment pipelines, Local Growth Plans must include a shorter investment pipeline of priority projects that have specific significance for enabling growth.

13. A high level first draft of the Tees Valley Local Growth Plan is being produced. This first high-level draft, which is underpinned by a robust economic assessment, will form a suite of Local Growth Plan products that are being shared collectively with wider partners and stakeholders for discussion throughout the engagement period.

Shared Priorities

14. As referenced in paragraph 5 of this report, alongside the Local Growth Plan guidance, Government have also published the 'Agreed shared Local Growth Plan priorities'.

15. The Shared Priorities for Tees Valley are:

    Skills and Employment. Increase the skills base and reduce economic inactivity to enable residents to rejoin or increase participation in the workforce and support them into better employment opportunities.

    Transport. Improve transport accessibility and travel experiences to better connect workers across the region to employment and industrial sites.

Housing and Commercial Development. Increase the availability and viability of high-quality commercial land and space, such as office, industrial, research and development space, and appropriate housing, to increase business density and to attract and retain talent.

16. The published Guidance for Mayoral Strategic Authorities on developing Local Growth Plans, sets out that these shared priorities will guide both national and regional policy – informing collaborative working to design and develop services and interventions and make investment decisions. These shared priorities will benefit from the support via both the Mayoral Strategic Authorities' devolved powers and national government levers.

Investment Pipeline

17. The government guidance on developing Local Growth Plans, states that, 'Mayoral Strategic Authorities will need to work closely with the private and public sectors to secure the necessary strategic investment to deliver Local Growth Plans'.

18. The vision and objectives, and approach to the development of the Investment Pipeline were agreed by TVCA Cabinet in June 2025. The agreed vision for the Tees Valley Investment Pipeline is to 'Boost regional competitiveness and build resilience through maximising investment across the Tees Valley to bring forward key strategic projects, programmes, sites and investments that have the greatest impact to the economic growth and sustainability of the region.'

19. A Task & Finish Group, consisting of officers from TVCA and the constituent Local Authorities, to develop the Investment Pipeline has been established and work to develop the investment pipeline has commenced.

20. The Investment Pipeline Task and Finish Group will oversee the development and implementation of a communication and engagement plan, specific to the investment pipeline, to ensure all relevant partners and stakeholders are involved where appropriate and can inform and shape the investment pipeline.

21. Work to develop the methodology for prioritisation of the investment pipeline has also commenced.

Partner and stakeholder engagement

22. Working with Local Authority officers through the Local Growth Plan Working Group and Tees Valley Management Group, a high-level, indicative engagement plan for the Local Growth Plan has been prepared:

Activity	Timeframe
Procurement / appointment of external provider to provide capacity support – external engagement	August 2025
Partner / Stakeholder Engagement	June – October 2025
Fully developed engagement plan	By 12 September 2025
Specific Business & industry engagement (including Tees Valley Business Board and Business Representative Organisations)	September
Wider Partner and Stakeholder Engagement	September – October 2025
Internal Thematic Workshops	August – September 2025
Internal Working Group	Fortnightly: August – March 2026
LGP Working Group (including Tees Valley Management Group officers)	Fortnightly: May 2025 – March 2026

23. Initial engagement with Leaders and Chief Executives on the Local Growth Plan and Investment Pipeline took place in July and August with further and ongoing informal engagement planned throughout the remaining development timeframe.

24. The high-level engagement plan sets out that between July and October a period of meaningful engagement will take place where, with the support and input of Local Authorities, partners and stakeholders from across the region, work will take place to identify our investment and delivery priorities.

25. The partner and stakeholder engagement will be led by the successful bidder. This will include hosting and facilitating the engagement events across Tees Valley. The successful bidder has prepared a full engagement plan.

26. Throughout the engagement process, work will continue with our local authorities, Business Board and wider partners and stakeholders to test and strengthen our robust evidence base, test our economic growth ambitions, our narrative and our policy proposals. As noted in paragraph 23, further and ongoing informal engagement with Cabinet is planned throughout the remaining development timeframe.

Monitoring and Evaluation Framework

27. So that we can demonstrate the impacts of the Tees Valley Local Growth Plan at both a local and national level, work is underway to develop a new monitoring and evaluation framework. This framework will ensure successful delivery of the Local Growth Plan and give confidence to businesses, strategic partners and stakeholders, and Government.

Next Steps

28. The table below sets out the timeframe for the full development of the Tees Valley Local Growth Plan, including the work required to develop the Tees Valley Investment Pipeline, which will inform the next TVCA Investment Plan. It is also recognised that Local Growth Plans will be subject to iterations once published.

Activity	Revised Timeframe
Review and reflect on Government announcements and publications - Spending Review, Industrial Strategy and Sector Plans, and Local Growth Plan guidance.	Complete
Preparation of DRAFT Local Growth Plan	Commenced May 2025
Partner / Stakeholder Engagement	June – October 2025
Develop Monitoring and Evaluation Framework	June – October 2025
Procurement of external provider to provide capacity support – external engagement	August 2025
Tees Valley Investment Pipeline development (including methodology)	August – December 2025
DRAFT Tees Valley Local Growth Plan	By December 2025
FINAL Tees Valley Local Growth Plan	By March 2026

FINANCIAL IMPLICATIONS

29. Local Growth Plan preparation and publication – MHCLG has allocated £500,000 Capacity Building funding to TVCA for FY2025-26 to support the preparation of Spatial Development Strategies and Local Growth Plans.

30. The Tees Valley Local Growth Plan Investment Pipeline, once agreed, will inform the future Tees Valley Investment Plan and that Investment Plan will be reported to Cabinet at a future meeting.

LEGAL IMPLICATIONS

31. The English Devolution and Community Empowerment Bill, published in July 2025, sets out that the Government will place a statutory duty on Mayors to produce a Local Growth Plan. There are no other implications identified.

RISK ASSESSMENT

32. At this stage in the process of developing the Local Growth Plan it is considered that existing management systems and daily routine activities are sufficient to control and reduce risk.

33. As the Local Growth Plan is developed detailed risk assessments will be developed to assist with delivery.

34. The update in this report relating to the development of the Local Growth Plan Investment Pipeline is low risk. As the work of the Investment Pipeline Task and Finish Group progresses a risk assessment will be undertaken.

CONSULTATION & COMMUNICATION

35. Our Local Growth Plan is being developed collaboratively with our constituent local authorities and the Business Board. As stated in paragraphs 22-25 of this report, wider engagement with other relevant partners and stakeholders will take place between July and October.

36. As stated in paragraph 21 of this report, the Investment Pipeline Task and Finish Group will oversee the development and implementation of a communication and engagement plan, specific to the development of the investment pipeline, to ensure all relevant partners and stakeholders are involved where appropriate and can inform and shape the investment pipeline.

37. This report has been considered by the Tees Valley Business Board, Tees Valley Management Group and Tees Valley Chief Executives.

EQUALITY & DIVERSITY

38. The Local Growth Plan should be the overarching framework for inclusive regional economic growth. The Local Growth Plan will need to include priorities and interventions to get more people into work, many of whom have disabilities and/or long-term health conditions, and tackle inequality.

39. At this stage in the preparation of the plan and investment pipeline there are no direct equality and diversity implications.

40. Equality Impact Assessments will be produced as the plan and investment pipeline are further developed.

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Agenda Item 11

Report to the TVCA Cabinet

26 September 2025

Report of the Chief Executive

GET TEES VALLEY WORKING PLAN

SUMMARY

An update on the local Get Britain Working Plan, which directly aligns to the workforce element of the Local Growth Plan (see Agenda Item 10), was reported to Cabinet in June 2025.

Cabinet was asked to approve a summary of our initial proposals and, in accordance with paragraph 31 of the Guidance for Developing local Get Britain Working plans (England), agree that our initial proposals be submitted to the Department for Work & Pensions on 27 June 2025.

Cabinet was also asked to note the report, including that the local Get Britain Working Plan (to be branded 'Get Tees Valley Working Plan') would be reported back to Cabinet for approval at a future meeting.

This report provides an update on the Get Tees Valley Working Plan, including the Get Tees Valley Working Plan – First Edition, attached at Appendix 1 for Cabinet approval.

RECOMMENDATIONS

It is recommended that Cabinet:

i. NOTES the update on the Get Tees Valley Working Plan.

ii. In relation to the Get Tees Valley Working Plan – First Edition as detailed in paragraphs 7-12 of this report, and attached at Appendix 1, Cabinet has the following options:

   a. APPROVE the Get Tees Valley Working Plan – First Edition in Appendix 1 and agree that the plan can be published, in accordance with paragraph 32 of the Guidance for Developing local Get Britain Working plans (England).

   b. NOT APPROVE the Get Tees Valley Working Plan – First Edition in Appendix 1 and not agree that the plan can be published.

RECOMMENDED OPTION – Option ii(a). As set out in paragraph 32 of the Guidance for Developing local Get Britain Working plans (England), 'as a minimum all areas are expected to have initial plans covering inactivity completed and published by September 2025'. The aim of Local Get Britain Working plans is to address the challenges related to labour force participation (employment, unemployment and economic inactivity) and progression in work. Given the high levels of economic inactivity in Tees Valley, the Get Tees Valley Working Plan – First Edition sets out the priorities focusing on addressing economic inactivity at a local level. The scope of the plan will be expanded over time to cover the full scope of the government's Get Britain Working ambition.

DETAIL

Local Get Britain Working Plans policy

1. The Get Britain Working White Paper (published November 2024) set out three objectives (improving engagement, employment, and earnings) in addition to the requirement for all areas in England to develop local Get Britain Working Plans – these are detailed plans that address the challenges related to labour force participation (employment, unemployment and economic inactivity) and progression in work.

2. Local Get Britain Working Plans will form a part of achieving the Government's ambition of an 80% UK employment rate by identifying local labour market challenges and setting out how local areas will address them.

3. Local Get Britain Working Plans will help integrate the new jobs and careers service, combining Jobcentre Plus and the National Careers Service, with wider local efforts, while also supporting better coordination across public services such as the NHS and DWP to inform future commissioning and delivery.

4. These plans are intended to align with Local Growth Plans, other local economic strategies, such as the Tees Valley Employment and Skills Strategy – 2022 and beyond, Local Skills Improvement Plans (LSIPs), and Integrated Care Board's Work and Health Strategies.

5. Where the relevant Local Growth Plan sets out a shared priority of health, skills, or inactivity (see agenda item 10 paragraph 16) this should be set out clearly in the local Get Britain Working plan.

Other related policy

6. On 3 July 2025, the Government published the 10 Year Health Plan for England: fit for the future. The 10 Year Health Plan is part of the government's health mission to build a health service fit for the future. It sets out how the government will reinvent the NHS through 3 radical shifts:

- hospital to community
- analogue to digital
- sickness to prevention

Get Tees Valley Working Plan – First Edition

7. Following submission of our initial summary of proposals to DWP in June, work to develop the Get Tees Valley Working Plan – First Edition, covering inactivity, has continued.

8. The work to develop this plan has been overseen by a formal partnership group of key local stakeholders. In Tees Valley this is the Education, Employment & Skills Advisory Group, alongside TVCA as the accountable body and our constituent authorities in the local area. This group has also consisted of a nominated lead from the North East and North Cumbria Integrated Care Board and Jobcentre Plus.

9. As with Local Growth Plans, there is no set format for Local Get Britain Working plans and areas have the flexibility to develop plans in a way which will have the maximum impact within their areas. However, there are some core elements that are expected in all plans as a minimum, these are:

    - An overview of the current landscape of support (for individuals and employers) and the differing responsibilities and contributions of different stakeholders
    - Analysis of key local labour market challenges and drivers for different groups of people across the economy, ensuring collective agreement on these key local issues
    - A clear plan of action for how partners will work together to develop support and services that address local priorities, improve local outcome indicators in line with Get Britain Working outcome metrics
    - Actions for the next 12-24 months and steps towards achieving longer-term objectives
    - Detail of how wider stakeholders have and will continue to be engaged
    - Details of the governance processes related to sign-off and how the partnership have and will continue to be involved

10. An extensive and robust evidence base has been developed to underpin and inform several pieces of strategically significant work in Tees Valley. This includes, the Tees Valley Local Growth Plan, the Tees Valley Connect to Work programme, the Tees Valley Youth Trailblazer and the Adult Skills Fund.

11. The 'workforce' evidence base has provided a solid foundation on which we have built the Get Tees Valley Working Plan – First Edition. It has four sections – education, skills, employment and health and covers key areas including labour market participation, progression, earnings, job quality and economic inactivity. It is intended to publish the 'workforce' evidence base alongside the Get Tees Valley Working Plan – First Edition.

12. Informed by the 'initial assessment' undertaken to develop our initial summary of proposals, and in accordance with the Local Get Britain Working Plans guidance, the Get Tees Valley Working Plan – First Edition, including a summary of the proposed focus of our priority actions for the next 12-24 months, is attached in Appendix 1 for Cabinet approval.

Next steps

13. The Guidance for Developing local Get Britain Working plans (England) states, 'as a minimum all areas are expected to have initial plans covering inactivity completed and published by September 2025.'

14. Subject to Cabinet approval, the Get Tees Valley Working Plan – First Edition will be published by end of September 2025.

15. Given the high levels of economic inactivity in Tees Valley, the Get Tees Valley Working Plan – First Edition sets out the priorities focusing on addressing economic inactivity at a local level, including how this aligns to the skills and employment shared priority in our Local Growth Plan. The scope of the plan will be expanded over time to cover the full scope of the government's Get Britain Working ambition.

FINANCIAL IMPLICATIONS

16. Local Get Britain Working Plans Fund Grant - the purpose of the grant is to cover expenditure incurred in the production and publication of Local Get Britain Working plans in line with the stipulations set out in local Get Britain Working plans guidance. This funding is to be regarded as a one-off payment allocated to each accountable body.

17. The funding allocation for Tees Valley Combined Authority for the period 1 April 2025 to 31 March 2026 is £100,000 to secure additional resource as required.

LEGAL IMPLICATIONS

18. The English Devolution and Community Empowerment Bill, published in July 2025, sets out that the Government will place a new statutory duty on Mayors to produce a Local Growth Plan.

19. In Mayoral Combined Authorities, local Get Britain Working plans should be guided by and support the regional objectives set out in Local Growth Plans.

20. The English Devolution and Community Empowerment Bill, also sets out that the Government will place a new statutory duty on all Strategic Authorities who must "have regard to the need to improve health and reduce health inequalities" when exercising their functions.

RISK ASSESSMENT

21. At this stage in the process of developing the Get Tees Valley Working Plan, it is considered that existing management systems and daily routine activities are sufficient to control and reduce risk.

22. As the plans are produced detailed risk assessments will be developed to assist with delivery.

CONSULTATION & COMMUNICATION

23. The published guidance for local Get Britain Working Plans states that development of the plans should be overseen by a formal partnership of key local stakeholders alongside the accountable body and any constituent authorities in the local area.

24. This partnership must consist of a nominated lead from the relevant Integrated Care Board and Jobcentre Plus, and should include representation from:

    - voluntary, community, and social enterprise organisations
    - education and skills providers
    - employer and business representative groups (it is recommended this includes representation from the Employer Representative Body responsible for the development and implementation of Local Skills Improvement Plans within that area)

25. The Tees Valley Education, Employment & Skills Advisory Group is the formal partnership group overseeing the development of the Get Tees Valley Working Plan.

26. In addition to the oversight provided by the formal partnership group, insights and input have been sought from wider local stakeholders, including organisations with responsibility for delivering UK Shared Prosperity Fund projects, local academic institutions, social partners (including housing associations).

27. This report has been considered by the Tees Valley Business Board, Tees Valley Management Group and Tees Valley Chief Executives.

EQUALITY & DIVERSITY

28. Published guidance for local Get Britain Working Plans states that 'the plan should include a labour market analysis' and specifically 'include an assessment of which groups are most disadvantaged and the causes and impacts of this to the individual, the local economy, and local services.'

29. 'Key groups will include disabled people, people with a health condition, disadvantaged young people and older people, people with caring responsibilities (including parents and lone parents particularly where this supports the government's

ambitions to reduce child poverty), and people who face multiple disadvantages (for example homelessness, ex-offenders, refugees, and care experienced).'

30. At this early stage in the preparation of the plan, there are no direct equality and diversity implications.

31. As the plan is further developed Equality Impact Assessments will be produced in parallel.

APPENDICES

1 Get Tees Valley Working Plan – First Edition (September 2025)

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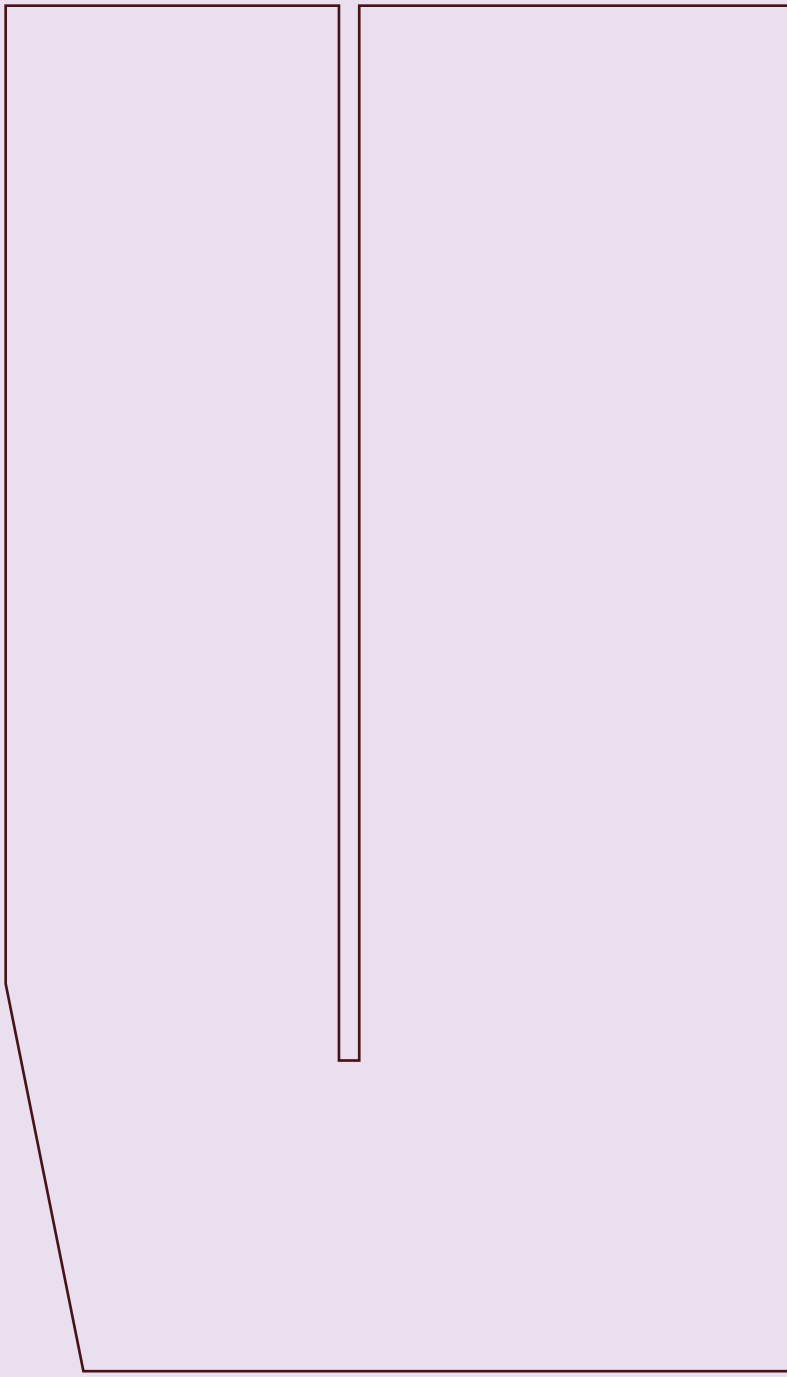
TEES VALLEY

Get Tees Valley Working Plan

First Edition (September 2025)

TEES VALLEY



Get Tees Valley Working Plan

First Edition (September 2025)

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Governance

Local Engagement

Future Iterations

Foreword – Tees Valley Mayor and Cabinet Portfolio Holder for Education, Employment and Skills

Economic growth is the number one mission of Government.
The national ambition to grow the UK's economy is grounded in the development of ambitious Local Growth Plans, ensuring the benefits of a growing and future-facing economy are felt across local areas and by local people.

A business is only as good as its people. And so too is a region. We are dedicated to investing in our people, giving local people the skills they need to secure well-paid, good-quality jobs right here in the region.

We are also focused on ensuring our businesses have an expert workforce so that they can grow and continue to boost our local economy, in our existing sector strengths and our emerging sector strengths. We're supporting the current workforce to upskill and nurturing a future workforce that equips businesses – and Tees Valley – with the specialist skills we need to succeed.

The Tees Valley region is a region of contrasts. Home to globally competitive industries and emerging growth sectors, yet burdened by long-standing deprivation and low living standards, health inequalities, and high levels of economic inactivity. The Get Tees Valley Working Plan bridges this divide with targeted, place-based solutions and a pioneering alignment of health, skills and employment support. We know that good work is good health.

At the heart of our Local Growth Plan, and this plan, is inclusive growth. Backed by strong partnerships, from our Local Authorities to the NHS, Department for Work and Pensions (DWP), Department for Education (DfE) and wider partners and stakeholders, the Get Tees Valley Working Plan is founded on the principle of inclusive economic growth that benefits all, tackles inequality, and creates opportunities for everyone in our region.

To reach the goal of an 80% employment rate, we need sustained investment and cross-sector collaboration.

We will continue to build a Tees Valley where everyone can thrive.

We will Keep Tees Valley Working.

Ben Houchen, Tees Valley Mayor &
Councillor Lisa Evans, Cabinet Portfolio Holder for Education, Employment and Skills

EXECUTIVE SUMMARY

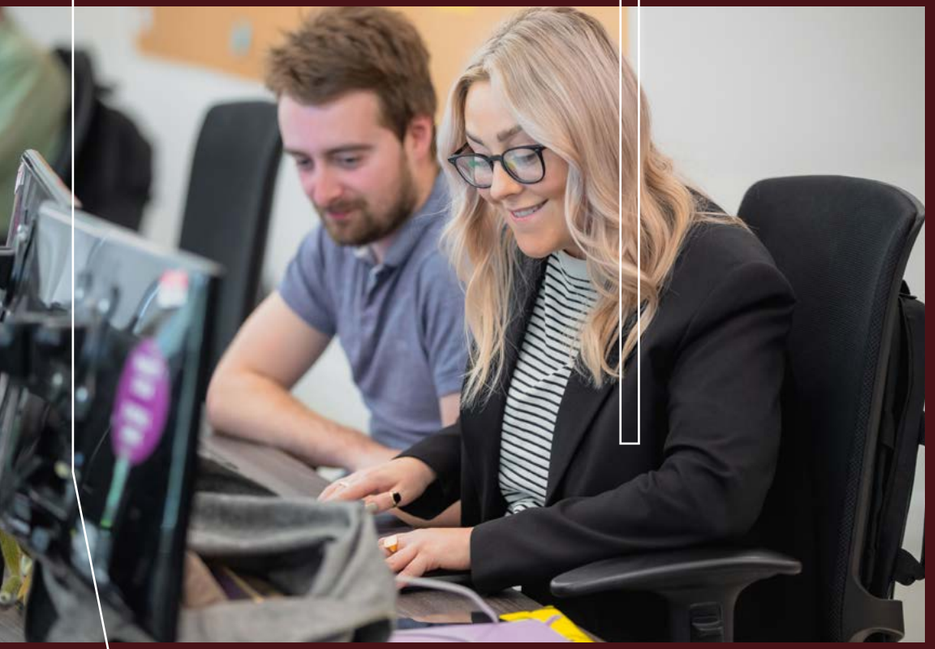
The Get Tees Valley Working Plan is a regional employment, health and skills strategy developed in response to the UK Government's Get Britain Working White Paper, which aims to increase employment, reduce economic inactivity, mitigate health-related barriers to work and improve job quality.

Tees Valley is comprised of the five local authority areas of Darlington, Hartlepool, Middlesbrough, Redcar & Cleveland and Stockton-on-Tees. With oversight from the Tees Valley Education, Employment and Skills Advisory Group, acting as the local partnership group, the plan has been developed by Tees Valley Combined Authority, with our local authorities, the Department for Work and Pensions (DWP) and Jobcentre Plus, and the North East and North Cumbria Integrated Care Board (ICB), wider partners and stakeholders.

This first edition of the Get Tees Valley Working plan provides a comprehensive analysis of the current labour market activity in the Tees Valley. It includes a detailed description of the scale and distribution of economic inactivity across the region, and the key risk factors that drive the high levels of regional economic inactivity. It covers the role of key stakeholders and starts to identify where we need to work differently to maximise opportunities and overcome challenges; and how collectively we can work together to do this.

The plan underpins the 'workforce' element of our Local Growth Plan and addresses how it will support national, regional, and local ambitions, including those in our Local Growth Plan.

The plan sets out how our integrated employment, health and skills system will work together to reduce inequalities, improve experiences of our health and care services and improve the health and wellbeing of people living and working in the Tees Valley by 2035.



INTRODUCTION

Local Get Britain Working plans are the central starting point to the Government's long-term ambition to achieve an 80% employment rate by 2035.

This, the first edition of the Get Tees Valley Working Plan, focuses on the inactive target group and on addressing economic inactivity at the local level, however, the scope of the plan will be expanded over time to include unemployment and employment.

The current employment rate for the country is 75.7%. The current employment rate for Tees Valley is 71.9%, which is equivalent to 295,800 working-age adults (aged 16-64). To achieve the national employment rate of 80% – and assuming no change in the working age population – Tees Valley would need to move an additional 33,300 more local people into work.

We want to continue to increase employment in Tees Valley to achieve the long-term government ambition of an 80% employment rate by 2035.

10 years

Timeframe 10 years (2025-2035)

411,300

Total working-age population is 411,300 and current employment rate is 71.9%
(n=295,800 in-work)

33,300

33,300 more working-age residents needed in employment to meet the Government ambition of 80% by 2035 – requires a mix of new and replacement demand jobs

3,300 per year

3,300 more working-age residents needed in employment per year to meet the Government ambition of 80% by 2035

Source: Employment. APS Year to March 2025: Number of Tees Valley working ages residents in employment, in Tees Valley or elsewhere.

Source: Employment Rate. APS Year to March 2025: Number of working age residents in employment, divided by the working age resident population

Our Opportunity

The priority for our local plan is to 'Keep Tees Valley Working'.

With a current employment rate of 71.9% in Tees Valley, the majority, equivalent to more than seven out of ten working age adults, are employed. This means that many of the people forecast to be in the labour market in the next 10 years are already in work.

Our biggest economic opportunity is to keep our existing workforce in work. Retention of our existing workforce is critical and support for those in employment and accessing work, our existing and new workforce and their employers, is a priority.

Our overarching strategic approach to this plan is structured around three pillars of support – Retention, Intervention and Preparation.

Retention

Support for those in employment & accessing work (our existing and new workforce)

Enhancing the skillset of those in employment and ensuring that employers are able to clearly articulate their existing and future skills gaps whilst achieving change in the skills offer to address these gaps.

Intervention

Support for those seeking work (our potential future workforce)

Enhancing the employability of those who are close to employment and addressing the constraints faced by those more distant from the labour market as well as fulfilling that the training and support system meets the needs of local businesses

Preparation

Support for those still in education and training (our pipeline future workforce)

Ensuring that those still in education and training are equipped to make the right education and career decisions, and that education and training providers and employers regularly engage to ensure emerging training opportunities address current and future businesses skills demands.

The development of this plan provides us with the opportunity to explore and better understand the transitions and interdependencies between the pillars through a work, health and skills lens.

The productivity and competitiveness of Tees Valley businesses are dependent upon the current and future workforce and their skills levels. Typically, around one third of productivity growth is delivered by improvements in the skills base of the workforce.

This is why we will maximise our opportunity to support our current workforce to upskill and retrain, facilitating progression onto next level learning and accelerating progression into higher value, higher paid jobs. This in turn will help to stimulate the local labour market, creating an escalator of progression opportunities for those already in-work and new opportunities for those entering the labour market for the first time or returning after a period away.

Upskill & Retain

- Support exisiting staff
- Facilitate next-level learning

Accelerate Advancement

- Higher-value roles
- Higher-paid jobs

Opening Doors

- First time entrants
- Returners to the workforce

Stimulating the Local Labour Market

- Escalator of progression opportunities
- Growth for those in-work

However, we also know that health, economic activity, employment, and productivity are interdependent and declining health among working-age people is a growing risk to both livelihoods and economic prosperity. In simple terms, too many people in Tees Valley are out of work due to ill health or are leaving work, with little support to stay employed.

Work on waiting list management with our NHS partners sits alongside a greater focus on preventing people becoming ill in the first place, and NHS organisations are thinking differently about how best to support those whose ability to work is at risk, including through ill health or disability, to remain in work or make a timely return to working.

NHS North East & North Cumbria Integrated Care Board

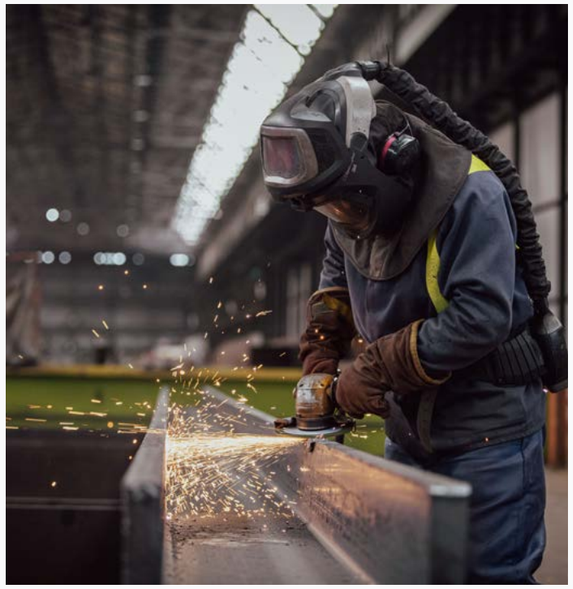
As one of only three **Health and Growth Accelerator** sites in the country, NHS North East and North Cumbria Integrated Care Board is leading the way to identify those whose health places them at risk of becoming economically inactive and then getting them the support they need.

Compared to England as a whole, Tees Valley (71.9%) has a relatively low employment rate (England 75.7%) and relatively high unemployment and economic inactivity rates. 13,200 (4.3% of the economically active) are unemployed and 102,300 (24.9% of the 16-64 population) are economically inactive. (England Unemployment 4.0% and Economic inactivity 21.2%).

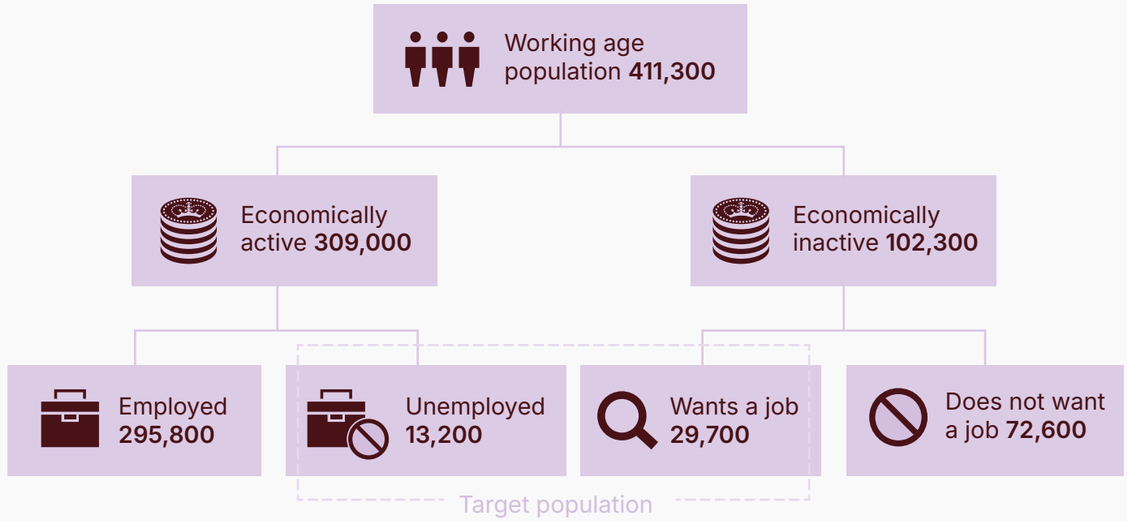
To match the UK economic inactivity rate would mean there would need to be 15,300 fewer Tees Valley working age residents who are economically inactive.

Government has asked local areas to develop detailed plans that look to address the challenges related to labour force participation (employment, unemployment and economic inactivity) and progression in work.

In total, we estimate there are 42,900 Tees Valley residents of working age who are not working and would like to work (unemployed and economically inactive). This group will be the target group population for our plan once fully expanded.



Tees Valley Working Age Population Overview



This Get Tees Valley Working Plan, focuses on the inactive target group and on addressing economic inactivity at the local level, however, the scope of the plan will be expanded over time to include unemployment and employment.

By investing in our residents we will ensure that we have a workforce that enables growth in the Tees Valley, both in terms of our existing sector strengths and our emerging sector strengths.

Source: APS, Year to March 2025

Five unique boroughs.
One remarkable region.

This is Tees Valley.
Where anything is possible.

Home to a landscape that's breathtaking and dramatic.

Where the beauty of the countryside, meets the serenity of the coast.

And where our diverse town centres are alive with culture.

An area united by a history of industry and innovation, passed on from generation to generation.

Where our adaptive, resilient and down to earth nature stands proud.

And where grit, determination and transformation form part of our DNA.

Today, we're carrying the same flame that lit the first friction match, from the place that built the world and kept it on track.

We're setting sail on a new journey, guided by an enduring spirit of opportunity.

This is a corner of the North East that's shaping its own future.

Where the next generation of creators, makers and doers are defining tomorrow.

And where boundaries are being pushed like never before.

A land of hard grafters, fine crafters and good laughers.

A region that's surprising, inventive, and unstoppable all at once.

This is Tees Valley.
Where anything is possible.

Three railway stations connected to London

Tees Valley is centrally located for easy access to the whole of the UK

Tees Valley – Edinburgh 2hr by rail
Tees Valley – London 2hr 20min by rail

Tees Valley's central location makes it perfectly placed for investment.

Situated on the east coast between London and Edinburgh, there is easy access to the whole of the UK via the strategic road and rail network.

Home to the UK's largest and most successful Freeport

Superfast broadband connectivity

National Road and Rail connectivity via the A1(M), A19 and A66

Sits on the East Coast Main Line route

International Airport offering global connectivity via Amsterdam's Schiphol airport

Multiple deep water ports

LOCATION

NATIONAL & LOCAL POLICY CONTEXT

Alongside Local Growth Plans, local Get Britain Working plans should set out the economic ambition for the local area for the next 10 years. Central to our Local Growth Plan is our ambition to provide good jobs with long term prospects that local people can access.

National Policy Context

The Growth Mission – Kickstart Economic Growth
Raising living standards in every part of the United Kingdom

Place

Regional growth through investment, **devolution** and reform, and support for house building.

People

More people in **good jobs and improved employment prospects, skills and productivity.**

Industrial Strategy

An **industrial strategy** to bolster **growth-driving sectors** and free, open trade.

English Devolution and Community Empowerment Bill (July 2025)

Legislation to give new powers to Metro Mayors and Combined Authorities. This will support Local Growth Plans that bring economic benefit to communities.

'Areas of Competence'

1. Transport and local infrastructure
2. Skills and employment support
3. Housing and strategic planning
4. Economic development and regeneration
5. Environment and climate change.
6. Health, wellbeing and public service reform
7. Public safety

Get Britain Working White Paper (November 2024)

Long-term ambition to achieve an 80% employment rate.

The approach is based on 3 pillars:

1. a modern industrial strategy and Local Growth Plans – to create more good jobs in every part of the country
2. improving the quality and security of work through the Plan to Make Work Pay
3. reforms to employment support, bringing together skills and health to get more people into work and to get on in work

UK's Modern Industrial Strategy and IS-8 Sector Plans (June 2025)

Aim is to create a pro-business environment and play to the UK's strengths, focusing on eight growth driving sectors:

- Advanced manufacturing
- Clean energy industries
- Creative industries
- Defence
- Digital and technologies
- Financial services
- Life sciences
- Professional and business services

Get Britain Working White Paper

The Get Britain Working White Paper is the UK Government's proposal to reform employment, health and skills support to tackle economic inactivity and support people into good work. The paper set out three objectives - improving engagement; employment; and earnings.

This will be achieved by addressing six key issues:

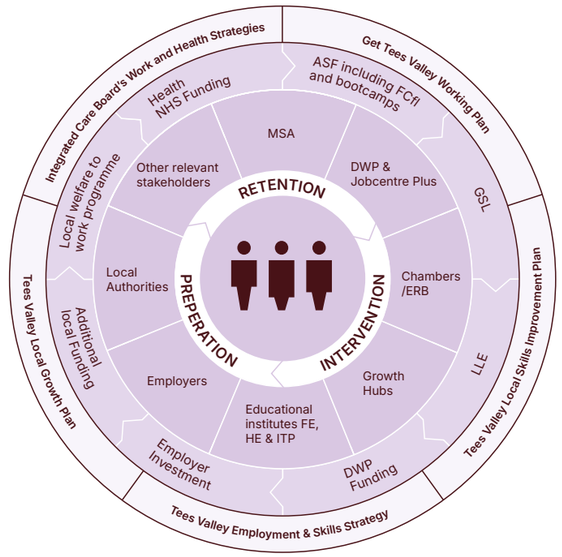
- too many people are excluded from the labour market – especially those with health conditions, caring responsibilities or lower skill levels
- too many young people leave school without essential skills or access to high-quality further learning, an apprenticeship or support to work so that they can thrive at the start of their career
- too many people are stuck in insecure, poor quality and often low-paying work, which contributes to a weaker economy and also affects their health and wellbeing
- too many women who care for their families still experience challenges staying in and progressing in work
- too many employers cannot fill their vacancies due to labour and skills shortages, holding back economic growth, driving up reliance on overseas labour, and undermining living standards
- there is too great a disparity in labour market outcomes between different places and for different groups of people

Local Get Britain Working Plans are to be detailed plans that address the challenges related to labour force participation (employment, unemployment and economic inactivity) and progression in-work.

The plans will form a part of achieving the Government's ambition of an 80% UK employment rate by identifying local labour market challenges and setting out how local areas will address them. It is the intention that these plans develop a whole system approach to tackling the supply and demand side challenges within local labour markets.

To this end, local Get Britain Working Plans will help integrate the new jobs and careers service, combining Jobcentre Plus and the National Careers Service, with wider local efforts, while also supporting better coordination across public services such as the NHS and DWP to inform future commissioning and delivery.

These plans are intended to align with Local Growth Plans, other local economic strategies, Local Skills Improvement Plans (LSIPs), and Integrated Care Board's Work and Health Strategies.



OUR LOCAL GROWTH PLAN

Vision

“Securing sustained and inclusive growth to exceed the UK growth rate – building on our success to date, to power a diverse and balanced economy, with job growth and productivity gain that creates opportunities for everyone.”

Local Growth Plans provide a long-term 10-year strategic framework for growth in regions across England. They are focused on the holistic needs and opportunities in the region, and set out where devolved powers and funding will be focused to drive productivity, support the national growth mission and help deliver the UK’s Modern Industrial Strategy.

Local Growth Plans should highlight connections between local and national initiatives to support the growth-driving sectors set out in the Industrial Strategy and its eight Sector Plans.

At the centre of our approach for local economic growth is our new Tees Valley Local Growth Plan. It is our strategic economic plan for the region. It has been and continues to be informed and driven by evidence and builds on our solid track record of delivery to date, positively articulating the opportunities to power a diverse and balanced economy, with job growth and productivity gain that create opportunities for everyone.

It provides the overarching framework for inclusive growth in Tees Valley and the clear message at the core of our plan is that Tees Valley is opportunity rich.

Long Term

Co-developed with Government, Business, Partners and Stakeholders

Connected Inclusive Region

Integrated & Flexible Delivery

Focused on Outcomes & Impact

Diverse, Balanced, Sustainable Economy

OUR PRIORITIES

To achieve our desired impacts and ambitions, we have agreed **five high-level growth priorities**, which reflect the need to ensure a strong foundation and recognise the levers to growth.

It is our intention that the Tees Valley Local Growth Plan provides the framing and opportunity for cross-region collaboration – allowing Government, stakeholders, partners, constituent local authorities and residents to understand how we shall collectively work to make Tees Valley a great place to live, study, work, invest and visit.

Five High-level Local Priorities

Grow our globally competitive modern industrial and technology cluster and enabling Advanced Manufacturing sector by securing further investment, deepening our innovation expertise and attracting and retaining talent.

Create the environment for growth and accelerate regeneration of our communities making Tees Valley an attractive place to live, work and invest.

Accelerate our rapidly growing digital cluster and creative cluster by securing further investment, growing our business base and attracting and retaining talent.

Accelerate the development of strategic transport, energy, digital and housing infrastructure to maximise the potential of our growth opportunities and create the environment for growth.

Diversify and drive the growth of our foundational economy by increasing business density and developing the skills of our people to get more people into work.

Three Shared Priorities

Skills & Employment

Transport

Housing & Commercial Development

ECONOMIC OVERVIEW

£18.9 billion growing economy (GDP)

In 2023

712,900 rapidly expanding population

Up by 34,500 or 5.1% (up 3.7% nationally) **in 3 years**

Modern Industrial & Technology Cluster

Worth £2.0 billion in GVA. Globally significant and high productivity(£153,200 p.a.)

Chemical & Process subsectoral strength exists

In Mining of chemical and fertiliser minerals (75% of national jobs located in Tees Valley) **and Manufacture of organic basic chemicals** (20% of national jobs)

Low productivity

GVA per hour worked at 84.5% of national rate

Low wages

At around 17% less than national rates

Advanced Manufacturing subsectoral strength exists

In Manufacture of steel pipes and fittings (14% of national jobs located in Tees Valley)

Advanced Manufacturing

A strong exporting sector (78% of all goods exports)

High rates of economic inactivity

24.9% of working age adults out of the labour market (21.2% nationally)

Widespread poverty & deprivation

125,000 residents living in left-behind wards

Digital & Creative Cluster – a fast-growing sector

Jobs up 45% between 2019 and 2024

Foundational Economy

A major employer (86% of all jobs)

ECONOMIC OVERVIEW

Tees Valley is home to a £18.9 billion economy (GDP) with unique strengths and associated opportunities for inclusive growth. The area is home to sectors with particularly high rates of productivity which are well above national rates even though regionally aggregate productivity is low. Whilst the Tees Valley economy provides a strong platform for growth, a number of economic challenges remain.

Tees Valley has an ageing society and in recent years the number of people living in the area has risen sharply. Rapid population change has significant implications for both society and the economy. Whilst Tees Valley has one of the largest gaps to the national average in terms of GDP per capita (67.8% of the UK rate in 2023), it performs significantly better when underlying core productivity is taken into account. Tees Valley GVA per hour worked was 84.5% of the UK rate in 2023. The GVA per hour worked measure focuses solely on work itself and removes employment rate, economic inactivity, demographic and commuting considerations, which all feed into GDP per capita. These differences highlight the need for the Tees Valley Local Growth Plan to focus on both productivity increase, such as innovation and skills, and labour market challenges, such as jobs and economic inactivity.

The Strategic Planning Framework reflects the significance of our globally competitive, high-productivity sectors, in terms of future inward investment and growth in gross domestic product. It highlights the importance of advanced manufacturing as an enabling sector and the growing digital and creative clusters. Collectively, these are the sectors where we are likely to record the greatest increases in productivity and innovation.

The Framework makes it clear that the 'foundational' economy is critically important for inclusive growth in the Tees Valley whilst acknowledging the Tees Valley's contribution to the Modern Industrial Strategy and its links with the Government's eight identified growth-driving sectors.

In terms of sectoral strengths at the local authority level, all areas have sectoral strengths across many of our priority sectors.

For example, whilst the Digital and Creative Cluster in Tees Valley is relatively small compared to some other parts of the country, it is growing fast across most of Tees Valley and has significant jobs numbers in all local authority areas.

In addition, jobs in our Modern Industrial & Technology Cluster are spread widely across the Tees Valley with distinctive strengths in each of Clean Energy, Chemical & Process and Bio-manufacturing & Life Sciences.

National Significance

Tees Valley is home to a globally significant, high productivity (GVA per job £153,200 p.a., 56% above the UK sectoral rate) Modern Industrial & Technology (MI&T) Cluster worth £2 billion to the local and national economy. This cluster is supported by a jobs rich Advanced Manufacturing sector which adds another £0.5 billion. Both MI&TC and Advanced Manufacturing have relatively more jobs and businesses in Tees Valley than they do nationally – almost twice as many in the case of Advanced Manufacturing businesses (a location quotient or LQ of 1.97) whilst there are 57% more MI&TC businesses (LQ 1.57).

The Government's eight growth-driving sectors (IS-8) and their component Frontier Industries are strongly represented across the Tees Valley economy and display several areas of strategic alignment across our priority sectors.

All IS-8 are covered by our sectors. The Tees Valley MI&TC alone include elements from four of the IS-8 sectors with Advanced Manufacturing, Digital & Creative and Professional & Business Services covering the remainder

The MI&T Cluster includes two of the IS-8 - Clean Energy Industries and Life Sciences. Advanced Manufacturing is also one of the IS-8 and a key enabling sector in Tees Valley.

Tees Valley is also home to two more of the IS-8, Creative Industries and Digital and Technologies in the form of our fast-growing Digital & Creative Cluster. This cluster has seen strong job growth of 45% since 2019.

The two IS-8, Professional & Business Services and Financial Services, are both part of the Tees Valley Professional and Business Services sector, a key jobs rich sector in the area.

The eighth and final IS-8, Defence is included as part of our wider Advanced Manufacturing sector.

Tees Valley businesses play a key role in the country's international trading position with goods exports dominated by its strong manufacturing sector which accounts for over three-quarter of goods exports in the region compared to around one-half nationally.

Despite the strengths of our nationally significant growth driving sectors, key challenges exist – the present gap to the national jobs density rate is presently 64,000 additional jobs and we have a shortfall of 10,000 businesses – and many sectors displaying relatively low productivity rates.

Perhaps the greatest constraint on Tees Valley's growth potential is the skill level of the regional workforce. With high pay, high productivity jobs closely correlated to highly skilled workers, the area has one of lowest proportion of its population with higher level qualifications of anywhere in the country.

Economic inactivity acts as a major constraint on growth by limiting the size of the workforce and the availability of the skills that they bring. This impacts negatively on business efficiency and productivity and ultimately economic growth.

Economic inactivity also feeds poverty and deprivation. Tees Valley experiences some of the highest rates of deprivation in the country with Middlesbrough classified as the most deprived local authority in England in both 2019 and 2015 iterations of the Government's Indices of Deprivation (IoD).

Added to this, approximately one in five people from Tees Valley (18.5%) which is equivalent to around 125,000 Tees Valley residents, live in what is termed as 'left-behind' places. The national rate is just 4%, which is equivalent to just one in 25 people. This methodology relates to places that have the greatest challenges in terms of poverty and deprivation. Tees Valley has over four-times the number of wards classed as left-behind places compared to nationally.

GROWTH & REGENERATION

We will create the environment for growth and accelerate regeneration of our communities making Tees Valley an attractive place to live, study, work, invest and visit.

£18.9 billion contributed by the Tees Valley economy

to the UK's economy in 2023
(0.69% of the country's total economic output)

£9 billion increase to the value of the Tees Valley economy

If the national productivity rate matched in terms of GDP per capita

84.5% productivity in terms of GVA per hour worked

of the UK rate

17,450 businesses located in Tees Valley

in 2024

63% Tees Valley business density rate

of the UK rate – a gap of over 10,000 businesses in per capita terms

+40 Tees Valley scale-up businesses

in 2022 (up 21%)

750 Tees Valley business births

In the first quarter of 2025
(150 more births than deaths)

35.4% of innovation active businesses in Tees Valley

Proportion is relatively low (37.1% nationally)

£48 per sqm for rateable value of commercial floorspace in Tees Valley

Proportion is low (£88 nationally)

712,900 Tees Valley population in 2024

Driven by international in-migration up by an average annual 11,500 since 2021.

20% of Tees Valley population is aged 65+

This is projected to increase to one quarter over the next two decades.

100,000 adults and 72,000 children live in poverty across Tees Valley

Nearly 200,000 people live in the 10% most deprived communities in the country.

50% of local people have witnessed anti-social behaviour in 2025

Compared to just over one-third nationally.

LOCAL GROWTH PLAN
STRATEGIC PLANNING FRAMEWORK

The Local Growth Plan – Strategic Planning Framework reflects the significance of our globally competitive, high-productivity sectors, in terms of future inward investment and growth in gross domestic product.

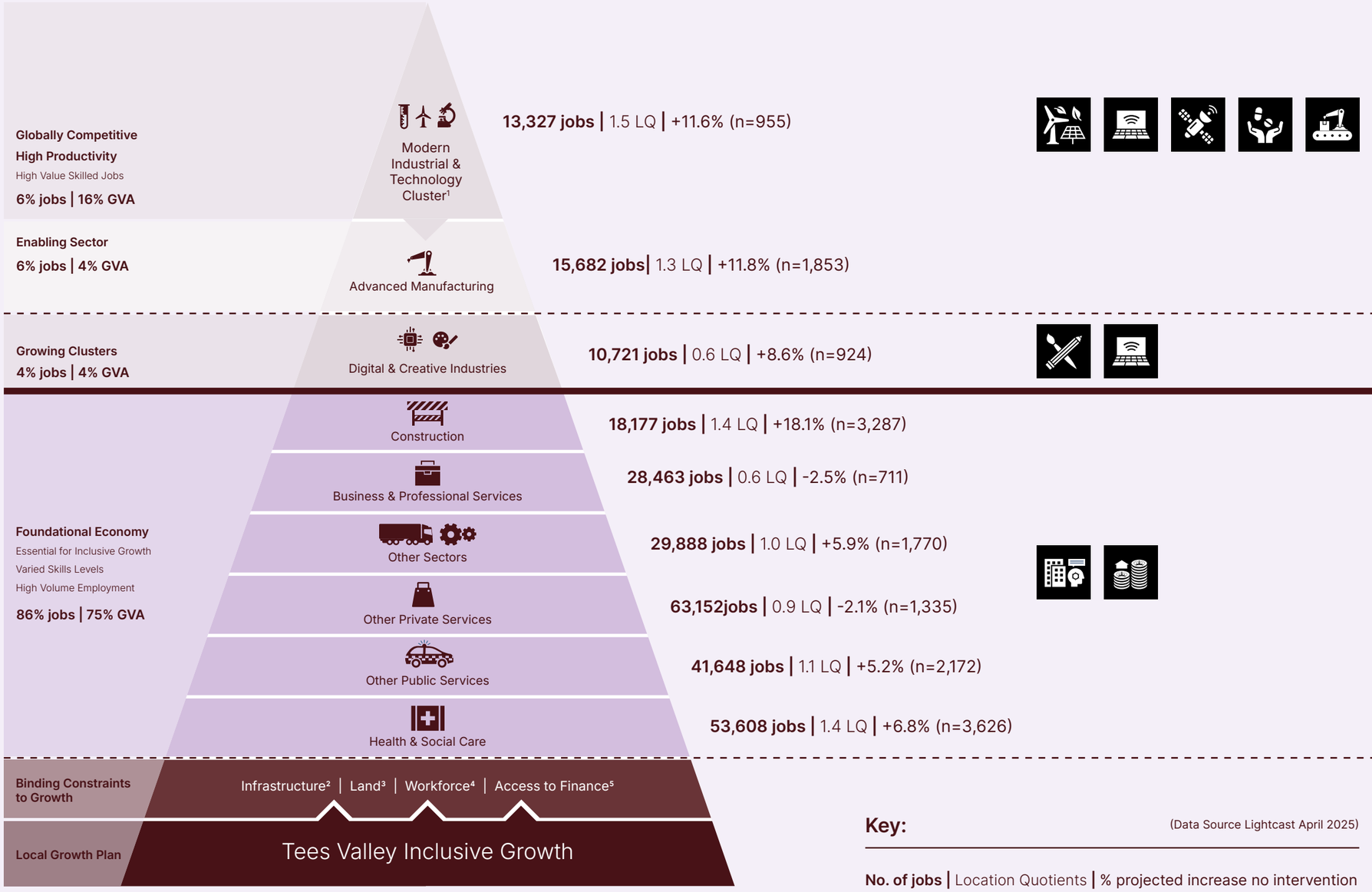
It also highlights the importance of advanced manufacturing as an enabling sector and the growing digital and creative clusters. It also makes it clear that the 'foundational' economy is critically important for inclusive growth in the Tees Valley, accounting for 86% of all jobs.

STRATEGIC PLANNING

1. Cluster includes Chemical & Processing, Clean Energy, Bio Manufacturing & Life Sciences.
2. Infrastructure includes planning, transport, highways, energy, resilience, digital, housing and quality of place.
3. Land includes availability and viability.
4. Workforce includes education and skills.
5. Access to finance includes SMEs and inward investment .

Industrial Strategy Growth Driving Sectors

1. Advanced Manufacturing
2. Clean Energy Industries
3. Defence
4. Digital and Technology
5. Creative Industries
6. Financial Services
7. Life Sciences
8. Professional and Business Services



Key: (Data Source Lightcast April 2025)

No. of jobs | Location Quotients | % projected increase no intervention

DIVERSIFY & DRIVE

We will diversify and drive the growth of our foundational economy by increasing business density and developing the skills of our people to get more people into work.

The Foundational Economy accounts for three-quarters of Tees Valley's total GVA

86% of employee jobs and 83% of businesses

Productivity in Tees Valley's Foundational Economy Cluster is £40,339, compared to £48,996 nationally.

53,600 people employed in the Health & Social care sector

in Tees Valley

19.5% of total jobs are in the Health & Social care sector

in Tees Valley, compared to 14.3% nationally

1.5% of jobs in the Residential Care subsector are located in Tees Valley

11,000 Tees Valley jobs

12% jobs growth between 2019 and 2024 in Health and Social Care

28,500 people employed in the Professional & Business Services sector

in Tees Valley

Tees Valley Professional & Business Services sector accounts for 10.4% of total jobs

compared to 17.6% nationally

1 in 20 of the UK's total jobs in the Social Sciences and Humanities R&D subsector are located in Tees Valley.

489 Tees Valley jobs

17% jobs decrease between 2019 and 2024 in Professional and Business Services

Construction sector employs 18,200 people in Tees Valley.

Tees Valley Construction sector accounts for 6.6% of total jobs

compared to 4.8% nationally

1 in 11 jobs in the Construction of Water Projects subsector are located in Tees Valley

242 Tees Valley Jobs

40% jobs growth between 2019 and 2024 in Construction

LABOUR MARKET ANALYSIS

Tees Valley Challenges

Economic inactivity acts as a major constraint on growth by limiting the size of the workforce and the availability of the skills that they bring. This impacts negatively on business efficiency and productivity and ultimately economic growth.

Economic inactivity also feeds poverty and deprivation. Tees Valley suffers some of the highest rates of deprivation in the country with Middlesbrough being the most deprived local authority in England in both 2019 and 2015 iterations of the Government's Indices of Deprivation (IoD).

The scale of our labour market challenge is measured by the gap to the national jobs density rate. This presently stands at an additional 64,000 jobs and we also have a shortfall of over 10,000 businesses with many sectors displaying relatively low productivity rates.

Perhaps the greatest constraint on Tees Valley's growth potential is the skill level of the workforce. With high pay, high productivity jobs closely correlated to highly skilled workers the area has one of lowest proportion of its population with degree level or equivalent qualifications of anywhere in the country.

In numerical terms 18.5% or around 125,000 Tees Valley residents live in what is termed 'left-behind' wards (nationally 4.0%). This methodology builds on the IoD and identifies wards that have the greatest challenges in terms of poverty and deprivation. Tees Valley has over four-times the number of wards classed as left-behind compared to nationally.

The bold economic ambitions of Tees Valley, set out in our emerging Local Growth Plan, are affected by several recognised labour market challenges within the region.

At the heart of our ambitions for Tees Valley is economic growth. Of course, we want to increase productivity within Tees Valley and accelerate regional economic growth, as part of our contribution to the UKs Modern Industrial Strategy and the Government's Growth Mission. However, the level of GDP generated from the Tees Valley economy is significantly less than the national rate and our current estimates indicate that the size of the productivity gap is somewhere in the region of £9billion.

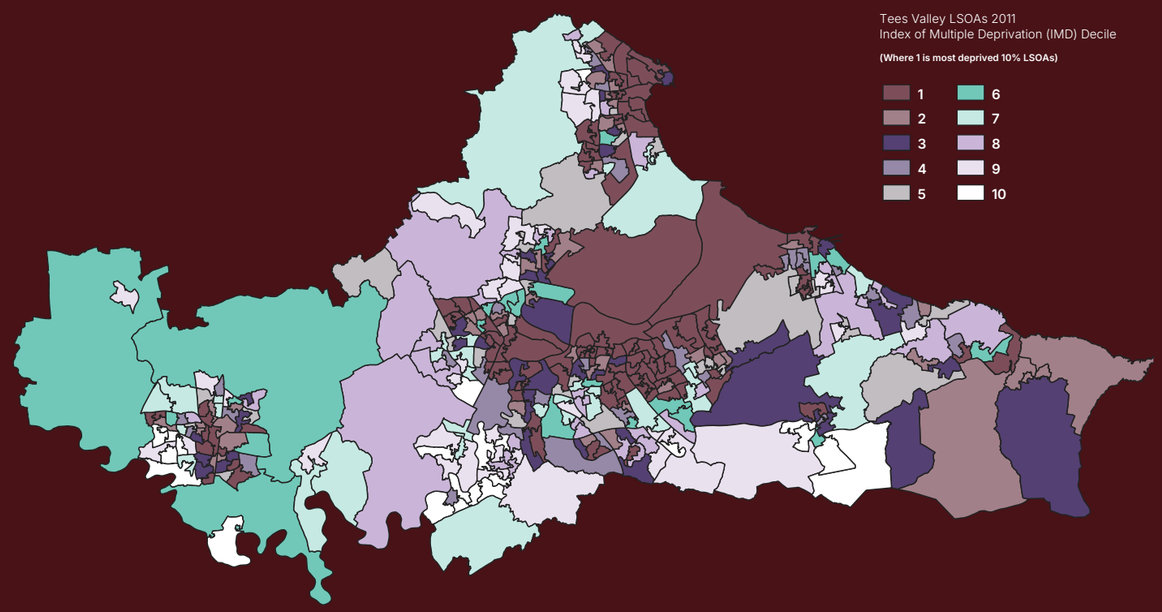
Added to this and due mainly to a relatively small private sector with the region, business density in Tees Valley is relatively low compared with UK business density. To match the UK business density rate, Tees Valley would need 10,240 more new businesses, on top of the current number, which is 17,450.

More notably, the employment rate in Tees Valley is significantly less than the national average and for us to bring the regional rate in line with the rest of the UK would require an additional 14,200 working-age residents in employment. To achieve the long-term Government ambition of an 80% employment rate, assuming no change in the working age population, Tees Valley would need an additional 33,300 working-age residents in employment. It is within this context and against this backdrop that we aim to tackle these types of challenges to get Tees Valley working and to super-charge the regional economy.

Deprivation

In the Index of Multiple Deprivation 2019, Tees Valley ranks as the second most deprived LEP in England (out of 38 LEP areas). This ranking is unchanged since 2015.

- All five Tees Valley local authority areas rank amongst the 15% most deprived local authority districts in England. 121 or 29% of Tees Valley's 417 LSOAs are in the 10% most deprived nationally, almost three times the national rate.
- At the local authority level, Middlesbrough has the highest proportion (49%) of LSOAs within the most deprived 10% nationwide, out of 317 districts nationally, with Hartlepool 10th (36%), Redcar & Cleveland 29th (24%), Stockton-on-Tees 39th (21%) and Darlington 47th (18%). 198,700 people in Tees Valley live in the 10% most deprived LSOAs nationally.
- Based on the proportion of LSOAs in the most deprived 10% nationally, Tees Valley ranks as the most deprived LEP in England (out of 38 LEP areas) for the Income Deprivation Affecting Children Index (IDACI).
- Middlesbrough ranks as the most deprived local authority for IDACI based on the proportion of LSOAs in the most deprived 10% nationally, out of 317 local authority districts in England, Hartlepool ranks 3rd, Redcar and Cleveland 13th, Darlington 30th and Stockton-on-Tees 37th.
- Tees Valley recorded a particularly high proportion of wards classed as left-behind with 16 areas (source: Local Trust). The aggregate population of these left-behind wards is over 125,000 residents, around 18.5% of the total Tees Valley population compared to just 4.0% nationally.



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Employment & Jobs

- Tees Valley has consistently had a lower employment rate than the UK. 295,800 Tees Valley residents aged 16-64 were employed in the 12 months to March 2025, 71.9% of the working age population, compared to 75.7% in England.
- Tees Valley consistently has a lower jobs density than nationally with 0.71 jobs for every working age resident in 2023 compared to 0.86 jobs in Great Britain. There was a decrease in jobs density in Tees Valley from 0.74 in 2021 to 0.71 in 2023 whilst nationally there was a rise from 0.85 to 0.86. The total number of jobs in Tees Valley is at 302,000 in 2023, no change from 2022.
- Online job vacancies in Tees Valley, as in England are lower than the previous 12 months. There were 8,632 active online job vacancies in July 2025, an 18.0% drop from the same month in the previous year (12.7% fall nationally).
- For those aged 18-21 year old, Tees Valley has significantly higher claimant count rates than nationally. 8.5% (2,460) of people aged 18-21 were claiming unemployment benefits in June 2025, compared to 5.6% in England. This is more than double the overall claimant count rate of 4.2% of the working age population in Tees Valley (4.0% nationally).

Employment Rate 16-64

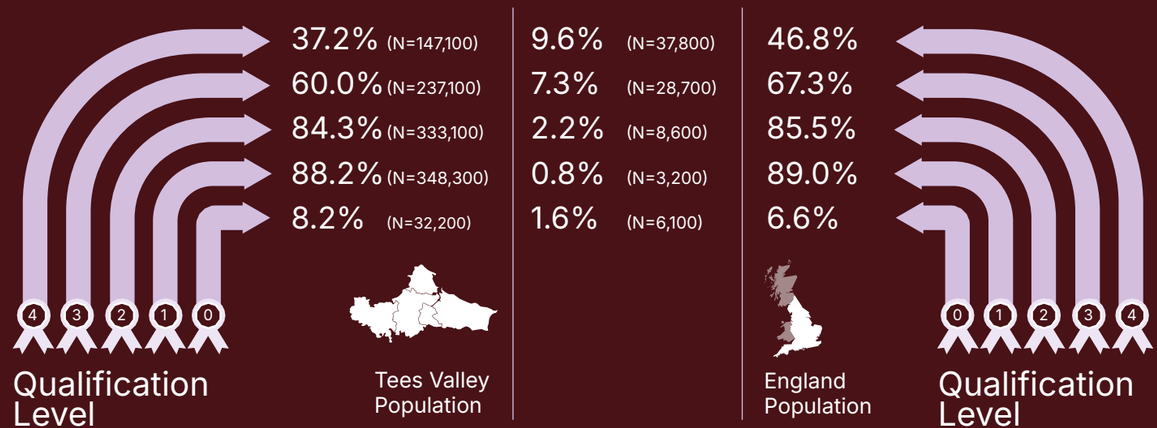
(year to March 2025):

Tees Valley = 71.9% (up +1.9).

England = 75.7% (no change) 2024 to 2025. The gap to the national rate is closing.

Skills

- The working age population in Tees Valley had a lower percentage of people qualified at any level compared to the national average and a higher percentage of working age population with no qualifications. 37.2% of the Tees Valley working age population were qualified to a level 4 or above in 2024, compared to 46.8% nationally. 8.2% had no qualifications, compared to 6.6% nationally.
- The percentage of Tees Valley residents qualified to Level 2 including English and Maths by age 19 was lower than the national average in 2023/24, at 74% compared to 76% nationally. Between 2022/23 and 2023/24, the percentage decreased by 1 percentage point, compared to a 2 percentage point fall nationally. Between 2016/17 and 2023/23 the percentage increased by 4 percentage points, matching the change nationally.
- Skills shortage vacancies in Tees Valley have more than doubled between 2019 and 2022, with almost one in ten employers reporting at least one skills shortage vacancy. The 2022 DfE Employer Skills Survey reported that there were 3,200 skills-shortage vacancies in Tees Valley, an increase from 1,500 in 2019. 9% of Tees Valley establishments had at least one skill-shortage vacancy (10% nationally). This has increased from 4% in 2019.
- Apprenticeship starts in Tees Valley have fallen significantly between 2018/19 and 2023/24. However, Tees Valley consistently has a higher rate per 100,000 population starting an apprenticeship than nationally. 1,124 per 100,000 population started an apprenticeship in 2023/24, compared to 937 nationally. The rate per 100,000 population is significantly lower than the rate of 1,516 in 2018/19, a drop of 392 over the last five years compared to a fall of 178 nationally.



Productivity

- Productivity rates in Tees Valley have been consistently lower than national rates for many years and now has 15.5 percentage points gap. In 2023, Tees Valley GVA per hour worked was £35.4, up from £34.6 in 2022. UK GVA per hour worked increased from £41.0 to £41.9 over the same period. This meant that the Tees Valley GVA per hour worked index remained steady at 84.5 2022 (UK = 100).

84.5% productivity in terms of GVA per hour worked

of the UK rate

Business

- The Tees Valley business density rate was 63.0% of the UK rate in 2024, the lowest index for a number of years. There were 17,450 business enterprises (including 17,360 SMEs i.e. 99.5% of total Tees Valley enterprises) in Tees Valley in 2024. Large firms (90) made up the remaining 0.5% of total Tees Valley enterprises. The 2024 Tees Valley business density rate of 308 businesses per 10,000 resident adult population is below the recent highs of 327 seen in both 2019 and 2022.

17,450 businesses located in Tees Valley

in 2024

Wages & Income

- Average pay for payrolled employees in Tees Valley is below the national average. The average pay for payrolled employees in Tees Valley in June 2025 was £2,790 per month, compared to £3,290 nationally. This was 84.8% of the national average.
- Gross Disposable Household Income for Tees Valley households is significantly below the national average. In 2022 GDHI per head in Tees Valley was £17,994, compared to £23,338 nationally. Over the last five years, GDHI per head in Tees Valley has risen 14.9% from £15,665 in 2017, compared to a 15.9% increase nationally. Tees Valley saw a 4.5% rise in GDHI per head between 2021 and 2022 (£783 per head), compared to a 5.4% rise nationally.

GDHI Per Head (2022)

Tees Valley = £17,994

England = £23,338

Health

- Tees Valley has the third worst male life expectancy and second worst female life expectancy out of the 11 combined authorities. The life expectancy at birth for Tees Valley residents is 77.1 years for males and 80.9 years for females, a difference of 3.8 years between males and females. This compares with 79.1 years for males and 83.1 years for females for England overall. Compared to the national average, this is a gap of -2.0 years for males and -2.1 years for females.
- Mean healthy life expectancy (HLE) at birth for Tees Valley residents is 55.4 years for males and 55.9 years for females, a difference of 0.5 years between males and females. This compares with 61.5 years for males and 61.9 years for females for England. This is a gap of 6.1 years for males and 6.0 years for females compared to the England rate.

DRIVERS & CAUSES

of Supply & Demand Side Labour Market Issues

A detailed summary of the economically inactive population in Tees Valley is set out below. A detailed and comprehensive overview of the scale and geographical distribution of economic inactivity is presented in the Get Tees Valley Working Plan – Workforce Evidence Base, which includes geographical maps to highlight variations in economic inactivity, key risk factors which drive economic inactivity, and the different sub-cohorts which comprise the overall target population. The regional unemployment rate in Tees Valley is currently (and is consistently) higher than the national figure. Youth unemployment, affecting those aged 18-21, is significantly higher, whilst NEET rates for 16–17-year-olds are also higher than the national average. If Tees Valley had the same youth unemployment percentage as the rest of the country, there would be around 1,000 fewer unemployed young people than it has today.

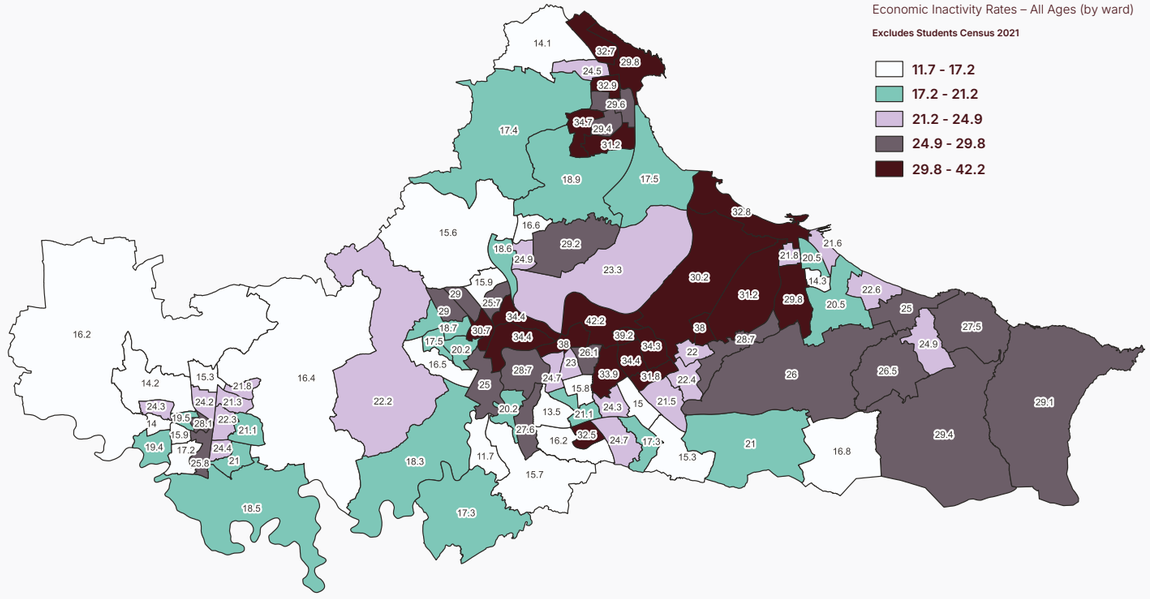
More importantly, the scale of economic inactivity in Tees Valley is perhaps our biggest labour market challenge. The current rate of working-age people who are not working and not looking for work is markedly higher than the national rate and equivalent to one in four of all the working age residents in Tees Valley, compared with approximately one in five people, for the UK. In total, there are more than 102,300 working age residents who are economically inactive at this time in Tees Valley. To match the UK rate would require a regional reduction of 15,300 fewer working age people who are economically inactive. This presents a significant challenge that we propose to tackle through this plan and other related programmes.

Key Messages

- Of the 411,300 working age (16-64) resident population in Tees Valley 295,800 (71.9% of the 16-64 population) are employed, 13,200 (4.3% of the economically active) unemployed and 102,300 (24.9% of the 16-64 population) economically inactive. Compared to England as a whole, Tees Valley has a relatively low employment rate (England 75.7%) and relatively high unemployment and economic inactivity rates (England Unemployment 4.0% and Economic inactivity 21.2%).
- To match the UK economic inactivity rate would mean there would need to be 15,300 fewer Tees Valley working age residents economically inactive.
- There are 42,900 Tees Valley residents of working age who are not working and would like to work. This is comprised of 29,700 economically inactive and 13,200 unemployed residents. Combined, this is 10.4% of the Tees Valley working age population, compared to 7.3% nationally.
- Economically inactive people in Tees Valley are significantly more likely to want to work than nationally – 29.0% of economically inactive working age Tees Valley residents want a job (comprised of 17,700 women and 12,000 men) compared to 19.4% in England.
- There are 24,750 or 5.7% of Tees Valley residents of working age who are working and in receipt of Universal Credit – an indication of increased likelihood of being in insecure low pay work and at risk of dropping out of work. This rate is higher than the equivalent England rate of 5.3%.
- Women are significantly more likely to be economically inactive than men – in Tees Valley there are 57,900 economically inactive women of working age compared to 44,400 men.

Distributional Imbalances

In terms of the geographical distribution of economic inactivity, there are significant differences between and within the five local authorities that make up the Tees Valley region. The highest concentrations of economic inactivity are centered in the north and north-eastern parts of Middlesbrough, central Stockton, and the north-eastern parts of Hartlepool, around the Headland area.



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Disadvantaged Groups

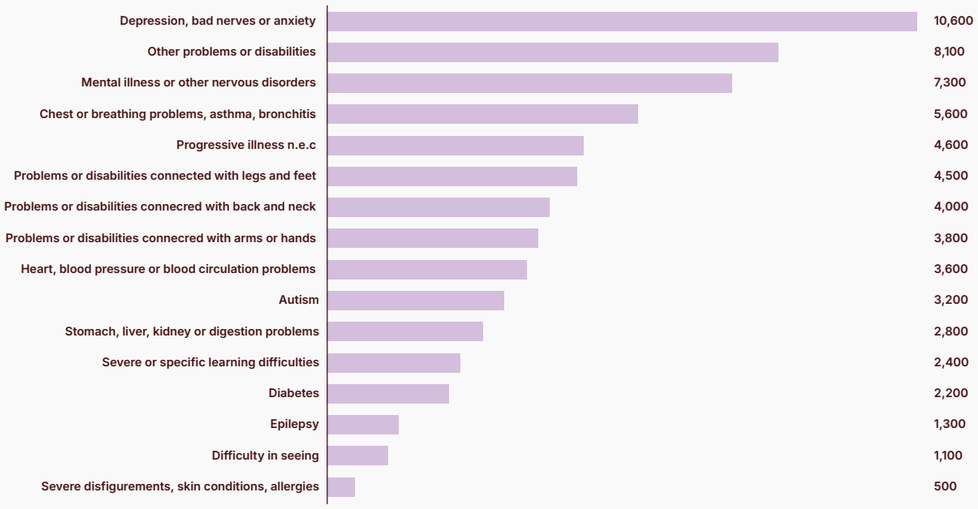
- Tees Valley has significantly higher proportions of working age people classed under disadvantaged groups than nationally. This applies across all age groups. Tees Valley's disabled population is 74,123, or almost one in five (19.7%) of the total 16-64 resident non-student population compared to 15.6% in England as a whole.
- Disadvantaged groups in Tees Valley are more likely to be economically inactive than their equivalents nationally. For example, 58.6% of working age non-student disabled Tees Valley residents are economically inactive (50.7% England), 38.3% of unpaid carers are economically inactive (31.1% nationally) and 18.7% of veterans are economically inactive (16.6% nationally).

Not in Education, Employment or Training

- Tees Valley has a higher than average number of 16-17 year olds known to be NEET, however the number of 16-17 year olds NEET or not known is closer to the national average (i.e. a lower proportion of 16-17 year olds in Tees Valley are 'not known'). The percentage of 16-17 year olds known to be NEET in Tees Valley was at 5.1% (860) in 2025 compared to 3.4% nationally. In Tees Valley this has decreased 0.2 percentage points over the last year and since 2019 there has been a 1.1 increase. 5.5% of 16-17 year olds are NEET or Not Known in Tees Valley in 2025, equivalent to 920 young people, compared to 5.6% nationally.

Health & Inactivity

- Health outcomes are lower across Tees Valley. The Indices of Deprivation Health domain ranks all five local authority areas in the bottom quintile of local authority areas nationally and Tees Valley ranks as the second most deprived local enterprise partnership area in England.
- 39,900 Tees Valley residents are economically inactive because of long-term sickness. The two main groups health that contribute to economic inactivity in Tees Valley are physical conditions (18,700) and mental conditions (12,400).
- Long-term health issues are the primary driver of economic inactivity in Tees Valley. Nationally, around 1 in 20 (5.2%) of the total working age population are economically inactive due to long-term sickness. In Tees Valley as a whole this is closer to 1 in 10 (9.2%) and in Tees Valley's extreme employment deprivation areas over 1 in 5 (21.0%) of all working age residents are economically inactive due to long-term illness.
- The secondary driver of economic inactivity, and closely associated with the first, is looking after family or home. Nationally, around 1 in 23 (4.3%) of the total working age population are economically inactive due to looking after family or home. In Tees Valley as a whole this is closer to 1 in 20 (4.9%) and in Tees Valley's extreme employment deprivation areas on average 1 in 9 (11.1%) of all working age residents are economically inactive due to having to look after their family or home.



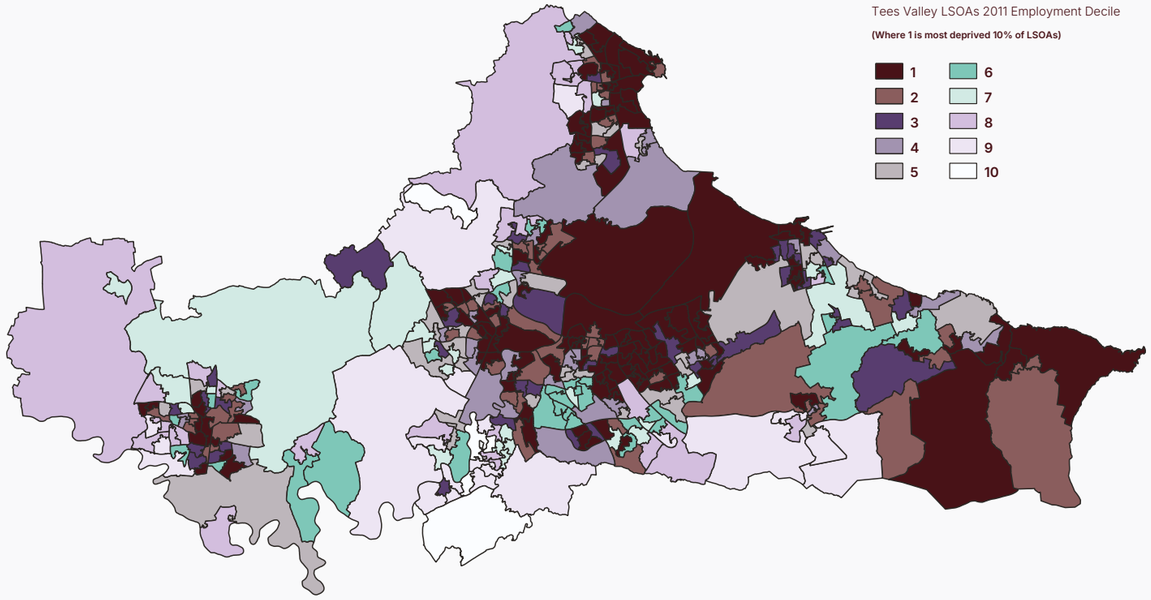
Young People

- 11.3% of Tees Valley residents aged 18-20 were economically inactive at the time of the census 2021, equivalent to 2,230 young people, and compared to 7.0% nationally. The percentage of people aged 18-20 and economically inactive was highest in Hartlepool at 11.9%, followed by Middlesbrough (11.7%), Stockton-on-Tees (11.6%), Redcar and Cleveland (11.2%) and Darlington at 9.6%.
- Of those aged 18-20 who were economically inactive at the time of the 2021 Census, the main reason was 'Other' at 53.8%, compared to 60.0% nationally. This was followed by 24.2% looking after home or family (22.0% nationally) and 21.7% long-term sick or disabled (17.6% nationally).
- 15.3% of Tees Valley residents aged 21-24 were economically inactive at the time of the 2021 census (equivalent to 4,640 young people), compared to 10.3% nationally. The percentage of people aged 21-24 and economically inactive was highest in Hartlepool at 17.1%, followed by Redcar and Cleveland (16.6%), Stockton-on-Tees (15.2%), Middlesbrough (14.4%) and Darlington at 13.7%.
- Of those aged 21-24 who were economically inactive, the main reason was 'Other' at 39.1%, compared to 44.9% nationally. This was followed by 34.3% looking after home or family (32.3% nationally) and 26.2% long-term sick or disabled (22.5% nationally).

Extreme Employment Deprivation

The Tees Valley has particularly high numbers and rates of residents living in extreme employment deprivation (defined here as the most deprived percentile nationally on the Indices of Deprivation 2019 Employment deprivation domain):

- If the Tees Valley had the same distribution of employment deprivation as England then Tees Valley would have four local community areas (LSOAs) in the most deprived percentile. In reality it has 33, over eight-times the amount of extreme employment deprivation compared to nationally.
- 35,200 working age Tees Valley residents live in areas of extreme employment deprivation. This represents 8.6% of the working age population compared to 1.0% in England.
- Extreme employment deprivation is present in all five local authority areas but most prevalent in Middlesbrough (11 LSOA areas), Redcar & Cleveland (8 LSOAs), Hartlepool & Stockton (6 LSOAs each) and Darlington (2 LSOAs).
- Tees Valley areas suffering from extreme employment deprivation have a very high average economic inactivity rate of 45.7%, almost 20% above the average Tees Valley economic inactivity rate.



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CURRENT SYSTEM & OFFER

The work, health and skills system is made up of three core assets – individuals, employers, and resources and Infrastructure.

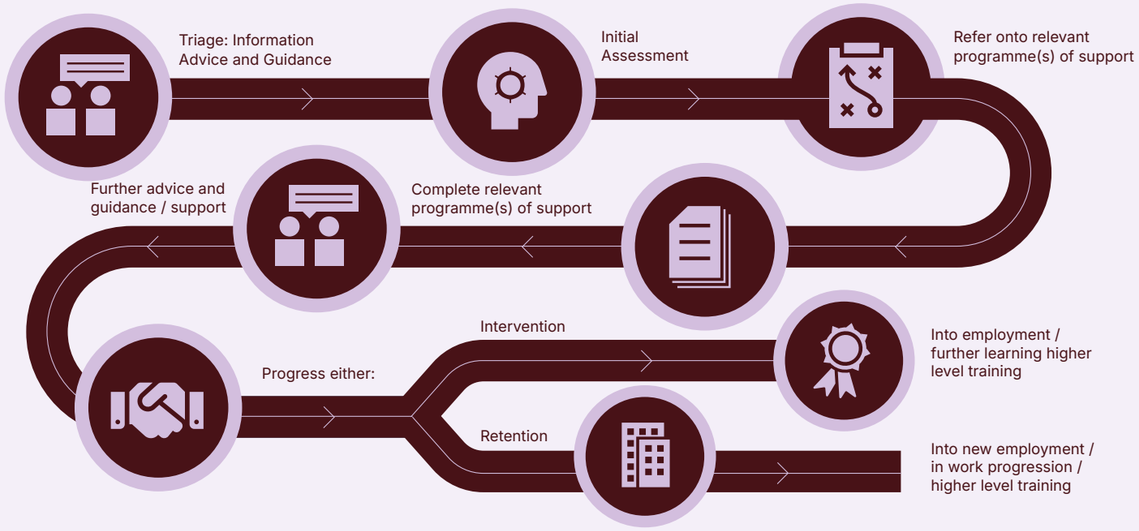
Individuals – who need to have a clear understanding of the range and nature of current and future labour market opportunities if they are to make informed choices about their future. They need to be able to access health and employment support and follow training paths to opportunities that exist, and be able to further develop their knowledge and skills to ensure they have secure, well paid and fulfilling careers.

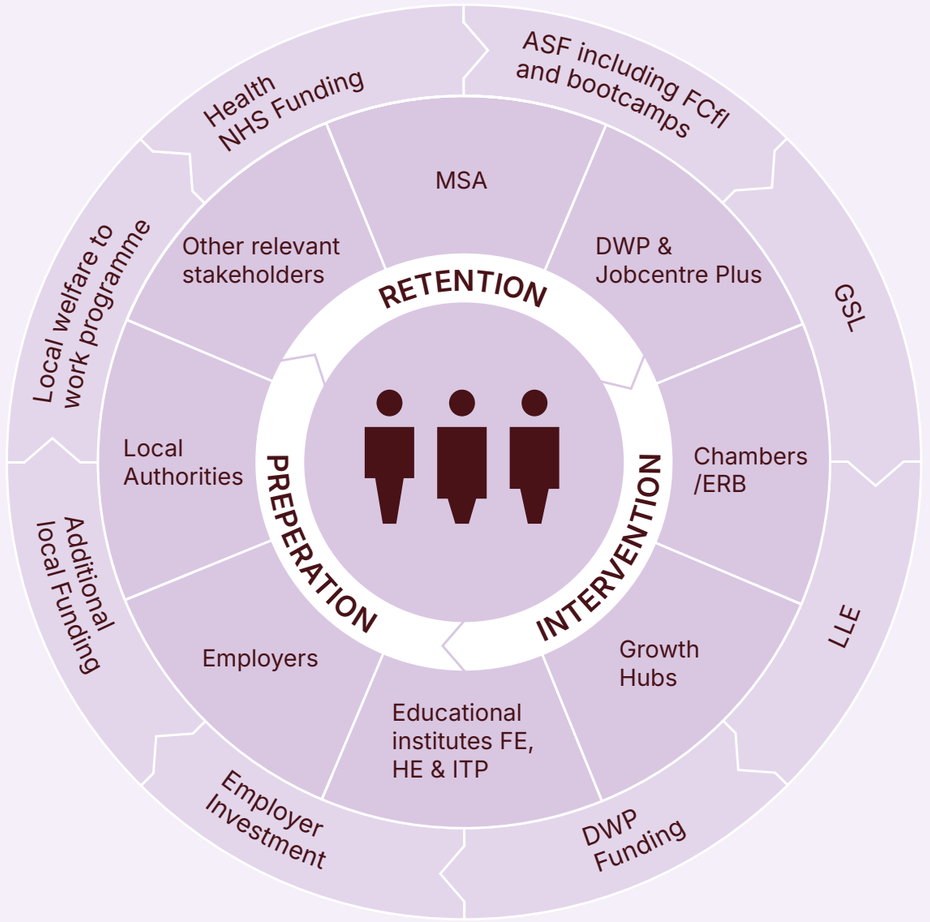
Employers – who need to be able to recruit people and develop the skills of their existing workforce if they are to thrive and grow. This means they need a ready source of the right people with the right skills at the right time and need to be supported to provide in-work development opportunities to help their employees progress in-work to higher value and higher paid roles.

Resources and Infrastructure – appropriate providers and provision to support the work, health and skills agendas. To prepare people for the world of work, specific opportunities within it and support to help people progressively move closer to or into employment or to further progress in-work.

The work, health and skills system is complex, requiring multiple government departments and other bodies to work together effectively. We want to influence and facilitate the better integration of them in order to strengthen the overall work, health and skills system in Tees Valley.

Journey of support for people in Tees Valley





The employment and skills system is complex, requiring multiple government departments and other bodies to work together effectively

CENTRAL GOVERNMENT BODIES

HM Treasury
Leads on economic policy and agrees funding settlements with other government departments.

Department for Education
Leads on governments skills policy in England. Responsible for improving the skills pipeline and supporting people to work. Accountable for securing value for money from much of government's funding for skills.

Cabinet Office
Through the Prime Minister's Delivery Unit, supports the oversight of jobs and skills issues.

Skills England
Skills England works with partners to create better skills for better jobs, enabling growth and opportunity. Skills England is an executive agency, sponsored by the Department for Education.

Skills England will identify skills gaps across the economy - including in key sectors - and use this insight to drive improvements. Skills England will work with the Department and across Government to bring the skills system together so that people and employers can benefit from the training they need to get on.

Construction Industry Training Board (CITB) and Engineering Construction Industry Board (ECITB).The industry training boards for the construction and engineering construction sector in England, Scotland, and Wales and are sponsored by DfE.

Department for Business and Trade
Leads on Industrial Strategy and economic growth. Supports businesses to invest, grow and export, creating jobs and opportunities across the country. Provides the sector lead for the Manufacturing sector.

Department for Work & Pensions
Responsible for employment support programmes and work preparation for benefit claimants

Department for Digital, Science, Innovation & Technology
Responsible for supporting the development of digital and cyber security skills. Provides the sector lead for the Digital sector.

Department for Culture, Media & Sport
Supports our world-leading cultural and creative industries.

Ofsted
Inspects training providers and provides assurance about the quality of skills training.

Department for Energy Security & Net Zero
(working with the Office for Clean Energy Jobs). Developing a strategy to address skills and workforce challenges to deliver the Clean Energy Superpower Mission, including Clean Power 2030.

Ministry of Housing, Communities & Local Government
Provides funding for local skills initiatives.

LOCAL BODIES

Strategic Authorities
(including constituent local authorities) and Greater London Authority. Allocate devolved adult skills funding in their local areas.

Business Boards
Work with local authorities, strategic authorities and businesses to help create jobs and improve workforce skills in their local areas.

Employer Representative Bodies
Such as local chambers of commerce. Jointly lead the development of Local Skills Improvement Plans (LSIPs).

Voluntary & Community Sector Enterprises
The VCSE sector includes a variety of organisations, including voluntary and community groups, social enterprises, charities, and nonprofit organisations, all dedicated to creating positive social impact. They play a crucial role in improving outcomes for communities, delivering essential services, and advocating for the needs of service users.

Training Providers
Comprising further education colleges, independent providers and local authority providers. Provide vocational / technical education and off-the-job training element of apprenticeships.

Higher Education Providers
Providers that offer study programmes across both undergraduate and postgraduate levels.
Not all higher education providers are universities. Higher education programmes are also delivered by further education colleges and approved directly by a higher education institution (HEI) with degree awarding powers.

FRONTLINE BODIES & PEOPLE

Employers
Support their employees to develop their skills through on-the-job training, sponsorship of training courses, and apprenticeships.

Employees
(those in-work). Engage in training provided by their employer, or by government via their employer – to upskill and/ or retrain.

Individual Learners
(those out-of-work) Engage in learning via training provider, as part of seeking a job or general skills development.

The Jobcentre Plus Offer

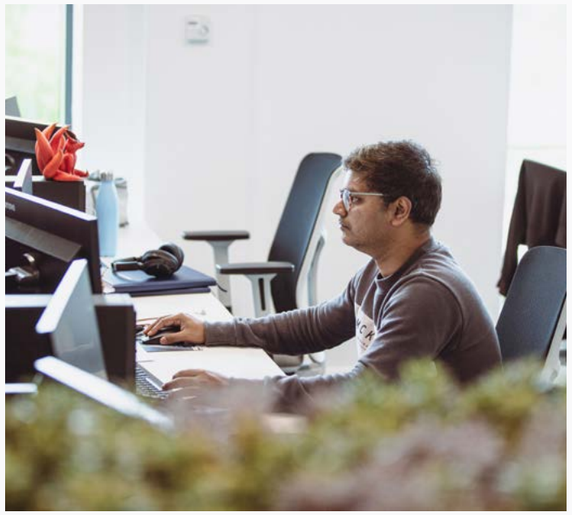
The Jobcentre Plus Offer is a package of personalised advice and support designed to help people find and retain employment. It supports the Government's strategy for economic growth and poverty reduction by targeting support at the most effective point in a claim, helping individuals move into work as quickly as possible.

Work Coaches play a central role, offering tailored, work-focused support to ensure claimants remain close to the labour market. Wherever possible, the same Work Coach supports a claimant throughout their journey, helping them find jobs, gain new skills, and access information about disability-friendly employers.

Jobcentres also provide targeted support through specialist roles and programmes. These include the Youth Offer, Prison Work Coaches, Schools Advisors, and Disability Employment Advisors, who work with specific customer groups to address unique barriers to employment. Advanced Customer Support Senior Leaders provide additional support for vulnerable claimants with complex needs.

Support is further enhanced through partnership working with local and national organisations, and through Employer Services teams, which connect claimants with job opportunities and promote inclusive recruitment practices. Claimants may also be referred to national programmes such as the Restart Scheme and can access funding through the Flexible Support Fund.

The Jobs and Careers Service, introduced in the Get Britain Working White Paper, builds on existing foundations to deliver more personalised, skills-focused support and strengthen employer engagement. To test this new approach, a Pathfinder was launched in June 2025 in Wakefield, North Yorkshire. Nationally, Jobcentre appointments have been tailored to individual needs, and 1,000 Work Coaches have been redeployed to offer intensive, voluntary support to claimants receiving health-related benefits. This support is designed to help individuals engage with appropriate employment programmes and move closer to the labour market.



JCP In-House Offer

- Additional Work Coach time
- Support from Disability Employment adviser
- Employment adviser support
- DWP work psychology services
- Flexible support fund
- Health Adjustment passport
- Youth employment offer
- Neurodiversity champions

National programmes & other local Services:

- Restart
- Access to Work
- Outreach within GP surgeries and Youth Hubs
- Outreach in Prison and Probation offices

Signposting to local services:

Local services providing support for: employment, health, substance misuse, homelessness, money & debt advice, vulnerable customers including those at risk of self-harm

Jobcentre In-House offer:

Additional work coach time	Additional work coach support provides people with health conditions or disabilities with increased one-to-one personalised support from their work coach to help them move towards, and into work
Disability Employment adviser	Offer of specialist advisors covering all sites dedicated to helping people with health conditions or disabilities to secure and retain employment
Employment Adviser Team	Provide site support to look for and secure local employment opportunities for customer base taking specific employment sectors into consideration.
Youth Employability Coach	Offer of specialist support for young claimants with multiple barriers to work and with complex needs to develop the skills to look for, obtain and keep employment.
Advanced Customer Support Lead	Works with senior leadership teams across DWP to focus on DWP's responsibilities to our customers most at risk
Prison work coach	Specialist role supporting people leaving prison
School's Advisor	Assists Schools to provide high quality, independent and impartial careers advice to pupils aged between 11 and 18.
Family Community work coaches	Family community work coaches working in partnership with the Department for education and local authorities to empower families through employment
Armed Forces Champion	Specialist support for service leavers and veterans to enhance their employability and enable the individual to move towards lasting employment or progress in work
Flexible Support Fund	Flexible support fund is a locally managed budget to supplement existing services and tailor support to the needs of individuals in the local area
Health Adjustment Passport	The Health adjustment passport can support people with health conditions or disabilities to move into or stay in a job by identifying workplace adjustments etc
Probation Lead	WC undertakes appointments at Probation Offices with Probation Officers to encourage engagement from vulnerable claimants
Localised Work Coach information Sessions and upskilling sessions	WC's deliver specific MOT's such as 50+ and also Childcare funding information sessions and many more
Neurodiverse Champions	Specialist support delivered by work coaches who have a personal experience with ND. Delivering tailored support and jobclubs
LVP	Local Value Provision
Redundancy Support	Delivery of redundancy support to groups of employees

National Programmes and other provision/services:

Restart	Support for claimants who have been out of work for at least 6 months. Enhanced support to find jobs & opportunities in their local area
Access to Work	Access to work can help people with health conditions or disabilities. Provides help to pay for practical support within the workplace, including transport, specialised equipment, communication support, support to manage mental health at work. including for job interviews
Connect to Work	Connect to Work is a new, UK Government-funded, supported employment programme. It aims to help disabled people, those with health conditions, and others facing employment barriers to find and maintain employment.
Adult Skills	Colleges local adult education provider – various couses such as IT, English Maths, vocational courses
English for Speakers of Other Languages (ESOL)	Adult Skills funding for English courses
Talking Therapies	NHS mental health support
GP Surgery Outreach	DEA's and or Work Coaches based in GP surgeries offering patient advisory services, engaging with GP practice managers, social prescribers and community connectors – Offering holistic approach to advertise JCP services to those who may not access Jobcentres
Youth Hubs	Delivery of JCP Youth Support & Services in co-located Youth Hubs to make access for young people easier.

North East & North Cumbria ICB

The North East and North Cumbria Integrated Care Strategy, 'Better Health and Wellbeing For All', sets out how we will reduce inequalities, improve experiences of health and care services and improve the health and wellbeing of people living and working in our region by 2030 and beyond.

The system is led by the Integrated Care Board (ICB) and the Integrated Care Partnership (ICP). The ICP includes 14 local authorities and works with the ICB to improve health across the region.

Together, they created a ten-year plan called 'Better health and wellbeing for all.' This plan tackles major health problems, improves services, and reduces inequality.

WorkWell Programme

Helping you stay well and working... Good health and good work go hand-in-hand. When we feel well, we're more able to stay in work, enjoy what we do, and support ourselves and our families. But when health problems – like stress, back pain, or long-term conditions – get in the way, it can be hard to stay in or return to work, even if we want to. Our WorkWell Programme is helping people to stay well and stay working.

Our WorkWell programme

We are one of three areas in England to receive money from the Government - £19m - to help people get the support they need, before they feel they have to give up work due to poor health. You might hear this described as a 'Health and Growth Accelerator site'.

The Programme brings together the NHS, councils, job support services, voluntary organisations, and employers to offer joined-up support for people who need it most.

Our aim is to support around 2,000 people in the first year – including:

- Adults struggling to stay in work due to mental health, musculoskeletal (MSK) or long-term conditions – the leading causes of work -related ill-health in our region
- People who are under financial pressure or missing out on the benefits and support they are entitled to NHS and care staff who need extra support to stay in their jobs
- Small to medium size employers - who want to help support their staff and reduce absences.

What is the WorkWell service?

Funded by the Government as part of a national Health and Growth Accelerator pilot, WorkWell supports working-age people whose health puts them at risk of being out of work.

It's a service that works with GPs to help identify patients who may be struggling in work due to health problems and/or personal circumstances.

With the support of WorkWell coaches/advisors, patients will be supported to access the health, employment, and financial advice that they need to help them stay in work.

The WorkWell programme complements the Trailblazer and Connect to Work programmes. The Trailblazer and Connect to Work programmes focus on supporting people with health conditions and disabilities to return to work from unemployment. We are working very closely to get the best results for people.

The programme includes a local and national evaluation which is looking at:

- The number of people supported and helped to stay in work
- Improvements in health, wellbeing, and confidence
- Reductions in sickness absence
- Cost-effectiveness and value for money

This is led locally by the ICB and nationally by the National Institute for Health and Care Research (NIHR) evaluation team.

Waiting Well

Waiting Well is an existing NHS programme that offers targeted support to certain groups of patients waiting for surgery in our region.

There's lots of evidence to show that taking some simple steps to improve fitness, diet and mental health before surgery or treatment helps patients make a better and quicker recovery. It also reduces the risk of the treatment being cancelled because of them not being well or fit enough to have the operation.

NHS

Our NHS partners recognise that concerted action is needed to reduce waiting lists so people can get back to health and back to work. The NHS in our region continues to lead the way in delivering the best waiting times in England against the 18-week NHS Constitutional Standard for planned care has (70.2% versus a national average of 59.8%). Alongside this, the NENC award-winning 'Waiting Well' prehabilitation programme continues to improve the mental and physical health of patients awaiting elective surgery, reducing the risk of post-operative complications.

This work on waiting list management sits alongside a greater focus on preventing people becoming ill in the first place, and NHS organisations are thinking differently about how best to support those whose ability to work is at risk, including through ill health or disability, to remain in work or make a timely return to working.

As one of only three Health and Growth Accelerator sites in the country, NHS North East and North Cumbria ICB is leading the way to identify those whose health places them at risk of becoming economically inactive and then getting them the support they need. This support has been shaped by the impact that DWP's Patient Advisor Service (PAS) caseworkers – co-located in GP surgeries – has made to help patients overcome the bio-psychosocial barriers to work that can lead to economic inactivity if left unaddressed.

Remaining in-work while managing Mental Health conditions or MSK pain brings clear economic and health benefits, helping individuals maintain financial security and reducing demand on the NHS.

Work Well Programme

Helping you stay well and stay working...

£19m Health & Growth Accelerator Government Funding

Collaboration Across NHS, Councils, Job Support Services, Voluntary Organisations, & Employers

Our mission:

- Support more than 2,000 people in the first year to stay well and working
- Tackle leading causes of work reacted ill-health - mental health, MSK, or long-term conditions

New Local Work Well Services Including Work Coaches

People who need support will be referred by GP or other professionals to a service where a work coach will with work with them to build a personalised plan which would include:

- Connecting them to services such as mental health or pain support
- Offering advice on benefits, money and housing
- Helping with workplace conversations or job changes
- Linking to local groups and community activities.

There will be Work Well services based in places which are easy to access such as GP surgeries or buildings where similar services already exist.

Extra Support For NHS & Care Staff

We will be offering extra help for those who are struggling with their wellbeing. This includes:

- Faster access to mental health and wellbeing services
- Peer support networks and group sessions
- Support for everyday health challenges like stress, menopause, weight management, and long-term conditions - along with help to stop smoking and cut down on alcohol.

This will help staff stay in their jobs and get the support they need to thrive at work.

Creating Healthier Workplaces

We're also working with local employers to help them create fairer and more supportive workplaces. This includes:

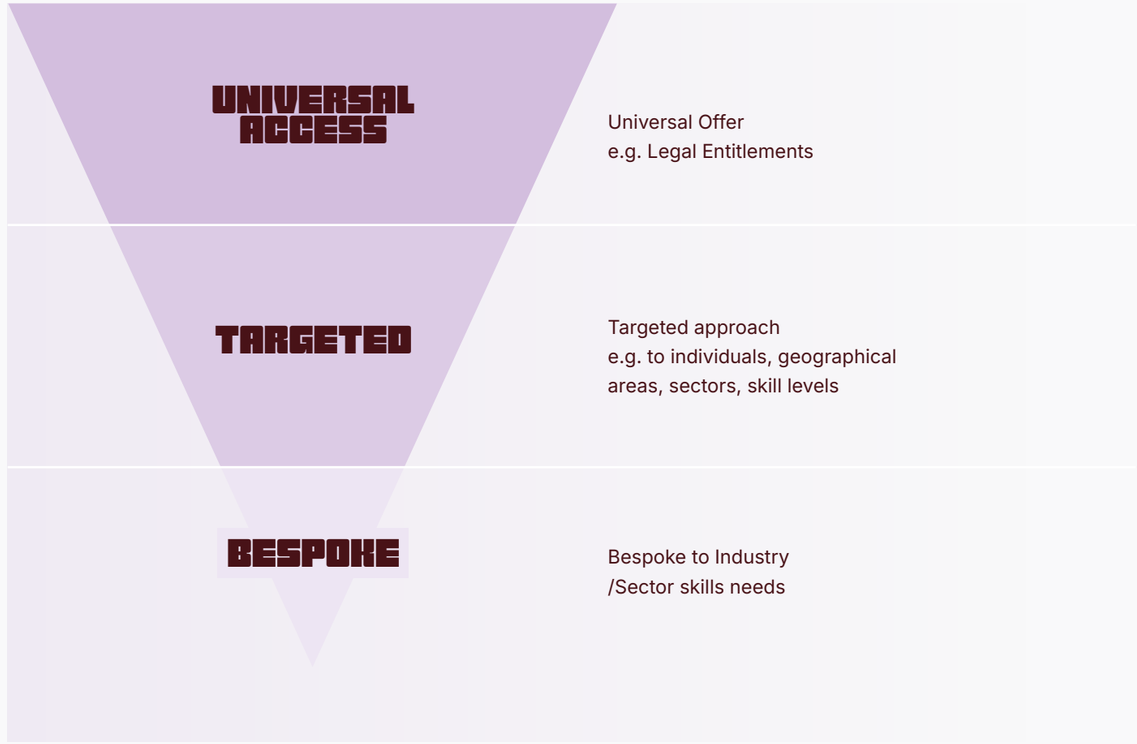
- Working with local employers, councils and partners to help businesses support staff with health issues
- Promoting flexible working, fair pay and better job conditions
- Expanding schemes to promote healthier working environments
- Looking at how we offer occupational health advice
- Supporting employers to spot when staff need such help.

Our Delivery Model
Tees Valley Adult Skills

The Combined Authority's purpose is to drive economic growth and job creation in the region.

Through our devolution deal and a directly elected Mayor, we have been awarded powers and responsibilities for Adult Skills for Tees Valley residents. Since 2019, working closely with our delivery partners, we have been able to influence and commission more locally-responsive flexible training for adults and deliver a step-change in the Tees Valley economy.

The Tees Valley Adult Skills delivery model has three core elements - universal access, targeted approach and bespoke provision.



Universal Offer
e.g. Legal Entitlements

Targeted approach
e.g. to individuals, geographical areas, sectors, skill levels

Bespoke to Industry
/Sector skills needs

In November 2024, the Government published its Get Britian Working White Paper detailing plans for £240 million of investment to trial new ways to get people back into work. Government committed to support local areas to shape an effective work, health and skills offer for local people, with Mayoral Combined Authorities being responsible in England. This includes the Connect to Work and Youth Guarantee initiatives.

Tees Valley Connect to Work

The Connect to Work programme is a supported employment programme in England and Wales (phased in from 2025) to help disabled people, those with health conditions and people with complex barriers to employment, to find sustainable work. Tees Valley Combined Authority is the Accountable Body for the regional programme.

The primary focus of the programme is on supporting people who are economically inactive 'Out-of-Work', but the programme will also provide some support for people who are at high risk of falling out of work 'In-Work' retention.

The combined authority and constituent local authorities will develop the programme to meet local needs and provide a coherent local offer, alongside wider health and skills support services, including alignment with the North East and North Cumbria ICB Health and Growth Accelerator, and active links with local employers, to help people either remain in employment or find and fulfil their potential to work.

Tees Valley Youth Trailblazer

The Youth Trailblazer is a government initiative aimed at supporting young people in England aged 18-21 by providing access to education, training, or employment support. Tees Valley is one of eight Youth Trailblazer areas to test new ways of supporting young people into training.

Informed by a robust evidence base and working with partners and key established groups, a set of high-level core interventions have been co-developed which include paid work placements and non-paid taster sessions for young people aged 18-21 who are not in education, employment, or training.

CORE INTERVENTIONS (2025-26)	INTERVENTION	OUTCOME
INTERVENTION 1 – Convening & Local Leadership	Convene key service providers and organisations (national, regional and local) to build an evidence base to inform what structures are needed locally to ensure young people don't miss out on support	Enhanced collaboration between existing services – more efficient and effective use of services and improved co-ordination and management of pathways for young people
INTERVENTION 2 – 18-21 Youth	Deliver a programme of Paid Work Placements / Non-Paid Work Placement Taster Sessions. For young people aged 18-21 who are currently NEET – and for whom a lack of work experience is their biggest barrier to employment.	Lack of work experience as a barrier to employment is reduced – more young people can progress into employment.
INTERVENTION 3 - 18-19 Gap	Extend the tracking of young people to those aged 18-19. To ensure those who are currently NEET in this cohort and those at risk of becoming NEET are identified and connected / reconnected to routeways of support and do not become 'unknown'.	All young people aged 18-19 are tracked and have a positive post-18 destination. Reduce the number of young people becoming NEET at age 18-19.
INTERVENTION 4 – Year 13 AY 2024/25 Leavers	Post-18 positive destination. Engage with young people currently in Year 13 to understand if there are young people without a positive post- 18 destination – and who may be at risk of becoming NEET. Young people without an identified positive post-18 destination to be connected to existing NEET prevention and engagement activities	All young people have a positive post-18 destination. Reduce the number of young people becoming NEET at age 18.
INTERVENTION 5 – Mapping & Analysis of Current Landscape & Provision	▪ Leadership and accountability requirements: what structures are needed locally to ensure young people don't miss out on support. ▪ What provisions come under the Youth Guarantee: identifying what support can be accessed at national level, local offers, third sector programs, and employer support. ▪ How to establish streamlined connections and routeways to support: enabling accessibility and smooth transitions into, through and out of the Youth Guarantee. ▪ Who delivers support: determining who are the best organisations to deliver support at different stages and understand who should be accountable. ▪ How to identify and engage young people: seeking innovative ways to identify and engage young people who need support and preventing disengagement.	A robust evidence base to inform further development of the Youth Guarantee.
INTERVENTION 6 – Local Evaluation		

Local Authorities

Local authorities play a crucial role in supporting residents. Much of this work is carried out under the umbrella of local Employment Hubs – a model which is in place within each Local Authority to incorporate offers covering work, health and skills. These efforts contribute to a more integrated and responsive health, employment support and skills system at the local level.

Local authorities have a broadly consistent offer of support for residents, this includes, but is not limited to:

Providing Employment Initiatives
Local authorities are involved in initiatives like the Local Supported Employment (LSE) Initiative, which helps adults with learning disabilities and autism to secure competitive employment.

Facilitating Skills Development
They work within the skills system to deliver adult skills provision to Tees Valley residents. They also support employer representative bodies in developing Local Skills Improvement Plans (LSIPs).

Addressing Economic Inactivity
They focus on economic inactivity due to ill-health, providing tailored support to individuals facing barriers to work.

Specialist Support
They offer specialist support for veterans, people with disabilities, mental health conditions and ex-offenders for example.

Promoting Economic Inclusion
Local authorities aim to promote economic inclusion by reducing disparities in employment opportunities and supporting local businesses.

Youth-Focused Programmes
Such as Youth Hubs

Collaborating on Employment Programmes
Working with local partners to design and deliver employment and skills support programs that address the unique needs of their communities.

Connect to Work
Connect to Work is a new, UK Government-funded, supported employment programme. It aims to help disabled people, those with health conditions, and others facing employment barriers to find and maintain employment. In Tees Valley local authorities will be delivering Connect to Work directly, working in partnerships with various organisations, including NHS providers, and other service providers.

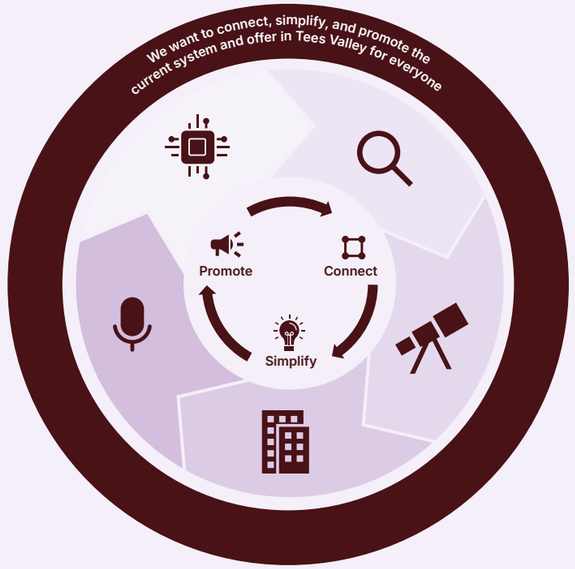
WORKING WITH PARTNERS

Our overarching strategic approach for the lifetime of this plan is to **connect, simplify and promote** the multiple national and local health, employment, training, skills, and economic growth initiatives so they are greater than the sum of their parts and reach more people and businesses.

Government guidance states, the development of local Get Britain Working plans should be overseen by a formal partnership of key local stakeholders alongside the accountable body and any constituent authorities in the local area. This must consist of a nominated lead from Integrated Care Board and Jobcentre Plus, and should include representation from:

- voluntary, community, and social enterprise organisations
- education and skills providers
- employer and business representative groups (it is recommended this includes representation from the Employer Representative Body responsible for the development and implementation of Local Skills Improvement Plans within that area)

In addition to the formal oversight provided by the partnership, local areas may wish to seek insights and input from wider local stakeholders. This may include local authorities with the current responsibility for delivering UK Shared Prosperity Fund, local academic institutions, social partners (including housing associations), Health and Wellbeing Boards, trade unions and citizen voices. Integrated Care Partnerships will offer a key leadership forum for engagement with a broad alliance of partners concerned with the care, health and wellbeing of the population.



PRIORITY ACTIONS & LONGER-TERM GOALS

The Get Tees Valley Working Plan will direct the work to forge a new way of working for the benefit of Tees Valley's residents, employers and economy, but most importantly it will be driven by the evidence.

It is clear from the work on developing Get Tees Valley Working that integrating work, health, skills and employment support across the region, through collaboration among the Local Authorities, NHS, local Jobcentre Plus, housing and skills providers, and the VCSE sector, can drive systemic change.

This approach has the potential to strengthen the interdependencies of health, employment, housing, and skills, and offers a more holistic response to the needs of individuals and communities across the Tees Valley.

These actions align closely with key local priorities, such as in our emerging Local Growth Plan including the Shared Priorities. Tees Valley Employment and Skills Strategy, Tees Valley Local Skills Improvement Plan, and integrated care strategy. This alignment will help us to demonstrate how our local plans support broader ambitions to grow the local economy at both national and local levels.

Our Get Tees Valley Working Plan First Edition sets out our initial summary of priorities for the next 12-24 months, which partners will work through collectively to achieve.

From the initial mapping, we have identified that the current landscape offers tailored support for those furthest from the labour market, including the Youth Trailblazer and Work Well programme which provide flexible, person-centred pathways. However, fragmentation across services, limited coordination, and barriers to access persist. To empower residents effectively, Tees Valley must embed integrated, community-based delivery, expand inclusive employment pathways, and ensure services are accessible and culturally responsive. Strengthening local partnerships and co-location of services will be essential to reach those most excluded.

Strengthening collaboration between Jobcentre Plus, local authorities, and voluntary sector partners will support the delivery of joined-up, community-based support. This includes building on the community outreach work already being delivered by Jobcentre Plus, including co-location of services. This will help reduce the need for individuals to navigate complex systems or travel long distances, particularly for those facing digital exclusion, health barriers, or low confidence. It will also enable stronger partnerships with grassroots organisations who understand the lived experiences of their communities and can act as bridges into formal services. The aim is to create a visible, welcoming, and locally responsive support offer that meets people where they are.

Ongoing engagement is central to the success of the Get Tees Valley Working plan, ensuring it remains relevant, responsive, and embedded into practice over time. Developing and maintaining strong, collaborative relationships with a wide range of partners is key to our success, including partnership working with Local Authorities, the ICB and NHS providers, Jobcentre Plus, the National Careers Service, VCSE organisations, education and skills providers, employer and business groups, and trade unions. Crucially, we are committed to embedding our citizen voice into the delivery and evolution of the plan. By actively involving individuals with lived experience of economic inactivity, we will ensure that services are shaped by those they are intended to support. This includes creating mechanisms for continuous feedback, co-production, and community-led insight to inform decision-making and service design and delivery. Regular dialogue, shared data and insights and joint delivery will underpin our approach. This commitment to inclusive, transparent engagement will help us adapt to emerging needs, maintain alignment across partners, and drive meaningful, lasting impact for the people and communities of Tees Valley.

As this is the first edition of the Get Tees Valley Working Plan the priority actions listed below is a summary of our initial proposals. These priority actions will be expanded on in our full plan the second edition due to be published March 2026.

The proposed focus of our priority actions for the next 12-24 months will be:

To better understand the drivers and causes of supply and demand side labour market issues

Further detailed analysis of the primary drivers and causes of economic inactivity within the region – including, but not limited to, issues related to education, skills and health, as well as factors that may limit people's ability to access work like transport, housing, caring responsibilities (including childcare), and the availability, accessibility, and flexibility of jobs.

To better understand the local labour market

Further detailed analysis of the key challenges faced in the labour market across both labour market participation (employment, unemployment and economic inactivity) and progression at work (earnings and job quality).

To explore systemic change requirements – work to achieve better alignment of existing systems and offer in readiness for further devolution and greater local influence and flexibilities

This will include an assessment of capacity – for the priority groups and areas identified across organisations including through the health service, local government, and Jobcentre Plus.

This will also include an assessment from the perspective of the end user (the individual / the employer) in each of the priority groups.

As one of only three Health and Growth Accelerator sites in the country, NHS North East and North Cumbria ICB is leading the way to identify those whose health places them at risk of becoming economically inactive and then getting them the support they need. This support has been shaped by the impact that DWP's Patient Advisor Service (PAS) caseworkers – co-located in GP surgeries – has made to help patients overcome the bio-psychosocial barriers to work that can lead to economic inactivity if left unaddressed.

Alongside commissioning additional clinical capacity in MSK services to reduce waiting times, the ICB is working with primary care, DWP and third sector delivery partners to deliver innovative 'Work Well' services at scale (based on the tried and tested PAS model). This will use fit note data to identify a target patient cohort for early intervention and support to keep them well and keep them working, reducing health-related economic in our region.

Building on the above, we will explore the opportunity to further align the existing work, health and skills support systems and offer with that of the local Employment Hubs model which is in place within each Local Authority to incorporate offers covering work, health and skills to fully understand if this delivery model would provide the local infrastructure and capacity to effectively deliver on the Get Tees Valley Working Plan.

OUR PRIORITIES

Five High-level Local Priorities

Grow our globally competitive modern industrial and technology cluster and enabling Advanced Manufacturing sector by securing further investment, deepening our innovation expertise and attracting and retaining talent.

Accelerate our rapidly growing digital cluster and creative cluster by securing further investment, growing our business base and attracting and retaining talent.

Diversify and drive the growth of our foundational economy by increasing business density and developing the skills of our people to get more people into work.

Create the environment for growth and accelerate regeneration of our communities making Tees Valley an attractive place to live, work and invest.

Accelerate the development of strategic transport, energy, digital and housing infrastructure to maximise the potential of our growth opportunities and create the environment for growth.

Local Growth Plan Shared Priorities

Local Growth Plans must include shared priorities, which should underpin the plan as a whole.

Shared priorities should be the region's most significant opportunities and constraints to economic growth. They are cross-cutting priorities that can benefit a wide range of sectors and the regional economy at large.

Our Shared Priorities have been co-determined with government (via the Ministry of Housing, Communities and Local Government) and now agreed, these shared priorities will guide both national and regional policy – informing collaborative working to design and develop services and interventions and make investment decisions.
These shared priorities will benefit from the support via both the Mayoral Strategic Authorities' devolved powers and national government levers.

Shared priorities do not represent the totality of everything important to inclusive growth in our region and our plan covers these wider local priorities and identifies opportunities and issues wider than our shared priorities.

SKILLS & EMPLOYMENT

Increase the skills base and reduce economic inactivity to enable residents to rejoin or increase participation in the workforce and support them into better employment opportunities.

Addressing this will require HMG and TVCA to work together to explore actions. This would deliver a more joined-up approach which addresses local workforce challenges, providing the talent pipeline for key growth sectors.

TRANSPORT

Improve transport accessibility and travel experiences to better connect workers across the region to employment and industrial sites.

Addressing this will require HMG and TVCA to work together to explore actions. This would support residents to access more economic opportunities, with businesses better able to attract talent across a wider geography and facilitate growth and inward investment.

HOUSING & COMMERCIAL DEVELOPMENT

Increase the availability and viability of high-quality commercial land and space, such as office, industrial, research and development space, and appropriate housing, to increase business density and to attract and retain talent.

Addressing this will require HMG and TVCA to work together to explore actions. This would provide the foundations for greater business investment and expand the available talent pool for business, boosting growth and productivity in key sectors.

HOW WE WILL WORK

Our Principles

Our strategic approach is one that enables greater collaboration and supports a move towards a work, health and skills system which is driven by the following principles.

Prioritise delivery that is strategically and economically advantageous to Tees Valley

Ensure skills provision and employment support is directly linked to employer needs across Tees Valley

Develop collaborative and strategic working relationships with partners and stakeholders to benefit Tees Valley residents and employers

Develop and support a sustainable workforce in Tees Valley

Maximise the amount of funding that reaches the individual

Ensure that all investment adds value and does not duplicate or displace other available provision

Establish better measurement and evidencing of positive outcomes to demonstrate how provision is meeting the needs of individuals and employers across Tees Valley

Support value for money and high quality commissioning of provision

Our Values & Behaviours

In taking forward this approach, the following key values and behaviours have been identified that we would expect all partners and stakeholders delivering provision to Tees Valley residents and businesses to display.

Delivering with integrity – putting the needs of individuals and employers at the centre

Communicate openly and transparently with individuals and employers, partners and stakeholders – build relationships based on trust and respect

An ambition and desire to deliver best practice in the sector and invest in quality, staff and learners

Work with partners and stakeholders to effectively drive forward provision that will deliver key economic benefits for Tees Valley residents and employers

Providing extensive support to individuals to deliver meaningful outcomes moving them closer to, or into employment

Demonstrate exemplary behaviours with regards to commissioning arrangements that support positive outcomes for individuals and employers

A determination to collaboratively develop the work, health and skills system across Tees Valley to benefit all residents and employers

Work collaboratively and strategically with all relevant partners and stakeholders within the Tees Valley

GOVERNANCE, LOCAL ENGAGEMENT & FUTURE EDITIONS

In accordance with the government guidance, the development of the Get Tees Valley Working Plan has been overseen through a formal partnership group.

The governance arrangements in place locally which will maintain oversight of the Get Tees Valley Working plan and which will support alignment with future initiatives and strategies across relevant stakeholders are set out below.

Governance

The governance, clearance and sign off processes for our Get Tees Valley Working Plan will be in accordance with the Tees Valley Assurance Framework and in accordance with government Guidance for Developing local Get Britain Working plans (England), published 3 April 2025.

For Tees Valley, the formal partnership group is the Tees Valley Education, Employment & Skills Advisory Group, chaired by the TVCA Cabinet Portfolio Holder for Education, Employment and Skills.

Membership of the Tees Valley Education, Employment & Skills Advisory Group has been widened to include the NHS North East and North Cumbria Integrated Care Board and fully meets the membership requirements for the formal partnership.

EES Advisory Group membership includes:

- Tees Valley Combined Authority (the accountable body)
- Constituent local authorities
- NHS North East and North Cumbria Integrated Care Board
- Department for Work and Pensions
- Jobcentre Plus
- Department for Education
- Voluntary, community, and social enterprise organisations
- Education and skills providers
- Employer and business representative groups (this includes representation from the Employer Representative Body responsible for the development and implementation of the Local Skills Improvement Plan within our area).

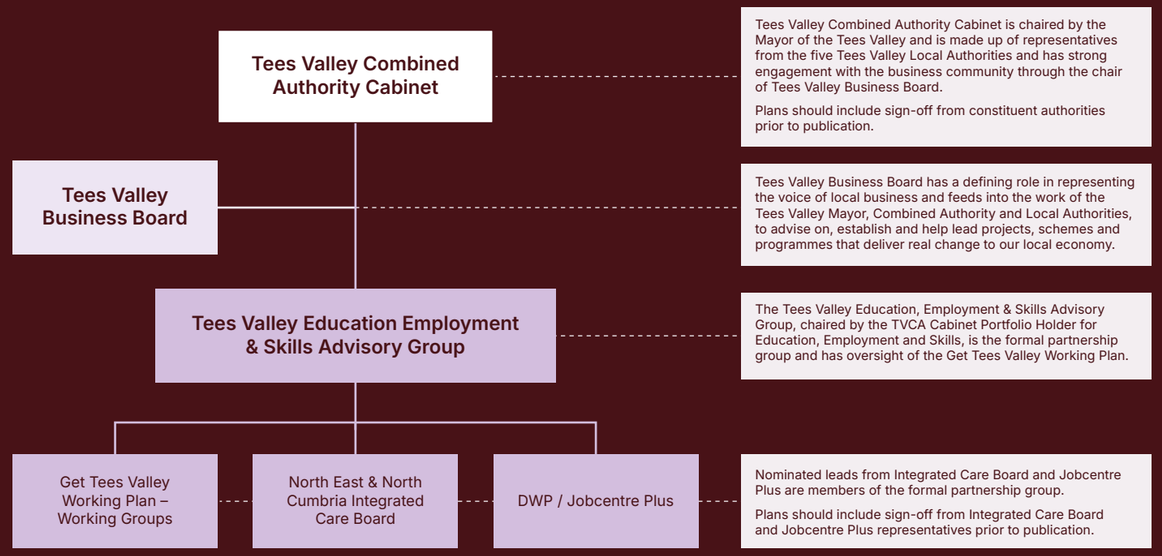
Local Engagement

In addition to the formal partnership group, we have and will continue to engage with a wider range of stakeholders to extend the scope of the plan to include unemployment and employment.

Wider stakeholders include:

- Operational representatives from Jobcentre Plus
- Academic institutions and research bodies, offering insight into skills pipelines, graduate retention, and local innovation.
- Housing associations, who support vulnerable residents and have an understanding of wider social barriers that will be important in shaping inclusive employment strategies.
- VCSE organisations, particularly those with strong links into underrepresented or disadvantaged communities.
- Local employer groups and representative bodies beyond those in the core partnership, ensuring a wider business voice.

Engagement will span the full Tees Valley geography, reflecting the footprint of the five constituent authorities, ensuring the plan can respond to common regional challenges while retaining flexibility to reflect localised needs.



Future Iterations

Government recognise that areas are at differing stages and while some areas will be able to publish comprehensive plans, for other areas the process may be more iterative. As a minimum all areas are expected to have initial plans covering inactivity completed and published by September 2025.

The emerging Local Growth Plan will be a key strategic document influencing and aligning with the Get Tees Valley Working Plan, the 'workforce' element of the Local Growth Plan. As such, the GTVWP will be kept under review and updated, as necessary, to reflect the Local Growth Plan, recognising the importance of our 'workforce' in helping us achieve our economic growth ambitions.

In developing the Get Tees Valley Working Plan – First Edition (covering inactivity) it is evident that this has already further enhanced discussions and identified several core elements that need to be further explored with key partners and stakeholders.

In order that the plan and priority actions can be updated at appropriate junctures - including following major fiscal events and changes to significant programmes (this includes locally delivered provision such as UK Shared Prosperity Fund and Connect to Work, or national provision), it is proposed that the Get Tees Valley Working Plan – Second Edition is published in March 2026.

Outcomes & Impacts

In developing our emerging Local Growth Plan and Get Tees Valley Working Plan – First Edition. We have taken a holistic and blended approach to capture our region's strengths and opportunities, building on the progress achieved.

Through these metrics, there has been a conscious focus to ensure that whatever we – Government/Combined Authority/ Local Authority/Private Sector/Third Sector/Communities – do will result in residents having more disposable income at the end of the month and live healthier, happier lives such as through expanding opportunities for employment by increasing business density, whilst being mindful of the need to make sure residents have the required skills to access good quality, well paid employment so they can enjoy what Tees Valley has to offer.

Importantly, the Tees Valley Local Growth Plan is not a standalone document. Across our region, there are several programmes, plans and strategies which are already in action and being delivered to support residents, grow businesses and improve the lived experiences and perception of our region.

Local Growth Plan – Impacts

+0.5% will be the annual Tees Valley GDP growth

To match the UK rate going forward

10,000 more business created

To match the UK business density rate

14,200 more working age residents in employment

To match the latest UK employment rate

37,800 more L4+ qualified working-age residents

To at least match the UK rate

£4,795 more in annual gross disposable household income (GDHI) per head needed

To match the UK GDHI per head rate and close the income gap

6 more years of healthy life expectancy needed

To match the UK healthy life expectancy rate and tackle inequalities in health

64,000 more jobs

To match the UK rate

30,000 fewer residents in employment deprivation

To match the UK rate

Get Britain Working Outcomes

The Get Britain Working outcomes policy paper (published 3 April 2025), sets out the key outcome metrics that government will continue to monitor closely in relation to local Get Britain Working plan are:

Key Outcome Metrics

- Employment rate – the number of people aged 18 to 66 in employment divided by the population aged 18 to 66.
- Real earnings amongst non-retired households (all ages) – a component of real household disposable income (RHDI).

Intermediate Outcome Metrics

Local variation in employment rates – employment rates (i.e. the number of people aged 18 to 66 in local authorities, defined as unitary local authorities/local authorities counties in the UK, their distribution and gap between the bottom 10% and median.

Health related economic inactivity rate – number of people aged 18 to 66 who are economically inactive due to being long-term sick divided by the 18 to 66 population.

Disability employment rate gap – the difference in the employment rate of people, aged 18 to 66, who report they are disabled as defined by the Government Statistical Service (GSS) Harmoniseed Standard, and those who do not.

Proportion of 18 to 24 year olds not in education, employment or training, supported by an increase in the proportion of 16 to 21 year olds in education or a job with training.

Employment among parents aged 18 to 66:

1. The employment rate gap between lone parents and parents in a couple - the difference in the employment rate of lone parents and parents in a couple. The employment rate of lone parents is calculated as the number of lone parents in employment divided by the number of all lone parents. The employment rate for parents in a couple is calculated as the sum of fathers employed in couple and mothers employed in a couple divided by all parents in a couple. Both are relevant for families with people aged 18 to 66.

2. The percentage of coupled families where at least one parent is out of work – the number of families with parents in a couple, where one or more of the parents are out of work divided by the number of families with coupled parents. Relevant for people aged 18 to 66.

And aim to increase:

3. Female employment rate – the number of women aged 18 to 66 in employment divided by the number of women in the population, aged 18 to 66.

Monitoring & Evaluation

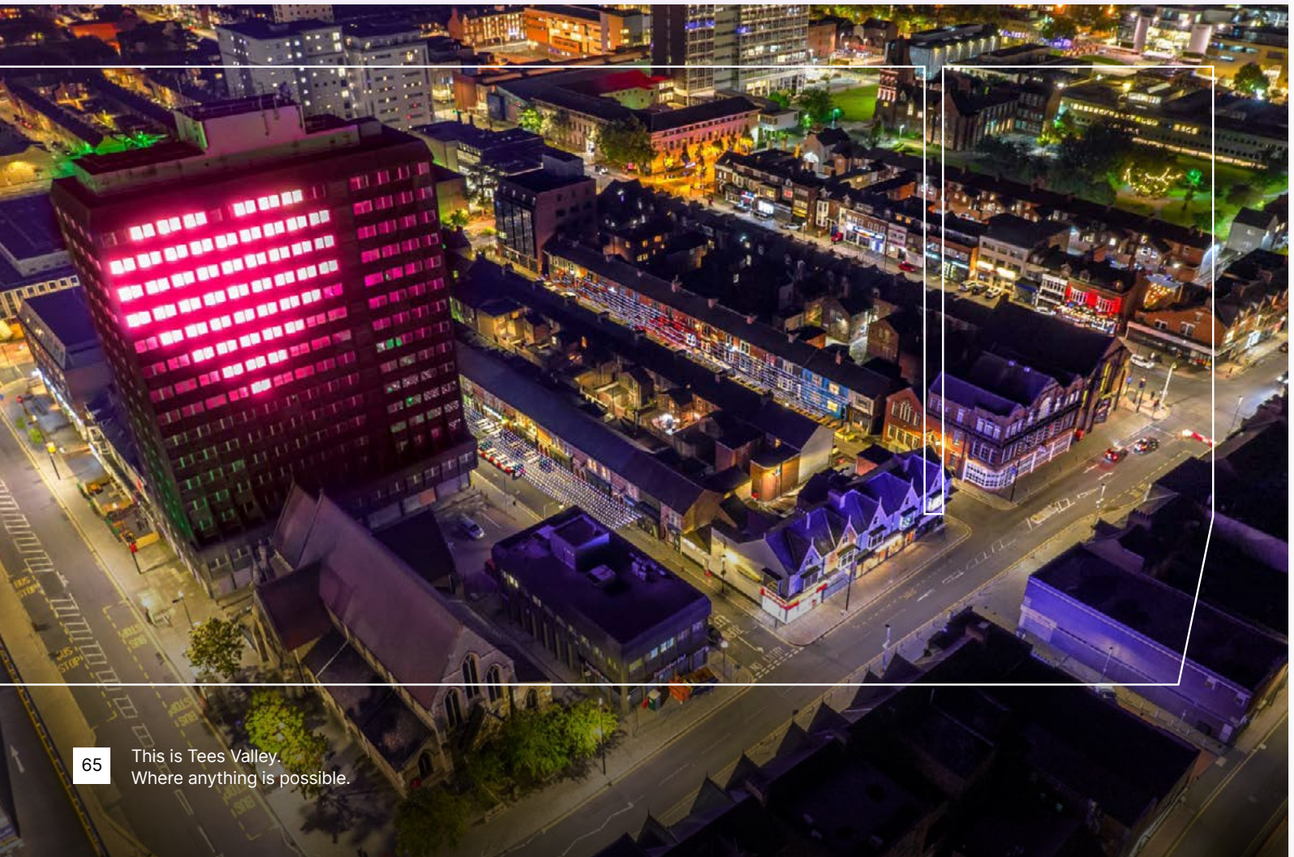
So that we can demonstrate the impacts of the Tees Valley Local Growth Plan and Get Tees Valley Working Plan at both a local and national level, it is proposed to develop a new monitoring and evaluation framework. This framework will ensure robust monitoring of the Local Growth Plan and Get Tees Valley Working plan and give confidence to businesses, strategic partners and stakeholders, and Government.

It is proposed that this framework will be informed by reviewing relevant models of good practice and with input and guidance from the Office for National Statistics (ONS Local) and What Works Centre for Local Economic Growth.

It is proposed that it will include a new performance management regime underpinned with a suit of Key Performance Indicators (KPIs) aligned to the Local Growth Plan and, where relevant, aligned to KPIs in the national industrial strategy and Get Britain Working White Paper outcomes, highlighting the current baseline position and long term target for each metric.

KPIs will be internally monitored regularly and updates on progress towards their achievement will be reported on regularly.

It is proposed that, in due course, evaluation of the Tees Valley Local Growth Plan and Get Tees Valley Working Plan will be externally commissioned



Get Tees Valley Working – Logic Model

Over the lifetime of the Get Tees Valley Working plan there will be multiple national and local health, employment, training, skills, and economic growth initiatives that will help to deliver the ambitions of the plan.

To capture all the inputs and activities, we intend to develop a Get Tees Valley Working Plan Logic Model.

This will provide a visual representation that outlines how the plan is intended to work, linking resources, activities, and expected outcomes to guide future programme and project planning, implementation, and evaluation.

Opportunities	Key challenges/opportunities – identified in evidence base	Why
Inputs £	Funding and/or Resources	How
Eligibility Criteria	Who can be supported	Who
Timeframe	When will the activity or intervention be delivered	When
Activities	What will be delivered	What
Outputs	What will be the direct result of the activities or interventions	
Outcomes	Results or changes produced by the activities or interventions	
Impact	Economic impact – what impact has the activity or intervention had	

TEES VALLEY

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Agenda Item 12

Report to the TVCA Cabinet

26 September 2025

Report of the Interim Director of Business Solutions

CONNECT TO WORK UPDATE

SUMMARY

This report provides Cabinet with an update on the approach for the delivery of the Tees Valley Connect to Work programme for the period 2025/2026 to 2029/2030. Information was previously presented to Cabinet via a paper for the meeting on 27 June 2025. Since then, continued work has been undertaken, including through close engagement with and feedback from the Department for Work & Pensions (DWP), to develop and finalise the delivery plan.

The final submission of the plan was made on 14 August; we were notified by DWP that the plan was approved subject to fulfilling a small number of conditions. A formal response to these conditions was submitted on 15 September with panel scheduled to review the response 18 September. The Delivery Plan is included as Appendix 1 *[plan to be updated once DWP sign-off received)*

RECOMMENDATIONS

It is recommended that the Tees Valley Combined Authority Cabinet:

i. NOTES the update on the mixed-model option selected and approved at June Cabinet.
ii. NOTES the amendment to the budget and participant volumes following discussions with the Department for Work and Pensions (DWP).
iii. APPROVES the Delivery Plan submitted to the DWP.
iv. DELEGATES authority to the TVCA Chief Executive, in consultation with the Section 73 Officer and Monitoring Officer, to conclude any final changes to the delivery plan required by DWP, take the necessary actions, including, but not limited to, approval of the final delivery partners in line with the DWP approved delivery plan and entering relevant contracts and/or other legal agreements to implement the above.

DETAIL

Connect to Work

1. Connect to Work was announced as part of the Get Britain Working White Paper in November 2024. The programme (phased from April 2025) will help people with

disabilities, long-term health conditions and complex barriers to work into sustainable employment. The national programme will be delivered by 43 Accountable Bodies in England, with the Tees Valley Combined Authority (TVCA) being the Accountable Body for the Tees Valley.

2. Connect to Work is a clearly defined supported employment programme based on the Supported Employment model and using a 'place, train, and maintain' approach. TVCA and constituent Local Authorities will develop the programme to meet local needs and provide a coherent local offer, alongside wider health and skills support services and active links with local employers, to help people either remain in employment or find and fulfil their potential to work.

3. The Connect to Work programme is closely linked to emerging regional economic growth strategies, including the Tees Valley Local Growth Plan and Get Tees Valley Working Plan (both currently being developed) and the published Tees Valley Employment & Skills Strategy

4. Connect to Work is a voluntary programme focused on supporting people who are economically inactive, 'Out-of-Work' (85% of programme), as well as the programme providing some support for people who are at high risk of falling out of work due to the barriers they experience, 'In-Work' (15% of programme).

5. Programme delivery must meet Individual Placement Support (IPS) and Supported Employment Qualification Framework (SEQF) fidelity models, which are tested models for the target cohort. Fidelity assurance refers to the process of ensuring that supported employment services are delivered according to the evidence-based principles and standards that make the model effective, maintaining its integrity and effectiveness through regular monitoring and evaluation. It is expected that the majority of participants will require IPS support and the remainder SEQF. DWP has assumed that there will be a 75%/25% split, with Accountable Bodies required to set out in their Delivery Plan the estimated proportion of participants in their Delivery Area that they plan to receive IPS and SEQF support.

6. In addition to Connect to Work, the effectiveness of health measures in getting people back into work or keeping them in work will be trialled by the NHS in the coming year. Announced as part of the Get Britain Working Strategy and funded through the Department for Health and Social Care (DHSC) Health and Growth Accelerators will invest in targeted health interventions and tackle conditions that most impact people's ability to work. One of only three accelerators is the Northeast and North Cumbria (NENC), which includes Tees Valley. We are working closely with the NENC Integrated Care Board (ICB) to ensure full alignment of the two programmes in Tees Valley.

Tees Valley Approach

7. TVCA is the Accountable Body for the Tees Valley Connect to Work programme. As such TVCA is responsible for developing the five-year delivery plan for our local supported employment offer, management and oversight of the regional programme,

commissioning or grant funding a range of service providers to deliver programme activity and reporting back to DWP on progress and outcomes.

8. A first draft of the delivery plan and grant cost register was submitted to DWP on 16 June 2025 for review by subject matter experts. This first submission reflected our commitment to working collaboratively with the five local authorities, key partners and stakeholders, who have been actively engaged in shaping the plan. As the accountable body, we have the opportunity to benefit from two internal review stages prior to formal submission. This process is designed to ensure that the plan is as close to final as possible before formal assessment by a DWP panel.

9. Feedback received from DWP on 26 July 2025 was reviewed and incorporated into a second draft, which was submitted back to DWP on 16 July 2025. Feedback on this second iteration was received on the 28July and will be incorporated to enable formal submission 14 August 2025. This final version will be circulated to Cabinet once submitted.

10. In direct response to DWP feedback regarding programme costs, the indicative annual and overall participant volumes have been increased to reflect a cost of £3,500 per participant. This adjustment results in a revised five-year allocation of £17.6 million. A breakdown of the annual budget and participant volumes is provided in the table in paragraph 20.

Delivery Options

11. The following 4 options for delivery were considered and presented to Cabinet on 27 June 2025 with option 4 being the recommended and subsequently approved delivery model:

Option	Delivery Model	Comments	Preferred Option (Y/N)
1	Direct Delivery –TVCA as accountable body delivers the Tees Valley Connect to Work Programme	TVCA does not have the capability or capacity to deliver.	N
2	Direct Delivery – Grant award to constituent LAs deliver the Connect to Work Programme	A five-year programme of this scale and complexity demands flexibility in selecting and managing delivery partners. Limiting delivery solely to LAs through a grant mechanism would restrict the ability to engage specialist local providers and organisations with targeted expertise. This	N

Option	Delivery Model	Comments	Preferred Option (Y/N)
		approach could reduce the overall effectiveness, responsiveness, and innovation within the programme's delivery model.	
3	Commissioned - Take to open market and commission provider(s) to deliver.	Given the required go-live date of September, the timescales involved in designing, tendering, evaluating, and awarding a fully procured service would be extremely tight. This poses a significant risk of delays to the programme start date, which could undermine early momentum and disrupt planned engagement with participants and partners.	N
4	Mixed - Grant award to Local Authorities (with Lead Authority identified to coordinate and streamline) and commissioned services	Preferred option following mapping of LAs' current experience in delivering supported employment through in-house and contracted provision for both IPS and SEQF; plus their capacity and capability to build on their experience of Fidelity Assurance and BASE training/SEQF assessment	Y

12. Local Authority Chief Executives have been consulted on the option to appoint a lead Local Authority, streamlining delivery by enabling a single contract to be managed across the region, rather than five separate agreements, reducing administrative burden, improving consistency and maximising budgets. This approach offers the potential to achieve greater value for money and to maximise the cost-efficiencies of the programme.

13. Following consultation with the Chief Executives it was agreed that Hartlepool Borough Council will act as the lead the Local Authority for programme delivery.

14. The rationale for this decision is based upon the Authority's:

- Strategic positioning as a major employer, leader of local economic development and, as commissioners and providers of services through established partnerships with local employers, access through well-known employment hubs.

- Experience and capacity: the authority has a proven track record of successfully managing and delivering employment and skills programmes, including Routes to Work; Youth Employment Initiative and UKSPF People and Skills Tees Valley Move Forward. It has the necessary infrastructure, governance, and staffing in place to lead a multi-partner initiative.

- Partnership strength. Hartlepool Borough Council has established relationships with each of the other four Tees Valley Local Authorities, Jobcentre Plus, third-sector organisations and health services. This makes it well-placed to act as a central coordinator and ensure consistent delivery across the region. Representatives from all Local Authorities involved in the development of the proposed delivery model agreed that appointing a Lead Delivery Partner would provide the most effective and efficient approach.

- Data and insight capability, having robust data analysis and performance monitoring capabilities, enabling it to track outcomes effectively and adapt delivery based on real-time insights.

15. The proposal for a lead local authority reflects the strategic and operational strengths detailed in the delivery plan and ensures alignment with our regional employment and skills priorities.

16. Hartlepool Borough Council will be reflected in the final version of the delivery plan. TVCA as the Accountable Body will work with the lead and the constituent local authorities to prepare for implementation and live running scheduled for October 2025.

17. Support from and ongoing engagement with local stakeholders will be essential for the successful delivery of the programme. TVCA will work with the Lead Authority and all LA partners to ensure effective mobilisation and realisation of the delivery plan.

18. Connect To Work will be one of the key components of the evolving Get Tees Valley Working plan. The Education, Employment & Skills Advisory Group will have oversight of the development and activity of both of these areas of work, ensuring a cohesive and interconnected approach to ongoing activity.

FINANCIAL IMPLICATIONS

19. Connect to Work funding will pass to the Accountable Body via a grant from DWP subject to final approval of the Delivery Plan by DWP.

20. DWP anticipates areas will go live in a phased way with the programme reaching peak annual volumes in years two and three 2026/2027 and 2027/2028, followed by a scaling down of the programme during years four and five 2028/2029 and 2029/ 2030. The table below reflects the maximum annual funding allocation and profiled starts per year, the total allocation and overall programme participant volumes.

21. Published Connect to Work guidance states that, 'Indicative estimates for the number of Programme Starts at peak and the overall unit cost are provided for information and to assist with the framing of planning. They are not guaranteed. Funding and volumes for each Accountable Body will be agreed as part of the approved Delivery Plan and the Grant Funding Agreement.'

Year	Maximum funding	Indicative participant volumes	IPS	SEQF
2024/2025	£100,000	0	0	0
2025/2026	£1,500,000	132	99	33
2026/2027	£3,100,000	1,445	1,084	361
2027/2028	£5,600,000	1,897	1,423	474
2028/2029	£5,300,000	1,376	1,032	344
2029/2030	£2,000,000	170 (in-work participants only)	128	43
Total	£17,600,00	5,020	3,765	1,255

22. The programme is fully funded by a DWP grant so Tees Valley Combined Authority will undertake the role of the Accountable Body on a full cost recovery basis. The allocation is based on an indicative unit cost of £3,500 per participant, which will cover programme management and operational costs. Management costs are capped at 5% of the overall grant allocation for a five-year period 2025/2026 to 2029/2030.

23. The programme is funded in arrears by the DWP subject to a delivery plan and grant funding agreement.

24. TVCA will not have any direct staff delivering the programme activity, however, TVCA staff are leading the development of the delivery plan. TVCA will recruit a programme manager to oversee the programme function on behalf of the Accountable Body, supported by internal TVCA staff i.e. Performance, Risk and Assurance, Finance and Legal.

LEGAL IMPLICATIONS

25. The Tees Valley Combined Authority will be required to enter into a grant funding agreement with DWP and will be expected to deliver the programme in accordance with government guidance. Contracts and / or Funding Agreements will be established as appropriate with service providers to confirm their responsibilities when delivering elements of the programme.

26. The procurement of any delivery partners will be procured in accordance with the Procurement Regulations 2024.

27. TVCA legal services will undertake a check of the grant funding agreement to ensure that the Authority is able to comply with the terms and conditions.

28. TVCA legal services will also review delivery contracts prior to them being issued and signed to ensure that the legal and financial risk to TVCA is minimised and that suppliers can be held to account for delivery.

29. The Tees Valley Combined Authority Assurance Framework provides the following in respect of Specific Grants, accepted into the TVCA Investment Plan:

    '*From time-to-time government awards TVCA with funding for a specific named project or programme. Where this is the case a business case will be developed then appraised by Combined Authority staff (with external technical support if required). Consideration of Business Cases and the appraisal is delegated to the Combined Authority Chief Executive for approval in consultation with Tees Valley Management Group, the Section 73 Officer and the Monitoring Officer.'*|

    In this case DWP requirements on the use of the grant and the outcomes required are clearly defined with restricted flexibility other than the delivery model. The delivery plan, which is subject to approval by DWP therefore constitutes as the business case. Delegation of this is not required through the Assurance Framework as DWP is directly approving the case for investment.

RISK ASSESSMENT

30. The Connect to Work 5 Year Delivery Plan includes a fully developed risk management assessment and management plan. Key risks currently identified are:
    - The ability to meet the ambitious DWP timescales for the delivery of the programme and the programme outcomes
    - Resources and capacity, including recruitment of suitably qualified keyworkers/practitioners to deliver
    - Identifying the ambitious numbers of participants required
    - Duplication of provision
    - Alignment with UKSPF People and Skills and programme closure 2026
    - Market failure
    - Continuation of grant funding (subject to Annual Grant Review) as outlined in the Connect to work Draft Grant Funding Agreement.

CONSULTATION & COMMUNICATION

31. In accordance with the published Connect to Work guidance, the Tees Valley Connect to Work 5 Year Delivery Plan has been developed collaboratively with the constituent local authorities.

32. TVCA held an initial workshop in February 2025 with key partners and stakeholders, including local authorities, further education and independent training provider representatives, national careers service and TVCA Business Board and EES Advisory Group members. A subsequent event was held in April in partnership with the NENC ICB to outline work and health programmes in Tees Valley.

33. A presentation was made to EES Advisory Group on 6th August, and they were supportive.

34. The development of the delivery plan has been iterative process and drafts have been shared with DWP as it has been developed for critical friend review prior to formal submission which is planned for August 2025.

35. This report has been considered by the Tees Valley Business Board, Tees Valley Management Group and Tees Valley Chief Executives.

EQUALITY & DIVERSITY

36. The Connect to Work programme is a Supported Employment programme intended specifically to help people with disabilities and health conditions remain in work and to get more people with disabilities and health conditions into work and tackle inequality.

37. Published guidance for Connect to Work states that eligible participants must be in one of the following groups:
    a. A disabled person, who has a disability or a long-term health condition, as defined in the Equality Act 2010 or the Social Model of Disability or;
    b. A specified disadvantaged group, as detailed in Annex B of the Grant Guidance.

38. 'Key groups include disabled people, people with a health condition, disadvantaged young people and older people, people with caring responsibilities (including parents and lone parents particularly where this supports the government's ambitions to reduce child poverty), and people who face multiple disadvantages (for example homelessness, ex-offenders, refugees, and care experienced).'

39. People in these participant groups must also meet the following additional criteria to be eligible for Connect to Work:
    a. they must not currently be doing any paid work and would be available to start a suitable job (applies only to participants who are not working), or are at risk of losing work (retention participants only)

b. should have been employed continually for at least 3 months before starting Connect to Work, (retention participants only)*
c. are of Working Age, aged 18* or more in England
d. have the right to work in the United Kingdom
e. have the right to live in the United Kingdom and are resident in England or Wales
f. do not belong to a group which has no entitlement to public funds
g. are not on a DWP employment programme

40. As the Delivery Plan and programme are further developed an Equality Impact Assessment will be produced in parallel.

Appendices

Appendix 1 – Connect to Work Delivery Plan

Name of Contact Officer: Sally Gardner
Post Title: Business Solutions Manager
Telephone Number: 01325 792600
Email Address: Sally.Gardner@teesvalley-ca.gov.uk

Agenda Item 12, Appendix 1
Report to the TVCA Cabinet
26 September 2025
Report of the Interim Director of Business Solutions

Department for Work & Pensions

Connect to Work Grant Guidance

Appendix B – Delivery Plan template

13 August 2025

To access Connect to Work Grant funding, Accountable Bodies are being asked to complete a Delivery Plan, setting out how they intend to use the funding and deliver the programme. The Delivery Plan should be completed in accordance with information contained in the Grant Guidance and technical notes, as set out below.

Since this is the first step in the Government's Get Britain Working Strategy, we are keen that your Delivery Plan not only captures information about your specific plans for delivery of the programme but also starts a process of considering your wider strategy on work, health and skills, and how this support will fit within it.

Accountable Bodies are asked to develop their Delivery Plan in collaboration with local partners and particularly Additional Delivery Area Members (where appropriate). Plans will need to be agreed by both the Accountable Body and DWP before entering into a Grant Funding Agreement.

Capitalised terms and acronyms referred to in this Delivery Plan Template shall have the meanings given to them in the Grant Guidance or Grant Funding Agreement.

Please note, that when answering the following sections, you are doing so on behalf of your Delivery Area.

This Delivery Plan should be completed with reference to the following documents:

1. Connect to Work Delivery Plan Guidance
2. Connect to Work Grant Guidance
3. All applicable Technical Notes (see Technical Note: General, for a schedule of future Technical Notes)
4. Connect to Work Grant Cost Register

Section 1 – Contact information

The following information is to help support communication during this Delivery Plan process.

1.0 Name and address of the Accountable Body for your Delivery Area:	Tees Valley Combined Authority
1.1 Please provide the following details for the Accountable Body:	
Single Point of Contact Name:	Sally Gardner
Single Point of Contact Email:	Sally.gardner@teesvalley-ca.gov.uk
Single Point of Contact Phone:	07825 352654
Role of Single Point of Contact:	Business Solutions Manager

Section 2 – Connect to Work delivery

Within this section, please set out your response to how you will deliver your service, who you will work with to deliver and integrate it, and how you will ensure you have a suitably qualified workforce (either in-house or via commissioning) in place, to deliver the Supported Employment model.

2.0 In the delivery of Connect to Work please indicate which delivery method you intend to use across your Delivery Area (Please select one option only)		
In-house	Commissioned	Mixed (both in-house and commissioned) X

2.1 Where a **mixed delivery method** is indicated, please provide details on the proportion and nature of how the model will be split. Is this by provision (IPS and SEQF)? Is it by geographical location? Is it by Participant group? etc.

Introduction and strategic context

The Tees Valley region benefits from a co-terminus governance structure through the Tees Valley Combined Authority (TVCA). The Authority comprises five constituent local authorities:

- Darlington Borough Council
- Hartlepool Borough Council
- Middlesbrough Council
- Redcar and Cleveland Borough Council
- Stockton-on-Tees Borough Council

These organisations collectively serve a shared population base, as illustrated in *Diagram 1*. This geographic and administrative alignment enables the development of robust, collaborative working relationships among partners. It also enhances the coordination and delivery of regional strategies, policies, and services, contributing to more effective and integrated outcomes for the population.

Diagram 1.

TVCA has a strong track record in delivering investment programmes. Our devolved powers granted from central government following the devolution deal has resulted in

managing a budget of £1.7billion between 2023 and 2028. We have responsibility for investment planning as part of our broader devolution agenda aimed at empowering the Authority to make strategic decisions that drive economic growth. We plan and co-ordinate large-scale investments across council boundaries including infrastructure development, housing regeneration projects and skills and employment initiatives. Our funding decisions are based on business cases, value for money, alignment with local economic strategies, and delivery potential. We oversee project monitoring and performance management, overseeing the delivery of funded projects, ensuring they meet agreed milestones and outcomes. We ensure robust financial governance, managing risk, conducting audits, and complying with national assurance frameworks. We maintain a strong and collaborative relationship with our five local authorities and have worked closely with them to explore and evaluate the delivery model options for the Connect to Work programme.

Delivery Model Options and Rationale

It is proposed that a mixed model of delivery will be used to deliver Connect to Work programme. TVCA considered in-house, commissioned, and mixed delivery models, and selected a mixed delivery approach to support employment outcomes of the programme. This combines the strengths of the Combined Authority and our Local Authorities to allow for greater control over quality and consistency, alignment with strategic priorities including our Local Growth Plan, developing Get Tees Valley Working Plan and speed in adapting to local need. As the accountable body, TVCA will have overall responsibility for the programme working in partnership with our local authorities, our Additional Delivery Area Members (ADAMs), to deliver the programme and commissioning, where required, delivery partners for areas of expertise, scalability and flexibility. A mixed model will provide strengths in ensuring that core services are consistent and aligned to local strategy; brings in external capacity and innovation and allows for targeted interventions where specialist services are needed.

The rationale for selecting a mixed delivery model is based on the following key considerations:

- Local authority experience & infrastructure - the ADAMs possess extensive experience in delivering employment programmes. They have existing infrastructure and operational capacity to deliver elements of the programme in-house particularly those requiring direct coordination, oversight, and participant engagement.
- The need for hyperlocal and specialist provision which will be procured by the lead ADAM across the Tees Valley, there is recognition that certain cohorts and communities are best engaged and supported by hyperlocal providers particularly within the Voluntary, Community, and Social Enterprise (VCSE)sector. These providers bring community trust, cultural competence, and specialist expertise.
- Flexibility and responsiveness - a mixed model enables both consistency and responsiveness allowing core elements to be managed centrally or in-house, while specialist or place-based delivery can be commissioned to meet specific local needs.
- Geographic and demographic coverage - this model ensures comprehensive coverage across all five boroughs, allowing tailored interventions that reflect the unique labour market challenges and opportunities in each area.

An options analysis considered the following models:

- Fully in-house delivery
- In-house delivery partnership between TVCA and ADAMs
- Fully commissioned delivery
- Mixed delivery model (selected)

Each model was assessed against criteria including:

- Strategic fit
- Capacity and capability
- Cost-effectiveness
- Ability to reach priority groups
- Risk management
- Speed and ease of mobilisation

Four options were considered as follows:

Option	Delivery Model	Comments	Preferred Option (Y/N)
1	Direct Delivery –TVCA as accountable body delivers the Tees Valley Connect to Work Programme	TVCA does not have the capability or capacity to deliver.	N
2	Direct Delivery – Grant award to constituent LAs deliver the Connect to Work Programme	A five-year programme of this scale and complexity demands flexibility in selecting and managing delivery partners. Limiting delivery solely to LAs through a grant mechanism would restrict the ability to engage specialist local providers and organisations with targeted expertise. This approach could reduce the overall effectiveness, responsiveness, and innovation within the programme's delivery model.	N
3	Commissioned - Take to open market and commission provider(s) to deliver.	Given the required go-live date of September, the timescales involved in designing, tendering, evaluating, and awarding a fully procured service would be extremely tight. This poses a significant risk of delays to the programme start date, which could undermine early momentum and disrupt planned	N

		engagement with participants and partners.	
4	Mixed - Grant award to Local Authorities and commissioned services	Preferred option following mapping of LAs current experience in delivering supported employment through in-house and contracted provision for both IPS and SEQF; plus their capacity and capability to build on their experience of Fidelity Assurance and BASE training/SEQF assessment	Y

The mixed model was selected as the most balanced and effective option. A breakdown of delivery responsibilities is broken down as follows:

- In-house delivery by ADAMs
- Participant engagement and initial triage
- Fidelity assurance and performance monitoring
- Coordination of referral pathways and wraparound support
- Management of in-area delivery partnerships
- Commissioned delivery
- Targeted support for eligible groups for example carers, ex-carers
- Place-based provision in areas with low engagement
- Specialist employability and skills interventions

This dual approach enables local authorities to lead strategically, while drawing on the strengths of community-based delivery partners to achieve deeper, more equitable outcomes. The chosen delivery method has been collectively agreed upon by our ADAMs through workshops and consultation and has been based on their extensive experience and understanding of delivering supported employment services.

This approach ensures:

- Comprehensive geographical coverage across the Tees Valley,
- Targeted support for priority groups as identified in the programme design,
- And inclusive access pathways for all eligible and suitable participants.

The options were developed through extensive engagement with our Local Authorities including a series of meetings, workshops, one-to-one discussions, and joint sessions with local authorities. This process was closely aligned with the development of our delivery plan and the Combined Authority Cabinet paper and was supported by ongoing consultation with local authority Chief Executives via the TVCA Management Group, in accordance with our established governance framework. To strengthen our route to market, we conducted a comprehensive mapping of existing employment and supported employment services. This allowed us to better understand current commissioning and delivery practices, particularly given the complexity and fragmentation of the sector. An options analysis was then undertaken

to assess the feasibility of each approach, ultimately informing and supporting the selection of our preferred delivery model.

The decision to proceed with a mixed delivery model, combining in-house project development and project management; through operational delivery by the local authorities through a lead ADAM was based on:

- Local knowledge and existing relationships as ADAMs are best placed to engage local communities, understand labour market dynamics, and leverage existing partnerships.
- Flexibility and responsiveness with a mixed model allowing for tailored responses to local needs while maintaining consistency in core delivery.
- Cost-effectiveness by utilising existing LA infrastructure to reduces overheads and maximises value for money.

In addition we considered that the ADAMs were able to demonstrate their capability and capacity to deliver the programme through an assessment of their:

- delivery teams who have experienced staff with a background in employment support, case management, and partnership working.
- Training and quality assurance mechanisms. Note that a shared training framework will be implemented to ensure consistency in delivery, with ongoing CPD and fidelity monitoring embedded across all sites.
- Established performance management systems in place through a centralised performance dashboard.
- Clear governance structures which will support the development of a regional steering group for the programme and feed into the current governance arrangements outlined in Section 2.3

By leveraging the local knowledge, expertise, and infrastructure of our ADAMs we are confident that this delivery model will maximise the effectiveness and reach of the Connect to Work programme. We will therefore:

- Grant fund our Additional Delivery Area Members 100% of IPS
- Grant fund our Additional Delivery Area Members 100% of SEQF

We will target specific groups based on geography and health conditions by conducting a further detailed analysis of our data book, ensuring alignment with the grant guidance and maintaining that targeting of particular groups will not mean the exclusion of other eligible and suitable groups. A key focus will be leveraging targeted data sets that facilitate hyperlocal analysis, enabling us to identify specific wards within our local authority geographies effectively. The programme will be based on an IPS/SEQF split of 75%/25%. The breakdown of IPS and SEQF by year and by local authority is set out in the table below:

Year	volume	IPS	SEQF
2024/2025			
2025/2026	132	99	33
2026/2027	1,445	1,084	361
2027/2028	1,897	1,423	474
2028/2029	1,376	1,032	344
2029/2030	170	128	43
	5,020	**3,765**	**1,255**

IPS - BY PROGRAMME		IPS - BY LA				
Year	volume	MBC	RCBC	HBC	DBC	SBC
2025/2026	99	25	25	20	15	15
2026/2027	1,084	271	271	217	163	163
2027/2028	1,423	356	356	285	213	213
2028/2029	1,032	258	258	206	155	155
2029/2030	128	32	32	26	19	19
	3,765					

SEQF - BY PROGRAMME		SEQF - BY LA				
Year	volume	MBC	RCBC	HBC	DBC	SBC
2025/2026	33	8	8	7	5	5
2026/2027	361	90	90	72	54	54
2027/2028	474	119	119	95	71	71
2028/2029	344	86	86	69	52	52
2029/2030	43	11	11	9	6	6
	1,255					

An indicative split of in-house and commissioned delivery is provided in section 2.5. This will be managed by the lead ADAM as part of the contract funding agreements established with the other ADAMs.

Following consultation and agreement with our Local Authority Chief Executives, Hartlepool Borough Council will be appointed as the lead local authority for the delivery of the Connect to Work programme across Tees Valley. Our rationale for this decision is based upon the Authority's:

- Strategic Positioning as a major employer, leader of local economic development and, as commissioners and providers of services through established partnerships with local employers, and access through well-known employment hubs.

- Experience and Capacity, the authority has a proven track record of successfully managing and delivering employment and skills programmes, including Routes to Work; Youth Employment Initiative and UKSPF People and Skills Tees Valley Move Forward. It has the necessary infrastructure, governance, and staffing in place to lead a multi-partner initiative.

- Partnership strength. Hartlepool Borough Council has established collaborative relationships with neighbouring authorities of Darlington, Middlesbrough, Redcar and Cleveland and Stockton-on-Tees, Jobcentre Plus, third-sector organisations and health services. This makes it well-placed to act as a central coordinator and ensure consistent delivery across the region.

- Data and insight capability, having robust data analysis and performance monitoring capabilities, enabling it to track outcomes effectively and adapt delivery based on real-time insights.

- Commitment to inclusive growth through its demonstration of its strong commitment to inclusive economic growth, aligning with the core objectives of Connect to Work, particularly in supporting disadvantaged groups into sustainable employment.

This decision reflects the strategic and operational strengths detailed in the delivery plan and ensures alignment with our regional employment and skills priorities.

The delivery plan, including the designation of Hartlepool Borough Council as the lead local authority, is subject to formal approval at the September 2025 Cabinet meeting.

Governance and roles of TVCA and lead ADAM
The Connect to Work programme in Tees Valley will operate under a clearly defined governance and accountability framework that distinguishes between strategic oversight and operational coordination. The lead local authority / ADAM has been nominated to support operational delivery across the Tees Valley. Its responsibilities include:

- Coordinating programme delivery across the five local authority areas to ensure alignment and consistency.
- Ensuring quality and fidelity in the implementation of IPS and SEQF models at the local level.
- Cost management including overseeing budgets, forecasting, and ensuring delivery within financial constraints.
- Overseeing performance monitoring and reporting, including the collation of local delivery data.
- Acting as the primary liaison with TVCA and other local stakeholders on operational matters.
- Supporting risk and compliance management, including contributing to fidelity assurance processes.
- This role is facilitative and does not confer strategic authority or decision-making powers.

TVCA retains full strategic control and accountability for the Connect to Work programme. As the Accountable Body, TVCA will:

- Remain fully accountable for all conditions set out in the Grant Funding Agreement with DWP.
- Lead the commissioning and establishment of the Connect to Work service, ensuring fidelity to IPS and SEQF models.
- Develop and maintain formal governance arrangements, including clear roles, responsibilities, and decision-making protocols.
- Lead the co-design of the Delivery Plan, ensuring it reflects local priorities and is agreed upon by all upper-tier authorities.

- Implement a performance management framework, with the authority to intervene where necessary to ensure compliance and quality.
- Manage strategic operations, including financial oversight, risk management, and reporting to DWP.
- Ensure data and documentation are submitted to DWP to support evaluation and alignment with national strategic goals.
- Coordinating programme delivery across the five local authority areas to ensure alignment and consistency.
- Ensuring quality and fidelity in the implementation of IPS and SEQF models at the local level.
- Overseeing performance monitoring and reporting, including the collation of local delivery data.
- Acting as the primary liaison with TVCA and other local stakeholders on operational matters.
- Supporting risk and compliance management, including contributing to fidelity assurance processes.
- This role is facilitative and does not confer strategic authority or decision-making powers.

Operational delivery and triage
All five ADAMs currently have successful employment teams delivering Individual Placement and Support (IPS) and supported internships. They operate in partnership to deliver the UK Shared Prosperity (UKSPF) People and Skills Tees Valley Move Forward programme, which focuses on supporting Tees Valley residents who are economically inactive and have health conditions that prevent them from working or actively seeking employment. This programme is led by Hartlepool Borough Council as the designated lead local authority.

Building on this collaborative approach, we plan to implement the Connect to Work programme using a similar delivery model. All five ADAMs have expressed their commitment and intent to utilise their existing employment teams to integrate and deliver the programme. Our target go-live date is end October 2025 subject to final approval by DWP. The Tees Valley Move Forward programme will take referrals to December 2025 and through the transition period, the supported employment teams in the ADAMs will build capacity through training and additional recruitment to deliver the Connect to Work programme. The existing strengths in the system at each place will be considered at the time of go-live in year one 2025/2026 and we will plan how to build capacity across the full geographical area during the ramp up year of 2026/2027. We will align these plans with our profiles for each month following our go-live date. Our capacity and capability to deliver Connect to Work is outlined in Section 2.3.

Commissioning and procurement
As part of the mixed delivery model for Connect to Work, TVCA (as the Accountable Body) will award 100% of the grant funding to the Lead Local Authority, which will be responsible for coordinating delivery across the Tees Valley. This includes determining the proportion of funding allocated to each participating Local Authority, based on a formula that reflects the evidence base and local need.
This keeps the governance clear: TVCA provides the funding, the Lead LA manages its distribution operationally, and the formula ensures fairness and transparency.

The rationale for using grant funding is underpinned by several key factors:

- Nature of the relationship - the delivery arrangements are not commercial in nature and do not constitute the procurement of services. Instead, they represent the allocation of public funding to achieve shared policy outcomes aligned with the objectives of Connect to Work.
- Strategic alignment with ADAMs - the local authorities are well-placed to deliver interventions that require community insight, reach, and embedded local presence Their role in delivery will be a blend of delivery and that of commissioner of VCSE services.
- Capability and track record – the recipients have demonstrable experience and a proven track record in delivering successful employment and skills interventions.
- Value for money and efficiency - issuing grants to known and capable partners supports efficient mobilisation and avoids unnecessary duplication of procurement processes where outcomes can be more effectively achieved via grant funding.

TVCA has consulted with its internal legal and procurement teams, who have confirmed that as the accountable body the Combined Authority has the legal power to award grants under its devolved functions and in accordance with its Constitution and financial regulations. Grants will be assessed for compliance with the Subsidy Control Act 2022. Where applicable, the Minimal Financial Assistance (MFA) threshold and other relevant provisions will be applied and documented accordingly. Legal assurance has been received confirming that the proposed grant arrangements do not constitute a public contract under the Public Contracts Regulations 2015 and therefore do not require a competitive procurement process. The arrangements are not, in substance, disguised procurements, but are genuine grant agreements used to further public policy objectives.

As the accountable body we will document the rationale for each grant award and maintain clear audit trails to demonstrate transparency and compliance with all legal and assurance frameworks. As the accountable body, TVCA will fulfil the conditions of the Grant Funding Agreement by effectively discharging its responsibilities for programme delivery. TVCA will establish a Connect to Work service for the region, leading on the development of the areas delivery plan, shaping the programme offer around local services and priorities; managing day to day operations of the programme having overall accountability for the funding and operating grant; ensuring that outcomes for participants are delivered; providing DWP with information/documentation to help with evaluation of effectiveness of the programme; and determining alongside our constituent upper tier authorities, how Connect to Work is delivered.

Hartlepool Borough Council as lead ADAM will follow procurement routes that comply with the Public Contracts Regulations and broader UK procurement policy. Following selection of the route to market which may include the development of an open tender, a restricted tender, framework agreement or dynamic purchasing system (DPS) the opportunity will be advertised through the Northeast Procurement Organisation (NEPO) Public Buying Service (PBS) service which is used by all of the Northeast Local Authorities to procure services. The Authority will consider value thresholds, which determine whether procurement must be advertised on platforms

like Contracts Finder or Find a Tender. All routes will ensure transparency, equal treatment, and value for money.

The route to market has been co-designed with input from key partners and stakeholders including the ADAMs, ICB, Business Board representatives, Jobcentre Plus, and EES Advisory Group ensuring it reflects both strategic priorities and operational realities. Further commissioning will be undertaken for elements of the programme that cannot be met through arrangements in place through the ADAMs. This commissioning will be led and managed by the lead ADAM. All commissioned delivery partner services will be procured through transparent and competitive processes in-line with public procurement requirements.

The decision-making process included conversations between the Authority's Senior Leadership Team and Local Authorities Chief Executives through Tees Valley Management Group as well as formalised reports through the Authorities governance arrangements which includes Cabinet and Education Employment and Skills Advisory Board. On the 27th June 2025 a report on Connect to Work was submitted to the Authority's Cabinet, asking members to note the options considered against the criteria identified, considering the requirements of the Connect to Work guidance; to accept the Tees Valley Connect to Work programme into the TVCA Investment Plan and approve the proposed mixed-model of delivery through a grant award to Local Authorities. Cabinet approved the adoption of the mixed delivery model, recognising its alignment with both strategic priorities and operational capacity.

Performance management and monitoring
To ensure fidelity to the programme model, a shared training framework, regular fidelity checks, and a centralised performance dashboard will be used to monitor delivery across all sites. This delivery model ensures that local authorities are empowered to deliver high-quality, locally tailored employment support, while TVCA maintains strategic oversight and accountability. The approach balances local flexibility with regional consistency, ensuring fidelity to the programme model and value for money

The local authorities across Tees Valley have a strong track record of successfully leading and delivering large-scale employment programmes. A recent mapping exercise has confirmed the presence of an established and capable VCSE and specialist provider market, equipped with the knowledge, skills, and experience to respond effectively to commissioning opportunities through the Connect to Work programme. This market will complement SEQF and IPS provision by embedding a hyperlocal approach that leverages trusted community networks to engage and support eligible adults across the region.

Local Authorities maintain strong partnerships with the five Voluntary Development Agencies, which serve as the VCSE infrastructure organisations within Tees Valley. These agencies will play a key role in promoting opportunities and encouraging bids from organisations that can add value to existing provision and align with local strategic priorities. VCSEs bring specialist expertise, deep-rooted community relationships, and the ability to engage harder-to-reach groups enhancing statutory provision and extending the programme's reach and impact. Through market engagement events, it has been confirmed that the VCSE and specialist provider market across Tees Valley is not only well-established but also ready and equipped

to deliver high-quality, targeted support aligned with IPS and SEQF models. This approach supports a commissioning process where opportunities are inclusive, strategically aligned, and capable of drawing on the strengths of a diverse and capable provider market.

As the Accountable Body, TVCA will ensure the 75% IPS and 25% SEQF delivery split is achieved and maintained through a robust project management framework led by the designated ADAM. This includes:

- Embedded Funding Profiles: The 75/25 split is built into delivery profiles and funding allocations, ensuring clarity and compliance from the outset.
- Real-Time Monitoring: A dedicated MIS (monday.com) will track delivery volumes and participant status, enabling accurate, real-time oversight.
- Audit & Assurance: Evidence-based claims, sample checks, and compliance with the Subsidy Control Act will be enforced through a proven audit model.
- Governance & Oversight: Monthly contract meetings between TVCA and the lead ADAM (Hartlepool Borough Council); Monthly partnership cluster meetings across the five LAs; Quarterly quality reviews and biannual evaluations. A regional Connect to Work steering group to oversee delivery and integration which will be made up through membership of TVCA, Local Authority Officers, DWP/Job Centre Plus, NENC ICB, VCSE, Public Health Representative, Business Board Representative and SME business representation through a membership organisation.
- Capacity & Risk Management: Delivery will ramp up gradually, with risks actively monitored via a programme risk register.

This structured approach ensures the delivery split is consistently managed and aligned with programme objectives.

TVCA will ensure that 85% of participants are out of work at referral, with 15% eligible for in-work retention support, through:

- Referral & eligibility controls: Developed with ADAMs, JCP, and health partners to prioritise out-of-work individuals.
- Eligibility checks embedded at triage.
- Monitoring & reporting: Participant status tracked at entry and throughout the programme via the MIS, enabling early intervention if the balance shifts.
- Contractual compliance: Delivery contracts will include the 85/15 requirement as a key performance metric, monitored through regular reviews.
- Governance oversight: The programme regional steering group will monitor participant composition and escalate any deviations through formal governance channels.

Hartlepool Borough Council, as the lead ADAM, will be responsible for managing the triage process for the programme. This will include assessing individual eligibility and suitability and determining the most appropriate pathway either IPS or SEQF. Hartlepool Borough Council will also oversee the activities of the other ADAMs to ensure consistent and effective delivery of the programme across the Tees Valley. Hartlepool Borough Council will provide monthly progress reports to the Tees Valley Combined Authority (TVCA), which serves as the Accountable Body.

2.2 Please detail your high-level plan for delivery which captures the key milestones and indicative timings for implementation activities. These could include:

- The date your team will be in place to start delivering the programme
- The date you will be ready to start receiving 'Expressions of Interest'
- Your anticipated timeframe for scaling up and the associated starts volumes
- The date you plan to be fully operational

Please attach a copy of your draft project plan, which shows your key milestones and timeline.

We have developed a project workflow using Monday.com a cloud-based work operating system (Work OS) designed to manage the project, provide collaboration and streamline workflows. The plan captures essential tasks, recognising that project mapping evolves through iteration.

The draft project map and GANTT chart are included with this Delivery Plan (see the embedded document: ***Project timeline***). While some timings and milestones are currently indicative, they offer a comprehensive overview of the project's trajectory and demonstrate that the areas outlined in the guidance have been thoroughly considered. As the project advances further refinements will be made. For instance, the scheduling of additional milestones, such as the allocation of Additional Delivery Area Member grant funding and associated commissioning, will be confirmed in the coming weeks in collaboration with stakeholders, informed by ongoing progress and emerging insights.

The table below provides a high-level plan for Connect to Work:

Activity	Timeline
Project Initiation – design and planning	January 2025 to May 2025
TVCA internal working group established	December 2024
Needs assessment & evidence gathering	December 2024 to May 2025
Market assessment of current provision – mapping and gapping	January 2025 – May 2025
Design delivery model	May 2025
Risk analysis	May 2025
Project workflow formed	January 2025 to June 2025
Stakeholder engagement	
Engage Key Partners and stakeholders	February 2025 to June 2025
Co-design workshops	February 2025 to June 2025
Confirm governance & structures	June 2025
Commissioning/procurement	
Legal advice received on grant fund ADAMs and associated procurement	June 2025
Grant fund ADAMs	September to October 2025
Onboarding of delivery area members and partners SEQF	September to October 2025
Onboarding of delivery area members and partners IPS	September to October 2025

Development of additional commissioning arrangements	September 2025 to March 2026
Mobilisation and set-up	
Establish referral pathways	July 2025 to August 2025
Resource implementation including staffing, training, systems	August to September 2025
Delivery and implementation	
Launch	October 2025
Go Live mobilisation and implementation of IPS.	October 2025
Go Live mobilisation and implementation of SEQF.	March 2026
Ongoing implementation and reporting	September 2025 to March 2030
Continuous improvement – Fidelity Assurance	September 2025 to March 2030

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Capacity and Capability

Within this section, please provide details of the capacity and capability to deliver Connect to Work across your Delivery Area.

2.3 Please describe the capacity and capability to deliver Connect to Work across your Delivery Area.

Please include the key capacity and capability challenges you have and what further support you may need to help address these challenges. Please highlight any challenges across your whole Delivery Area.

TVCA has extensive experience delivering large-scale employment services. Over the past six years, we have successfully managed a diverse portfolio of programmes, including the DWP Innovation Pilot Routes to Work, a European Social Fund Youth Employment Initiative -Tees Valley Pathways Programme, the Learning and Work Institute New Futures programme, and currently the UK Shared Prosperity Fund People and Skills programme Tees Valley Move Forward which targets residents who are economically inactive or at risk of economic inactivity.

The Authority has proven expertise in programme development, managing the entire process from initial planning to successful implementation and delivery. We have a strong track record of achieving impactful outcomes, working collaboratively with key stakeholders to ensure effective execution. Our expertise spans multiple sectors, leveraging innovative approaches to drive measurable success.

For Connect to Work we will operate a mixed-model approach, leveraging both in-house expertise for programme management, as outlined in Section 2.1 and 2.4 and operational delivery through a lead local authority and ADAMs to deliver a highly effective and efficient programme across the Tees Valley area.

Early in developing our delivery model for Connect to Work, we recognised that we do not have the infrastructure and capacity to deliver the entire programme in-house. As a strategic organisation, our role focuses on overseeing and coordinating delivery while partnering with operational specialists to ensure the best outcomes for our residents.

We have established an internal working group, disseminated and discussed the guidance and technical notes widely, ensuring that staff across directorates have access to the webinar series and associated PowerPoints, have fortnightly meetings with our REL and SEIS team as well as having arranged specialist one-off meetings with DWP Finance, Commercial Support; grant funding formula/data analyst teams that all actively contribute to the development of our plan. We are currently recruiting a Programme Manager who will be responsible for day-to-day management of the programme ensuring the programme is delivered on time, on budget and within set risk tolerances.

We have conducted extensive mapping across the Tees Valley to gain a comprehensive understanding of the current delivery of work and health programmes, to assess current capacity and effectiveness and to understand their ability to build capacity. The evidence base demonstrates that our ADAMs are well positioned to deliver Connect to Work, through their experienced and qualified teams and that they have an excellent base on which to build further capacity in our region.

Our delivery profile is small in year 2025/2026, requiring the equivalent of 6 employment specialists, ramping up in 2026/207 reaching peak delivery in 2027/2028 allowing appropriate time to build capacity and determine resource structures. The profile of IPS and SEQF for years 2025/2026 and 2026/2027 have been shared with our ADAMs with a consensus that they are realistic and achievable.

Our ADAMs have provided a comprehensive overview of their existing staff capacity which includes:

<u>Hartlepool Borough Council</u>

- 4 x Existing IPS Employment Specialists
  (Currently known as Careers Advisors and IAG Officers)
- 2 x Existing SEQF Employment Specialists
  (Currently known as Careers & Volunteer Advisors)
- 2 x planned additional employment specialists being advertised via additional UKSPF (known as Careers Advisors)

<u>Darlington Borough Council</u>

- 2 x Existing SEQF/IPS Employment Specialists
  (Currently known as Employment Officers)
- 1 x planned additional employment specialists being advertised via additional (known as Employment Officers)

<u>Middlesbrough</u>

- 3 x Existing SEQF/IPS Employment Specialists
  (Currently known as 50 Futures and Employment/Engagement Officers)
- 1 x planned additional employment specialist being advertised via additional UKSPF
  (known as Engagement Officers)

<u>Redcar & Cleveland</u>

- 4 x Existing SEQF/IPS Employment Specialists
  (Currently known as Key Workers, Routes to Employment and Employment Coache
- 1 x planned additional employment specialists being advertised via additional UKSP
  (known as Key Workers)

Stockton on Tees

- 4 x Existing SEQF/IPS Employment Specialists
  (Currently known as Engagement Officers and Recruitment Coordinator)
- 1 x planned additional employment specialists being advertised via additional UKSP
  (Known as Engagement Officers)

*note planned additional roles will be absorbed in to the Connect to Work programme when UKSPF starts to ramp down.

These staff have the knowledge, transferable skills and experience of supporting the priority groups including residents with a disability/health problem, long-term sick, looking after family/home, refugees, offenders and those with caring responsibility. They will be able to immediately deliver the employment specialist role within Connect to Work. In addition, across the ADAMs there are experienced Employer Engagement Officers who will be able to immediately support Connect to Work. They have a track record of engaging employers, building diverse employment opportunities and matching these to programme participants. They also have extensive experience of providing in-work and wraparound support including overcoming barriers, workplace adjustments for example, to help sustain a person's employment.

All advisors and a number of tutors employed by Hartlepool Borough Council have received BASE supported employment and job coach training. The Council will develop and deliver a training programme to all of the existing front-facing staff within the other four Local Authorities through cluster groups.

There are also established management structures and infrastructure in place in each ADAM including operational managers who will be able to successfully coordinate the delivery of Connect to Work within their local authority.

A key challenge will be the integration of Connect to Work alongside delivery of UKSPF People and Skills programme to 31st March 2026. Aligning both programmes, with a view to triaging UKSPF participants who are eligible and suitable in to Connect to Work. We plan to co-design and co-commission services under a unified procurement strategy and we will continue to involve key partners and stakeholders in design workshops to ensure the services are complimentary. Data sharing and communication will be unified and consistent to ensure a successful albeit limited overlap across both programmes, the ceasing of UKSPF People and Skills and introduction and ramping up of Connect to Work.

Our ADAMs report that recruiting suitably experienced and qualified staff in Tees Valley has historically been successful, but not without its challenges. These challenges include a combination of sector-wide staff shortages, low visibility of the profession, and competition from better-remunerated roles. Where required we will support our ADAMs recruitment processes. Many existing staff recruited to employment programmes in the region bring valuable experience of working with young people, adults and adults with SEND, learning disabilities, and/or autism. Our local Supported Employment Teams provide comprehensive induction and ongoing training for new staff, who benefit from working alongside experienced and skilled colleagues, fostering a collaborative and knowledgeable environment from the outset. We will build on this approach through peer networks and sharing best practices.

Tees Valley has a track record in successfully delivering IPS drug and alcohol services. We will build on this expertise, managed by our ADAMs to deliver IPS

targeting those with mental health, musculoskeletal and cardiovascular health conditions who meet the eligibility and suitability criteria as set out in the grant guidance. The target of 132 expected participants in 2025/2026 is achievable. The Grant Cost Register provides a breakdown of starts by performance measure by month commencing October 2025 to 31 March 2026. For the same period participant volumes are broken down by in-work and out-of-work participants, these are aligned to the prescribed advisor caseload for the two models which dictate the advisor requirements for the programme. Using the same formula we have profiled participant volumes and advisor requirements for the duration of the programme. Requirements steadily ramp up from mid-year 2026 and are maintained to mid-year 2029 with peak volumes between spring – autumn 2027.

We are confident that Tees Valley has a strong and credible provider base with the experience, capability, and capacity to deliver IPS and SEQF to individuals who are eligible and suitable for the programme. This established infrastructure across the region ensures that we are well-positioned to successfully commission services and deliver against our planned start profile for this priority group.

ADAMs supported employment teams will be utilised to build the capability and capacity required to expand into IPS delivery and integrate with wraparound support services for eligible groups. Delivery will also be commissioned at a hyperlocal level through the VCSE sector, ensuring alignment and integration with relevant support services across the region. There is a recognised need to strengthen both in-house delivery capacity among ADAMs and the capability within the VCSE sector. All ADAMs will undertake initial IPS training and be offered national accredited training through a comprehensive training programme designed to build sustainable capability and capacity at the local level.

Engagement with key stakeholders and our ADAMs has informed plans for the go-live date, target participants by geographical location and health condition for years 2025/2026 and 2026/2027 prior to the ramp-up period, training requirements including from current IPS providers as well as national training organisations which will support Fidelity assurance measures. The cost of training will be built into our grant cost register.

Risks associated with the programme are recorded in the risk register attached.

TVCA will establish a comprehensive framework to ensure fidelity to both the IPS and SEQF models across ADAMs and subsequent commissioned delivery partners. The framework includes:

- Governance and Oversight - a Connect to Work regional Steering Group will oversee programme delivery, feeding into TVCA's existing governance structures (e.g. Education, Employment and Skills Advisory Group). Each ADAM and delivery partner will appoint a Fidelity and Quality Lead to embed IPS/SEQF standards locally. A quarterly Regional Fidelity Forum, led by TVCA and including DWP, NHS ICB, and selected experts/practitioners will review implementation and promote shared learning. TVCA's Performance, Risk and Assurance Team will lead on programme assurance and fidelity compliance, reporting through established governance routes.
- A performance and quality framework will include - baseline and annual external fidelity reviews using IPS Fidelity Scale and SEQF audit tools; biannual internal

reviews by TVCA, including case sampling, staff interviews, and spot checks; a monthly service user and staff feedback loops to identify risks and inform improvement; standardised caseloads (IPS: max 25; SEQF: max 20) and structured participant journeys.

- A region-wide training programme will support consistent delivery, including IPS and SEQF-specific training aligned with national standards and ongoing CPD, peer learning, and best practice sharing via cluster groups.
- A centralised MIS (monday.com) will track participant journeys, fidelity indicators, and performance metrics in real time. ADAMs and delivery partners will submit monthly reports on key fidelity metrics, including caseload size, time to first employer contact; employer engagement; clinical integration; % of participants in employment. A dashboard will flag underperformance and support targeted improvement.

This streamlined approach ensures consistent, high-quality delivery of IPS and SEQF across Tees Valley, aligned with DWP requirements and best practice standards.
To ensure all staff are equipped to deliver IPS and SEQF services to a high standard, a structured, regionally coordinated training programme will be implemented. This builds on Hartlepool Borough Council's existing training plan, as lead ADAM and will be supported by the DWP Supported Employment Implementation Specialists support offer.

The plan will include that all staff including practitioners, managers, and administrative teams from TVCA, ADAMs, and delivery partners will receive training in for example the principles of supported employment, the five-stages of supported employment, fidelity assurance. The plan will maximise use of the suite of DWP webinars and nationally recognised IPS and SEQF and accredited training, phased in as the programme scales and becomes fully resourced. For all new starters during the programme a structured induction will cover the Connect to Work programme, IPS and SEQF principles, participant journey, and fidelity assurance. All staff will be encouraged to participate in CPD activities, including cluster-based peer learning across the five ADAMs, reflective practice and case study learning, regular refresher training for employment specialists, including employer engagement and performance management.

A strong focus will be placed on fidelity with leadership and quality assurance team leaders and managers trained to conduct IPS and SEQF fidelity self-assessments and embed quality improvement plans into operational delivery.
Training effectiveness will be evaluated through staff appraisals, participant feedback, fidelity review outcomes, and performance data.

In line with the requirements of the Supported Employment Model, a structured triage process will be embedded at the point of referral to ensure participants are appropriately allocated to either the IPS or SEQF pathway. This process will be centrally managed by Hartlepool Borough Council, following a method and tools developed by TVCA to ensure consistency across the region.

Expressions of interest will be received by lead ADAM through the EoI referral process described in section 3.3. Preliminary eligibility checks will be conducted using a standardised process. Ineligible individuals will be signposted to more suitable

provision within the Tees Valley. All referral data will be captured in the programme's CRM system (monday.com) to ensure consistency, transparency, and auditability.

Eligible participants will undergo a structured triage using a standardised tool developed by TVCA, assessing for example:

- Employment history and status
- Knowledge and skills ~~and job readiness~~
- Health conditions and complexity of need
- Motivation to work, confidence, and communication

Eligibility and suitability will be confirmed with DWP and then, based on the assessment, participants will be allocated to either IPS or SEQF and referred to the appropriate Employment Specialist operating within the geographical area corresponding to the participant's place of residence. A face-to-face introductory meeting will confirm pathway suitability, begin vocational profiling, and explain the support available. All triage decisions will be logged in the CRM system with regular quality assurance checks conducted. As delivery ramps up we envisage dedicated triage officers within each ADAM will take on responsibility for eligibility and suitability checks in collaboration with the lead ADAM, ensuring consistency across the region.

To maintain fidelity to both the IPS and SEQF models, Employment Specialists will be assigned exclusively to one delivery strand, either IPS or SEQF ensuring caseloads are not mixed and that each specialist can deliver high-quality, model-specific support.

Key measures include:

- dedicated assignment at onboarding, employment specialists will be designated to either IPS or SEQF at the point of recruitment or programme onboarding. This assignment will be based on their experience, training, and the delivery needs of each ADAM. A small number of Employment Specialists during the programme may be trained in both IPS and SEQF where programme flexibility is required particularly in cases where participant volumes are low in the particular category of IPS or SEQF, in a specific local authority area. In such instances, a peripatetic delivery model will be used to maintain fidelity while ensuring coverage across multiple geographies.
- CRM system controls - all management information (MI) will be captured using the approved CRM system (monday.com), which will be configured to tag Employment Specialists to a single delivery strand. This will prevent cross-assignment of participants and ensure accurate caseload tracking.
- Training and system use - all staff will receive training on the CRM system to ensure consistent and effective use across all Local Authorities. This includes guidance on data entry, caseload management, and fidelity requirements.
- Caseload monitoring and review - weekly performance reports will be generated to monitor caseload sizes and strand allocation. Monthly caseload reviews will be conducted between Employment Specialists and their line managers to ensure alignment with fidelity standards (maximum 25 for IPS, 20 for SEQF). The Connect to Work Coordinator will conduct regular spot checks and produce monthly reports to identify any discrepancies or potential crossover in caseloads.

- Quality assurance and escalation - any anomalies identified through reporting or spot checks will be escalated for immediate review. Corrective actions will be taken to reassign participants or adjust staffing where necessary.

This structured approach ensures that Employment Specialists remain focused on their assigned delivery model, supporting high-quality, person-centred outcomes and maintaining fidelity to the IPS and SEQF frameworks.

Caseloads will be actively managed to ensure fidelity to the IPS and SEQF models and to maintain high service quality across the Tees Valley. Employment Specialists will have capped caseloads a maximum of 25 for IPS and 20 for SEQF in line with national fidelity standards. These limits ensure that each participant receives intensive, tailored support throughout their journey.

All Management Information (MI) will be captured using the approved CRM system (monday.com), with all staff trained to ensure consistent and accurate data entry. Weekly performance reports will be generated to monitor caseload sizes, participant progress, and key performance indicators. These reports will be reviewed by Line Managers and the Connect to Work Coordinator. Monthly caseload reviews will be conducted between Employment Specialists and their Line Managers to assess workload balance, participant needs, and adherence to fidelity principles. Where caseloads approach or exceed thresholds, mitigation actions such as redistributing participants or initiating recruitment will be taken.

In addition, the Connect to Work Coordinator will conduct regular spot checks and produce monthly quality assurance reports to identify any discrepancies or risks to service quality. This layered approach ensures that caseloads remain manageable, support remains person-centred, and delivery remains aligned with the fidelity models of both IPS and SEQF.

TVCA, as the Accountable Body, has extensive experience in managing complex, multi-partner employment programmes and is fully resourced to manage the additional administrative workload associated with the Connect to Work programme. This includes the differentiated reporting and evidence requirements for IPS and SEQF delivery. Key measures to manage the administrative workload include: Dedicated programme infrastructure - TVCA has established a cross-functional programme team during the development and implementation comprising legal, finance, procurement, performance, risk and assurance, and business solutions specialists. Prior to go-live the programme team will be enhanced through a dedicated team which includes a programme manager, programme co-ordinator and performance, risk & assurance Officer. These roles have been created to manage the operational, financial, and compliance aspects of the programme at point of delivery commencing.

Fidelity and quality assurance expertise TVCA will build internal capacity by assigning a fidelity lead from within TVCA, who will work with the DWP SEIS team to access the SEIS offer for fidelity assurance support alongside developing a fidelity assurance framework in partnership with the lead ADAM. This framework will include sourcing DWP approved training and through peer learning through our relationships with other Mayoral Strategic Authorities/Accountable Bodies already experienced in fidelity assurance. Hartlepool Borough Council as lead ADAM has embedded the fidelity into

its systems and has experience in conducting BASE self-assessments. This includes annual reviews of delivery quality, supported by evidence sampling and stakeholder feedback. This expertise will be leveraged across the delivery area to ensure fidelity to both IPS and SEQF models, reducing the risk of administrative duplication or error.

Use of a centralised CRM System (monday.com) all MI and evidence will be captured through a secure, cloud-based CRM system configured to support both IPS and SEQF pathways. The system will:

- Tag Employment Specialists to a single delivery strand
- Track participant journeys and outcomes
- Generate automated reports for caseloads, performance, and compliance
- Support audit trails and document uploads for evidence-based claims

Performance monitoring and reporting framework – a structured MI and performance management framework will be put in place, including:

- Monthly data submissions and consolidation
- Spot checks and internal audits
- Monthly and quarterly performance reviews
- Biannual evaluations and fidelity reviews

Training and capacity building - all ADAMs will receive training on the CRM system, reporting requirements, and evidence standards. The performance & assurance officer will act as a single point of contact for all MI and compliance queries. Scalable staffing model, TVCA will apply a dynamic staffing approach, scaling resources up or down depending on programme phase and reporting intensity. This ensures that administrative capacity is aligned with delivery demands, particularly during ramp-up and peak delivery years. This integrated approach ensures that the additional administrative workload is proactively managed, enabling high-quality, compliant delivery across the Tees Valley.

Employment Specialists will be aligned exclusively to either the IPS or SEQF pathway to ensure that their roles reflect the distinct referral routes and community partnerships required for each model. This separation supports fidelity to both the IPS and SEQF frameworks and enables staff to build deep, place-based relationships with relevant partners.

IPS Employment Specialists will primarily engage with referral sources such as:

- Primary care (e.g. GPs, Patient Advisory Services (PAS))
- Community mental health teams
- Occupational health services
- Jobcentre Plus (for in-work support)

The patient advisory service is delivered through JCP and we will have a signposting/referral route via GPs for in-work support, this will build on the NENC ICB Health and Growth Accelerator which is implementing referral routes with all GPs across Tees Valley which will compliment and align with Connect to Work.

Their role of the employment specialist will focus on rapid engagement, integration with clinical teams, and supporting individuals with health conditions or complex barriers to employment. They will be trained in the IPS model and expected to

maintain close collaboration with health professionals and VCSE organisations working in mental health, substance misuse, and homelessness.

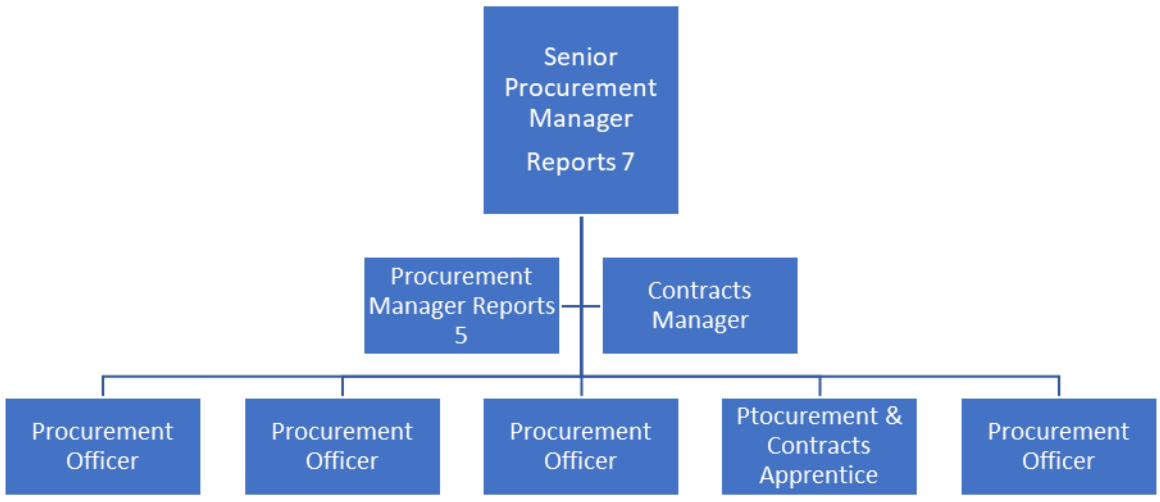
SEQF Employment Specialists will work closely with:

- Adult Social Care teams
- Special Educational Needs and Disabilities (SEND) services
- Supported living providers
- VCSE organisations supporting people with learning disabilities, autism, or long-term conditions

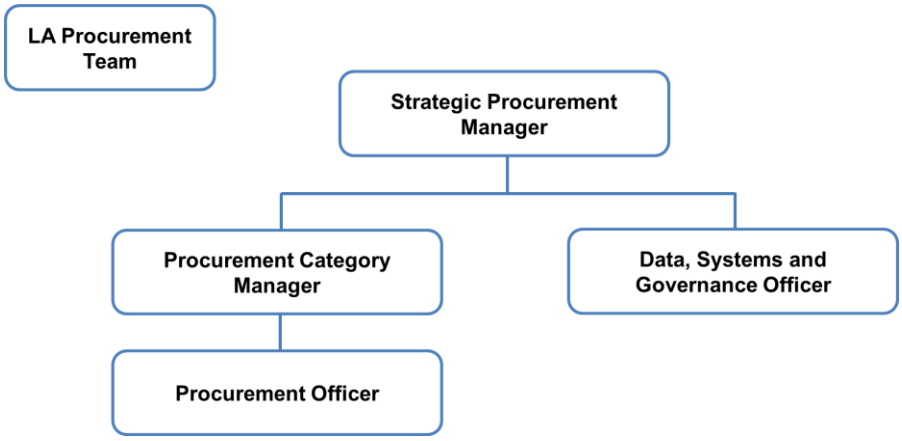
Their role will focus on delivering the five-stage Supported Employment model, including vocational profiling, job matching, and in-work support. They will be embedded within local authority employment teams and will build strong relationships with inclusive employers and community-based support services. This role alignment ensures that each Employment Specialist is equipped to navigate the specific referral ecosystems and community networks relevant to their delivery model, enhancing both service quality and participant outcomes.

TVCA follows a structured approach to commissioning and procurement planning through the use of an 18-month forward-looking procurement pipeline, which forecasts upcoming opportunities. The Connect to Work programme is included within this pipeline. We benefit from access to DWP Gold Commercial support, which we have already engaged with and plan to utilise further in late Summer 2025 to support commissioning, led by our designated ADAM. Both TVCA and the individual Local Authorities (ADAMs) have experienced and skilled officers within their Procurement Teams. These teams possess the necessary capacity and expertise to support the Connect to Work programme as needed. Their involvement will help prevent delays and ensure the successful delivery of the provision across the Tees Valley.

TVCA organogram – procurement team



Hartlepool Borough Council organogram – procurement team



All procurement staff within TVCA and the ADAMs have successfully completed the TPP training modules. Additionally, all staff responsible for running procurements have undertaken Deep Dive training and achieved Procurement Act 2023 Advanced Practitioner status.

Two members of the TVCA Procurement Team, the Contracts Officer and the Procurement and Contract Apprentice have completed the TPP training modules but not the Deep Dive training. However, as they do not lead procurement activities, this does not impact operational delivery.

We are confident that Tees Valley has a strong and credible provider base for delivering SEQF aligned supported employment. All ADAMs have existing employment support teams with experience in delivering supported internships, job coaching, and wraparound support for individuals with disabilities and complex needs which are core components of the SEQF model. Several ADAMs have staff who have already completed BASE Job Coach training, and a regional training programme is in place to ensure all front-facing staff are SEQF ready by the planned go-live date. The lead ADAM has embedded the SEQF Fidelity Model into its delivery and has been self-assessed as 'Good' through BASE, with an annual action plan in place to maintain quality. All of the HBC staff have extensive experience and are fully trained with additional CPD being offered to further expand their knowledge as part of the implementation of the Programme.

Through our regional mapping exercise we identified specialist providers with experience in delivering person-centred support to disabled people, those with learning disabilities, and individuals with autism. These organisations are well-positioned to deliver hyperlocal SEQF provision where needed and will be encouraged to support the programme through planned future commissioning. Our market assessment and engagement activities have confirmed that the SEQF provider base is both capable and committed, and we will continue to build capacity for SEQF during the programme through peer support and flexible commissioning arrangements.

2.4 Please provide details of how your project will be administered. Where possible, please describe the individual posts within the team(s) that will be delivering the project:

- How is the team set up to manage the project?
- What resources, expertise, skills, responsibilities and experience do they have?
- Will existing staff be employed, or will new staff be recruited (if recruited, how and when)?

Where you have indicated some, or all your delivery will be done in-house, please also provide the following details:

- Staff roles and responsibilities, including volumes.
- Recruitment plans and timelines, including any specific skills and knowledge needed for those roles

Please refer to job titles rather than the actual names of individuals.

Our role as the accountable body will focus on meeting the conditions of the Grant Funding Agreement and working with our ADAMs to deliver the programme which may include commissioning elements of the programme to additional delivery partners. During our current development phase our staffing resource includes dedicated TVCA staff from our legal, finance, performance, risk and assurance, procurement, investment development, business solutions, and marketing teams. This cross-functional support ensures that the delivery plan is robust, compliant, and aligned with strategic priorities.

We will top slice the annual grant at a maximum rate of 5% as stipulated by the Connect to Work guidance. We will detail expenditure for this percentage in the grant cost register and evidence expenditure through the monitoring and assurance framework.

Dedicated TVCA resources will be put in place to manage the development and delivery of Connect to Work and we foresee the programme management team as follows:

- Interim Director of Business Solutions will be the programme SRO having strategic oversight of work and health including the alignment with the programme and our Local Growth Plan and Get Tees Valley Working Plan.
- Interim Head of Business Solutions with strategic oversight of the programme, reporting to senior leaders and through governance arrangements.
- Business Solutions Manager (BSM) with operational oversight working with DWP, ADAMs and delivery partners in the delivery of the programme. The BSM will report into the Head of Business Solutions and relevant groups via our governance arrangements.
- Connect to Work Programme Manager* will work directly to the BSM and will be responsible for day-to-day management of the programme ensuring the programme is delivered on time, on budget and within set risk tolerances. The programme manager will work closely with internal TVCA teams, primarily performance risk and assurance to over-see the operational management of performance and compliance.

- Connect to work coordinator who will work directly with the programme manager and support day to day programme delivery.
- Performance, Risk & Assurance Officer* this will be a dedicated post who will monitor the Connect to Work programme and will be responsible for claim submission/DWP returns and overseeing payments etc.
- Delivery support – TVCA will ensure that the programme has input from specialist delivery support from within the organisation such as legal, procurement, finance and marketing. The Business Solutions team will work with regional employers to promote connect to work, providing advice and support to enhance their HR functions in recruiting and retaining employees through the programme.

While some posts are currently filled on an interim basis, this does not pose a risk to continuity or knowledge retention. These roles are not intended to remain interim indefinitely, and robust handover processes are in place to ensure that institutional knowledge is preserved.

The percentage of time allocated by existing staff resources will fluctuate depending on the phase of programme development. We will apply a dynamic staffing approach to ensure that staffing levels are adjusted accordingly, increasing during critical phases and scaling down when appropriate to optimise efficiency and effectiveness.

Roles highlighted with an Asterix are new roles which will be introduced as a part of the team set-up. A delegated decision will be produced for approval by Directors and HR which will outline the rationale for additional staffing, the timelines and process for recruitment and finances.

Each member of the programme management team and the delivery support teams has the relevant expertise, experience and skills to carry out their role and duties effectively.

Commissioned delivery

Where you have indicated that some, or all, of your delivery of Connect to Work will be commissioned, please provide the following:

2.5 A summary of the procurement process (including timeline) that will be followed to identify and appoint Delivery Partner(s), including how the process will ensure the following is met:

- Requirements of the Grant Guidance
- Conditions of the Grant Funding Agreement
- Support for all eligible and suitable Participants
- Full coverage across your Delivery Area

We have consulted with the Combined Authority's internal legal and procurement teams, who have confirmed that the Authority has the legal power to award grants for the purposes of both adult education improvement and economic development, both of which are advanced by the Connect to Work programme.

As the Accountable Body, the Combined Authority is empowered to award grants under its devolved functions, in accordance with its Constitution and Financial Regulations. All grants will be assessed for compliance with the Subsidy Control Act 2022, as outlined in Section 8 of this Delivery Plan. Where applicable, the Minimal Financial Assistance (MFA) threshold and other relevant provisions will be applied and documented.

Legal assurance has confirmed that the proposed grant arrangements do not constitute public contracts under the Public Contracts Regulations 2015 and therefore do not require a competitive procurement process. These arrangements are not disguised procurements but are genuine grant agreements intended to further public policy objectives.

As the Accountable Body, we will only make an onward grant to our lead ADAM who will deliver services either in-house or through compliantly procured delivery partners. It will be a condition of any grant that all contracts issued for service provision are procured in compliance with public procurement law. Where an ADAM appoints third parties, they will be required to comply with procurement law, and this will be monitored through the funding agreement. When delivering services in-house, ADAMs are not considered to be engaging in economic activity under the Subsidy Control Act 2022. Therefore, grants to ADAMs for in-house delivery do not constitute subsidies.

Any provision not delivered by an ADAM will be competitively procured and managed by Hartlepool Borough Council, as lead ADAM in accordance with the Procurement Act 2023, the Accountable Body's Contract Procedure Rules, and its Constitution. These provisions will be reviewed for subsidy control compliance, and the Department for Work and Pensions (DWP) will be notified as appropriate. A copy of our procurement policy is attached.

This approach ensures that grant funding to ADAMs and any future procured services supports all eligible participants across the delivery area, in full compliance with the Grant Guidance and Conditions of Grant Funding Agreement.

The proportion of delivery to be commissioned through the lead ADAM will be based on a combination of delivery readiness, capacity assessments and ongoing performance monitoring. Our current delivery model expects that approximately 60% of delivery will be in-house through the expansion of existing employment support teams within the five Local Authorities. Where gaps in provision are identified, such as the need for specialist expertise (e.g. IPS for refugees or people with complex needs) the lead ADAM may commission additional delivery partners. These decisions will be informed by:

- Local needs analysis and referral data
- Workforce capacity and caseload pressures
- Monthly performance reviews and quality assurance processes.
- Feedback from the programme regional steering group

All commissioning will be undertaken in line with UK Contracting and Procurement Rules and overseen through the programme's governance structures to ensure transparency, value for money, and alignment with strategic priorities.

https://teesvalley-ca.gov.uk/about/wp-content/uploads/sites/2/2025/03/P73-Procurement-policy-Version-0.4-Feb-2025.pdf

A comprehensive market mapping and engagement exercise was undertaken across the Tees Valley to assess the employability provider landscape. This included desktop research, one-to-one consultations, and a pre-market engagement event in partnership with the Northeast and North Cumbria Integrated Care Board (ICB). Through this process, we identified a diverse provider base comprising:

- Local VCSE organisations with deep community ties and experience supporting priority groups (e.g. disabled people, carers, refugees)
- FE colleges and adult education providers delivering employability and skills programmes
- Providers with experience in employment support and in speciality areas such as SEND
- Local authority-led employment teams

While the market includes a range of provider types, ADAMs will encourage engagement in commissioning opportunities with hyperlocal VCSEs for commissioned delivery where appropriate. This is because VCSEs are trusted by local communities and have established relationships with residents who may be harder to reach through mainstream services. They offer culturally competent, work and health support, particularly for groups with complex needs. Their place-based delivery models align with the SEQF and IPS principles of personalised, community-embedded support. This approach does not exclude other provider types. Our approach to procurement is outlined in section 2.1 with opportunities openly advertised and promoted through established networks to ensure accessibility and transparency.

Where additional commissioned delivery partners are engaged through the Lead ADAM, this reflects the presence of trusted, experienced providers within Tees Valley who are well-positioned to deliver specialist support and enhance programme outcomes.

The Lead ADAM utilises the NEPO (Northeast Procurement Organisation) procurement portal and processes which are embedded across all of the 12 North East Local Authorities. NEPO offers robust and legally compliant procurement solution for the public sector that is flexible and meets the real commercial needs for the Tees Valley.

The procurement will be evaluated through a transparent, competitive, and compliant process which will be led by the Council's Procurement Team. Those applying will be assessed based on predefined criteria such as price, quality, and sustainability. If successful, organisations are added to a framework agreement, which allows them to bid for specific contracts (known as "call-offs") as needs arise for the Connect to Work Programme.

It is proposed that this would use an outcome-based payment model, designed to incentivise high-quality, person-centred support that both provides regular funding whilst also ensuring sustained outcomes. Payments would be linked to the achievement of clearly defined milestones/targets and to support a diverse provider market, especially smaller voluntary organisations, the model may include

a proportion of upfront payments to mitigate cash flow risks. This will ensure that funding is directed toward demonstrable impact whilst encouraging innovation and flexibility to meet the strategic priorities of Connect to Work.

HBC as the Lead ADAM have extensive experience and resources to manage the framework and associated contracts. As an example, the team managed 29 contracted providers and £33m of European Funding through the Youth Employment Initiative. This was subject to four successful Government Audits which all identified no issues and recognised the strong contract management in place from HBC.

HBC staff will work across LA boundaries in the early stages until we build up additional capacity and resource. This would ensure the delivery of the targets for Year 1 and then additional resource would be in place for Year 2 from April 2026.

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Delivery Ratio: 60% In-House / 40% Commissioned - the proposed 60/40 delivery split was established during the development phase of the Delivery Plan, at a time when the delivery methodology was still being finalised. The intention behind this ratio is to reflect the confidence that the Lead ADAM have in delivering the majority of the programme internally. The 60% in-house allocation ensures that core delivery remains within the control of local area teams. However, the remaining 40% is reserved to allow flexibility. If it becomes evident that certain specialist services or expertise are required—services that cannot be provided in-house—the Lead ADAM will initiate a commissioning process to procure these externally, ensuring that delivery remains responsive and inclusive of specialist needs.

Hartlepool Borough Council will act as the Lead ADAM for the Tees Valley Connect to Work Programme, working in collaboration with the four other local authorities: Darlington Borough Council (DBC), Stockton Borough Council (SBC), Middlesbrough Borough Council (MBC), and Redcar & Cleveland Borough Council (RCBC).

The total participant volume for the Tees Valley programme is 5,020. This volume has been allocated across the five local authority areas based on the latest available data on economic inactivity rates. The rationale is to ensure that areas with the highest levels of economic inactivity receive a proportionally greater share of support. The allocations are as follows:

- Middlesbrough (MBC) – Economic inactivity rate: 29.3% → Allocated 25% (1,255 participants)
- Redcar & Cleveland (RCBC) – 28.5% → Allocated 25% (1,255 participants)
- Hartlepool (HBC) – 27.3% → Allocated 20% (1,004 participants)
- Stockton (SBC) – 23.6% → Allocated 15% (753 participants)
- Darlington (DBC) – 20.9% → Allocated 15% (753 participants)

Each Local Authority's participant allocation is then further split according to the programme's delivery model: 75% IPS and 25% SEQF. This ensures a consistent approach to delivery across the region.

Following this, each IPS and SEQF allocation is divided into 60% in-house delivery and 40% commissioned services. This structure allows for flexibility while maintaining a strong foundation of local delivery. Regardless of whether services are delivered in-house or commissioned, all delivery will remain focused within the respective local authority areas to ensure place-based support and outcomes.

Role of the Lead ADAM in Commissioning – the Lead ADAM plays a central role in managing delivery. They will be responsible for assessing whether in-house provision can meet all delivery needs and for identifying any gaps where specialist services may be required. Where such gaps are identified, the Lead ADAM will lead the commissioning process to ensure that appropriate services are procured to meet the needs of participants across the geography. This ensures that delivery remains both high-quality and responsive to local needs.

Role of the Accountable Body (AB) – as the Accountable Body, our role is to provide oversight and governance of the delivery model. This includes ensuring that the agreed delivery ratios are adhered to and that the programme aligns with strategic objectives. We will also be responsible for monitoring the commissioning process to ensure transparency, value for money, and compliance with procurement and funding regulations. In addition, as the AB we will provide support and assurance to the Lead ADAM and will be responsible for performance management—tracking outcomes and ensuring that both in-house and commissioned services meet the required quality standards.

Indicative volume if commissioned services approach undertaken is detailed in the table below:

IPS - BY PROGRAM		IPS - BY LA Area														
Year	volume	MBC 100%	MBC 60%	MBC Commissioned 40%	RCBC 100%	RCBC 60%	RCBC Commissioned 40%	HBC 100%	HBC 60%	HBC Commissioned 40%	DBC 100%	DBC 60%	DBC Commissioned 40%	SBC 100%	SBC 60%	SBC Commissioned 40%
2025/2026	99	**25**	15	10	**25**	15	10	**20**	12	8	**15**	9	6	**15**	9	6
2026/2027	1,084	**271**	163	108	**271**	163	108	**217**	130	87	**163**	98	65	**163**	98	65
2027/2028	1,423	**356**	213	142	**356**	213	142	**285**	171	114	**213**	128	85	**213**	128	85
2028/2029	1,032	**258**	155	103	**258**	155	103	**206**	124	83	**155**	93	62	**155**	93	62
2029/2030	128	**32**	19	13	**32**	19	13	**26**	15	10	**19**	11	8	**19**	11	8
	3,765															

SEQF - BY PROGRA		SEQF - BY LA Area														
Year	volume	MBC 100%	MBC 60%	MBC Commissioned 40%	RCBC 100%	RCBC 60%	RCBC Commissioned 40%	HBC 100%	HBC 60%	HBC Commissioned 40%	DBC 100%	DBC 60%	DBC Commissioned 40%	SBC 100%	SBC 60%	SBC Commissioned 40%
2025/2026	33	**8**	5	3	**8**	5	3	**7**	4	3	**5**	3	2	**5**	3	2
2026/2027	361	**90**	54	36	**90**	54	36	**72**	43	29	**54**	33	22	**54**	33	22
2027/2028	474	**119**	71	47	**119**	71	47	**95**	57	38	**71**	43	28	**71**	43	28
2028/2029	344	**86**	52	34	**86**	52	34	**69**	41	28	**52**	31	21	**52**	31	21
2029/2030	43	**11**	6	4	**11**	6	4	**9**	5	3	**6**	4	3	**6**	4	3
	1,255															

2.6 If you intend to appoint a managing agent to oversee the implementation and delivery of Connect to Work, please provide details below, including your rationale for this decision.

N/A

2.7 Please provide details of the market assessment and engagement strategy for your commissioning activity.

Our market assessment and engagement strategy for Connect to Work has been informed by the strategic planning framework, which incorporates the Tees Valley Local Growth Plan and the Get Tees Valley Working Plan. These are aligned with our Strategic Economic Plan and Employment and Skills Strategy, ensuring the programme is integrated with other regional and local initiatives.

We have engaged key regional stakeholders and strategic partners including the Integrated Care Board (ICB), Jobcentre Plus (JCP)/DWP, Additional Delivery Area Member leads, representatives from the TVCA Business Board, and the Education, Employment and Skills Advisory Group (EESAG). This collaborative approach has helped shape a robust understanding of the local landscape, informed by insights from existing services and initiatives such as the NENC ICB Health and Growth Accelerator and the Tees Valley Youth Guarantee Trailblazer.

Our governance structures, including the Tees Valley Management Group and dialogue with Local Authority Chief Executives, have supported the development of a robust, place-based market assessment and engagement plan.

In designing the Connect to Work delivery approach, we undertook an extensive mapping and engagement exercise to ensure the model is evidence-based and locally informed. This included:

- Comprehensive desktop research on the employment and health support landscape in Tees Valley.
- One-to-one consultations with key delivery partners, including current providers and local authority representatives.
- A series of stakeholder workshops and engagement sessions (Feb–May 2025) to explore delivery capacity, community need, and integration opportunities.

We collaborated closely with local ADAM employment support teams and regional public health services to ensure our approach addresses the wider determinants of health and tackles employment barriers holistically.

As part of our route to market development, we hosted a joint pre-market engagement event with the Northeast and North Cumbria ICB, engaging providers from employment, health, and skills sectors. This event:

- Shared our vision and delivery model.
- Collected feedback on delivery feasibility and integration.
- Assessed market capacity and appetite for delivering across the region.

These activities were instrumental in shaping a mixed delivery model that aligns strategic priorities with operational capabilities and promotes cross-sector collaboration.

The market assessment has also identified potential risks and mitigation strategies. A key risk is potential overlap of programme timelines with the existing UK Shared Prosperity Fund (UKSPF) funded People and Skills programme, Tees Valley Move Forward which supports economically inactive residents who are not working or actively seeking employment and who may be experiencing short- or long-term sickness. Participant data shows that some individuals may be eligible for either programme.

To mitigate this risk, we are implementing:

- Enhanced triage and referral pathways to ensure individuals access the most suitable support.
- Coordinated case management to avoid duplication and improve outcomes.
- Regular data sharing and joint monitoring to track participation across programmes.
- Clear eligibility guidance and communication protocols for providers.

This ensures that Connect to Work complements, rather than duplicates, existing provision. We are also phasing the transition between Move Forward and Connect to Work to promote continuity, effective use of resources, and coordinated service delivery across local authorities, businesses, and health partners.

Our engagement activities have directly shaped our delivery model, commissioning strategy, and understanding of provider capacity and capability for both IPS and SEQF delivery at regional and local levels. This has informed the development of a realistic start profile and achievable ramp-up plan, while highlighting delivery strengths, gaps, and opportunities for collaboration.

To strengthen our route to market, we plan further engagement following a pre-market engagement event in May to understand market capacity and interest, particularly among providers with experience in employment, health, and skills delivery. Our approach to procurement is outlined in section 2.1.

2.8 Are there any Delivery Partners that have already been identified or commissioned? Please provide details of how they were identified and commissioned and how you plan to utilise existing contracts, if applicable.

In June 2022 the Department for Work and Pensions and the Department for Health and Social Care provided Combined Authorities and Upper Tier Authorities (LA) in England the opportunity to apply for grant funding Individual Placement and Support in Primary Care (IPSPC) initiative. Tees Valley did not apply for grant and therefore we currently do not have a direct commissioning role with IPS PC to build Connect to Work on in the region and therefore do not have existing contracts that we can utilise to mobilise Connect to Work. Tees Valley has IPS Drug and Alcohol funded by the Department of Health and Social Care, commissioned by the Northeast and North Cumbria Integrated Care Board and delivered through each of the local authorities. The region also has IPS Severe Mental Illness (IPSSMI) commissioned through the NENC ICB and delivered through the NHS Trusts.

As described in sections 2.1, 2.3, 2.5 and 2.7 we have conducted extensive mapping across the Tees Valley to gain a comprehensive understanding of the current delivery of work and health programmes—specifically IPS and supported employment services—to assess current capacity and effectiveness and to understand their ability to build capacity. The evidence base demonstrates that our local authorities (ADAMs) are well positioned to lead delivery of Connect to Work, supported by their experienced and qualified teams and that they we have an excellent base on which to build further capacity in our region. Our delivery profile is small in year 2025/2026 and steadily ramps up in 2026/207 reaching peak delivery in 2027/2028 allowing appropriate tome to build capacity and determine resource structures.

The breakdown of expected participant volumes is detailed below:

Year	Maximum Funding	Expected participant volumes	IPS	SEQF
2024/2025	£100,000	0	0	0
2025/2026	£1,500,000	132	99	33
2026/2027	£3,100,000	1,445	1,084	361
2027/2028	£5,600,000	1,897	1,423	474
2028/2029	£5,300,000	1,376	1,032	344
2029/2030	£2,000,000	170 (in-work participants only)	128	43
Total	£17,700,000	5,020	3,765	1,255

Delivery aligned to the Supported Employment Quality Framework (SEQF) will be led by each of our ADAMs who will build delivery capacity within their existing

employment support teams. In certain areas, ADAMs may commission a small proportion of SEQF delivery at a hyperlocal level, engaging specialist providers—particularly from the Voluntary, Community and Social Enterprise (VCSE) sector—who are best placed to meet specific local needs.

To support delivery at place, ADAMs will collaborate with potential local partners and play an active role in developing both capability and capacity in their areas. This is especially important in strengthening the contribution of community-based and VCSE organisations. All ADAMs have established procurement frameworks, which will be used where commissioning is required for both IPS and SEQF delivery under Connect to Work.

There is an intended period of overlap with the current UK Shared Prosperity Fund (UKSPF) People and Skills programme, which remains live until 31 March 2026. With a planned Connect to Work go-live date of October 2025, this overlap creates a transition window, enabling a managed ramp-down of existing UKSPF activity and phased implementation of IPS and SEQF under Connect to Work. The projected start volume for 2025/26 is modest (118 participants), allowing for a gradual build-up and reduced pressure during the initial transition period.

Our preferred approach is to prioritise internal capacity-building within ADAMs rather than immediately seeking new commissioned delivery routes. We will work closely with ADAMs to determine future delivery needs and, where necessary, support their efforts to scale delivery through flexible funding agreements. These agreements will allow for adjustments in value, volume, and delivery duration, ensuring responsiveness to local demand and performance.

This collaborative, place-based approach ensures flexibility while maintaining a clear focus on readiness, quality, and equity of provision across the Tees Valley.
We will not use existing contracts. We will grant fund the lead ADAM 100% of IPS and SEQF requiring our lead ADAM to commission additional delivery partners through the required procurement routes; we will monitor and manage delivery and where required in the future may carry out an open and full procurement process for commissioning IPS/SEQF that cannot be met by our ADAMs.

Our market assessment and engagement activity has provided a comprehensive understanding of the existing capability and capacity within the current employment support system. This insight has been gathered through structured stakeholder engagement, pre-market consultation, and a review of local and regional delivery infrastructure.

At present, we are confident that there is sufficient capability across the region to support delivery of IPS and SEQF, with coverage extending across the entire geographical footprint of the Tees Valley. However, we recognise the importance of maintaining a responsive and adaptive approach, and further analysis is planned to identify any gaps or under-served areas, particularly in relation to specialist provision or complex participant needs.

This ongoing assessment will inform commissioning and capacity-building approach, ensuring both the quality and equity of delivery across all localities. The expertise and strengths within the employment teams of our ADAMs as outlined in Sections 2 and 3

form a strong foundation for scaling delivery. This supports alignment with the SEQF start profile and ensures consistent, localised provision across all areas.

Our governance structures, as outlined in Section 4, provide robust mechanisms to support effective communication, joint decision-making, and collaborative commissioning. These structures ensure that ADAMs are well-positioned to coordinate their efforts, minimise duplication, and adopt a consistent approach when engaging with delivery partners particularly those operating across multiple local authority areas. This shared governance approach reinforces alignment across the region, supports the integrity of the delivery model, and enables us to respond collectively to emerging risks, opportunities, and delivery challenges.

Section 3 – Connect to Work design

Design principles

You will recognise from the Grant Guidance the importance of adhering to the principles and the five stages of the Supported Employment model for both IPS and SEQF. This section is to understand how you will design your overall programme in line with these principles.

3.0 Please provide a clear description of your proposed Connect to Work offering and how this meets the requirements set out in the Grant Guidance.

Our Connect to Work programme will deliver high-quality, person-centred support through IPS and SEQF with both designed and delivered in accordance with the principles and five stages of the Supported Employment model, as outlined in the Grant Guidance, ensuring fidelity, inclusivity, and impact. There will be full geographical coverage for Tees Valley for all residents who meet the eligibility and suitability criteria.

We will base our programme on an IPS/SEQF split of 75/25 as per the guidance. We will grant fund our ADAMs 100% of IPS and grant fund our ADAMs 100% SEQF targeting specified groups through further detailed analysis of our data book as described in section 3.5 and aligned to the grant guidance.

We will implement the IPS model targeting individuals with health conditions and those from disadvantaged groups facing multiple and complex barriers to employment. Delivery will prioritise integration with health and social care services, ensuring access to high-quality employment support embedded within existing care pathways. This approach will ensure we target those that are in work and are at risk of falling out of employment and those that are economically inactive and seeking employment by working through highly regarded services such as the NHS Patient Advisory Service and Waiting Well programme.

IPS delivery will be underpinned by the eight fidelity principles, including rapid job search, time-unlimited support, and close collaboration with clinical teams. Our existing UKSPF People and Skills Tees Valley Move Forward programme provides a strong foundation for the Connect to Work programme.

For SEQF will build on successful employment and skills infrastructure already in place across Tees Valley. This includes supported internships through our ADAMs public health teams and UKSPF People and Skills Tees Valley Move Forward programme. It will support residents, particularly those with complex needs, who are furthest from the labour market and aligned with the participant experience to increase the likelihood of sustainable employment outcomes.

Aligned with the supported employment model, SEQF will offer tailored employability support, job coaching, employer engagement, and progression pathways, including accredited qualifications where appropriate. Delivery will be trauma-informed, strengths-based, and accessible, addressing both practical and psychological barriers to employment.

Our programme design will adhere to the five-stage Supported Employment model:

1. Engagement: Inclusive referral routes and marketing, supported by strong partnerships across VCSE, health, JCP, and local authorities.
2. Vocational Profiling: Strengths-based assessments to understand individual goals, aspirations, and support needs.
3. Job Finding: Targeted employer engagement across growth sectors, supported by job coaches and employer-facing teams.
4. Employer Engagement: Ongoing support for employers to offer sustainable, inclusive roles, including reasonable adjustments and work trials.
5. On and off the Job Support: Time-unlimited, wraparound support for participants and employers to sustain employment and promote progression.

Delivery will be locally responsive and place-based, co-designed with ADAMs and informed by local intelligence and community need. Delivery partners will be embedded within local systems, including health services, Adult Social Care, education providers, and VCSE organisations. This will ensure strong integration and maximise reach into underrepresented groups.

We will also utilise our existing delivery infrastructure and learning from programmes ensuring consistency and high-quality delivery from day one.

To maintain model fidelity and ensure quality, we will establish a robust Performance and Quality Framework, including:

- Scheduled reviews against the fidelity model using the expertise of our ADAMs with experience of fidelity assurance.
- Workforce development and training for employment specialists and key staff
- Participant voice and feedback loops
- Monthly performance reviews and quality improvement plans

Our Connect to Work offer is designed to transform employment outcomes for people with disabilities and health conditions, delivering evidence-based, inclusive support aligned to national best practice and local priorities.

Caseloads for Employment Specialists will be capped at a maximum of 25 for IPS and 20 for SEQF, ensuring that each participant receives intensive, high-quality support. This approach enables Employment Specialists to dedicate sufficient time to build trusted relationships, respond flexibly to individual needs, and provide consistent guidance, significantly improving the par Each participant will receive a

bespoke and personalised service, fully tailored to their unique circumstances, aspirations, and support requirements as outlined in section 3.6. From the first meeting and throughout the vocational profiling process, Employment Specialists will work to build a comprehensive understanding of each participant's barriers and goals—whether the need is for travel support, access to training, or assistance in developing a business plan for self-employment.

Employment Specialists will be trained to develop a detailed, person-centred vocational profile for each individual. This will form the basis of a tailored support plan, ensuring interventions are relevant, targeted, and aligned with the participant's ambitions and strengths.

All participants will be offered access to comprehensive benefits advice, including Better-Off Calculations, to support informed decision-making around entering or re-entering employment. This service will primarily be delivered by Employment Specialists as part of their tailored, person-centred support. In some instances, delivery partners may nominate specific staff members who are trained and experienced in welfare benefits and financial assessments to provide enhanced support.

This offer ensures participants fully understand the financial implications of employment, contributing to sustainable job outcomes and reducing anxiety related to income loss or benefit changes. The service will also support planning for transitions into work, including where participants are exploring self-employment or part-time options.

We are committed to high fidelity. All participants will receive a service that fully aligns with the five stages of the Supported Employment model, and for those on the IPS pathway, the eight core principles of IPS. The participant journey outlined in Section 3.6 demonstrates how fidelity will be embedded across both IPS and SEQF pathways, ensuring a consistent, evidence-based approach. Our lead ADAM has experience of fidelity assurance, currently self-assessed as 'good' as outlined in **Section** 2.3.

To maintain a strong focus on employment, health, and wellbeing outcomes, the programme is fully committed to:

- Applying the IPS Fidelity Scale, including regular self-assessment and independent reviews
- Embedding the IPS Fidelity Assurance System (FAS) into delivery and performance monitoring
- Ensuring continuous professional development for Employment Specialists and delivery partners

Governance arrangements, as detailed in Section 4, will include oversight of fidelity to both IPS and SEQF models, ensuring all delivery partners operate to the highest standards and participants benefit from a consistently high-quality experience.

The 15% in-work retention cohort will be identified through the triage process at the point of referral. Participants will be asked to confirm their employment status via the Expression of Interest (EOI) form, which will capture whether they are currently in work and at risk of falling out of employment due to a health condition or other barrier.

This data will be recorded in the monday.com CRM system and monitored monthly to ensure alignment with the 15% target profile. In-work participants are expected to be referred primarily through health partners (e.g. primary care, occupational health) or via self-referral, often prompted by employer signposting or health service engagement. Once identified, they will receive tailored support from an Employment Specialist, with a focus on job retention. Support will be delivered over a 4-month period and will include:

- Rapid engagement and vocational profiling
- Liaison with employers to implement reasonable adjustments
- In-work coaching and problem-solving
- Signposting to health or community services where needed
- Support with transitions, if the current role is no longer suitable

Employment Specialists will maintain regular contact with both the participant and their employer (where appropriate), and all interventions will be recorded in the CRM system. This ensures that in-work support is tracked, outcomes are measured, and fidelity to the IPS/SEQF models is maintained.

The Lead Adam will be responsible for managing the triage process throughout the duration of the programme and has the capability to identify which model, taking into account geographical considerations and the best-placed delivery provider for each participant. The Lead Adam will also signpost to alternative provision where appropriate. TVCA as accountable body will maintain oversight of the overall triage process and this will be monitored as part of the programme management framework.

3.1 Please provide details of how you intend to ensure the support provided to Connect to Work Participants, adheres to the fundamental principles of Supported Employment, Individual Placement and Support (IPS) and Supported Employment Quality Framework (SEQF). This should include:

- **supporting people into competitive employment in the open labour market.**
- **ensuring Participants receive commensurate pay for work carried out.**
- **providing appropriate support through all the stages of the five-stage process.**

(See Technical Note: Supported Employment Delivery Model for more information)

Connect to Work is Tees Valley's bespoke supported employment programme, co-designed with local stakeholders and delivery partners including VCSE organisations, to meet the specific needs of communities across the Tees Valley. It is evidence-based grounded in proven methodologies, including the five stages of supported employment and the eight principles of Individual Placement and Support (IPS). Delivered to the highest standards, with a commitment to fidelity reviews and continuous quality improvement we will ensure outcomes are consistent with national best practice.

To safeguard quality and effectiveness of support, caseloads for IPS and SEQF services will be capped at 25 and 20 respectively. This ensures that employment specialists have the capacity to develop strong, person-centred relationships,

understand the individual aspirations, and provide comprehensive, intensive support throughout the participant journey into employment or sustained employment. Employment Specialists will conduct targeted employer engagement activities, in line with the IPS fidelity requirements (i.e. minimum of 6 engagements per week for IPS). Understanding the needs, preferences and aspirations of their caseloads.

Employment Specialists will identify opportunities, both advertised and hidden, that align with the participants goals, strengths and aspirations by engaging and working with regional employers. The employment specialist will develop an understanding of the business; it's needs and capabilities and will support with inclusive and flexible recruitment approaches, such as customising a job role to specifically match the individuals' strengths, skills and interests; paid job trials; informal discussions instead of formal interviews. Employer engagement carried out by Employment specialists will be supported by the activities outlined in section 3.2.

Employment specialists will ensure that the following employment principles are consistently upheld:

- Wages are paid at the going rate for the job, at least meeting the National Minimum Wage per hour.
- The employee enjoys the same terms and conditions as other employees.
- The role aligns with the individual’s personal goals and aspirations.
- The job is valued by both managers and colleagues.
- The work hours and conditions are comparable to those of other employees, ensuring a safe working environment.

Teams across all service delivery partners will be led by team leaders who will oversee the day-to-day operations and monitor to ensure adherence to the models' fidelity standards. Teams will be structured to allow for regular meetings, fostering collaboration to review performance, discuss caseloads, and share best practice, which will be shared with TVCA to support transparency and continuous improvement development.

Service managers and team leaders will regularly analyse employment outcomes, including the diversity of job types, sectors, and job competitiveness. They will also assess the proportion of participants transitioning into permanent employment rather than temporary or zero-hour contracts. This data will feed into fidelity self-assessments and form part of TVCA performance management framework.

We will establish a Connect to Work Programme Regional Steering Group, building on the strong foundations laid by the UKSPF People and Skills partnership work currently underway. This group will foster collaboration across delivery partners, enable the sharing of best practice, and ensure consistent, high-quality delivery of supported employment services across the region. The steering group will form a key component of our governance structure, providing strategic oversight and feeding valuable intelligence and data into the Tees Valley Combined Authority’s Education, Employment and Skills Advisory Board. It will play a central role in supporting local planning and delivery and will be closely aligned with the objectives of the Get Tees Valley Working Strategy, helping to drive forward inclusive employment outcomes across the region.

The lead ADAM has embedded the SEQF Fidelity Model within its systems, processes and practices including annual self-assessments through BASE across all its local authority partners. The assessment incorporates analysis of the evidence including data and paperwork using a random sample of 10-15 individuals alongside feedback from staff, employers, social workers and individuals/families. This ensures that they are delivering high-quality support against the five stages of the SEQF with the goal of helping individuals to find, enjoy and sustain their employment. Using the SEQF is highly beneficial as it not only improves delivery but helps demonstrate the impact of the Employment Link Supported Employment Team. Our lead ADAM is currently self-assessed as 'Good', following an independent evaluation conducted in collaboration with North Yorkshire County. The lead ADAM works with other Local Authorities through BASE to ensure that self-assessments are accurate with actions identified each year which are monitored by the dedicated employment coordinator. All of the actions across the different quality marks which are held by the service including SEQF, Matrix and Quality in Careers Standard form part of their Annual Action Plan for the Employment Section.

Connect to Work is an evidence-based model that offers:

- High-fidelity, person-centred employment support.
- A robust framework for quality assurance and learning.
- Strong alignment with IPS and SEQF national standards
- Deep and meaningful engagement with employers and VCSE partners
- A clear route into sustainable employment for residents across Tees Valley

Connect to Work provides Tees Valley with the opportunity to scale up supported employment and invest in a model that contributes directly to regional goals for inclusive growth, reduced economic inactivity, and strengthened community resilience.

3.2 Please provide details on how you will engage with local employers, to support them to develop more inclusive employment practices, ensuring their jobs are accessible to Connect to Work Participants and individuals are supported to sustain those roles.

Connect to Work in Tees Valley will operate within the broader strategic planning framework, aligning with emerging initiatives such as the region's Health and Growth Accelerator, the Youth Guarantee Trailblazer, and established programmes like the UKSPF People and Skills and Tees Valley Move Forward in to our Get Tees Valley Working Plan.

Employer engagement and activation will be approached holistically, ensuring alignment with the high-fidelity standards of both the Supported Employment Quality Framework (SEQF) and the Individual Placement and Support (IPS) model. A two-tiered employer engagement strategy, combining regional coordination with place-based delivery will ensure that employment outcomes are inclusive, responsive, and sustainable, tailored to the needs of both employers and participants across the Tees Valley. We will utilise the expertise of the Combined Authority's growth hub and its associated business solutions team with that of the ADAMs economic development and employment teams to engage and work with our regional businesses.

Our two-tiered approach to employer engagement will include:

Regional Engagement

- Through a coordinated strategy with a region-wide approach to identifying and addressing business training needs, aligning resources, and promoting incentives to foster inclusive employment practices across the Tees Valley. We have described our marketing strategy in section 3.3.
- Via a unified brokerage service that is a centrally led employment and skills brokerage service, campaign-driven, resourced, and managed by the Combined Authority in partnership with the ADAMs to amplify reach, streamline employer engagement, and maximise impact across sectors.

Place-Based Engagement

- Local intelligence and insight supplied by stakeholders from each of the five Tees Valley local authority areas will be collated and contribute to regional strategy through intelligence-sharing and insight gathering, ensuring local relevance and responsiveness.
- Targeted employer activation developed through employer engagement activities will be tailored to the specific needs of local labour markets, with coordinated outreach and activation efforts that reflect the unique characteristics of each place-based context.

Our approach to employer engagement will include collaboration with Better Health at Work Award and Disability Confident employers, leveraging their experience and guidance to promote inclusive, supportive, and health-conscious workplaces.

We will be strengthening employer engagement through a hub-and-spoke model building on existing arrangements to connect stakeholders and streamline employer engagement into a comprehensive, coordinated regional offer.

The Tees Valley Business Board, feeds into the work of the Combined Authority and local authorities, to advise on schemes and programmes that deliver real change to our local economy. It is composed of 12 business leaders representing key sectors across the region and operates as a principal forum for collaboration between the public and private sectors to influence strategy on behalf of the local business community. The Business Board has been engaged from the outset in our design of Connect to Work and is a key voice through our governance arrangements for the programme.

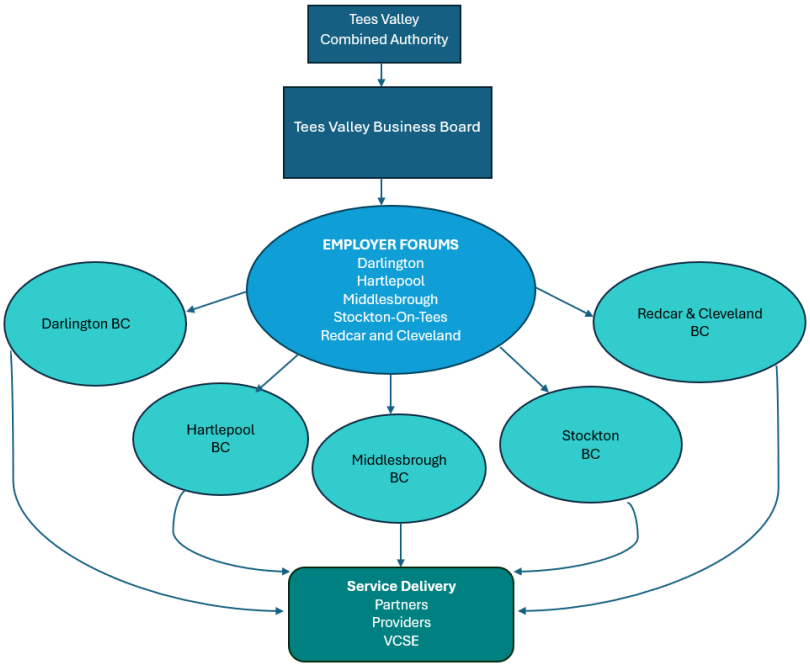
Local spokes through place-based employer forums are established in each of the five local authority areas of Darlington, Hartlepool, Middlesbrough, Redcar & Cleveland, and Stockton-on-Tees. Chairs of the local forums will be encouraged to meet collectively, creating a structured mechanism for two-way communication between local areas and the Business Board.

This model and way of working will avoid duplication, aligning efforts across the region to maximise existing resources and reduce fragmentation. A one-stop shop for regional businesses will create a single, regionally coordinated employer resource, simplifying access to support, training, and incentives.

As part of our ongoing development of our Business Growth Hub TVCA will have a universal business support offer designed to be accessible to every business across every sector. This is the entry point to our service. The use of AI will ensure

personalisation at scale, enabling users to access the most relevant support without delay. Our business support team will monitor trends and provide human intervention where most needed. Our business solutions advisors will proactively engage with businesses through the growth hub, raising awareness of Connect to Work and ensuring employers understand how they can benefit from and contribute to the programme. It is envisaged that all the business support themes will be addressed through this universal digital offer. The core features of this offer are:

- AI-powered diagnostic tool that generates a tailored support pathway
- Digital resources including templates, guides, tutorials and checklists
- Automated signposting to relevant programmes, events and networks or an advisor if further support is required.



The Tees Valley Connect to Work employment specialists will form the backbone of the regional brokerage model, promoting the programme and its support resources to both existing and prospective business contacts across the region.

- Warm leads from regional outreach will be passed to ADAMs for tailored, local-level follow-up and activation.
- Employment specialists, operating within the SEQF and IPS models, will act as the primary interface with employers on behalf of participants, ensuring alignment with model fidelity and best practice in supported employment.
- Employment specialists will:
    - Utilise warm leads and their own employer networks to generate engagement opportunities.
    - Leverage the regional employer resource to offer targeted support and inclusive employment solutions to businesses.
    - Actively feed new employer intelligence and leads into local, place-based employer forums—enabling a feedback loop for refinement and improvement of employer engagement strategies across The Tees Valley Region.

Employment specialists delivering Connect to Work in Tees Valley will utilise the regional employer resource as a central tool to engage with businesses and promote inclusive recruitment and employment practices. This shared resource acts as a strategic enabler for integrated employer engagement, linking Connect to Work with wider TVCA-led initiatives such as UKSPF People and Skills Tees Valley Move Forward and UKSPF Supporting Local Business.

The programme will empower inclusive employment by equipping business advisors, employment officers, key workers and employer engagement leads with practical tools to support businesses in adopting inclusive practices including:

- Job customisation to align roles with participant strengths
- Adapted recruitment processes, such as work trials or adjusted interviews
- Reasonable workplace adjustments to support job retention and success

These strategies ensure that participants secure roles aligned with their preferences, abilities, and aspirations, while employers gain the confidence and capability to offer sustainable, inclusive opportunities.

By aligning regional and place-based employer engagement within the broader Get Tees Valley Working Plan, the Combined Authority will deliver a cohesive and consistent approach. This coordination will ensure that participants receive wraparound support tailored to their needs; employers are empowered to create inclusive, accessible workplaces and local and regional efforts are strategically connected for maximum impact.

Employment Specialists will engage a diverse range of businesses and match participants based on their individual goals, abilities, and preferences. The diversity of employer types, sectors, and roles will be actively monitored and reviewed as part of the programme's quality assurance framework.

Recognising that employers vary in their experience and readiness to implement inclusive practices, employment specialists will:

- Treat all businesses as equal and valued customers, regardless of size or sector.
- Offer tailored support that reflects the employer's current capability and aspirations.
- Empower businesses to confidently recruit, retain, and support Connect to Work participants.

To achieve this, employment specialists will draw on the comprehensive regional employer resource, ensuring each business receives information, tools, and connections relevant to their context. Support provided will be responsive, needs-led, and aimed at cultivating long-term, sustainable partnerships with employers across the Tees Valley. This approach will build on the best practice evidenced in Tees Valley, through fidelity assessment and feedback in current supported employment models. The Combined Authority will continue to build on this expertise by fostering a strong and active provider network.

Identification of Participants

Identification of the appropriate volumes of eligible and suitable Participants is an important element of Connect to Work, with the programme being targeted at the right people, at the right time and based on individual circumstances. Take up of Connect to Work will be promoted and marketed to citizens to help identify eligible/suitable potential participants in your Delivery Area.

3.3 Please provide details of how you will generate interest, including marketing of Connect to Work to meet your expected profile volumes?

The Connect to Work programme will be promoted across Tees Valley building on existing relationships with health partners, ADAMs, Job Centre Plus, Chambers of Commerce, employers and the VCSE network. A range of presentations and/or workshops will take place via existing structures including the Integrated Care Board Health and Growth Accelerator Steering Group and associated regional work and health networks and our Business Board that will support with raising awareness of the benefits of Connect to Work and driving referrals.

A Marketing and Communications plan is in development to target two key audiences:

- eligible residents to participate in the programme - including disabled people, those with health conditions and people with complex barriers to employment
- local employers to help build a diversity of inclusive employment opportunities

The campaign will include targeted routes to reach economically inactive people and those in hidden unemployment who we know are harder to reach via Local Authority engagement routes – requiring a bespoke marketing and engagement plan. We will also promote the programme to people with health conditions who are in work and who may be at risk of falling out of work by using well known routes through local and regional health services such as the Patient Advisory Service and Waiting Well service, as well as through employer engagement.

Local employers will also be engaged to help build a diverse range of employment opportunities for Connect to Work participants. The campaign will highlight any additional workforce and skills support for employers, including help to build inclusive workplace cultures.

Marketing activity and spend will be ramped up to support 1,700 participants per annum in key delivery years (2026/27 - 2028/29), with activity focussed on stakeholder engagement and awareness raising in 2025/26 to support programme inception, alongside appropriate wind-down support in 2029/30 to focus on programme impact. An initial campaign phase may be required to engage with local employers to build a range of local employment opportunities.

The following campaign activities will be explored:

- Digital advertising to include social media advertising across Meta, Snapchat, TikTok (B2C activity) and LinkedIn and Meta (B2B activity). Other paid-for digital tactics could include search ads (Google PMAX), digital audio (Spotify, Radio) and digital display.
- Out of Home advertising will be utilised to reach individuals facing digital exclusion. This could include bus street liners, adshels and roadside advertising in key locations across the region, as well as mail drop campaigns utilising socio-economic grades to help identify individuals who may be facing barriers to employment. Advertising in key print media will be explored, including local broadsheet media, community magazines and Local Authority publications.

Comms and media opportunities will be identified throughout the delivery phase to highlight good news stories, case studies, and wider programme impact on local employment rates as part of the Get Britain Working campaign.

Other non-paid activity to include newsletter updates to our database of c. 4,610 businesses and c.1,200 residents, alongside organic social media promotion.

The lead ADAM will utilise established relationships with key strategic partners from which potential Connect to Work participants may already be receiving support, this could include;

- Integrated Care Board
- Jobcentre Plus
- primary care (GPs, practice nurses, allied health professions, other primary care staff members)
- community care and other care settings (For example, NHS Talking Therapies, pain clinics, physio and other community care services, psychology, and/or psychotherapy) and social prescribing
- charities (national and local)
- local groups including faith groups and groups focussing on specific barrier conditions and disadvantages
- prison work coaches and mentors within prisons
    - rehabilitation centres
    - domestic abuse refuges.

This will be achieved via direct engagement led by the delivery partner. TVCA will supply stakeholder toolkits, including print (roller banners, flyers, posters etc) and digital (social media toolkits, newsletter templates etc) assets to support this activity. Other direct engagement is expected to take place in the community, including at jobs fairs etc.

Two central web pages will be hosted on the 'Work' and 'Business' areas of the TVCA Website, to drive residents and employers to respectively, ensuring a co-ordinated approach across delivery providers. TVCA's jobs site – Tees Valley Jobs – will also be a key channel to promote local job opportunities, for both residents to access and as a free resource for employers to upload and promote vacancies. Social media platforms available include X, Facebook, Instagram, LinkedIn and YouTube across two channels: TVCA and Business Tees Valley.

Campaign collateral will be developed in-line with the Connect to Work branding guidance by applying the relevant logos on TVCA branded assets - building on the recognition of TVCA's established brand presence locally, while connecting to the national Connect to Work identity. We will work with our in-house design team to develop a suite of assets that are fully accessible for this target audience, seeking external advice as required. This may include colour contrasts that meet recommended standards for web content accessibility guidelines (WCAG), brail translation and Plugins for web accessibility.

TVCA's marketing team will work with delivery providers to ensure consistent use of this branding and positioning of the Connect to Work programme by supplying branded asset and key messaging toolkits.

Opportunities to scale up the marketing activity of other employment programmes, including Tees Valley's Youth Guarantee trailblazer and Move Forward, into an overarching employment campaign will be considered as part of UK Government's wider 'Get Britain Working' strategy. For example, through consolidating the call to action on employers to offer opportunities, including work tasters and placements, supported employment opportunities and wider organisational workforce and skills development.

We will monitor and evaluate our marketing strategy on a regular basis. Strategic marketing and communications plans will be developed on an annual basis, setting our clear objectives, tactics, channels, budgets, and evaluation, to ensure that targeted activity is delivered effectively and responsively. Performance will be monitored throughout each campaign burst, culminating in the production an annual marketing and communications report which will directly inform planning for the next year of marketing delivery. Campaign KPIs will include website hits, reach and impressions of social media activity (organic and paid) as well as digital advertising. Cost per click of digital campaigns will be a key indicator to ensure selected channels offer value for money in generating leads. QR code tracking will be utilised where possible to give an indication of Out of Home activity success. Users will also be asked to submit 'how did you hear about us' information on their EOI form. Ultimately, success of the marketing campaign will be evidenced in the number of EOIs submitted and job starts.

We are developing our partnerships, particularly through our working with the NENC ICB and NHS Trusts to formalise integration pathways. A recent proposal from the ICB Place Board is for the five local authorities to lead on the work coach element of the NHS Health and Growth Accelerator, formally known as Work Well. This will fully align both Work Well and Connect to Work avoiding duplication of activities whilst adding value to both programmes in Tees Valley. The proposal, which will be taken to the ICB Place Board on Thursday 24 July 2024, will be that the work coach element will be led by Hartlepool Borough Council as lead local authority with delivery through the four local authorities alongside hyperlocal VCSEs.

Our implementation plan for integration of IPS will include employment specialists embedded within local health and community support teams. This may include attendance at weekly multi-disciplinary team meetings, co-location settings including clinical settings where feasible and where there is joint access to shared developed care plans; an integration lead in each locality; named clinical champions in each locality; joint training on IPS principles and trauma-informed care; with shared governance to oversee integration fidelity. Integration will be monitored using the IPS fidelity scale, with quarterly reviews introduced and KPIs developed to monitor and track progress. We recognise challenges such as differing organisational cultures and data sharing limitations and to address this we will establish clear governance arrangements with partners; establish cross-sector working and provide cross-sector training by using a dedicated integration lead to lead on integration and escalate issues.

Logic Model: IPS Integration in Connect to Work

Component	Description
Inputs	Funding from DWP IPS-trained Employment Specialists (ESs) Partnership agreements with ICBs, NHS Trusts, Housing, Justice, Social care VCSEs Data sharing protocols Accessible marketing materials and inclusive communication tools Community engagement strategies
Activities	Embed ESs in clinical teams Weekly MDT meetings Joint training with health professionals Develop shared care plans Establish Integration Leads Deliver outreach and engagement through VCSEs, JCP, and local groups Provide marketing and referral materials in accessible formats Outreach to underrepresented cohorts

Outputs	% of ESs co-located in clinical settings % of MDT meetings attended % of joint supervisions % of shared plans developed % of referrals from non-clinical sources (e.g. VCSEs, JCP, community groups)
Short-Term Outcomes	Improved communication between ESs and clinical teams Increased referrals from health services Greater awareness of IPS among a wider range of professionals Improved engagement of eligible participants
Intermediate Outcomes	Higher fidelity to IPS model Improved client engagement and retention across diverse cohorts More holistic and inclusive support for participants Stronger partnerships and pathways
Long-Term Outcomes	Sustained employment for participants Improved mental health, wellbeing and financial independence System-wide culture of integrated inclusive support Improved wellbeing and independence

3.4 Which introduction channels would you expect 'Expressions of Interest' to come from and how do you expect to monitor and manage these routes in live running to ensure they remain effective throughout the grant period?

As outlined in Section 3.3, we have developed a comprehensive marketing and communications strategy to support the launch of Connect to Work and embed communications channels throughout the life of the programme. Expressions of Interest (EoIs) will be hosted on the Business and Work area of the Combined Authority's website, enabling potential participants to self-refer and enabling referral organisations to complete submissions on their behalf.

This builds on existing and well-established introduction channels. However, with the widening of eligibility criteria under Connect to Work, we will expand and diversify referral pathways to ensure a steady volume of suitable participants aligned with our starts profile. These new channels will build on successful models from current programmes, including UKSPF People and Skills Tees Valley Move Forward, work and health programmes delivered by our ADAMs and health service referral points. Integration with relevant support services will be prioritised, with delivery partners playing a central role in sustaining and strengthening these routes throughout the grant period.

Drawing on existing delivery experience we expect the following referral sources to play key roles:

- ADAMS adult social care, care leavers and probation/youth services. Adult social care will be a major source of referrals, alongside targeted engagement with the VCSE sector. Expansion of eligibility under the Social Model of Disability will see new integration with internal local authority teams and external education and support organisations, including:
    - Further Education Colleges**,** sixth forms and Work based learning providers
    - Special Educational Needs teams
    - Information Advice and Guidance teams
    - Registered Social housing and supported living providers
    - Social prescribers
    - Parent/carer forums
    - Employers
    - Community hubs
    - VCSE organisations
- Health Partners**,** we know that co-location and continuous integration with health services, including the successful Community Mental health teams, Occupational health teams, Patient Advisory Service, Waiting Well Talking Therapies and Primary Care, will be central to maintaining this referral pipeline and particularly building on the success of VCSE in community settings.
- Jobcentre Plus signposting by work coaches and warm handovers for patients with health conditions or complex needs, which will complement our integration strategy across public and voluntary services.
- Disadvantaged Groups Widened eligibility criteria will enable new partnerships with:
    - Youth justice and probation services
    - Care leaver teams (e.g. Future Directions in Barnsley)
    - Substance misuse and domestic abuse services
    - Refugee support organisations and homelessness agencies
    - VCSE providers experienced with complex needs
- Self-referral through engagement with employers and signposted by health professions, IAG provided by health and VCSE organisations

Knowledge from existing programmes indicates health partners will be critical to referrals prioritising those with health conditions for residents who are economically inactive and for those in-work but at risk of leaving employment. Co-locating and integration with these referral sources will take place continuously throughout Connect to Work.

Adult social care will be a key source of referrals for SEQF, supported by a wide network of specialised organisations within the VCSE sector. With an increase in participant volumes under Connect to Work and a broader eligibility framework aligned to the Social Model of Disability, we will expand our referral pathways through effective integration with both established and new partners.

Building on existing provision, further referral channels will be developed through strategic partnerships with internal local authority teams and external stakeholders. These include:

- Education and skills providers: Local colleges, sixth forms, and adult education providers
- Information, Advice and Guidance (IAG) Teams: Supporting statutory duties under the Raising Participation Age agenda
- Special Educational Needs (SEN) Teams: Supporting young people with High Needs, in line with statutory responsibilities
- Family Information Services: Delivering on the Local Offer
- Supported Living Providers: Offering specialist support to those with learning disabilities and/or autism
- SENDIASS: Supporting families with tailored, independent advice
- VCSE Sector: Including disability charities, advocacy organisations, and community groups
- Parent/Carer Forums: Ensuring family voices inform and support access to employment services
- Employers and employer networks: Particularly those engaged with supported internships and inclusive recruitment practices

These referral routes will support increased awareness, drive engagement, and ensure that eligible participants can access the SEQF strand of Connect to Work through multiple, appropriate, and well-integrated channels.

IPS creates opportunities to develop new partnerships and integration with specific support services. These will include internal local authority teams and external agencies including care leaver teams, youth justice service, probation service, substance misuse services, employers and specialised organisations amongst the VCSE such as those supporting people affected by domestic abuse or sexual violence, refugees and those that are homeless.

We will monitor referral channels to ensure effective delivery of programme and specifically to:

- Ensure sufficient volume of suitable referrals to meet programme starts targets and ensure sufficient flow of eligible participants and help assess whether referral channels are aligned with the target cohorts, particularly as eligibility broadens under the Social Model of Disability.
- Maintain quality and appropriateness of referrals to ensure individuals referred to the programme meet eligibility criteria and are well-matched to the support available. This supports triage and case management functions by identifying the right entry points for different participant needs.
- Identify and address gaps or underperformance through early detection and enables targeted interventions (e.g. refresher training, new engagement activity) to strengthen or replace weak links in the referral network.
- Track changes in demand checking how referral volumes fluctuate over time, and whether channels remain effective as community needs and partner capacity evolve which helps ensure the programme stays responsive and agile, particularly when eligibility or strategic priorities shift.
- Strengthen partnership working by providing insight into which partners are contributing most effectively, supporting relationship management and shared

accountability encouraging collaborative working with delivery partners, JCP, health services, VCSE, and education providers through transparent performance data.
- Support continuous improvement reporting to stakeholders such as DWP, TVCA governance and Integrated Care Board.
- Ensure we meet compliance and reporting requirements that provides transparency and accountability to funders and particularly where referral source data is part of performance monitoring and assurance.

In preparation for go-live, we will work closely with our ADAMs to calculate indicative referral sources and forecast expected volumes. This will provide a baseline against which we can begin tracking performance from programme launch and allow early identification of any gaps or areas requiring targeted engagement.

The referral and triage function, managed by ADAMs is expected to positively influence both the volume and diversity of referrals from a range of sources. However, the primary driver of sustained and appropriate referrals will be the effective integration of delivery partners across both IPS and SEQF with relevant support services. This integration will be designed and implemented in line with fidelity to the respective delivery models, ensuring referrals are both suitable and well-supported throughout the participant journey.

An expression of interest form is in development for both participants and employers to register their interest in participating in the programme and when finalised will be accessible via TVCA website and through the ADAMs. The forms will include sections that will capture details of the DWP participant eligibility and suitability criteria and will also include the DWP standardised content “information required” as noted within the DWP guidance – Expression of Interest Note. Additional content may be included to capture statistical information and to better understand the participants needs and aspirations to ensure they receive the best key worker and employer support available.

The Combined Authority is utilising a secure platform, monday.com, to manage a wide range of internal and external programmes and projects across the Tees Valley. This adaptable platform allows each programme board to be customised to meet specific administrative and performance monitoring needs. These include programme development, deliverables tracking, reporting (e.g. GANTT charts), risk management, governance, business case development, actions, milestones, and tasks.

Further enhancements are underway to enable external delivery partners to use monday.com as a CRM tool. This will support functions such as reviewing Expressions of Interest (EOIs), registering participants, tracking participant journeys, managing key worker interactions, action planning, monitoring milestones, outcomes, outputs, and maintaining logs for contact, meeting notes, and reviews. A reporting function will also be integrated to support future programme development, including lessons learned and evaluations.

Additionally, the platform can capture employer engagement data and other relevant information as the programme evolves. All forms and data stored on monday.com will comply with applicable privacy notices and data protection regulations, with appropriate access controls for editing and viewing.

All boards will be shared with Combined Authorities Programme Manager to monitor performance.
3.5 If you propose to prioritise specific groups of people, please describe your rationale and describe how you will do so within the agreed Eligibility and Suitability Criteria.

All eligible and suitable participants for the Tees Valley Connect to Work programme will be supported by the programme. This includes individuals identified through data analysis and community engagement as facing significant barriers to employment—many of whom fall under the protected characteristics defined by the Equality Act 2010.

By ensuring that all support is delivered within the agreed Eligibility and Suitability Criteria, the programme guarantees fair and equitable access to services. This approach not only meets legal obligations but also reflects the Combined Authority's commitment to inclusive growth and reducing inequalities across the Tees Valley.

Tees Valley Combined Authority has undertaken extensive data analysis to understand the evidence base within the region. This analysis has identified specific groups who face greater barriers to employment, skills development, and sustained progression. These include, but are not limited to:

- Individuals with long-term health conditions or disabilities
- Young people not in education, employment or training (NEET)
- Over-50s seeking to re-enter the workforce
- People from economically disadvantaged backgrounds
- Those with caring responsibilities
- Individuals from ethnic minority communities
- Women returning to work after a career break

The rationale for targeting these groups is grounded in regional labour market intelligence, deprivation indices, and stakeholder engagement, which collectively highlight persistent inequalities in access to opportunity.

Within the agreed Eligibility and Suitability Criteria, we will target these groups by:

- Targeted outreach and engagement through community partners, local authorities, and voluntary sector organisations who already work closely with these populations.
- Tailored support pathways that reflect the specific needs and barriers of each group, ensuring that interventions are flexible, person-centred, and inclusive.
- Monitoring and reporting on participation and outcomes by priority group, using monday.com to track engagement, progress, and impact.
- Embedding equality, diversity and inclusion (EDI) principles throughout programme design and delivery, ensuring that all activities are accessible and culturally appropriate.

This approach ensures that support is directed where it is most needed, while remaining fully compliant with the programme's eligibility and suitability framework.

Below is our summary evidence base (2025): Statement of Facts.

The evidence narrative summarised here is supported with a separate comprehensive data book Connect to Work datapack - March 2025.xlsx and a more detailed evidence narrative document Connect to Work Summary Evidence Base.docx, which includes fuller explanations of the evidence base, alongside supporting information about definitions, datasets, and technical notes.

This section presents evidence to support development of proposed interventions for Tees Valley Connect to Work Programme. Consistent with DWP guidance, we understand that identification of appropriate volumes of eligible and suitable participants is an important element of Connect to Work and that the programme needs to be targeted at the right people, at the right time and based on individual circumstances. This section provides evidence-based explanations underpinning all our interventions, especially where specific groups and communities have been prioritised for targeted and/or tailored interventions. For context, high-level evidence points, key messages from the evidence base, and key facts and figures for our target population(s) are also presented.

High Level Evidence Points:

- Total economic inactive: Those not in work and not looking for work: 105,400
    - Long-term sickness: 37,400
    - Looking after the family or home: 19,900

- Total target population: Those actively looking for work and wanting to work: 68,650
    - Main target population: Those who want to work: 42,600
    - Other target population: Working but at risk of dropping out: 26,050

Overall Population - Unemployment and Economic Inactivity:

- The total Tees Valley population is 699,000
- The total Tees Valley working age population (aged 16-64) is 407,500.
- The number of people employed in Tees Valley is 289,100, which is equivalent to approximately seven out of ten (71%) of the total working-age population.
- The number of people who are unemployed in Tees Valley is 12,900, which is equivalent to 4.3% of the economically active population, compared with 3.7% nationally.
- The total number of working age people (aged 16-64) who are economically inactive in Tees Valley is 105,400, which is equivalent to approximately one in four (25.9%) of the total working age population, compared with 21.3% nationally, which is closer to around one in five.
- To match the UK economic inactivity rate there would need to be 18,800 fewer Tees Valley working age residents who are economically inactive.
- There are significant geographical variations in economic inactivity rates across Tees Valley, ranging from 20.9% in Darlington, which is lower than the national average rate, to 29.3% in Middlesbrough, which is significantly higher than the regional average and the national rate.
- Women are significantly more likely to be economically inactive than men. In Tees Valley there are 60,700 economically inactive women of working age compared to 44,800 men.

Target group population(s) - Those who want to work and those at risk of dropping out of work:

- The number of working age people in Tees Valley who are currently not working but would like to work is 42,600. This is the main Tees Valley target population for the Connect to Work Programme. This figure of 42,600 potential

participants includes 12,900 unemployed residents, who are in receipt of either Universal Credit (UC) or Job Seekers Allowance (JSA) and are actively looking for work as a condition of claiming these benefits, and 29,700 residents, who are currently economically inactive but have explicitly stated that they want to work.

- There are also 26,050 (6.4%) Tees Valley residents of working age who are working and in receipt of Universal Credit. The Tees Valley rate of 6.4% is higher than the equivalent England rate of 5.7%. This group is important because it gives a good indication of increased likelihood of being in insecure low pay work and at risk of dropping out of work. This is also part of Tees Valley's target group population.

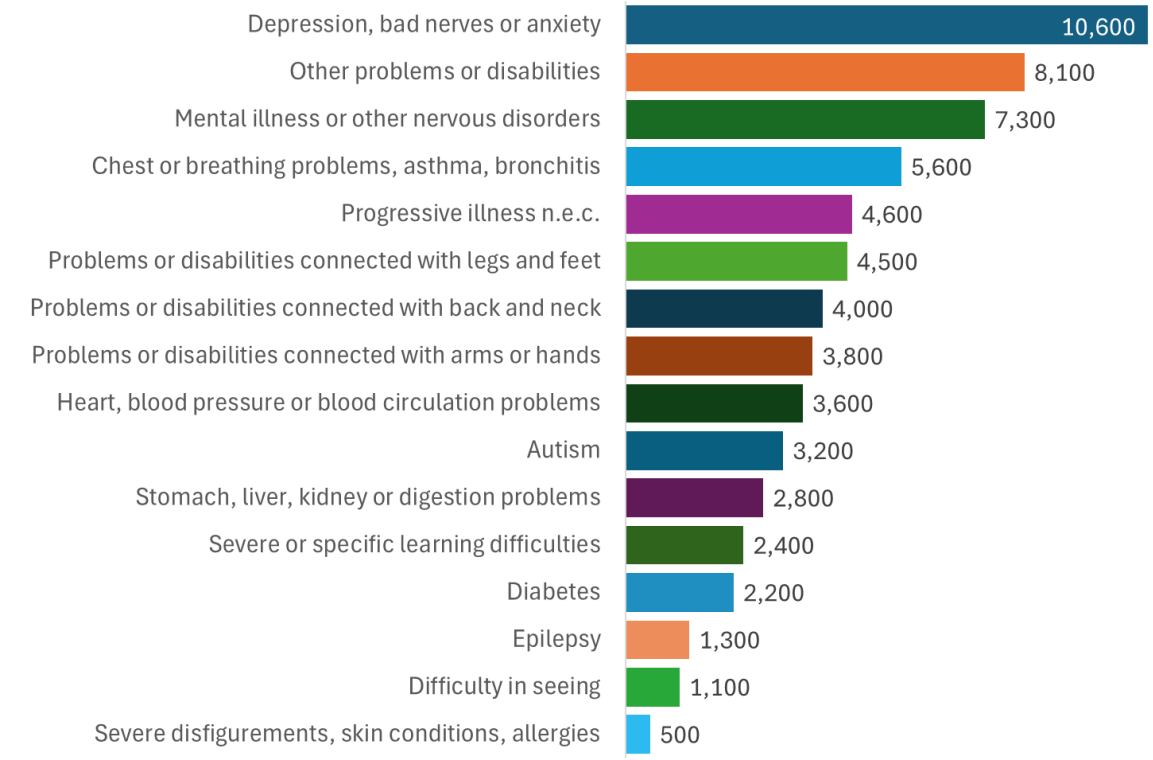
Key interventions and specific groups of people:

Intervention(s) to support people with long-term sickness:

- 37,400 Tees Valley residents are economically inactive because of long-term sickness. 19,900 are inactive because they are looking after the family or home.

- The two main discrete health conditions that contribute to economic inactivity in Tees Valley are Depression, bad nerves or anxiety (n=10,600) and Mental illness or other nervous disorders (n=7,300). Chest or breathing problems, asthma, bronchitis is third with 5,600 resident cases. In addition, there are significant numbers of other discrete conditions that contribute towards economic inactivity as shown in the chart below. It is worth noting that the chart identifies the main health condition only and that individuals in this cohort may exhibit one or more health conditions.

Main health condition, economically inactive working age population, Tees Valley



Intervention(s) to support people in key demographic groupings:

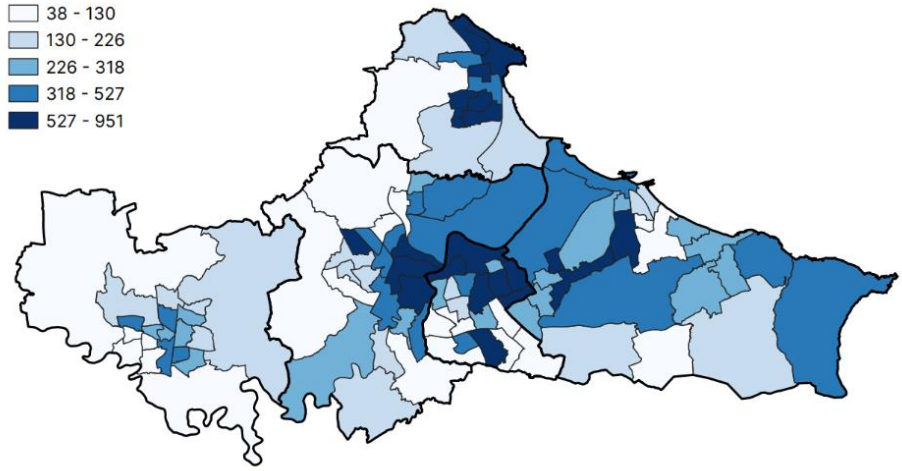
- There is a strong correlation between gender (females), younger age groupings and economic inactivity. 21- to 24-year-olds are the most likely of any age group to be economically inactive because of looking after family / home and the most likely of people under 45 to be economically inactive because of long-term sickness.

Intervention(s) to support people in specific geographical areas:

- There are significant geographical variations in economic inactivity rates across Tees Valley, ranging from 20.9% (n=13,300) of working age (aged 16 to 64) people in Darlington, which is lower than the national average rate, to 29.3% (n=25,600) in Middlesbrough, which is significantly higher than the regional average and the national rate.

- In addition to Middlesbrough, Redcar & Cleveland and Hartlepool also have particularly high rates of economic inactivity with 28.5% (n=22,900) and 27.3% (n=15,700) respectively. Economic inactivity in Stockton-on-Tees averages 23.6% (n=27,900), a couple of points above the national rate.

- There is also significant variation in economic inactivity within districts. Focusing on the numbers economically inactive due to long-term sickness or disability, the map below shows how the numbers are distributed at the ward level, with the darker the shading the higher the number.



Wards in the top quintile

2022 ward	LA	2021
Longlands & Beechwood	M	951
Central	M	837
Brambles & Thorntree	M	788
Stockton Town Centre	S	739
Manor House	H	723
Newport	M	720
Mandale and Victoria	S	706
Park End & Beckfield	M	685
Berwick Hills & Pallister	M	684
Headland & Harbour	H	664
Rossmere	H	656
Victoria	H	596
Hardwick and Salters Lane	S	588
Eston	R	585
Grangetown	R	585
De Bruce	H	565
Kirkleatham	R	562
Coulby Newham	M	532
Norton South	S	529
Foggy Furze	H	529

Source: Office for National Statistics licensed under the Open Government Licence v.3.0.
Contains OS data © Crown copyright and database right 2025.

- Middlesbrough wards account for the three highest ward numbers but Stockton-on-Tees, Hartlepool and Redcar & Cleveland wards are also well represented in the top quintile regionally. The highest number of economically inactive due to long-term sickness or disability in Tees Valley was 951 residents of Middlesbrough's Longlands & Beechwood ward. No Darlington wards lie in the top quintile regionally and this district also has the lowest ward number of economically inactive due to long-term sickness or disability in Tees Valley with 38 in Mowden ward.

- The map also shows that whilst there is significant variation in numbers across wards, there is also clustering of wards with high concentrations of economic inactivity due to long-term sickness or disability, particularly located in more urban areas. The north / north-east part of Middlesbrough has six wards in the top quintile, much (six wards) of Hartlepool built-up area is in the top quintile whilst there are three neighbouring wards in the centre of Stockton / Thornaby. In addition, three contiguous Redcar & Cleveland wards adjacent to Wilton lie in the top quintile.

Intervention(s) to support people in disadvantaged groups (disabled people, unpaid carers, armed forces veterans):

- Tees Valley has significantly higher proportions of working age people classed under disadvantaged groups than nationally and disadvantaged groups in Tees Valley are more likely to be economically inactive than their equivalents nationally. For example, 58.6% of working age non-student disabled Tees Valley residents are economically inactive (50.7% England), 38.3% of unpaid carers are economically inactive (31.1% nationally) and 18.7% of veterans are economically inactive (16.6% nationally).

Intervention(s) to support people working in organisations with high levels of sickness absence:

- Tees Valley has relatively high numbers of people employed in sectors which display relatively high levels of sickness absence. Example sectors include Health & Social Care, Education, Mining, energy & water, Wholesale & retail, Accommodation & food, and public administration.

Intervention(s) to support people with lower-level qualifications:

- Tees Valley residents with lower levels of qualification are more likely to be economically inactive than those with higher levels of qualification. Economically inactive Tees Valley residents with no qualifications account for 17.7% of total economic inactivity. This rate is over twice the rate for the total working age population without a qualification, which is 8.2%.

Participant journey

This section is to outline how you will support and manage Participants through the Connect to Work process.

3.6 Please provide details on how you will provide tailored support for each Participant, as described in the Grant Guidance?

Every participant on either SEQF or IPS model will receive personalised and tailored support to meet their individual needs. Below sets out the participant journey developed in collaboration with our 5 ADAMs (LAS), with explanation of variances between the two pathways.

Client Engagement:

- Upon receiving a referral via the EOI set up for each ADAM, the individual will be contacted within two working days to arrange an initial meeting to be scheduled at a time and location convenient for the participant.
- During the initial meeting, the employment specialist will provide more detailed information about the programme, its goal of securing competitive employment, the tailored support available, and a personalised assessment to ensure the participant receives the most appropriate assistance. Commencement of vocational profiling will commence during the initial meeting wherever possible.

Vocational Profiling:

- Vocational profiling will begin and take place over multiple sessions (typically two to three). For those on the SEQF pathway, profiling may extend over a longer period with additional sessions.
- The vocational profiling process will capture participants' skills, strengths, preferred work environments, suitable job types, and potential travel limitations. The focus will be on the individual's needs, resulting in mutually agreed actions and goals for employment progress. For example, if a participant has difficulty with independent travel, training will be arranged.
- Input will be gathered from family, friends, employers, and health professionals where possible to further build a picture of the individual in order to best meet their needs.

- Vocational profiles will remain a “live” document, continuously informing employment specialists about the tailored support each participant requires, as well as guiding employer engagement efforts.
- Disclosure will be discussed with participants, providing impartial advice on sharing personal information. Participants will make informed decisions, free from pressure, and will sign the necessary disclosure agreements.

Job Searching:

- For participants on the IPS pathway, job searching will begin immediately after completing the vocational profile, no later than 30 days from the initial meeting. For those on the SEQF pathway, job searching will begin as soon as possible but may not be as immediate as for IPS participants.
- Employment specialists will encourage participants to search for suitable jobs, providing support with CV writing, job search strategies, and other pre-employment services.
- Before participants secure paid employment, work incentives planning, including better-off calculations, will be conducted. Service delivery partners will ensure Employment specialists are equipped to carry out this activity or have resource available for participants to access this support.

Employer Engagement:

- Employment specialists will proactively engage with employers whose needs align with the vocational profiles of participants. They will introduce themselves and the service to employers, highlighting the benefits of employing participants and how it can meet business needs. They will advise on inclusive practices, including job carving, adaptive recruitment, and reasonable adjustments.
- Employer engagement will be a key part of regular team meetings with the 5 ADAMs employment hubs, where best practice and leads will be shared, facilitating job matching across employment specialists’ caseloads.
- This activity will be supported by place-based coordination by the lead ADAM, regional employer support, and the resource offer.

On and Off-the-Job Support:

- In-work support will be tailored to individual needs, ensuring participants can sustain employment and thrive in the workplace. Examples of support include assistance with training and career progression, collaboration with other professionals, workplace mentoring, and providing support to employers. In-work support will continue weekly for up to four months where required.

Exit Planning:

- All participants, regardless of whether they have achieved or sustained employment, will receive comprehensive exit planning. Their vocational profiles will be updated, with new actions and goals set. IAG will be provided, along with signposting to other support services to help participants transition to ongoing provision, sustain employment, or progress in their careers. For those not in employment, the aim will be to help them work towards this goal.

Signposting:

- Throughout their journey, employment specialists will recognise and address the complex barriers each participant faces. These may include challenges unrelated to employment, such as financial difficulties, mental health conditions, or other personal challenges. Employment specialists will guide participants through what may be a complex landscape, referring them to appropriate community services to meet their needs and provide holistic

support. ADAMs will be expected (articulated through procurement specification and/or grant funding agreement) to secure the knowledge of Employment specialists understanding of key support services in the community, i.e. for people who have or are experiencing domestic abuse etc.

In-Work Participants:

- The participant journey set out above will be flexibly applied to in-work participants. For example, client engagement will be the same for both out of work and in-work as would signposting and exit planning. However, for some in-work participants, job searching may not be relevant or appropriate, whereas for some it may. The different elements of the participant journey will be tailored to in-work participants dependent on their individual circumstances and needs.
- For participants already in work, whether through the IPS or SEQF services, support will be tailored to their individual circumstances, ensuring they can maintain their employment or progress to other suitable roles. Vocational profiling will be used, when necessary, with clear action plans. Support may include signposting to community services and advocating with employers to address reasonable adjustments, job carving, training needs, or workplace issues. In some cases, support may involve helping participants search for alternative roles with different employers. All support will be customised to meet the specific needs of each individual, focusing on sustaining paid employment.

Self-employment (out of work or in work):

- Participants on either SEQF or IPS who are out of work and considering self-employment or in-work and struggling to remain working or needing support to return to working in a self-employed capacity will receive tailored support as outlined in the participant journey, but with a focus on self-employment. We refer to self-employment to include entrepreneurship, freelance, contracting and working in the gig-economy. Employment specialists will carry out client engagement and vocational profiling setting action plans with participants to meet their individual needs, which may include activity including time management, travel training, managing health conditions. However, it will likely contain other requirements such as market research, business planning, digital skills and online business development, accessing business mentors, accessing grants and business and personal budgeting. It is not expected Employment Specialists will carry out this activity, but signpost to other services within the Tees Valley Business Support ecosystem that can provide this support.

Participant changes in pathway:

- Participants will remain on the same pathway until the provision ends. However, in situations where new information comes to light, such as through vocational profiling, or there is a change in circumstance it may be appropriate to remove a participant from one pathway and register to the other, if this best suit their individual needs. For example, it may be that an ex-offender is registered onto the IPS pathway, but during vocational profiling it is identified they have learning disabilities and/or autism. In this scenario, there may be a justifiable rationale for the participant to be unregistered from the IPS

pathways and registered on to the SEQF pathway. Any changes in pathway will need to be agreed by the Combined Authority.

- **Stage 1: Engagement**
  In-work participants will typically be referred via primary care (e.g. Patient Advisory Service, occupational health), employer referrals, or self-referral. Employment Specialists will be aligned to specific referral routes and participant groups to ensure timely and sensitive engagement. These participants may be at risk of falling out of work due to health conditions, workplace challenges, or personal circumstances. The Employment Specialist will initiate contact within two working days to begin the onboarding process.
- **Stage 2: Vocational Profiling**
  A co-produced Vocational Profile will be developed over one or more sessions, tailored to the in-work context. This will explore the participant's current role, strengths, challenges, health needs, and aspirations. The profiling will identify any barriers to sustaining employment and inform a personalised Vocational Action Plan. This may include workplace adjustments, support needs, or potential internal progression opportunities.
- **Stage 3: Employer Engagement**
  For in-work participants, employer engagement focuses on the current workplace. Employment Specialists will liaise directly with employers (with participant consent) to explore and implement reasonable adjustments, flexible working arrangements, or job redesign. Where appropriate, they will also engage HR or occupational health teams to ensure a coordinated support plan. Local Authority Economic Growth Teams may support this by promoting inclusive employment practices.
- **Stage 4: Job Matching**
  In most cases, job matching for in-work participants involves job retention rather than job search. However, if the current role is no longer suitable, Employment Specialists will support the participant to explore alternative roles—either within the same organisation or externally. This may involve job carving, redeployment, or matching to new vacancies aligned with the participant's profile and goals.
- **Stage 5: On and Off-the-Job Support**
  Participants will receive up to four months of intensive in-work support, including weekly check-ins, coaching, and problem-solving. Employment Specialists will provide pastoral and practical support, liaise with employers to resolve issues, and ensure that workplace adjustments are sustained. Employers will be supported to adopt inclusive practices, and participants will be signposted to additional services (e.g. Access to Work, mental health support) as needed. Regular reviews will ensure that support remains relevant and effective.

There are established Employment Hubs in place within each Local Authority across Tees Valley. Any individual who is not eligible or suitable will be signposted into alternative or mainstream provision and this will be facilitated by Hartlepool Borough Council as the lead ADAM and central triage for the Connect to Work Programme. This will ensure that the individual can still receive tailored help and support to move closer or into employment across Tees Valley.

3.7 How will you safeguard Participants, including those who are subject to Multi-Agency Public Protection Agency (MAPPA) arrangements and embed the public sector equality duty into the design and operation of your service e.g. through appropriate ongoing equality impact analysis?

Tees Valley Combined Authority is committed to ensuring the safety, dignity, and wellbeing of all participants engaged in the Connect to Work programme. This includes robust safeguarding procedures and a proactive approach to equality, diversity, and inclusion.

Safeguarding approach

- Robust Safeguarding Policies - all delivery partners will operate under clear safeguarding policies aligned with local authority and national guidance. These policies will be regularly reviewed and updated.
- MAPPA Coordination – for participants subject to Multi-Agency Public Protection Arrangements (MAPPA), we will work closely with relevant agencies (e.g. probation, police, social services) to ensure risk is appropriately managed. This includes:
    - Secure information sharing protocols
    - Individual risk assessments
    - Tailored support plans that balance rehabilitation with public safety
- Staff Training: All staff involved in programme delivery will receive mandatory safeguarding training, including specific modules on working with high-risk individuals and trauma-informed practice.
- Designated safeguarding leads (DSLs): Each delivery partner will appoint a DSL responsible for overseeing safeguarding concerns, ensuring swift and appropriate responses.
- Secure data handling: All participant data, including sensitive safeguarding information, will be stored and accessed in line with GDPR and data protection regulations, using secure platforms such as monday.com with role-based access controls.

Embedding the Public Sector Equality Duty (PSED)
We will conduct ongoing Equality Impact Assessments (EIAs) throughout the programme lifecycle—from design to delivery and evaluation—to identify and mitigate any potential adverse impacts on protected groups.

Inclusive service design - the programme will be co-designed with input from diverse stakeholders, including those with lived experience, to ensure accessibility and cultural relevance.

Monitoring and reporting we will collect and analyse data disaggregated by protected characteristics (e.g. age, disability, ethnicity, gender) to monitor participation, outcomes, and equity of access.

Staff development - all staff will receive training on equality, diversity, and inclusion, with a focus on unconscious bias, inclusive communication, and the legal obligations under the Equality Act 2010.

Continuous improvement - insights from EIAs, participant feedback and delivery data will inform ongoing service refinement, ensuring the programme remains responsive to the needs of all participants.

Whilst this programme is not specifically focused on crime prevention it nonetheless makes reference to ex-offenders, another intersectional health determinant, as a target group for the programme, delivery partners will work with the probation service and youth justice system to support this group.

All ADAMs and ensuing delivery partners will be required to have a safeguarding policy with clear escalation procedures and a designated safeguarding lead. These will be reviewed prior to any grant funding to ensure they are robust and fit for purpose.

All delivery staff amongst ADAMs will have undertaken appropriate safeguarding training that is up to date and relevant ensuring delivery colleagues are confident and skilled in identifying and managing safeguarding issues as and when they arise.

Declaration of any criminal convictions will be included on the 'expression of interest' form. Where a criminal conviction is declared, the applicant will be asked to declare if they are subject to MAPPA. Where the nature of the conviction may fall into category 1, 2, 3 or 4 of MAPPA, they will liaise with the Responsible Authority and cooperate with managing risk.

TVCA will mandate that all ADAMs sign up to the Memorandum of Understanding with their local Strategic Management Board. If managing any offenders managed under MAPPA, it will be a requirement they liaise with the Responsible Authority and are recognised as an Associate Agency in order to manage associated risks and contribute where applicable/appropriate.

All service delivery partners will be required to sign-up to the www.MaPPA.justice.gov.uk website, ensure they utilise the available training resources to upskill staff and contact the Responsible Authority to be identified as an Associate Agency and to contribute accordingly. This will ensure robust safeguarding of relevant participants, staff, employers and the wider public.

During the implementation phase, TVCA, as the Accountable Body, will establish a robust and consistent process for identifying MAPPA participants and fulfilling our statutory responsibilities. This will begin with the inclusion of a mandatory disclosure question regarding any restrictions, which has been a longstanding feature of participant data collection across similar employability programmes. We will collaborate closely with our lead local authority, our ADAMs and MAPPA contacts to co-design this process, ensuring it is fully aligned with local safeguarding arrangements and statutory duties, including our role as the accountable body. This approach will be embedded within our wider participant engagement strategy, ensuring that all disclosures are handled sensitively, securely, and in accordance with legal and ethical standards.

Our commitment includes:

- Ensuring all delivery partners are trained and equipped to manage MAPPA-related disclosures appropriately.

- Integrating MAPPA checks into the participant onboarding workflow in line with MAPPA Unit requirements.
- Establishing clear referral and escalation pathways in partnership with MAPPA Units and the lead Agency.
- Regularly reviewing and updating procedures to reflect changes in statutory guidance and local practice. This process will form a key part of our safeguarding framework and contribute to the safe and effective delivery of Connect to Work.
- Establishing a process with the lead Agency on risk management of any participants who are subject to MAPPA during the course of the programme.

Hartlepool Borough Council as lead local authority brings extensive experience in successfully managing MAPPA referrals through previous programmes such as the Youth Employment Initiative. This proven track record means we are well-positioned to work collaboratively with delivery partners and MAPPA contacts to develop and implement an effective process for Connect to Work.

Estimated costs and volumes

Please complete all sections of the Grant Cost Register (GCR), which has been supplied separately. The GCR is a service costing tool which we are asking Accountable Bodies to use in planning and costing their Supported Employment provision. Guidance on completing the GCR has been included within the model. DWP Commercial Finance are also available to provide general support on completing it where requested.

DWP recognises that costs may change during the live running of the programme and any changes can be discussed as part of the annual review.

3.8 Please embed the completed Grant Cost Register

Risk

An understanding of your risks involved in delivering Connect to Work and the need for having effective systems in place to manage them, is important to enable the delivery of Connect to Work, from implementation to live running.

3.9 Please describe the key risks and mitigations, including operational, commercial and financial, that could affect Connect to Work delivery.

TVCA is committed to implementing an enterprise-wide risk management culture, adopting ISO 31000 best practice in the identification, evaluation and effective management of threats and opportunities. We have a dedicated Risk Management team who support the activity throughout TVCA Group, developing and managing Risk Management supporting documentation and tools.

The TVCA Risk Management Framework outlines the process and procedures for managing risk, at all levels. All strategic programme risks are owned by TVCA and the lead ADAM for the Connect to Work will be captured within the Risk Management Platform. This platform aids as an online risk register, dashboard and escalation tool.

The system also captures treatment action plans and controls which all aim to mitigate and/or avoid threat/maximise opportunities.

In the event of an issue, this can also be tracked and managed via the online platform which has the functionality to track owners of risks/issues and those involved in action plan delivery. In the event of a new severe threat/issue being identified, this is summarised in an escalation report and issued to the appropriate Director and Chief Executive. The link to the platform is also included in the report, which allows for an effective and efficient way of capturing real time information to allow for informed decisions to be made in a timely manner.

Hartlepool Borough Council as lead ADAM will produce a further risk register in collaboration with the ADAMs and additional delivery partners.

Risk Registers are required to be maintained and shared as part of the delivery of Connect to Work by all parties. This allows for visibility of internal and external threats which could potentially impact the delivery of the Connect to Work programme. The Connect to Work risk register will be reviewed at least monthly by the Programme Manager.

Risks will be managed and mitigated through the Connect to Work risk register in line with the framework outlined above.

Key risks (and mitigations) include:

- Funding not confirmed for full 5-year period – there is a risk that with an indicative funding allocation for the 5-year programme, with confirmation of funding for the first 3 years of delivery only, that if allocations are not determined swiftly this will affect local planning, implementation time and overall programme requirements. The Grant Funding Agreement will include provisions that clearly outline the phased nature of the funding, with mechanisms for early notification of future year allocations. This will provide delivery partners with greater clarity and allow for more effective forward planning. TVCA will work with delivery partners to develop flexible delivery models and contingency plans that can adapt to different funding scenarios. This will include prioritisation of core activities and scalable interventions. TVCA will maintain regular communication with DWP and other relevant bodies to advocate for timely confirmation of future funding and to share the potential local impacts of delays. The Programme regional Steering Group will monitor funding timelines and risks as part of its regular agenda, ensuring that any delays are escalated and addressed promptly. TVCA will ensure that all delivery partners are kept informed of funding developments and are supported in adjusting their delivery plans accordingly. TVCA Adapt our strategy in line with allocation.

- Risk of delayed mobilisation of the programme – Time cannot be lost moving from design to implementation. A final decision will not be received by Government or the TVCA Cabinet until June 2025, therefore we will progress as far as possible to ensure early mobilisation in early Autumn. The priority throughout April-May is identifying delivery partners and designing mechanisms that can be set up and delivered effectively and quickly. We have

engaged support services such as assurance, legal and finance within TVCA to advise and support.

- Pace and time of delivery - There is a risk that delivering at pace to achieve the target, and time constraints will impact the programme design. This will be continually reviewed as the programme delivery design develops, with a commitment to working with stakeholders and potential delivery partners through route to market sessions, workshops, and expressions of interest.

- Expertise and capacity to deliver - There is a risk that the interventions to be delivered require skills that are in short supply, for example employment specialists experienced to support those with a health condition through employment. We will continue to engage with colleagues, stakeholders, service providers and LA's sharing mapping of current services to promote signposting and introductions into services. We will support partners through investment in training costs and we will support recruitment through Tees valley Jobs.

- Failure to engage employers to provide in-work support - We will work with the business board and wider networks including Disability Confident and Better Health at Work award holders through TVCA and partners to coordinate and implement an employer engagement strategy. This will include articulating the benefits to businesses. The business base in Tees Valley is predominantly SMEs who are facing economic pressures and challenges with employment due to increasing costs. We will monitor this risk carefully and employer engagement and collaborative working is a priority early in the programme development and delivery. We are not only looking to engage businesses on this programme, but we are working on a TVCA coordinated engagement led by the Tees Valley Mayor to seek 'employer pledges' to support a number of programmes such as the Tees Valley Youth Trailblazer and to inform our business growth & support programme

- Failure to identify and engage participants – we have engaged partner organisations who have established relationships with the target groups who could engage in the IPS and SEQF delivery model and will work with delivery partners to seek innovative approaches to engage the target cohorts. We will monitor this risk carefully and adapt our approach as and when required.

- Complexity of data systems and data sharing across organisations – initial engagement has identified some shared systems and referral mechanisms. Some LA's and other organisations have indicated that the length of the programme will not allow significant system change. We will engage TVCA legal support early to consider and develop the necessary data sharing agreements to enhance tracking and information sharing as much as possible during the implementation and throughout the delivery of the Connect to Work Programme.

- Data Protection - there is a risk sensitive data, including personal information could be accessed by unauthorized individuals due to inadequate access control mechanisms resulting in non-compliance with Data Protection act. - Requirements will be confirmed with all partners to ensure compliant

processing of data. Support from Legal and Governance will be provided, and data impact assessments and data sharing agreements will be complete. Liaise with risk team to ensure risk-based approach is complete throughout.

- There is a threat of overlap of UKSPF People and Skills and Connect to Work which may hinder the success of each programme and result in missed opportunities to maximise the reach of Connect to Work programme. Opportunities are being maximised due to the integration time of the connect to work as we ramp down from UKSPF there will be more opportunities to transfer skills and capacity over the connect to work.

- There is a risk that delays in lead ADAM procurement activity (e.g. limited provider response, clarification queries, or contracting lags) may compromise overall delivery, limiting the achievement of identifying and procuring suitable employment specialists to enhance delivery. Mitigation includes:
    - Timeline developed in collaboration with procurement, with lead times built in for evaluation and contracting.
    - Support will be provided by TVCA specialist procurement team, this will allow for effecting and informed decision making in lin**e** with requirements and timelines.
    - It will be proposed that a framework is developed to call off specialists to reduce the risk of delays.

- There is a risk with providers procured via the lead ADAM may not meet fidelity standards or may underperform due to poor understanding of expectations. Mitigation includes:
    - Upskilling in fidelity assurance will be complete to strengthen plan of requirements as part of fidelity assurance.
    - External support will be appointed as required to strengthen self-assessment and governance of fidelity performance.
    - Clear communication with ADAMS in the development and management of fidelity assurance.
    - Support will be provided to clearly set expectations surrounding performance and escalation process confirmed to manage any associated risks.

- There is a risk that poorly define deliverables or performance measures may lead to underperformance, disputes or failure to achieve objectives. Mitigation includes:
    - Preventative measures will be established through grant funding agreements; requirements will be clearly established including eligibility and performance reporting.
    - Continuous improvement is ongoing to maximise governance of performance.
    - Detective operational controls are embedded within TVCA throughout the Performance and Assurance team. An evidence-based approach is taken to ensure validity of claims and compliance to delivery requirements.
    - Ongoing engagement with delivery partners to discuss performance and management any risks to the programme.

3.10 Please detail your approach to fraud risks that could affect your delivery and how you might mitigate these.
There is a risk of fraudulent activity including fraudulent claims, misuse of funds and inaccurate performance reporting. • Detective operational controls are embedded within TVCA throughout the Performance and Assurance team. An evidence-based approach is taken to ensure validity of claims. • Preventative measures will be established through grant funding agreements; requirements will be clearly established including eligibility and performance reporting. • Eligibility and suitability checks will be complete via ADAMS against programme criteria.

Section 4 – Governance

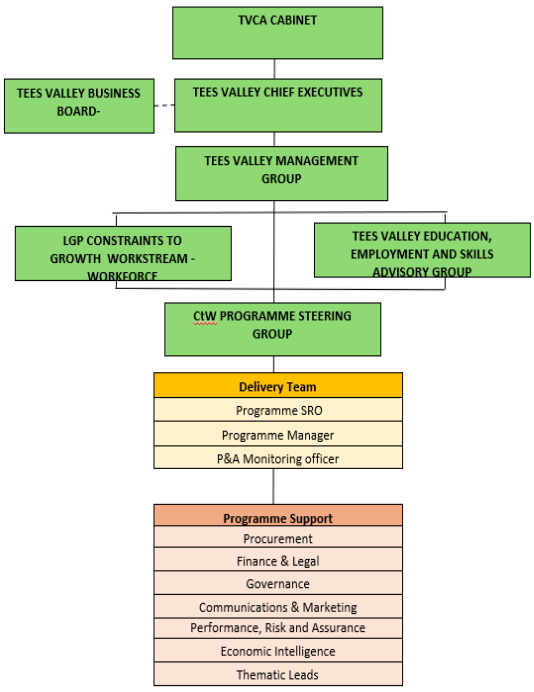
Outline of governance approach & experience Within this section, please provide details of the governance arrangements for Connect to Work across your Delivery Area.
4.0 Please summarise the governance structure you will have in place across your Delivery Area, including how any advisory panels or associated partnership groups are made up. Please specify whether these are pre-existing structures, new structures, or whether contingency arrangements are temporarily being put in place. Please explain how these arrangements will be sustained through the life of the programme. Please also include details of any challenges you foresee in relation to the governance of Connect to Work and any support you may need to develop your governance structures.
The Tees Valley Connect to Work programme has robust governance in place that is in line with the TVCA Assurance Framework. TVCA Cabinet is chaired by the Mayor of the Tees Valley and is made up of the leaders of the five Tees Valley Local Authorities and has strong engagement with the business community through the chair of Tees Valley Business Board. The Cabinet is responsible for making decisions, in line with the existing TVCA Assurance Framework, and allocating funding accordingly. Membership details can be found here. TVCA Cabinet - About The Combined Authority's Business Board plays a key role in representing the voice of local business within the Authority's governance structure. It will feed into the work of the Tees Valley Mayor, Combined Authority and Local Authorities to advise on, establish and help lead projects, schemes and programmes that deliver real change to our local economy. The Board is made up of 12 private sector experts with real

hands-on experience of running successful businesses or working in senior positions, with a breadth of diverse business knowledge covering the entire region. Members have a dedicated focus area covering digital; creative; science, innovation and technology, and inclusive economies – these members have extensive knowledge, track record of delivery, insight and networks that are invaluable to the development and delivery of the Connect to Work Programme to deliver IPS and SEQ supported employment models.

We have engaged with the business board and in particular the representatives that lead on Education, Employment & and skills, and inclusive growth. The business board will be pivotal to advising on employer engagement and potential challenges and opportunities for businesses involved in the programme.

Tees Valley Management Group (TVMG) an existing group of Local Authority Directors of Regeneration/Economic Development, will feed in through the Programme regional Steering Group to ensure that proposals are reflective of local need, maximising opportunity of the Connect to Work adding value to wider place making agenda such as in town centres. A director from this group is also a member of the Education, Employment and Skills advisory Group where the programme is reported to ahead of Cabinet.

TVMG are also leading on a number of dedicated workstreams to focus on the key challenges that have been identified through the Local Growth Plan. One of these is workforce which includes Education, Employment & and Skills and Inclusive Growth and one of the key deliverables of this workstream is to make sure that the Tees Valley has an ongoing analysis and dialogue with providers and business to ensure provision is reflective of need.



Governance

The Tees Valley Connect to Work has robust governance in place that is in line with the Tees Valley Assurance Framework.

- **TVCA Cabinet**– Tees Valley Combined Authority Cabinet is chaired by the Mayor of the Tees Valley and is made up of the leaders of the five Tees Valley Local Authorities and has strong engagement with the business community through the chair of Tees Valley Business Board. Cabinet member who represents Skills is Councillor Robert Cook who also acts as Chair for the Education, Employment and Skills Advisory Group.
- **Tees Valley Business Board** - the Board plays a key role in representing the voice of local business within the TVCA governance structure. Members have extensive knowledge, track record of delivery, insight and networks that are invaluable to the development and delivery of CTW Programme. We will engage with the business board and in particular the representatives that lead on education and skills development and inclusive growth. The business board will be pivotal to advising on employer engagement and potential challenges and opportunities for businesses involved in the programme.
- **Tees Valley Management Group** - existing group of Local Authority Directors of Regeneration/Economic Development who will feed in through the Programme Group to ensure that proposals are reflective of local need, maximising opportunity of CTW interventions adding value to wider place making agenda such as in town centres.
- **Tees Valley Education, Employment and Skills Advisory Group** - provide a strong leadership role on all aspects of education, employment and skills in Tees Valley and provides advice and support. These partners are key to link the programme to providers and ensure it reflects the needs of the cohort.
- **CTW Stakeholder Group** – we will build on our initial engagement workshops and establish a regular group of partners who are working in this space that will meet to develop, advise and monitor the CTW proposal and delivery. The Group will consider the following and ensure that close monitoring of progress allows for evidence-based decision including any changes required throughout the lifetime of the programme:

Delivery Team

Dedicated TVCA resource will be put in place to manage the development and delivery of the CTW Programme:

- **SRO** – The Director of Business Solutions will be the programme SRO.
- ***CTW Programme Manager*** – will work directly to the SRO and will be responsible for day-to-day management of the CTW including having oversight of all interventions/projects and ensuring the programme is delivered on time, on budget and within set risk tolerances.
- ***Performance, Risk & Assurance Officer*** – this will be a dedicated post who will monitor the CTW and will be responsible for claim submission/DWP returns and overseeing payments etc.
- ***Delivery support*** – TVCA will ensure that the programme has input from specialist delivery support from within the organisation such as legal, procurement, finance and comms.
- ***External – Employment Specialists*** will be put in place to support participants to ensure engagement and participation. They will ensure that the voice of participants is heard and captured to inform future development and delivery.

Programme Support

Through the development and delivery of the programme there is a need to involve a number of specialist teams from TVCA. Where relevant, such teams will be utilised to drive forward elements of the programme and to ensure that there is adequate resource to manage and deliver.

Programme Advice & Stakeholder Engagement

Tees Valley Education, Employment and Skills Advisory Group - provide a strong leadership role on all aspects of education, employment and skills in Tees Valley and provides advice and support. Membership of the group includes, Local Authority

Leaders and Councillors, Government representatives from DfE, DBT and DWP, Voluntary and Community Sector, NEECC (the Employer Representative Body for the Tees Valley LSIP) and Federation of Small Businesses. These partners are key to link the programme to providers and ensure it reflects the needs of the cohort. With the introduction and development of the NENC ICB Health and Growth Accelerator the NENC ICB now has a place on the Advisory Group. Through the inclusion of the ICB the focus has shifted to a work and health agenda aligned to our emerging Local Growth Plan and Get Tees Valley Working Plan.

To ensure effective governance, collaboration, and continuous improvement, TVCA will establish a Connect to Work regional steering group. This group will build on the foundations of our initial engagement workshops and bring together key partners actively working in employment, skills, health, and community support across the region.

The steering group will meet regularly to develop, advise on, and monitor the Connect to Work programme. It will play a critical role in ensuring that delivery remains aligned with programme objectives and that decisions are informed by evidence and lived experience.

Key Functions of the Group:

- Development, delivery, and monitoring of interventions, including the design of delivery models that support the achievement of CTW outcomes
- Safeguarding and engagement of service users, ensuring inclusive and trauma-informed approaches
- Marketing and communications, ensuring consistent messaging and effective outreach
- Risk management, including identification, mitigation, and escalation of delivery risks

Proposed Membership:

- Tees Valley Combined Authority
- Local Authority Officers
- DWP/Job Centre Plus
- NENC ICB
- VCSE
- Public Health Representative
- Business Board Representative
- SME business representation through a membership organisation

This group will ensure that the programme remains responsive, inclusive, and strategically aligned throughout its lifecycle.

4.1 If the proposed governance structures are not yet in place, please indicate when these are likely to commence.

The proposed Connect to Work steering group will be formally established ahead of the Connect to Work programme go-live date. We plan to work with those key partners and stakeholders that have engaged with us through our development phase during the summer in preparation for the Autumn commencement.

4.2 What controls and assurance mechanisms will you put in place to ensure that all spend incurred in delivering Connect to Work is accurate, valid, and reasonable?

TVCA will implement a robust framework of financial controls and assurance mechanisms to ensure that all expenditure under the Connect to Work programme is accurate, valid, and reasonable.

These mechanisms will include:

Pre-Approval and Procurement Controls

- All programme expenditure will follow TVCA's Financial Regulations and Procurement Policy, ensuring value for money and compliance with public procurement standards.
- Spend will be subject to pre-approval processes, including budget holder authorisation and documented business cases where required.

Contractual and Grant Funding Agreements

- Delivery partners (if applicable) will operate under clearly defined grant funding or contractual agreements, outlining eligible costs, reporting requirements, and audit rights.
- All agreements will include clawback clauses and provisions for recovery in cases of ineligible or unreasonable spend.

Budget Monitoring and Reconciliation

- Monthly or quarterly budget monitoring will be conducted by the TVCA Finance Team in collaboration with Programme Managers to ensure spend is on profile and within approved allocations.
- Any variances will be investigated and corrective actions taken as necessary.

Verification and Evidence-Based Claims

- All expenditure claims must be supported by itemised evidence, such as invoices, payroll records, timesheets, and procurement documentation.
- TVCA will apply sample checks and 100% verification of high-risk or high-value transactions before approval for reimbursement or reporting.

Internal Audit and Risk Management

- TVCA's Internal Audit function may undertake periodic reviews of the Connect to Work programme, focusing on financial compliance and process effectiveness.
- Identified risks will be captured and mitigated through the programme's risk register, with controls reviewed as part of ongoing programme governance.

Monitoring and Reporting

- Regular performance and financial reports will be submitted to internal governance boards and, where appropriate, to external funders or audit bodies.
- Discrepancies, emerging issues, or potential irregularities will be escalated through agreed reporting lines and addressed promptly.

TVCA will implement a structured and proportionate assurance and payment control regime aligned to our Assurance Framework, ISO 31000-aligned Risk Management Strategy, and the expectations outlined in paras 2.3–2.4 of the DWP Technical Note.
Definition of High-Risk / High-Value Transactions – a transaction will trigger 100% pre-payment verification where it meets one or more of the following:

- Value Threshold: Transactions over £10,000 (per item or cumulative monthly category spend per provider).

- New Delivery Partner: First claim submitted by a newly procured delivery partner.
- Known Risk: Any partner flagged with amber/red status on the risk register or with prior financial compliance issues.
- Complex or Novel Activity: Spend items falling outside standard categories or involving exceptional approvals.

Sample checks – Minimum Frequency and Size

- All claims will undergo desk-based verification of summary data and consistency checks against budget forecast and delivery profile.
- A minimum 10% sample (by value) of transaction lines will be verified for all claims below the high-risk threshold.
- Higher sampling rates will be applied when:
  - There is underperformance or delivery risk.
  - Claims show significant variance (>10%) from profile.
  - Output and outcome achievement is inconsistent with reported expenditure.

This methodology ensures coverage across delivery partners and cost types over time and enables proactive management of emerging risks.

4.3 What controls and assurance mechanisms will you put in place to ensure that the quality of delivery of Connect to Work, is of the required standard and how frequently will this be reviewed?

TVCA will put in place a programme management plan and process for the Connect to Work programme.

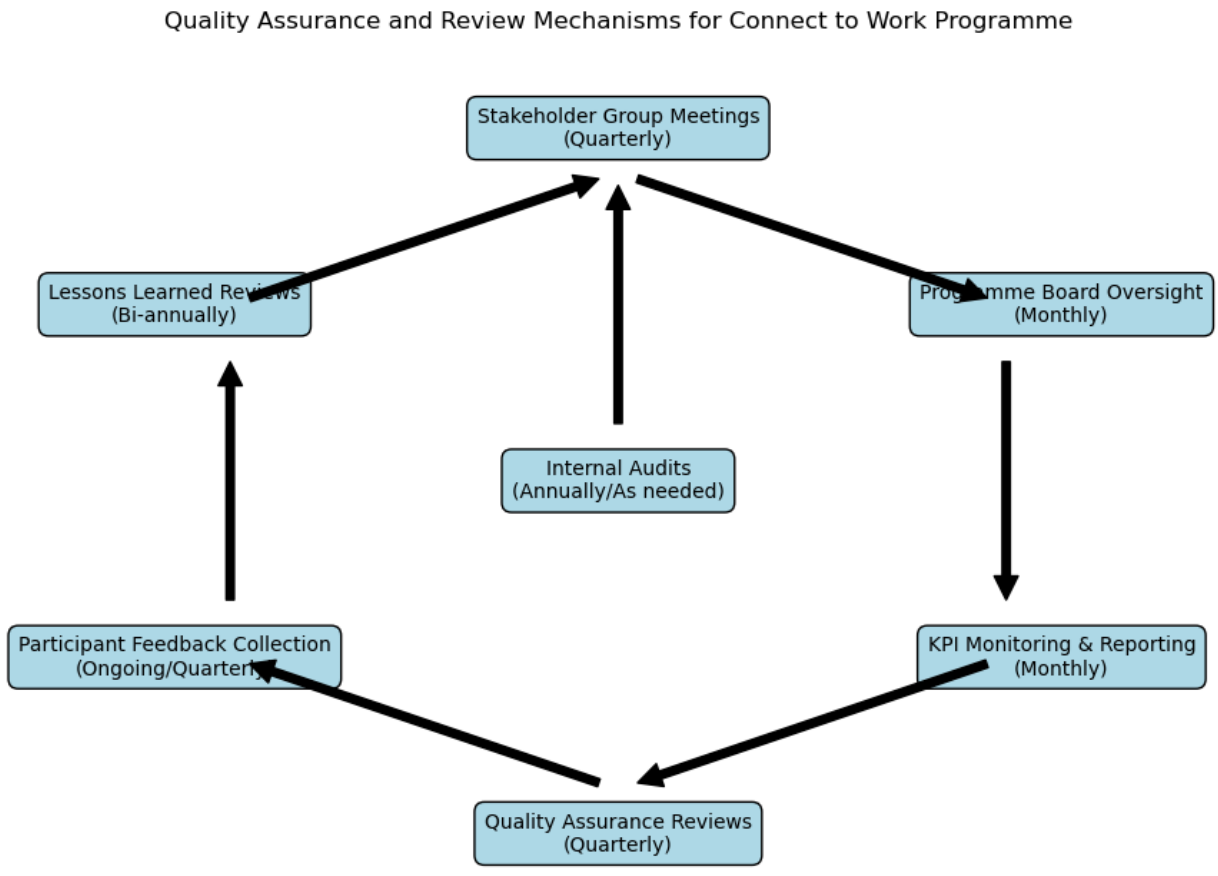
TVCA will deploy dedicated resources to oversee the development and delivery of the Connect to Work programme:

- Senior Responsible Owner (SRO): Director of Business Solutions.
- Head of Business Solutions (HoS): strategic leadership and operational oversight for the Business Solutions function, ensuring alignment with organisational goals and priorities leading programme delivery.
- Business Solutions Manager: thematic lead for the Connect to Work with strategic oversight for the programme reporting to the HoS.
- Programme Manager: Reports to the SRO; responsible for day-to-day programme management, ensuring delivery is on time, on budget, and within risk tolerances.
- Co-ordinator: Acts as liaison across the Tees Valley, engaging directly with delivery partners and local authorities.
- Performance, Risk & Assurance Officer: Manages performance monitoring, claim submissions, DWP returns, and payment processes.
- Delivery Support: TVCA will provide internal specialist support (legal, finance, procurement, comms).
- External Delivery: Key workers (via procured services) will support participant engagement and programme outcomes

The plan will include:

- Quarterly quality review conducted by TVCA's programme management officer (PMO) to assess delivery quality, compliance, and participant experience.

- Spot checks and deep dives targeted reviews of delivery sites, participant files, and case management practices.
- Participant feedback through regular surveys and focus groups to gather insights and inform service improvements.
- Contractual and compliance controls through grant funding agreements clearly define delivery expectations, quality standards, and escalation procedures.
- Audit and Compliance Checks through periodic audits to ensure adherence to safeguarding, data protection, and financial regulations.
- Corrective Action Plans required where performance or quality falls below agreed thresholds.
- Continuous Improvement through lessons learned reviews conducted bi-annually to capture insights and adapt delivery models.
- Equality Impact Assessments (EIAs) through ongoing assessments to ensure inclusive and equitable delivery.
- Staff Development through ongoing training for delivery staff in safeguarding, trauma-informed practice, and inclusive service delivery.



Internal Audit Timing & Frequency - TVCA will utilise TIAA (its internal audit provider) to undertake assurance reviews at three key stages of the Connect to Work programme lifecycle:

- Pre-Implementation Review (Q3 2025):
  Assess readiness to deliver, focusing on governance, project planning, risk management and eligibility controls.

- Mid-Year Delivery Audit (Q1 2026):
  Focused on financial compliance, claims validation, performance monitoring, and fraud controls.
- Post-Delivery Review (Q3 2026):
  Evaluate outcomes achieved vs. planned, evidence of defrayal and outputs, compliance with grant conditions, and lessons learned.

Determining the Level of Detail - the level and scope of internal audit will be risk-based, determined by:

- Government guidance on assurance and fraud prevention, including DWP's Technical Notes for Trailblazer programmes.
- TVCA's Assurance Framework, focusing on materiality, complexity and risk of programme elements.
- Emerging risks, such as underspend, underperformance, supplier concerns, or compliance issues.
- Key Areas of Focus - audit reviews will examine:
  - Eligibility and gateway controls
  - Evidence requirements and retention
  - Financial defrayal and payment processing
  - Subsidy control
  - Performance monitoring and data accuracy
  - Third-party delivery partner compliance
  - Risk management and escalation

Reporting and Action Tracking - TIAA will provide formal reports with RAG-rated findings and recommendations. Actions will be tracked through TVCA's performance and assurance team, with quarterly updates to the Audit & Governance Committee. Where necessary, findings will be escalated to funding departments (e.g. DWP) in line with grant conditions.

4.4 How you will demonstrate continuous improvement to the quality of your services, safeguard high standards of care and create an environment in which excellence will flourish?

TVCA is committed to embedding a culture of continuous improvement and high-quality delivery across the Connect to Work (CTW) programme. This will be achieved through the following key measures:

- Robust Performance Monitoring: The Performance, Risk & Assurance Officer will track key performance indicators (KPIs) and delivery outcomes, enabling early identification of issues and opportunities for enhancement.
- Regular Review and Evaluation: Routine internal reviews and stakeholder feedback loops will inform ongoing programme refinement. Independent evaluation may be commissioned to ensure objectivity and transparency.
- Partner Engagement and Best Practice Sharing: Through the Co-ordinator role, TVCA will facilitate regular engagement with delivery partners and local authorities to share learning, identify innovation, and scale successful interventions.
- Quality Assurance Framework: A structured framework will be implemented to ensure all interventions meet agreed quality standards, with clear escalation routes for underperformance.

- Capacity Building and Training: TVCA will support continuous professional development for staff and delivery partners, ensuring the workforce remains skilled, informed, and motivated.
- User-Centred Design: Ongoing feedback from participants will shape programme development, ensuring services are responsive, inclusive, and impactful.

These measures will ensure high standards of care are safeguarded, drive continuous improvement, and create an environment in which innovation and excellence are expected and supported.

Section 5 – Performance and Management Information (MI) reporting requirements

The agreed set of MI will be essential to the effective running of Connect to Work. This will include shared MI which will be used to monitor and manage the Grant, including the agreed performance measures.

MI/data gathered will also be used to provide a source of evidence for the monitoring and evaluation of the programme, and additionally to enable wider evaluation activities such as sampling for research and impact analysis.

Please note that in this section we are referring to the collection of data/Management Information and ensuring quality across your Delivery Area.

5.0 How will you manage performance within the Accountable Body, to achieve the levels set out in your Delivery Plan, including the agreed performance measures?

The success of the Supported Employment Programme relies on a strong foundation of robust Management Information (MI) and performance assurance. MI will:

- Monitor and manage delivery and compliance under the Grant
- Enable transparent reporting to DWP and stakeholders
- Provide a reliable evidence base for evaluation and impact analysis
- Support localised delivery through integrated health, skills, and employment offers

This plan outlines a clear structure, dedicated roles, timelines, and assurance processes to ensure quality data and accountable performance management across the entire Delivery Area.

Key Components include:
Performance Management Plan
Objectives

- Ensure performance is aligned with DWP standards and local delivery needs
- Drive continuous improvement
- Enable timely interventions and corrective actions

Key Activities and Timeline

Activity	Timeline	Lead	Assurance Activities
Appoint Performance Manager	Month 1	Programme Manager	Role profile, clear TOR, sign-off
Develop KPI framework using agreed measures	Month 1–2	Performance and Assurance Manager	Internal validation, DWP consultation
Monthly performance reviews - Data	Ongoing Monthly	Performance and Assurance Manager	Data, KPI analysis against agreed targets
Monthly performance reviews – Provider	Ongoing Monthly	Programme Manager	Minutes, action logs, escalation log
Biannual performance assessment	Month 6 & 12	Independent Evaluator	QA of outcomes, external benchmarking
Contracted service monitoring	Ongoing	Performance Manager	Monthly performance review, performance dashboards

MI Collection and Quality Assurance Plan

Objectives

- Ensure accurate, timely, and complete MI from all delivery partners
- Support internal and external evaluation
- Facilitate automation where feasible

Activities and Timeline

Activity	Timeline	Lead	Quality Assurance
Appoint MI Officer	Month 1	Programme Manager	Job description and onboarding signed off
Develop and approve MI Framework	Month 1–2	MI Officer + DWP Liaison	Framework signed off with DWP
Train delivery partners on MI requirements	Month 2–3	MI Officer	Training logs, refresher sessions
Monthly MI data collection	Monthly	Providers	QA checks by Performance & Assurance Team
Monthly MI consolidation and submission	Monthly	Performance & Assurance Team	Spot checks, internal peer review
Bi-monthly internal audits of MI	Bi-monthly	MI Officer	Audit reports, improvement actions

Reporting to DWP to ensure that DWP receives the necessary data and insights to assess progress, compliance, and impact.

Report Type	Frequency	Lead	Contents
Monthly MI Reports	Monthly (by 5th WD)	Performance & Assurance Team	Aggregated metrics (referrals, starts, outcomes, sustainment)
Quarterly Performance Reports	Quarterly	Programme Manager	Summary of performance, risks, resolutions, local insights

Mid-Year Evaluation	Month 6	Independent Evaluator	Narrative assessment, impact analysis, sampling strategy
Ad-hoc DWP Requests	As required	Performance & Assurance Team	Tailored extracts and analysis within agreed SLA

All DWP facing reports are signed off by the Programme Manager to ensure accountability and alignment with the Grant Agreement.

Contracted services performance standards - where services are contracted, funding agreements will include:

Component	Description
KPIs in Contracts	Referral volumes, job starts, sustained employment, time to outcome
Reporting Requirements	Monthly reports, real-time access to data systems where feasible
Monitoring & Assurance	Monthly contract performance reviews, escalation log, spot checks
Incentives / Penalties	Built-in mechanisms for underperformance and rewards for exceeded targets

Integration with local ecosystem
To ensure local embedding and devolved service delivery:

- Local mapping of services (health, employment, skills) in Months 1–2
- Establish Local Integration Forums starting Month 2, meeting quarterly
- Feed local service activity into MI and evaluation for contextualised reporting

Full RACI Matrix

Activity	Programme Manager	Performance & Assurance Team	Providers	DWP
Appoint MI/Performance Officers	A	R	C	I
Develop KPI/MI Framework	A	R	C	C
Deliver MI training	I	R	C	I
Weekly MI collection	I	C	R	I
Monthly MI consolidation and QA	I	R	C	I
Submit Monthly MI to DWP	A	R	I	C
Quarterly performance reports to DWP	A	C	C	C
Midpoint programme evaluation	A	I	I	C
Respond to DWP data requests	A	R	C	R
Audit and quality assurance of MI	I	R	C	I

Manage contracted service performance	A/R	C	I	I
Lead local service integration forums	A	C	C	I

Summary
This plan ensures:

- Full alignment with Section 5 of the Grant Guidance
- Clear accountabilities and assurance mechanisms
- Dedicated roles for performance management and MI oversight
- Reporting systems that support both local innovation and central accountability
- Consistent, high-quality data across the whole Delivery Area
- Capability for automated reporting, with costs reflected in the grant cost register

Design Change and Business Support Feedback
TVCA is committed to a transparent and proportionate approach to managing underperformance, built into our performance assurance framework and aligned with the TVCA Risk Management and Assurance Framework. Our escalation route is structured, timebound, and intended to support delivery partners to recover performance quickly while maintaining accountability.

Stage	Trigger	Action	Responsibility	Timeline
Stage 1: Identification	KPI deviation >10%, data gap, missed milestone	Issue logged in the monthly Action & Escalation Log. Discussed in the Monthly Performance Meeting	Performance & Assurance Manager	Within 5 working days of issue detection
Stage 2: Support Intervention	Continued variance in next reporting cycle	Support offer initiated (e.g. 1-1 review meeting, tailored improvement plan, peer support)	Programme Manager with provider	Within 10 working days
Stage 3: Formal Improvement Notice	No demonstrable improvement within one further cycle	Formal Improvement Notice issued with recovery plan and deadlines	TVCA Programme Director	20 working days after Stage 2

Stage 4: Strategic Escalation	Failure to implement improvement plan or systemic risk identified	Raised to TVCA Executive Leadership, potential funding clawback or delivery restructure considered	Risk & Governance, Legal, Programme regional Steering Group	Within 10 working days of escalation trigger

Where performance issues are identified, the frequency and depth of review will increase.

Condition	**Change**
KPI underperformance over 2 consecutive months	Fortnightly performance meetings until back on track
Data completeness issues or validation concerns	Weekly data quality check-ins with provider lead
Escalated issues	Added to risk dashboard with reporting to monthly Programme Board

Once corrective actions show sustained results (typically two months of green RAG status), the provider may return to the regular monthly review cycle.

5.1 How will you manage the accurate and timely collection of Management Information, including the timelines agreed in the Grant Guidance (and the Technical Note: General).

To support the effective delivery and continuous improvement of the Connect to Work Programme, a structured and accountable process for the collection, assurance, and reporting of Management Information (MI) has been established. This process is fully aligned with the requirements set out in the Grant Guidance and Technical Note: General and covers the entire Delivery Area.

Governance and Accountability
The Performance and Assurance Officer will assume the role of Management Information (MI) Officer and will be responsible for the coordination, assurance, and submission of MI. Their responsibilities include:

- Oversight of data collection from delivery partners
- Validation, consolidation, and assurance of all MI submissions
- Preparation of reports for the Department for Work and Pensions (DWP)
- Continuous improvement of data processes
- Communication of data insights to the Programme Manager, who holds overall accountability for programme performance

Each delivery partner will assign a designated MI Coordinator who will work closely with the Performance and Assurance Officer to ensure timely and accurate data submission.

MI Collection Framework and Timeline
A standardised MI Framework will be developed during Months 1–2, outlining:

- Mandatory data fields (e.g. participant demographics, referral/engagement milestones, job outcomes, sustained employment)
- Data submission formats and frequency (e.g. Excel templates, secure upload)
- Validation protocols and GDPR-compliant storage practices

Timelines:

Activity	Responsibility	Deadline
Monthly data submissions	Delivery Partners	Last Friday of the month, 12:00 PM
Data consolidation and QA	Performance & Assurance Officer	First Monday of every month, EOD
Monthly report to DWP	Performance & Assurance Officer (signed off by Programme Manager)	5th working day of each month

Quality Assurance and Compliance
To ensure data quality and compliance:

- Automated validation scripts will check for errors, omissions, and inconsistencies
- Manual sampling of submissions will be conducted monthly to verify accuracy
- Monthly peer reviews within the Performance and Assurance team will ensure internal consistency
- Bi-monthly internal data audits will assess integrity across the Delivery Area, with results logged in an MI audit tracker

All assurance activities will be documented, and improvement actions will be tracked.

Escalation and Issue Resolution
A formal Performance (MI) Issue Tracker will be maintained by the Performance and Assurance Officer to log:

- Data delays
- Inconsistencies
- Provider non-compliance

Issues will be escalated to the Programme Manager and discussed at monthly performance review meetings to ensure resolution and accountability.

Training and Partner Support

- All MI Coordinators will receive initial training during the project handover (Month 2) and quarterly refresher sessions
- A detailed Claims Handbook will be issued to all partners, including definitions, submission instructions, and QA checklists
- The Performance and Assurance Officer will provide ongoing support and act as a single point of contact for all MI and Claims queries.

This approach ensures:

- Timeliness in line with DWP expectations
- Accuracy through layered QA controls
- Accountability through defined roles and escalation paths
- Compliance with the Technical Note and Grant Guidance
- Readiness for evaluation and impact analysis across the Delivery Area

It also supports the wider ambitions of the Connect to Work programme by providing a robust data foundation to monitor performance, inform continuous improvement, and evidence local impact.

Management of Accurate and Timely Collection of Management Information (MI)
To ensure the accurate and timely collection of Management Information (MI), we have established a structured and accountable process aligned with the timelines and standards set out in the Grant Guidance and the Technical Note: General.

Dedicated Resource

- A Management Information (MI) Officer will be appointed at programme initiation to oversee all MI-related activities. This individual will act as the primary point of contact for all data collection, quality assurance, and reporting processes.
- Each delivery partner will also designate a local MI Coordinator to manage data submissions and escalate any issues.

Data Collection Framework

- An MI Framework will be developed and agreed upon during Month 1–2, incorporating all mandatory fields and definitions from the Technical Note.
- The framework will specify:
- Data types (e.g. participant demographics, engagement milestones, job outcomes)
- Submission formats
- Frequency (weekly collection; monthly consolidation)
- Storage protocols ensuring compliance with GDPR
- Timeline Management

Data will be collected monthly from all delivery partners, with submission deadlines set for the last Friday in the month at 12 noon. The central MI Officer will consolidate, verify, and review the submissions by end of day Monday, enabling timely reporting to DWP as per the agreed schedule.

- Monthly reports will be prepared and submitted to DWP within five working days of month-end.

Quality Assurance

- All data will be subject to:
- Automated validation scripts to check for missing or inconsistent entries.
- Manual sampling of data entries for cross-checking accuracy (bi-weekly).
- Regular training and guidance refreshers for MI Coordinators to maintain consistent data entry standards.
- Internal audits will be conducted bi-monthly to ensure data integrity across all sites.

Automation (where applicable)

- Where feasible, MI capture will be automated via our central case management system to reduce manual error and improve timeliness. Associated development costs have been included in the Grant Cost Return (GCR) and will be reviewed for value and effectiveness.

Escalation and Issue Resolution

- Any data discrepancies or delays will be logged in an MI Issue Tracker, with resolution actions monitored by the MI Officer.
- Persistent data quality issues will be escalated to the Programme Manager and addressed at monthly Performance Review meetings.

This structured approach ensures that MI collection is timely, accurate, and aligned with the overall goals of the Supported Employment programme and the broader evaluation framework.

Quality assurance and compliance – to ensure data quality and compliance:

- Automated validation scripts will check for errors, omissions, and inconsistencies.
- Manual sampling of submissions will be conducted monthly to verify accuracy
- Monthly peer reviews within the Performance and Assurance team will ensure internal consistency.
- Bi-monthly internal data audits will assess integrity across the Delivery Area, with results logged in an MI audit tracker.

Section 6 - Developing an integrated support offer with strategic fit to local priorities

As set out in the Grant Guidance, a key element of the Supported Employment models is that services are well embedded with other local support for the target groups and local labour market systems. The funding will be the first contribution to enabling you to stand up (over time) a wider offer to tackle inactivity, by connecting broader work, health and skills support and, in turn, supporting the Government's Get Britain Working strategy, bringing fundamental reform and transforming our relationship with local areas. Please set out your intended approach to building partnerships and integration across all appropriate local services and stakeholders

6.0 Please set out details of your current understanding of how integration with local services, including health services, is being delivered to ensure holistic support for individuals. What do you plan to do in the future, including steps to drive greater local join up between employment, health, and wider community place-based services for the target groups and in turn how do you anticipate this will improve the effectiveness of your supported employment delivery.

As set out in the Get Britain Working White Paper, local areas are required to develop local Get Britain Working Plans.

These plans will help integrate the new jobs and careers service, combining Jobcentre Plus and the National Careers Service, with wider local efforts, while also supporting better coordination across public services such as the NHS and DWP to inform future commissioning and delivery.

These plans will align with Local Growth Plans, other local economic strategies, such as the Tees Valley Employment and Skills Strategy 2022 and beyond, Local Skills Improvement Plans (LSIPs), the Northeast and North Cumbria Integrated Care

Strategy and the Northeast and North Cumbria Work and Health Strategy, currently in development.

Where the relevant Local Growth Plan sets out a shared priority of health, skills, or inactivity, this should be set out clearly in the local Get Britain Working plan.

For Tees Valley, one of the three shared priorities is Skills and Employment:

Increase the skills base and reduce economic inactivity to enable residents to rejoin or increase participation in the workforce and support them into better employment opportunities.

As the Accountable Body for Connect to Work and the local Get Britain Working Plan, for Tees Valley, the Combined Authority is working closely with our relevant Integrated Care Board to support the development of these strategies and plans.

As one of only three Health and Growth Accelerator sites in the country, NHS Northeast and North Cumbria ICB is leading the way to identify those whose health places them at risk of becoming economically inactive and then getting them the support they need.

This support has been shaped by the impact that DWP's Patient Advisor Service (PAS) caseworkers – co-located in GP surgeries – has made to help patients overcome the bio-psychosocial barriers to work that can lead to economic inactivity if left unaddressed.

Furthermore, alongside commissioning additional clinical capacity in MSK services to reduce waiting times, the ICB is working with primary care, DWP and third sector delivery partners to deliver innovative 'Work Well' services at scale (based on the tried and tested PAS model). This will use fit note data to identify a target patient cohort for early intervention and support to keep them well and keep them working, reducing health-related economic in our region.

Tees Valley is also one of eight Youth Guarantee Trailblazer areas. Young people in our region overwhelmingly cited lack of work experience as the single biggest barrier to employment. As such, the local programme will match young people to paid work placement and/or non-paid work taster opportunities and will provide all-important foundations to inform the national roll-out of the programme, ensuring all 18- to 21-year-olds in Tees Valley can access help to find work.

Building on the above, we will explore the opportunity to further align the existing work, health and skills support systems and offer with that of the local Employment Hubs model which is in place within each Local Authority to incorporate offers covering work, health and skills to fully understand if this delivery model would provide the local infrastructure and capacity to effectively deliver on the Get Tees Valley Working Plan.

Our plans under Get Tees Valley Working (umbrellas Connect to Work) will ensure effective integration between employment, health and wider place-based services to meet the holistic needs of target groups, adding value to the supported employment delivery of Connect to Work.

6.1 Please provide details of your current relationships with key partners and how you will build and develop relationships with these partners during the delivery of Supported Employment funded by this Grant, with consideration of partners for future integrated support offers. This may include health partners, the JCP, voluntary sector, and other relevant local services.

In accordance with the local Get Britain Working Plans guidance, the preparation of the Get Tees Valley Working Plan will be overseen by a formal local partnership group.

For Tees Valley, the formal partnership group is the Tees Valley Education, Employment & Skills Advisory Group.

Membership of the Tees Valley Education, Employment & Skills Advisory Group has been widened to include the NHS Northeast and North Cumbria Integrated Care Board and fully meets the membership requirements for the formal partnership.

Membership of the Tees Valley Education, Employment & Skills Advisory Group includes:

- Tees Valley Combined Authority (the accountable body)
- Constituent local authorities
- NHS Northeast and North Cumbria Integrated Care Board
- Department for Work & Pensions (DWP) / Jobcentre Plus
- Department for Education (DfE)
- Voluntary, community, and social enterprise organisations
- Education and skills providers
- Employer and business representative groups (this includes representation from the Employer Representative Body jointly responsible for the development and implementation of the Local Skills Improvement Plan within our area).

In addition to the formal oversight provided by the partnership, we will seek insights and input from wider local stakeholders. This may include local authorities with the current responsibility for delivering UK Shared Prosperity Fund, local academic institutions, social partners (including housing associations), Health and Wellbeing Boards, trade unions and citizen voices.

In-depth research into the needs of economically inactive persons has shown that an integrated, holistic systemic approach is required to respond effectively to the complex and overlapping challenges faced by this diverse cohort. Get Tees Valley Working will align DWP Trailblazer and Connect to Work funding, NHSE Growth Accelerator Funding and existing funding streams and localised support offers to form a single, cohesive employment support system. Integrated Care Partnerships will offer a key leadership forum for engagement with a broad alliance of partners concerned with the care, health and wellbeing of the population.

The proposed reforms are seeking to align at the strategic and operational level, ensure that the personalised support offer is integrated and enhanced, targeted work is undertaken with employers to activate sustainable changes in the workplace, and

the system becomes more flexible, innovative, and responsive through data integration. It will also explore innovative interventions across the health, skills, and employment ecosystem to prevent economic inactivity, particularly for those with heightened risk factors such as long-term sickness absence or ongoing health conditions.
6.2 Please provide details of how you will maintain relationships with key partners, across both the geography and full spectrum of services, to ensure regular and frequent contact throughout delivery of the programme.
he development of the Get Tees Valley Working Plan will be overseen through a formal partnership group in accordance with the government guidance. For Tees Valley, the formal partnership group is the Tees Valley Education, Employment & Skills Advisory Group. Membership of the Tees Valley Education, Employment & Skills Advisory Group has been widened to include the NHS Northeast and North Cumbria Integrated Care Board and fully meets the membership requirements for the formal partnership. At a local level we will establish a Connect to Work programme regional steering group building on the great work that we have undertaken with key partners and stakeholders through workshops and bespoke discussion sessions. This will be a central role and function in maintaining relationships with key partners at regional and local level across Tees Valley's whole geographical footprint. Engagement with stakeholders at all levels across Tees Valley Combined Authority, Additional Delivery Area Members, Health, JCP's, VCSE, service providers and wider, all coming together under an agreed shared vision and outcomes across employment, health and skills for Get Tees Valley Working is further deepening relationships with tangible willingness to integrate, collaborate and work in partnership, rather than in silos. The Get Tees Valley Working governance structure, will provide appropriate layers of governance to scrutinise performance, address barriers and manage/maintain relationships at operational and strategic level sustainably. A named individual within the team will hold responsibility for partnership and integration, ensuring consistent communication, follow-up and escalation where needed. Ongoing dialogue with the ICB and DWP, already well established through our work on the Youth Guarantee and the Get Tees Valley Working Plan, will continue to underpin joined-up delivery of Connect to Work and alignment with wider strategic priorities.
6.3 Please provide details of how this Supported Employment provision will fit strategically within your local priorities and overall plans to tackle inactivity – building towards your work, health and skills planning. Please provide information about how the Supported Employment funded by this Grant will join up with and provide additionality to local provision in your area, including pre-existing Supported

Employment or other support funded from UKSPF, WorkWell, and the Adult Education Budget.
At a local level, all interventions will collectively support the workforce lever to growth of the Tees Valley Local Growth Plan. The Tees Valley Employment & Skills Strategy 2022 and beyond, sets out our strategic approach for the successful delivery of the strategy. This is integrated into three pillars of support which are Retention, Intervention and Preparation. Retention – support for those in employment and accessing work; (our new and existing workforce and their employers). Enhancing the skillset of those in employment and ensuring that employers can clearly articulate their existing and future skills needs whilst achieving change in the skills offer to address these gaps. Intervention – support for those seeking work (our potential future workforce) Enhancing the employability of those who are close to employment and addressing the constraints faced by those more distant from the labour market as well as fulfilling that the training and support system meets the needs of local businesses. Preparation – support for those still in education and training (our pipeline future workforce). Ensuring that those still in education and training are equipped to make the right education and career decisions, and that education and training providers and employers regularly engage to ensure emerging training opportunities address current and future businesses skills demands. These three pillars of support are our ‘priority groups’ but specifically relating to Connect to Work are the priority groups under ‘retention’ (in-work) and ‘intervention’ (out of work). Connect to Work will directly support our strategic priorities to reduce economic inactivity in Tees Valley, particularly among residents with long-term health conditions. The scale of economic inactivity in Tees Valley is perhaps our biggest labour market challenge. The current rate of working-age people who are not working and not looking for work is markedly higher than the national rate and equivalent to one in four of all the working age residents in Tees Valley, compared with approximately one in five people, for the UK. In total, there are more than 105,000 working age residents who are economically inactive at this time in Tees Valley. To match the UK rate would require a regional reduction of 18,800 fewer working age people who are economically inactive. This presents a significant challenge that we propose to tackle under the umbrella of Get Tees Valley Working and related programmes. 37,400 Tees Valley residents are economically inactive because of long-term sickness. The two main discrete health conditions that contribute to economic inactivity in Tees Valley are Depression, bad nerves or anxiety (10,600) and Mental illness or other nervous disorders (7,300). Chest or breathing problems, asthma, bronchitis is third with 5,600.

Connect to Work will compliment and align with existing provision funded through, for example, UKSPF and the Adult Skills programmes by reaching those not currently supported through these programmes of support.

Programme delivery, including Connect to Work, Youth Guarantee Trailblazer, Work Well, UKSPF and Health & Growth Accelerator will underpin Get Tees Valley Working. The programmes will be overseen by the relevant programme governance structures, including the Get Tees Valley Working governance.

As previously mentioned, the development of the Get Tees Valley Working Plan will be overseen through a formal partnership group in accordance with the government guidance. For Tees Valley, the formal partnership group is the Tees Valley Education, Employment & Skills Advisory Group. Membership of the Tees Valley Education, Employment & Skills Advisory Group has been widened to include the NHS Northeast and North Cumbria Integrated Care Board and fully meets the membership requirements for the formal partnership.

An integration timeline will be developed to ensure this provision strengthens the local system and delivers a holistic, joined-up offer for participants.

Benefits of this will include:

- Simpler navigation of services for service users and referrers (including a no wrong front door approach combined with a single point of access/triage at Additional Delivery Area Member level), resulting in lower risk of people accessing the wrong service or being lost to the system
- Cohesive engagement with employers and reduced duplication of contact
- Improved data sharing resulting in better understanding of the needs of our local population, enabling targeted commissioning to meet that need
- Ongoing integrated evaluation of service delivery enabling a responsive approach to delivery.

6.4 Tell us about any challenges you may face in developing partnerships and an integrated approach to mobilising this Supported Employment and your approach to managing those challenges. Describe what, if any, support you may require from DWP in this process.

Mobilising an integrated Supported Employment model across the Tees Valley presents both opportunities and challenges. While there is strong local appetite for collaboration, several key challenges may arise.

Our systemic approach to maximising those opportunities – and managing those challenges will be under the wider umbrella of ‘Get Tees Valley Working’ – and this will be driven through the formal partnership group for the Get Tees Valley Working Plan (the Tees Valley Education, Employment & Skills Advisory Group), along with the dedicated Connect to Work stakeholder group.

In the longer term, as a Mayoral Strategic Authority, we will exercise relevant powers, functions and funding under the Devolution Framework, as set out in the English Devolution White Paper (December 2024), forthcoming English Devolution Bill.

Complexity of work, health and skills landscape

Work and skills
There are multiple services, programmes and initiatives providing employment and skills support on both the regional and local landscapes. There are often duplications with many programmes competing for the same cohort of people to support. This makes it challenging for referral sources, service providers and individuals to navigate the system. This often results in disengagement or individuals being referred to and accessing provision or services that aren't aligned with the right level or type of support to meet their needs.

The referral and enhanced triage function will help overcome this challenge. Service providers will not need to compete, and referral sources and individuals requiring support will not need to navigate the system. The referral and triage function will be able to allocate individuals to the right programme, with the right level of support and with the right provider to meet their individual needs. This will help to maximise engagement with referral sources, improve participant journey and result in better outcomes and impact.

Health
As one of only three Health and Growth Accelerator sites in the country, NHS Northeast and North Cumbria ICB is leading the way to identify those whose health places them at risk of becoming economically inactive and then getting them the support they need.

However, the NHS landscape is complex, consisting of primary care, secondary care and specialist providers/tertiary care offering national specialist services.
Within primary care, GP practices are all independent businesses, with their own lead GP partners who own their practices. GP practices are also working together in Primary Care Networks/Neighbourhoods with community, mental health, social care, pharmacy, hospital and voluntary services in their local areas in groups of practices.
Within secondary care are NHS providers of physical health care and mental health NHS providers. These are individual sovereign organisations with their own Board of Directors, specialising in providing either secondary planned or acute physical health care in hospital or community settings, or mental health care provision in acute hospital or community settings. Within this secondary care model, there are a range of clinical services provided which all have their own Operational and Clinical Management Structures, which report into their Boards. The secondary care providers and overarching primary care strategic level come together in each area through Health and Wellbeing Boards, with area councils and ICB to establish priority issues for their areas/cities, and through Health Care Partnerships, working within the Integrated Care Partnership Structures.

Complexities of the health landscape provide challenges to ensure 'consistent communications' at all levels across the system that results in effective integration of Connect to Work (particularly regional commission IPS prioritising those with health conditions).

Get Tees Valley Working governance structures will support with 'consistent communications' through its different layers of groups and boards and our approach to 'one single employment service' that encapsulates Connect to Work. This will be strengthened through targeted engagement and integration with Primary Care Networks (PCN's), individual GP practices and within secondary care physical and

mental health settings by the service provider of IPS targeting those with health conditions for the region.

Get Tees Valley Working will help with integration across health partners through to frontline and reach those requiring support to get into, remain or return to work.

Capacity
Capacity within individual local authorities can present challenges in delivering a consistent regional offer. Whilst we are committed to building a comprehensive delivery model, capacity imbalances across our ADAMs need to be considered and addressed. Capacity, particularly for partners in the voluntary and community sector, will be critical in enabling them to engage fully in programme mobilisation and delivery. Recognising the strengths of the voluntary and community sector, we will explore the opportunity to provide capacity building support, flexible funding models, and simplified reporting requirements to enable smaller organisations to be able to meaningfully contribute through our ADAMs.

We will continue to work collaboratively across our partners to ensure these challenges are managed effectively.

Fragmentation / alignment of services
There are multiple organisations operating within the work, health, and skills landscape, often with overlapping remits but all too often working in silos with limited coordination. This can lead to duplication, displacement, gaps in provision, and confusion for both service providers and service users.

Under the wider umbrella of ‘Get Tees Valley Working’, the formal partnership group (the Education, Employment & Skills Advisory Group), alongside the Connect to Work steering group will continue to map existing provision, identify overlaps, and facilitate alignment. A shared delivery framework and common referral pathways will be developed to streamline access and improve alignment and complementarity.

Partners from health, employment, and voluntary sectors may have different operating models, priorities, and performance metrics. We will invest in joint training, shared outcomes frameworks, and co-designed delivery models to build mutual understanding and trust. Regular cross-sector workshops will support relationship-building and shared learning.

Effective integration requires timely and secure data sharing, which can be hindered by legal or technical barriers. We will develop a shared data protocol aligned with GDPR and supported by secure digital platforms (e.g. monday.com). We will also explore the use of data-sharing agreements and consent-based models to facilitate collaboration.

To support successful mobilisation and integration, we would maximise the DWP supported employment implementation support offer, in particular implementation and live-running, MIS and fidelity assurance support.

At a national level, we would welcome DWP continued participation in our locally hosted events, peer learning forums, and open feedback channels in order to support effective mobilisation and ongoing integration of the Supported Employment offer.

Section 7 - Protecting Participant data

It is important for personal data to be collected, stored, and always used appropriately and securely in line with legal and statutory requirements. The Accountable Body and their Delivery Partners are required to meet established standards for data security, including UK General Data Protection Regulation (UK GDPR) and other applicable data protection legislation.
7.0 Briefly describe how you are embedding data protection by design into the design and delivery of Connect to Work.
TVCA recognises the importance of embedding data protection by design and by default. In delivering the Connect to Work programme, TVCA is committed to upholding the rights and protecting the interests of all individuals by ensuring that data is collected, processed, and stored in accordance with all relevant legislative and regulatory requirements, including the UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018. TVCA will achieve this by ensuring that all data processing and information exchange systems comply with the six core principles of data protection: Lawfulness, Fairness, and Transparency: Participants will complete an Expression of Interest (EoI) form to indicate their intention to join the programme. This form will clearly outline what data is being collected, how it will be processed, and with whom it will be shared. By submitting the EoI, participants provide informed consent for their data to be processed in accordance with the Additional Delivery Area Member (ADAM)'s privacy policy. Purpose Limitation: Data collected will be used solely for the purposes communicated to participants during the EoI process and through any additional forms completed throughout their engagement with the programme. Data Minimisation: Only data necessary to meet the Department for Work and Pensions (DWP) requirements will be collected. Any additional data will not be shared with DWP and will be processed in line with the ADAM's data protection policy. Accuracy: ADAMs will implement verification processes to ensure that participant data is accurate and complete at the point of collection. Storage Limitation: Data will be retained only for as long as necessary. Where appropriate, data will be anonymised to reduce the use of personal information unless strictly required. Integrity and Confidentiality: TVCA and ADAMs will ensure secure data handling. Reports to DWP will be transmitted securely, and personal data will be password-protected with access restricted to authorised personnel only. To further support these principles all personal data will be processed, recorded and managed through a secure, centralised participant management system. This

system will store all participant information—including consent, eligibility, interactions, and outcomes—minimising data transfers and reducing risk.

All partners will enter into formal Data Sharing Agreements, and all system users (e.g. advisors, managers, auditors) must sign an Acceptable Use Agreement prior to gaining access. This ensures a shared understanding of responsibilities, particularly regarding the handling of personal and special category data.

Access to data will be strictly role-based:

- Advisors: Access limited to their own caseload.
- Team Leaders: Access to their team's caseloads.
- Managers: Access to essential participant data for oversight.
- Programme Managers: Access only to anonymised or aggregated data for reporting and evaluation.

These measures ensure that data protection is embedded throughout the programme lifecycle from initial design to delivery promoting transparency, accountability, and the safeguarding of participant information.

The lawful bases both parties rely on for the purpose of the data sharing initiative are Article 6(1)(e) UK GDPR (public interest), Article 6(1)(c), Article 9(2)(g) UK GDPR (substantial public interest) and Paragraph 6, Part 2, Schedule 1 Data Protection Act 2018 (statutory etc. and government purposes).

An established process for participants to rectify incomplete or inaccurate data exists which is set out in the parties privacy notices.

The ADAM's shall not retain or process Shared Data for longer than is necessary to carry out the Agreed Purpose. Parties shall continue to retain Shared Data in accordance with any statutory or professional retention periods applicable to their organisations.

DPA training already forms part of organisational training for both TVCA and the ADAMs.

Each party is responsible for maintaining a record of Subject Rights Requests, the decisions made and any information that was exchanged. Records must include copies of the request for information, details of the data accessed and shared and where relevant, notes of any meeting, correspondence or phone calls relating to the request.

The AUP and associated policies will be implemented by TVCA, and a copy of the AUP will be shared.

7.1 Explain the data sharing and data governance mechanisms within your Delivery Area, to support the delivery and evaluation of Connect to Work. This work can be ongoing, but please elaborate as far as you are currently able on work undertaken so far.

TVCA recognises that effective data sharing and governance are critical to the success of the Connect to Work programme. Our approach is designed to ensure

secure, lawful, and purposeful use of data to support delivery, performance monitoring, and evaluation.

TVCA operates under a robust Data Governance Framework that includes:

- Compliance with UK GDPR and the Data Protection Act 2018.
- Privacy notices for all participants, clearly outlining how data will be used, stored, and shared.
- Data Protection Impact Assessments (DPIAs) for all new data processing activities
- Role-based access controls within digital platforms to ensure only authorised personnel can access sensitive data.

Work is on-going to understand the way in which data will be collected, processed and shared by the ADAM for the programme. It is anticipated that the ADAMs will be the Data Controllers for the purposes of the Connect to Work programme as they will be the first contact with the participant and will receive and process the personal data for the purposes of checking programme eligibility and suitability. We anticipate that TVCA and the lead ADAM will be Independent Data Controllers.

As briefly outlined in section 7.0 above, the ADAM will host a webpage which will take the potential participant to an Expression of Interest form (EoI). The potential participant will be required to complete the EoI to indicate their intention to participate in the programme and will need to provide personal data which will be used to verify their eligibility to participate in the programme.

It is intended that TVCA will have a webpage however this itself will not collect any personal data from participants and will only be a 'landing page' to direct the potential participants to each of the ADAM's webpages to complete the EoI. This work is ongoing and includes:

- Finalising DSAs with all partners.
- Aligning data collection with DWP and national evaluation frameworks
- Exploring integration with existing systems (e.g. LA case management tools, NHS data where appropriate)
- Establishing a Data Governance Subgroup under the Stakeholder Group to oversee compliance and continuous improvement

We foresee EOI data to be generated through the TVCA website and automated to be received by the lead ADAM where the ADAM will store the EoI data through a shared CRM platform Monday.com. The lead ADAM will then share selected data with the ADAM who has responsibility for the participants support journey. For reporting purposes the lead ADAM will then share data back to TVCA to share with DWP.

TVCA will have an overarching role in data governance, and this is principally established via the use of Data Sharing Agreements.

7.2 As the Accountable Body for your Delivery Area, it will be your role to ensure that the required Data Sharing Agreements (Agreements) are in place with (and where necessary, between) Delivery Partners, so that data can be shared for

delivery and evaluation purposes, including sharing data with DWP. Please advise where Agreements are already in place or, where these are not yet agreed, outline what plans are in motion to put these in place.
Prior to any sharing of data, TVCA will ensure that there is an appropriate data sharing agreement in place with the lead ADAM in order to ensure that data sharing is regulated and is in compliance with all applicable data protection legislation. This will ensure that data can be shared by the ADAM with DWP. Data sharing agreements with local authorities and their contracted partners exist in relation to UKSPF People and Skills and will be established for the Connect to Work programme. The required data sharing agreement is not yet in place with the ADAM however this will be entered into before delivery of the programme and such requirement will be an obligation in the ADAM's funding terms. The system to be used is a web-based Work OS platform and 3rd parties will be provided with 'guest' access for collaborating, we are using the same platform for the Youth Guarantee Trailblazer.
7.3 Provide details of the procedures and systems that you plan to deploy, to ensure that Participant information is being stored securely at all times.
Work is on-going to determine what systems will be used to store participant data and how this will be accessed by TVCA. Any system deployed by TVCA to assist in storing and processing participant data will comply with data protection legislation. The system to be used is a web-based Work OS platform and 3rd parties will be provided with 'guest' access for collaborating. System requirements include: • Role-based access controls with two-factor authentication • ISO 27001 accreditation • Encryption of data at rest and in transit using industry-standard protocols (e.g. AES-256, TLS 1.2+) • GDPR Compliant • Routine monitoring and audit logging of access to Shared Data • Staff training on data protection and cybersecurity awareness • Business continuity and disaster recovery plans that include data protection measures • The system will have version control where actions will be monitored and change history is recorded.

Section 8 – Subsidy control

The following questions relate to subsidy control. Connect to Work is not intended to be a subsidy (as defined in the Subsidy Control Act 2022) and therefore DWP needs assurances from the Accountable Body and its Additional Delivery Area Members

that the Grant will not constitute “financial assistance that confers an economic advantage on one or more enterprises”. Please detail and provide DWP with responses to the questions set out below together with sufficient evidence (if appropriate) to substantiate the responses given, to provide assurance to DWP that either a) no or only minimal economic activities are undertaken by the Accountable Body and each Additional Delivery Area Member); or b) any funds that may be granted under Connect to Work will be adequately ringfenced from any economic activities the Accountable Body and each Additional Delivery Area Member carries out. An “economic activity” for these purposes means the offering of goods or services on a market. Further detail on subsidy control, economic activities and ringfencing can be found here: https://assets.publishing.service.gov.uk/media/658025b295bf65000d719140/uk_subsidy_control_regime_statutory_guidance.pdf Please provide responses in respect of the Accountable Body, and each Additional Delivery Area Member. DWP reserves the right to raise further questions if needed to establish whether or not any funding may constitute a subsidy and ultimately decide not to award the Accountable Body the Connect to Work Grant.		
8.0	Is the Accountable Body or any Additional Delivery Area Member involved in any economic activities? **NB**. for the avoidance of doubt we do **not** consider ‘in-house’ delivery (i.e. for themselves and not commercial in purpose) by Accountable Bodies or Additional Delivery Area Members to be ‘economic activities’ as these services are not being offered on a market (as per the definition above) and they are not acting for a commercial purpose. The Local Authorities/ADAMs will primarily be delivering in-house, and this is not a subsidy under the Subsidy Control Act. The grant from Connect to Work will not constitute "financial assistance that confers an economic advantage on one or more enterprises." The grant is classified as in-house delivery as stated in the above guidelines through the lead ADAM and Tees Valley Local Authorities. Where specialist services are commissioned by the lead ADAM an award would be below the Minimal Financial Assistance (MFA) threshold for Subsidy Control. In addition, the process would be controlled at	Yes

	all stages by experts from the ADAM with information provided to TVCA to ensure this complies with Public Procurement and Subsidy Control Law.	
8.1	If the Accountable Body or any Additional Delivery Area Member is involved in any economic activity, what proportion of the Accountable Body's or Additional Delivery Area Member's capacity do the economic activities constitute?	
	This proportion of AB and ADAMs capacity involved in economic activities is not quantifiable – see answer to 8.2 below.	
8.2	Please provide a description of the Accountable Body's or the Additional Delivery Area Member's economic activities and how they relate to activities proposed to be funded under the Connect to Work Grant (including any areas of overlap).	
	Each of the AB and the ADAMs are engaged in very minimal economic activities as is the case with any local authority in terms of, for example, the provision of town centre parking. The income from such activities is entirely negligible (so negligible that it is not possible at this point to quantify) and we can confirm in no case would it mean that any of the AB or ADAMs would constitute an enterprise for the purposes of the Subsidy Control Act in relation to the Connect to Work grant funding.	
8.3	What measures, if any, will the Accountable Body's or the Additional Delivery Area Member implement in order to ring-fence the Connect to Work Grant funding from the Accountable Body's or the Additional Delivery Area Member's economic activities?	
	The grant funding for the Connect to Work programme will be entirely ringfenced from any economic or other activities of the AB and the ADAMs because it will be held under a separate ledger and budgeting stream and be managed by its own account manager. Funding and drawdowns from that budget will only be made upon approval from the relevant budget manager and will be fully accounted for. In the event that Hartlepool Borough Council, as lead delivery partner, appoints a third-party organisation to assist in delivering part of the programme, the local authority will be required to comply with all public procurement and subsidy control law which may involve a full procurement exercise, direct award from a framework or any other compliant public procurement procedure. Compliance with public procurement and subsidy control law is a legislative requirement of the Accountable Body and Hartlepool Borough Council in any event but TVCA will ensure that this is an express term of the Council's funding.	

Section 9 – Accountable Body declaration

By submitting this Delivery Plan signed by an authorised representative, the Accountable Body confirms that:

- The information set out in the Delivery Plan is accurate and true.
- The Accountable Body is the lead local authority applying for the Connect to Work Grant on behalf of the Delivery Area. As such, the Accountable Body confirms that it is appropriately empowered by legally authorised Additional Delivery Area Members to deliver the Connect to Work service proposed in the Delivery Plan. This includes due consideration of the mechanisms available to them to deliver the Connect to Work service.
- It will put in place its own arrangements across the Delivery Area.
- It is committed to completing and collecting MI as part of delivering a Connect to Work service (see section 'Management Information (MI) and Reporting Requirements' of the Grant Guidance for further details).
- It is committed to participating in a regional/national network to share good practice between other Accountable Bodies' delivering Connect to Work.
- It is committed to delivering Connect to Work in accordance with the final Grant Funding Agreement between the DWP and the Accountable Body.

Signature:

Name and position of authorised representative:	Tom Bryant Chief Executive, Tees Valley Combined Authority
Date: 13/08/2025	

For and on behalf of the Accountable Body

Agenda Item 13

Report to the TVCA Cabinet

26 September 2025

Report of the Interim Director of Business Solutions

ADULT SKILLS UPDATE

SUMMARY

This report provides a progress update on the development of the approach to the delivery of adult skills provision from the 2026/27 academic year.

In June 2025, Cabinet received papers which outlined the approach that TVCA would take to working with partners and stakeholders in this development phase. A series of co-design workshops have subsequently been undertaken with senior stakeholders in recent months to build collective understanding of the evidence of need for adult skills provision in the region and to design a proposed strategic and prioritised model for future delivery.

The final recommendations will be presented to Cabinet for approval in December 2025.

RECOMMENDATIONS

It is recommended that the TVCA Cabinet:

i. NOTES the update and that a further report on the proposed approach will be reported to Cabinet in December 2025.

DETAIL

Approach to Adult Skills from 2026/27 Academic Year

1. As a reminder, from the 2026/27 academic year, it is expected that the Combined Authority will receive a fully devolved 'single pot' for adult skills. This single pot is anticipated to include the existing devolved Adult Skills Fund, along with the Level 3 Free Courses for Jobs and Skills Bootcamps funding. Currently, these are separate, ring-fenced, and individually grant-funded budgets. This will provide greater flexibility to tailor the adult skills provision to the needs and characteristics of our region.

2. It should be noted that the Department for Education has indicated the possibility of a further Wave 7 of Skills Bootcamps funding, scheduled for delivery from 1 April 2026 to 31 March 2027. This is yet to be confirmed.

3. As outlined in the June Cabinet paper, a series of workshops have been held with key stakeholders to begin shaping the approach to adult skills provision for the 2026/27 academic year.

4. Participants at each workshop have included senior representative officers from the five Tees Valley Local Authorities, the Department for Work and Pensions (DWP), the Department for Education (DfE), Tees Valley Further Education Colleges, the NHS, Independent Training Providers, and the Employer Representative Body for the Local Skills Improvement Plan, the North East England Chamber of Commerce (NEECC). The TVCA Cabinet Portfolio Holder for Education, Employment & Skills, Cllr Lisa Evans, Chaired each session.

5. Feedback from attendees has been very positive. Stakeholders felt that the workshops were well-structured, provided valuable opportunities for collaboration and discussion, and demonstrated strong commitment from partners, including TVCA.

6. Workshop 1: "Why" was held on 10 June 2025. The aim was to develop a shared understanding of the evidence base of skills needs and workforce requirements to inform priorities for future adult skills investment.

7. Attendees were presented with an overview of both the national and local policy context, including the emerging Tees Valley Local Growth Plan, the emerging Get Tees Valley Working Plan, and the existing Tees Valley Employment and Skills Strategy.

8. The workshop also presented the local evidence base and key messages—highlighting opportunities, challenges, and skills needs analysis. The presentation can be found in appendix 1.

9. Key outcomes from Workshop 1 included:

    - Agreement that decisions must be evidence-led and aligned to the intended impact.
    - Agreement that, alongside a universal offer, provision should be locally targeted where levels of need are high.
    - Agreement that investment should focus on the areas of greatest need to support achievement of the Tees Valley's 80% employment rate target by 2025.
    - Broad consensus that all sectors identified in the Local Growth Plan should be supported and that skills delivery should be aligned with sector needs.
    - Consensus that there is a need to stimulate greater and more consistent employer investment in higher-level skills.
    - Consideration of potential employer incentives to support job creation.
    - Support for more bespoke, employer-led training that combines technical and soft skills.
    - Recognition that the Adult Skills Fund is only one part of the solution; alignment with other programmes and funding – such as those led by the Department for Work & Pensions – is essential to avoid duplication or displacement.

10. Workshop 2: “What” took place on 23 June 2025. Its purpose was to reach a collective agreement on the priorities for investment. Attendees were asked to identify the skills programmes they believed should be prioritised linked to the evidence base.

11. During this session, rich discussions took place, and some emerging priorities were identified and tested but it was agreed that a further workshop was required to fully consider a prioritised programme of investment. TVCA officers were asked to develop a proposed portfolio of skills programmes for investment, based on the discussions and insight generated so far, as a provocation for the follow-on workshop.

12. This follow-on workshop (Workshop 3: “What”) was held on 22 July 2025 where TVCA Officers presented a proposed programme of adult skills programme for investment, which responded to the evidence base and linked back to the Employment and Skills strategy pillars of intervention and retention.

13. Consensus was reached regarding the proposed programmes for investment, including the proposed metrics for the outputs and outcomes.

14. Table 1, below provides a summary of the rationale for and intended impact of the emerging proposal for a prioritised Adult Skills programme which address the Employment & Skills Strategy’s objective of providing support for those seeking work:

Table 1.

Challenge/ Opportunity	Skills Programme for Investment	Outputs	Outcomes	Impact
8% of adults in the Tees Valley have no qualifications and this is higher in some geographical areas.	“Pre Legal Entitlement” A targeted approach aimed at engaging with those adults to break down barriers to learning, build confidence and raise aspirations.	Learner Participations Participations at defined targeted areas	Progression to formal learning Achievement of qualifications at entry level or above English, maths, digital	Reduce the number of adults (19+) who have no qualifications. Reduce local imbalances across Tees Valley.
Close the gaps in the Tees Valley skills base v National skills at level 1, 2 &3	“Legal Entitlement” Universal offer to adults aged 19+ who do not already have English,	Learners participating Learners achieving a qualification	Progression to further learning/higher level learning	Close the skills gaps at level 1,2&3 in Tees Valley v National

Challenge/ Opportunity	Skills Programme for Investment	Outputs	Outcomes	Impact
	maths and digital qualifications to level 2. Extend the first full level 2 and level 3 offer to all adults aged 19+.		Progression into employment	
Increase the employment rate in the Tees Valley	"Pathways to Employment" Aimed at moving those unemployed who are actively seeking employment into employment or closer to employment. Tailored programmes relevant to the sector and learner needs. Including Bespoke Employer Led Skills Programmes. ESOL	Learner participations Achievement of qualifications/skills (levels 1, 2 & 3) Universal and targeted to geographical areas	Progression to employment Progression to further learning/higher level learning (to move closer to employment)	To match the government ambition of 80% employment rate by 2035 and reduce regional unemployment.
Increase the employment rate in the Tees Valley	Employer-led "Adult Scholarships" aimed at	Learner participation Universal and targeted to	Progression to employment	To match the government ambition of 80%

Challenge/ Opportunity	Skills Programme for Investment	Outputs	Outcomes	Impact
	moving unemployed into new entrant roles in key sectors such as Advanced Manufacturing, Construction and Digital and Creative Industries Longer programmes up to 26 weeks.	geographical areas Achievement of qualifications/skills up to level 3	Progression into further learning/higher level learning to move closer to employment)	employment rate by 2035 and reduce regional unemployment

15. Below in Table 2 is a summary of the Adult Skills programmes for investment that will support the pillar of retention set out in the Employment and Skills strategy that aims to support those in employment, those entering work and their employers:

Table 2.

Challenge/Opportunity	Skills Programme for Investment	Outputs	Outcomes	Impact
Increase the number of Tees Valley adults achieving qualifications/skills at Level 4+	Access to Higher Education – aimed at enabling adults to access level 3 course to support them to progress to Higher Education	Learner participation Level 3 qualifications achieved	Progression into Higher Education (Level 4+)	Close the skills aps at level 4 in Tees Valley v Nationally
Increase the number of Tees Valley adults achieving qualifications/skills at Level 4+	"Skills for Growth" (The skills escalator) Skills programmes aimed at those in employment. Bespoke employer led programmes	Learner participation Development of workforce plans Qualifications achieved at	Progression to higher level skills Sustained employment Employer satisfaction	To match the 49% of all jobs requiring higher level skills (L4+) by 2035 To match the

Challenge/Opportunity	Skills Programme for Investment	Outputs	Outcomes	Impact
	Sector led Levels 2, 3, 4 & 5 Co-funded to stimulate investment To include a flexible support fund	level 2, 3, 4 & 5	Jobs secured	percentage increase in sectoral skills requirements (e.g. 8% increase in Modern, Industrial & Technology Cluster)

16. Integrated throughout the approach proposed above, mechanisms of support will be funded to remove barriers to engagement which people may otherwise experience e.g. costs of transport, childcare, specific learning needs etc.

17. From this third workshop, it was agreed that TVCA would take forward the following actions:

- Further map the proposed skills programmes against other support programmes e.g. DWP;
- Undertake a financial modelling exercise against the proposed programmes of investment and the outcomes to be achieved, to support the prioritisation;
- Include additional outcome measures to reflect employer feedback, sustained employment and impact on the business;
- Incorporate an individual employer diagnostic and consider a menu of flexible support options to address their skills needs;
- Consider how the Government announcements relating to the Growth and Skills levy could support co-investment in skills from employers;
- More emphasis on employer/cluster led specifically for the Reset and Reskill, and Adult Scholarship programmes;
- Map other local and national support, including funding, that is available for those learners where English is a second language (English for Speakers of Other Languages -ESOL) and who have not yet been identified as eligible to live and work in the UK through the Home Office processes.

18. A further workshop that was planned for the 27 August 2025, will now take place in late September /early October due to summer annual leave. The workshop will focus on “How” the proposed programme will be delivered and will consider:

- the funding model options, including multi-year funding where possible;
- how we move into a more outcome, job ready based model; and
- how we secure the most appropriate high-quality skills providers to meet the local skills needs. This will include consideration of grant funding and procurement,

considering the Procurement Act 2023 and the new procurement regulations that came into force from the 24 February 2025.

FINANCIAL IMPLICATIONS

19. There are no financial implications associated with this paper, as it is for update purposes only. All future financial decisions regarding the 2026/27 provider allocations will be presented to Cabinet for approval in due course.

LEGAL IMPLICATIONS

20. There are no legal implications associated with this paper, as it is for update purposes only.

21. All future decisions regarding the agreed to approach to the investment of adult skills will take full account of all legal requirements.

RISK ASSESSMENT

22. This report is for information and update purposes only. A full risk assessment will be carried out prior to any final decisions regarding the proposed approach to investing in adult skills.

CONSULTATION & COMMUNICATION

23. Over recent months, a series of collaborative stakeholder workshops have been held. Core participants have included representatives from the Education, Employment and Skills Advisory Group: the five Tees Valley Local Authorities, the Department for Work and Pensions (DWP), the Department for Education (DfE), Tees Valley Further Education Colleges, the NHS, Independent Training Providers, and the Employer Representative Body for the Local Skills Improvement Plan, the NEECC.

24. The workshops have been chaired by the TVCA Cabinet portfolio lead, Cllr Lisa Evans who is also the chair of the Education, Employment and Skills Advisory Group.

25. Updates from the workshops have been taken to the full meeting of the Education, Employment and Skills Advisory Group.

EQUALITY & DIVERSITY

26. The process to shape the adult skills provision from the 2026/27 academic year will continue to take into consideration the equality and diversity impact of the specific skills programmes to be funded through the future adult skills budget.

27. All training funded by the Adult Skills Fund will continue to be accessible to all Tees Valley residents aged over 19 regardless of special characteristics.

Appendices

Appendix 1 – Shaping Adult Skills from 2026/27

Name of Contact Officer:	Jacqui Banks
Post Title:	Business Solutions Manager (Skills)
Telephone Number:	01325 792600
Email Address:	Jacqui.banks@teesvalley-ca.gov.uk

Agenda Item 13, Appendix 1
Report to the TVCA Cabinet
26 September 2025
Report of the Interim Director of Business Solutions

Shaping Adult Skills from 2026/27

10 June 2025

Agenda

12:00 noon	Arrival and lunch
12:30-12:40	Welcome and Introduction to the Workshop (Lisa Evans, Chair)
	- Purpose of the Workshop
	- Adult Skills Funding (Jacqui Banks, Business Solutions Manager)
12:40-12:50	Setting the Scene – National and Local Policy
	- Stephanie Rose, TVCA Policy Development Manager
12:50-13:10	**Activity 1 – Where should we target our adult skills investment?** (Chair)
13:15-14:00	Evidence Base – Presentation and Discussion
	What is the evidence telling us?
	Where are the Opportunities and Challenges?
	- Anthony Ruddy, TVCA Economic Intelligence Manager (30 mins)
	- Lisa Evans, Chair (15 mins for discussion before Activity 2)
14:00- 14:50	**Activity 2 – Where should we target our adult skills investment?** (Chair)
	Feedback from groups / tables (Chair)
14:50-15:00	Actions and Next Steps (Chair)
	Close

TEES VALLEY

Purpose of the workshop

- This is the first of 3 workshops where we will begin to shape how we should prioritise the investment into Adult Skills from 2026/27 academic year.

- This purpose of this first workshop will be to review the evidence base and consider what the data and intelligence is telling us and consider this alongside other national policy and programmes that are in development.

- By the end of this session we are aiming to have a shared understanding of the priorities for adult skills which will then be taken into the workshop 2.

Adult Skills Funding 2026/27

- Skills System is wider than Adult Skills (19+)
- Need to consider this and the wider delivery partners to ensure we have the skills pathways for our local residents and employers
- Single Funding Pot - From 1 August 2026
- Fully devolved (no ring-fencing)
- Combines:
    - Adult Skills Fund
    - Level 3 Free Courses for Jobs
    - Skills Bootcamps (up to an including level 5)

Policy context – national and local

Stephanie Rose, Policy Development Manager

Tees Valley Combined Authority

National Policy Overview

Government's 5 National Missions & Prime Minister's Plan for Change						
The Growth Mission – Kickstart Economic Growth Raising living standards in every part of the United Kingdom						
Economic and fiscal stability	Investment, infrastructure and planning	**Place**	**People**	**Industrial strategy and trade**	Innovation	Net Zero
Macroeconomic and financial stability, fiscal sustainability and policy certainty.	Higher public and private investment, improved infrastructure like transport, and planning reform	**Regional growth through investment, devolution and reform, and support for house building.**	**More people in good jobs and improved employment prospects, skills and productivity.**	**An industrial strategy and trade to bolster growth-driving sectors and free, open trade.**	Support for scientific breakthroughs, research and development, and the diffusion of technologies including AI.	Net zero delivered in a way that supports growth and captures economic opportunities.

National Policy Overview

The Growth Mission – Kickstart Economic Growth

Raising living standards in every part of the United Kingdom

Place

Regional growth through investment, **devolution** and reform, and support for house building.

People

More people in **good jobs and improved employment prospects, skills and productivity.**

Industrial Strategy

An **industrial strategy** to bolster **growth-driving sectors** and free, open trade.

English Devolution White Paper

(Published December 2024 – Bill expected before Summer Recess 2025)

Legislation to give **new powers** to Metro Mayors and Combined Authorities. This will support **Local Growth Plans** that bring economic benefit to communities.

'Areas of Competence'

1. Transport and local infrastructure
2. Skills and employment support
3. Housing and strategic planning
4. Economic development and regeneration
5. Environment and climate change.
6. Health, wellbeing and public service reform
7. Public safety

Get Britain Working White Paper

(Published November 2024)

Long-term ambition to achieve an 80% employment rate.

The approach is based on 3 pillars:

1. a **modern industrial strategy** and **Local Growth Plans** – to create more good jobs in every part of the country
2. improving the **quality** and **security** of work through the **Plan to Make Work Pay**
3. **reforms to employment support**, **bringing together skills and health** to get more people into work and to get on in work

Invest 2035: the UKs Modern Industrial Strategy and Sector Plans

(Published October 2024 – final strategy and sector plans expected to be published June 2025)

Aim is to create a pro-business environment and play to the UK's strengths, focusing on eight growth driving sectors:

advanced manufacturing,
clean energy industries
creative industries
Defence
digital and technologies;
financial services;
life sciences; and
professional and business services.

Local Policy Context

English Devolution White Paper	Get Britain Working White Paper	UK Industrial strategy and sector plans
<u>Tees Valley Local Growth Plan</u> **Core Elements** • An **economic overview** of our region • Our **shared local growth priorities** • An **investment pipeline** **Strategic Planning Framework** • **5 High-level Growth Priorities** • Constraints to Growth **Joint Shared Priorities** • **Skills and Employment** • Transport • Housing and Commercial Development **<u>Spatial Development Strategy</u>** (see also Planning & Infrastructure Bill)	**Local Get Britain Working Plans (Work, Health & Skills)** **<u>Get Tees Valley Working Plan</u>** Local GBW plans are **data driven strategies** for the area – developed and agreed collectively by Local Government, ICB, JCP, key and wider stakeholders. **Government funded programmes**: • 8 Economic Inactivity Trailblazers • **8 Youth Trailblazers** • **NHS Health & Growth Accelerators** • **Connect to Work – Supported Employment programme**	**Tees Valley Sector Propositions** • Modern Industrial & Technology Cluster • Advanced Manufacturing • Creative Industries and Digital Technologies Cluster

Tees Valley Local Growth Plan – Aim

“Securing sustained and inclusive growth to exceed the UK growth rate - building on our success to date, to power a diverse and balanced economy, with job growth and productivity gain that creates opportunities for everyone.”

Long-Term

Co-developed with Government & Business

Integrated & Flexible Delivery

Focus on Outcomes & Impact

Connected Inclusive Region

Diverse, Balanced, Sustainable Economy

Tees Valley Local Growth Plan - Impact

Annual Tees Valley GDP growth will be +0.3%:

To match the UK rate going forward

10,080 more business created

To match the UK business density rate

37, 000 more working-age residents needed in employment

To match the government ambition of 80% by 2035

Increase the skills of Tees Valley residents

To at least match the UK rate

Improved life chances & inequality gap closed

Improved health outcomes for Tees Valley residents

LGP Strategic Planning Framework

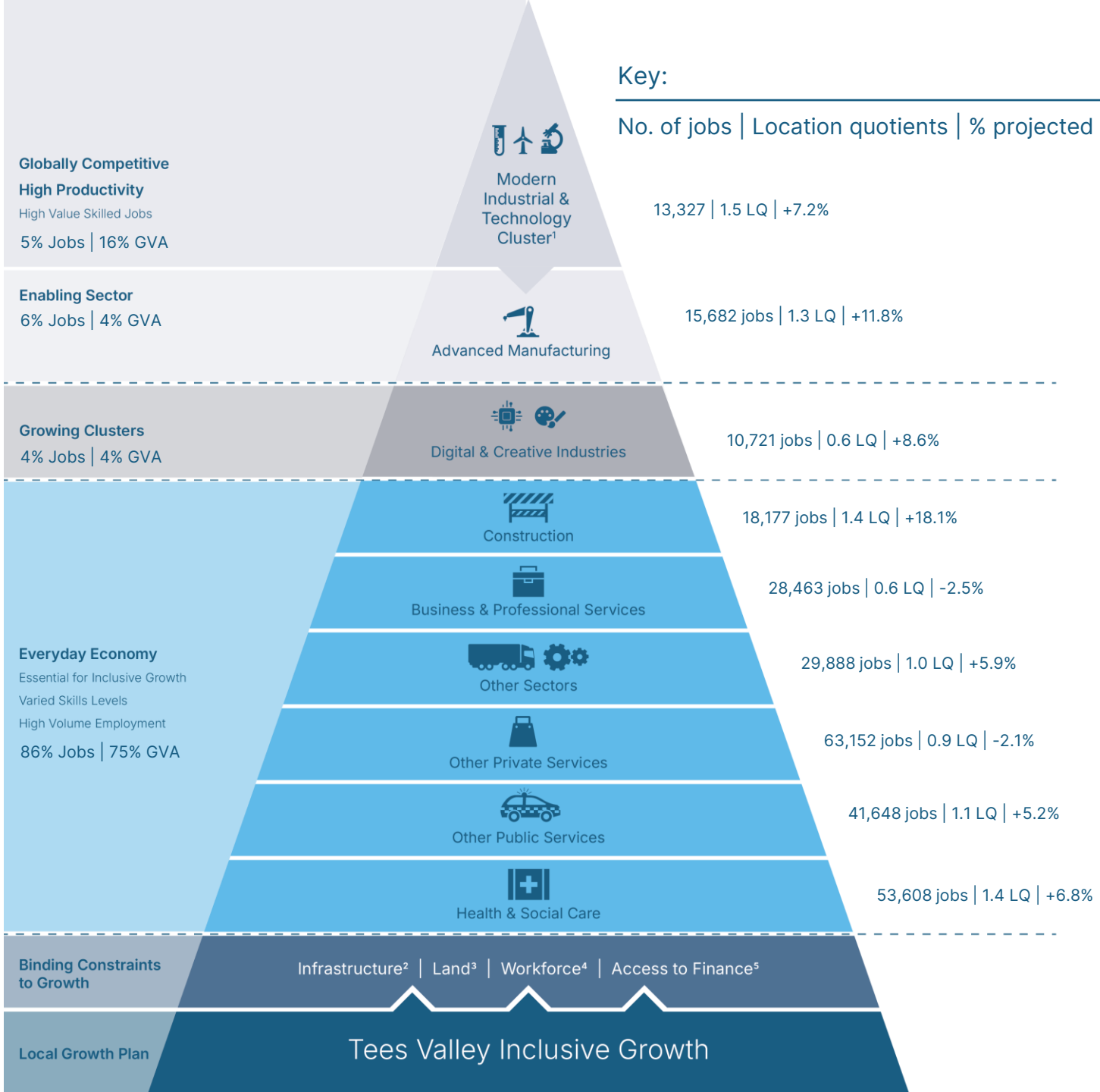
1 Cluster includes Chemical & Processing, Clean Energy, Bio, Manufacturing & Life Sciences.

2 Infrastructure includes planning, transport, highways, energy, resilience, digital, housing and quality of place

3 Land includes availability and viability.

4 Workforce includes education and skills.

5 Access to finance includes SMEs and inward investment



High-level Growth Priorities:

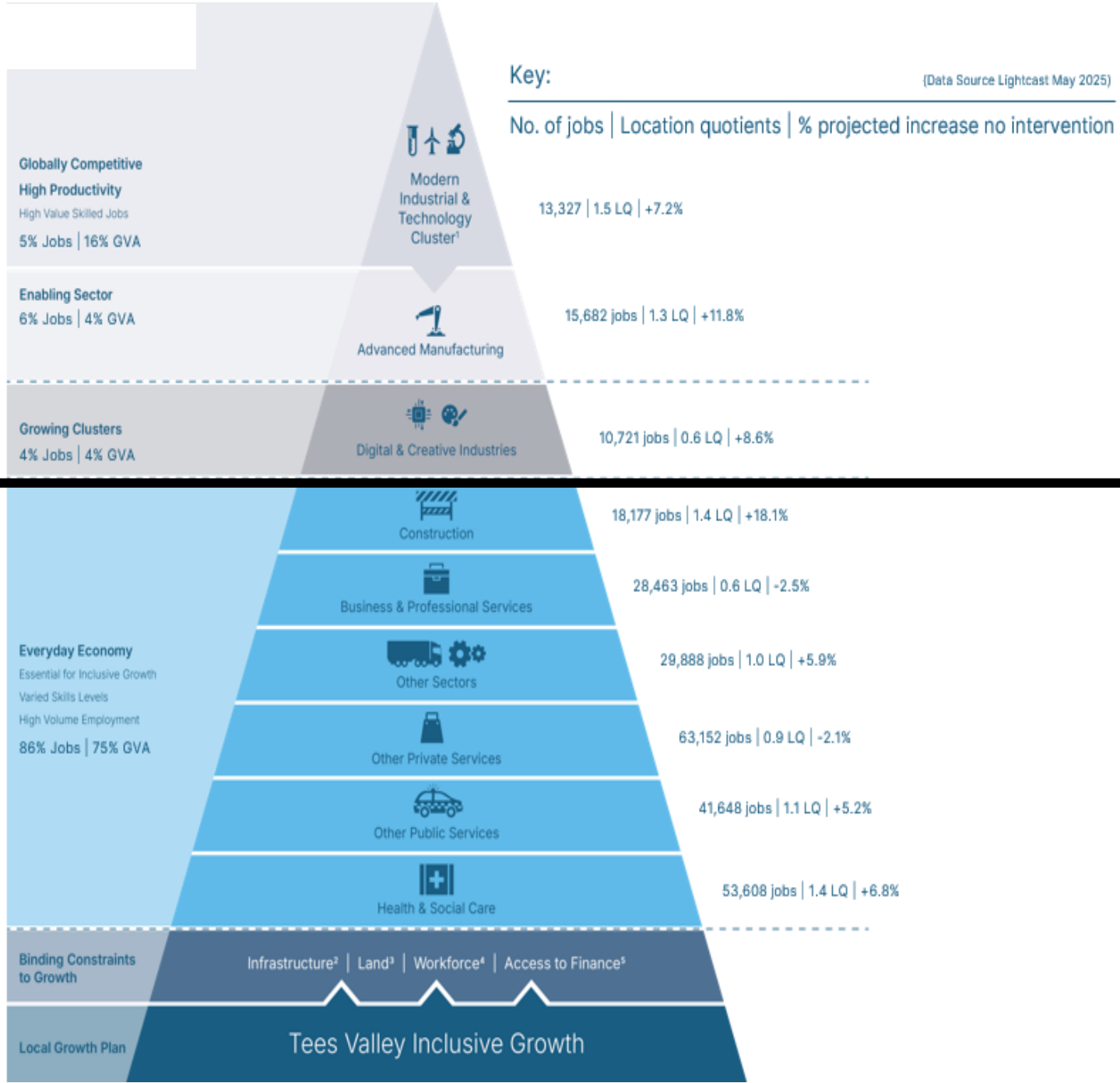
1 **Grow our globally competitive modern industrial and technology cluster and enabling Advanced Manufacturing sector by** securing further investment, deepening our innovation expertise and attracting and retaining talent.

2 **Accelerate our rapidly growing digital cluster and creative cluster** by securing further investment, growing our business base and attracting and retaining talent.

3 **Diversify and drive the growth of our everyday economy** by increasing business density and developing the skills of our people to get more people into work.

4 **Create the environment for growth and accelerate regeneration** of our communities making Tees Valley an attractive place to live, work and invest.

5 **Accelerate the development** of strategic transport, energy, digital and housing infrastructure to maximise the potential of our growth opportunities and create the environment for growth.



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4. **Create the environment for growth and accelerate regeneration** of our communities making Tees Valley an attractive place to live, work and invest.

5. **Accelerate the development** of strategic transport, energy, digital and housing infrastructure to maximise the potential of our growth opportunities and create the environment for growth.

Shared Joint Priorities

1. **Skills and Employment**

Increase the skills base and reduce economic inactivity to enable residents to rejoin or increase participation in the workforce and support them into better employment opportunities. Addressing this will require HMG and TVCA to work together to explore actions. This would deliver a more joined-up approach which addresses local workforce challenges, providing the talent pipeline for key growth sectors.

2. **Transport**

Improve transport accessibility and travel experiences to better connect workers across the region to employment and industrial sites. Addressing this will require HMG and TVCA to work together to explore actions. This would support residents to access more economic opportunities, with businesses better able to attract talent across a wider geography and facilitate growth and inward investment.

3. **Housing and Commercial Development**

Increase the availability and viability of high-quality commercial land and space, such as office, industrial, research and development space, and appropriate housing, to increase business density and to attract and retain talent. Addressing this will require HMG and TVCA to work together to explore actions. This would provide the foundations for greater business investment and expand the available talent pool for business, boosting growth and productivity in key sectors.

Get Tees Valley Working Plan

Local Get Britian Working plans are central to the Government's ambition for a thriving labour market where everyone has the opportunity for good work and to get on in work and where we achieve the ambition of an **80% employment rate.**

Scope of local Get Britain Working plans

Local Get Britain Working plans are intended to **develop a whole system approach to tackling the supply and demand side challenges within local labour markets**

Local Get Britain Working plans will **support other local strategies, and plans,** including:

- **Local Growth Plans**
- **Local Skills Improvement Plans; and**
- **Other health and work strategies**

The plans will also support local government partners, key stakeholders and wider public services, including DWP, to **manage and align current provision and to inform decisions on future commissioning, activity and support**

The Get Britain Working White Paper set out proposals to transform Jobcentre Plus across Great Britain into a **Jobs and Careers Service**

A key purpose of local Get Britain Working plans will therefore be to **support integration of Jobcentre Plus / Jobs and Careers Service services into local areas**

Activity 1

Activity 1 | Our Opportunity

We want to continue to increase employment in Tees Valley, to bring the regional employment rate in line with the national average and achieve the long-term government ambition of an 80% employment rate by 2035.

£300 million	**10 years**	**407,500**	**37,000**	**3,700 per year**
Total value of Adult Skills Fund in Tees Valley is around £30 million annually, approximately £300 million over 10 years |	Timeframe 10 years (2026-2036)	Total working-age population is 407,500 and current employment rate is 71.5% (n=293,100 in work) |	36,900 more working-age residents needed in employment to meet the Government ambition of 80% by 2035 – required mix of new and replacement demand jobs	3,700 more working-age residents needed in employment per year to meet the Government ambition of 80% by 2035

Employment. ONS (2024): Number of Tees Valley residents in employment, in Tees Valley or elsewhere.
Employment Rate. ONS (2024): Number of working age residents in employment, divided by the working age resident population

Activity 1

Where should we target the adult skills investment?

Workshop questions:
What do we need to do?
What should we invest in?
Where should we invest?

Adult Skills in Tees Valley | Evidence Base - Key Messages 2025

Workshop 1 | 10 June 2025

Content

Economic Context | Employment, Unemployment and Jobs in Tees Valley

Tees Valley Skills Base | Adult Skills Levels and Skills Requirements in Tees Valley

Tees Valley Skills Needs | Adult Skills Provision and Future Skills Demand in Tees Valley

Tees Valley Adult Skills Funding | Investment in Adult Skills Provision in Tees Valley

Context | Employment

We want to continue to increase employment in Tees Valley, to bring the regional employment rate in line with the national average and achieve the long-term government ambition of an 80% employment rate by 2035.

- **36,900 more working-age residents needed in employment to match the Government ambition of 80% by 2035 |**
- 16,380 more working-age residents needed in employment to match the current national employment rate.

Tees Valley: 71.5% (n=293,100) | UK: 75.5% | Gap: 4.0% (n=16,380)

Employment. ONS (2024): Number of Tees Valley residents in employment, in Tees Valley or elsewhere.

Employment Rate. ONS (2024): Number of working age residents in employment, divided by the working age resident population.

Context | Unemployment

We want to continue to decrease unemployment in Tees Valley but the unemployment rate is higher than the national average and youth unemployment is significantly higher than the national rate.

1,000 fewer 18-21-year-olds registered unemployed & 340 aged 16-17 NEET needed

To match the UK Claimant Count Rate & National NEET Rate

TV Unemployment (16-64): 4.5% (n=18,810) | UK: 4.1% | Gap: 0.4%

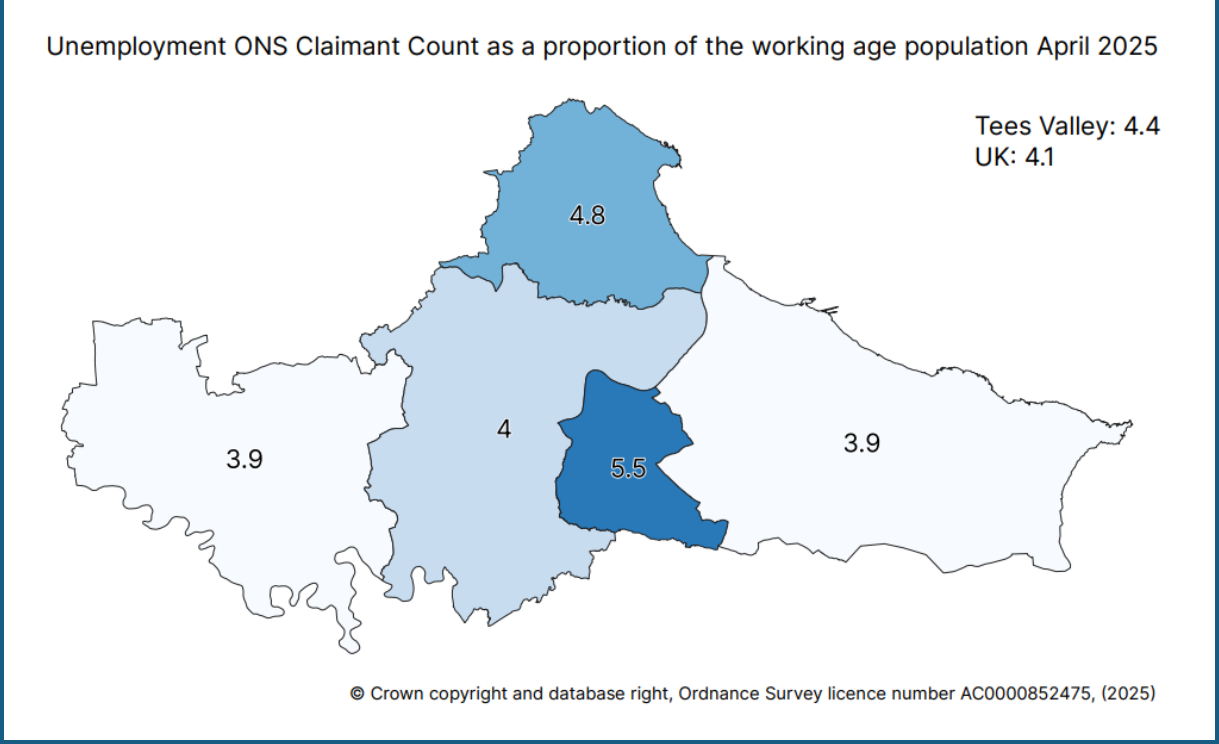
TV Unemployment (18-21): 9.2% (n=2,530) | UK: 5.6% | Gap: 3.6%

TV Known NEET (16-17): 5.3% (n=860) | UK: 3.2% | Gap: 2.1%

Unemployment. ONS (2024): Residents out of work but seeking work and in receipt of either Universal Credit and searching for work (UC) or Job Seekers Allowance (JSA).

Geographical Analysis

Geographical Variations in Adult Skills | Tees Valley Local Authorities | **Unemployment**



Source: ONS Claimant Count April 2024

- Within Tees Valley, **Middlesbrough records the highest percentage** of working age residents who are claiming unemployment benefits, at 5.5%. **Darlington and Redcar and Cleveland record the lowest percentage**, each at 3.9%.

- **The gap between Middlesbrough and Darlington/Redcar and Cleveland is 1.6%.** The gap between Middlesbrough and the England average is 1.4%.

Context | Jobs

We want to continue to increase the number of jobs in Tees Valley and to ensure there are enough jobs for everyone who wants one but the number of job postings in Tees Valley is significantly less than the number of people actively looking for a job.

8,930 more new jobs needed

To ensure enough jobs for everyone in Tees Valley

Jobs in Tees Valley: 304,300 (High Skilled Jobs: 142,800)

Job postings in Tees Valley: 9,880

Actively looking for a job in Tees Valley: 18,810

Jobs. ONS (2024): People employed within Tees Valley.

Job Postings. Lightcast 2024.2 (February 2025): Unique online jobs postings in Tees Valley.

Context | Job Projections

The jobs are coming. Based on historical job trends, the number of jobs in Tees Valley is projected to increase by 31,000 by 2035, up from 302,000 in 2023 to over 333,000 by 2035. This represents an annual average increase of 2,600 jobs.

31,000 more new jobs projected

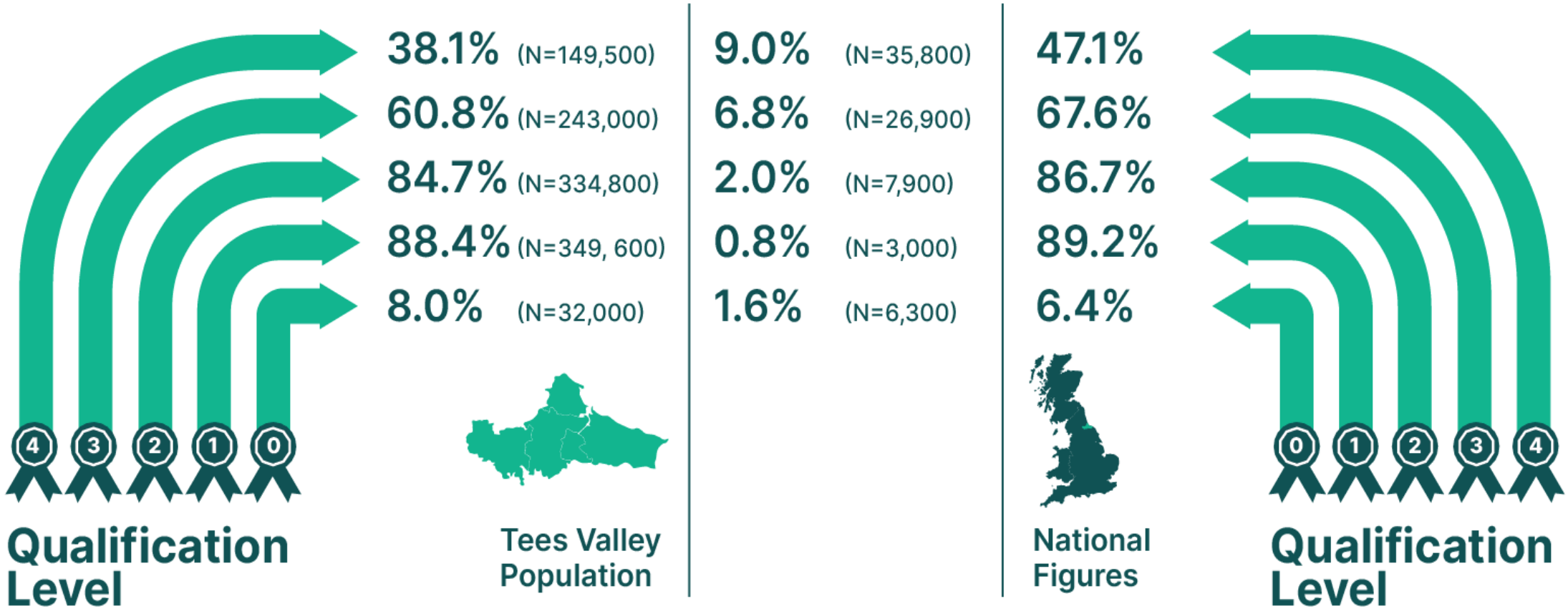
Will ensure enough jobs for everyone in Tees Valley

Jobs in Tees Valley (2024): 304,300 (299,000 in 2015)

Job in Tees Valley (2035): 333,000

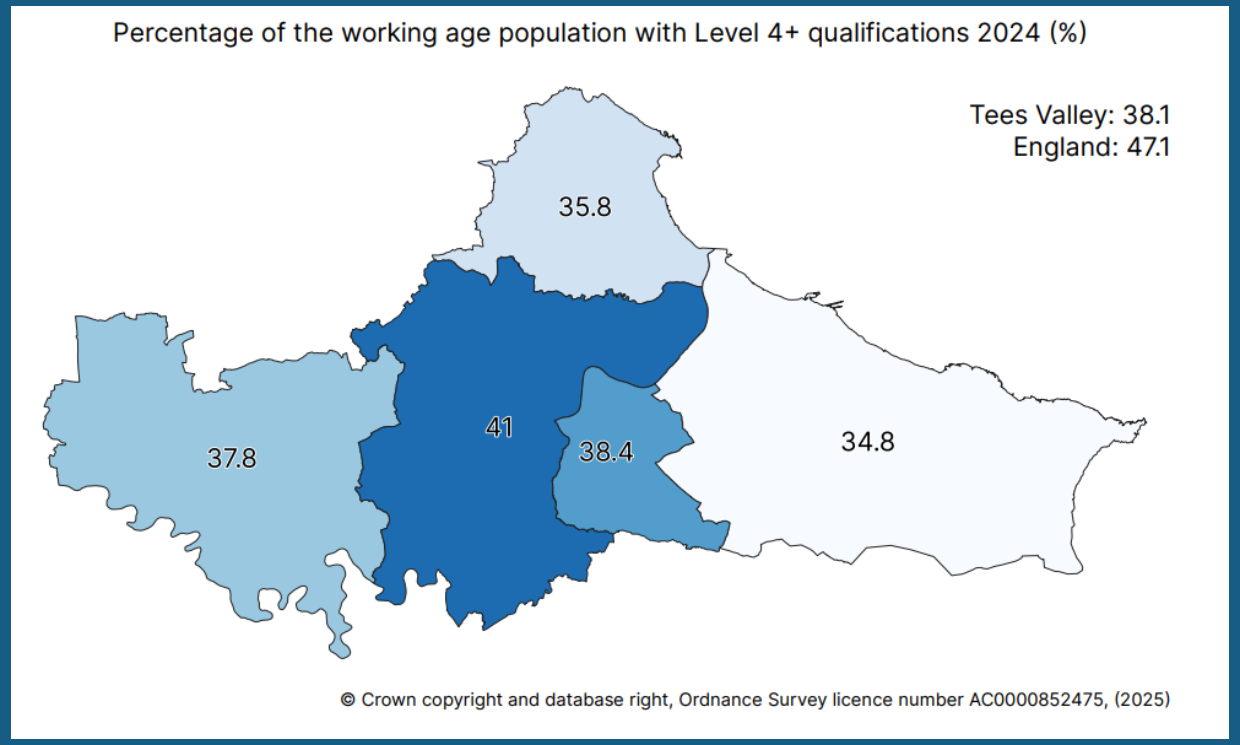
Source: ONS, NOMIS, Jobs density. ONS national population projections 2022-based.
Note: Jobs projection based on jobs trend between 2011 and 2019 pre-COVID. Annual national population projection rates are expected to decline steadily from 1.8% in 2023 to 0.3% by 2030 and remain at this rate to 2035.

Adult Skills in Tees Valley | Current Adult Skills Base



Geographical Analysis

Geographical Variations in Adult Skills | Tees Valley Local Authorities | **Qualification L4+**



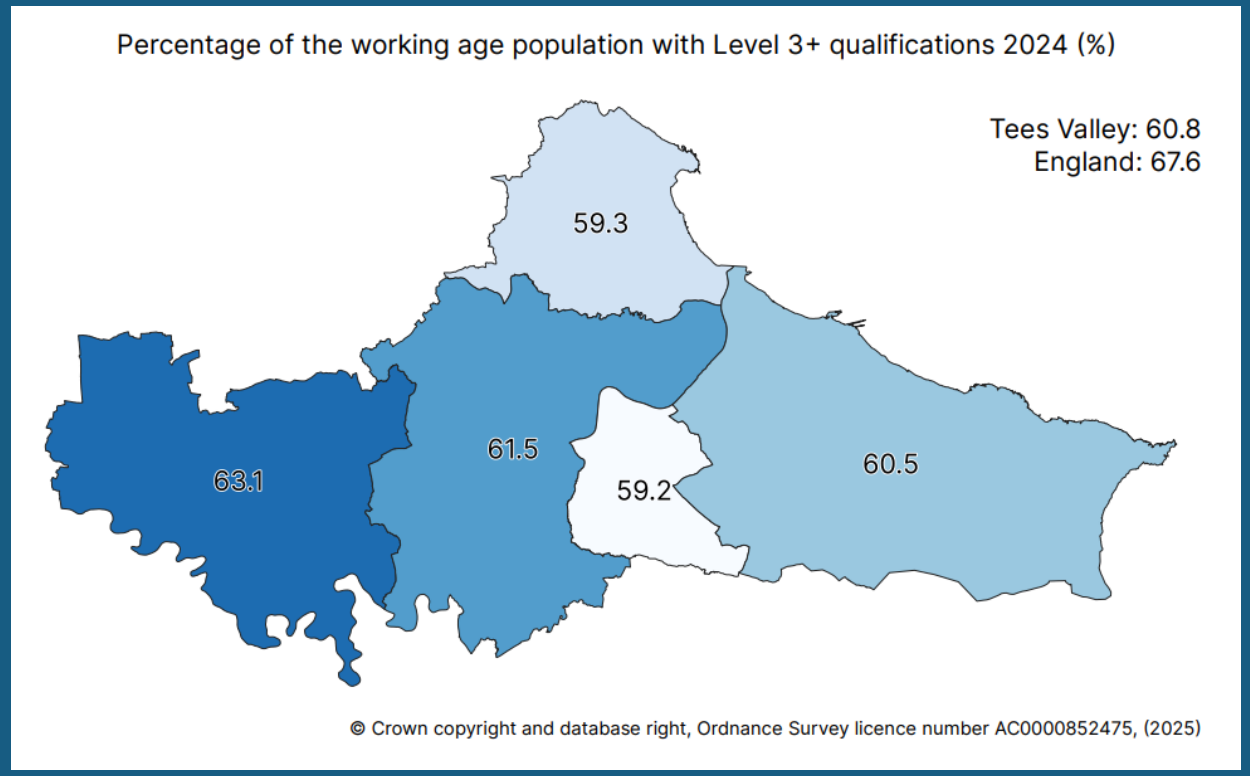
Source: ONS, APS, 2024

- Within Tees Valley, **Stockton-on-Tees records the highest percentage** of working age residents who are qualified to level 4 or above, at 41.0%. **Redcar and Cleveland records the lowest percentage**, at 34.8%.

- **The gap between Stockton-on-Tees and Redcar and Cleveland is 6.2%.** The gap between Redcar and Cleveland and the England average is wider, at 12.3%.

Geographical Analysis

Geographical Variations in Adult Skills | Tees Valley Local Authorities | **Qualification L3+**



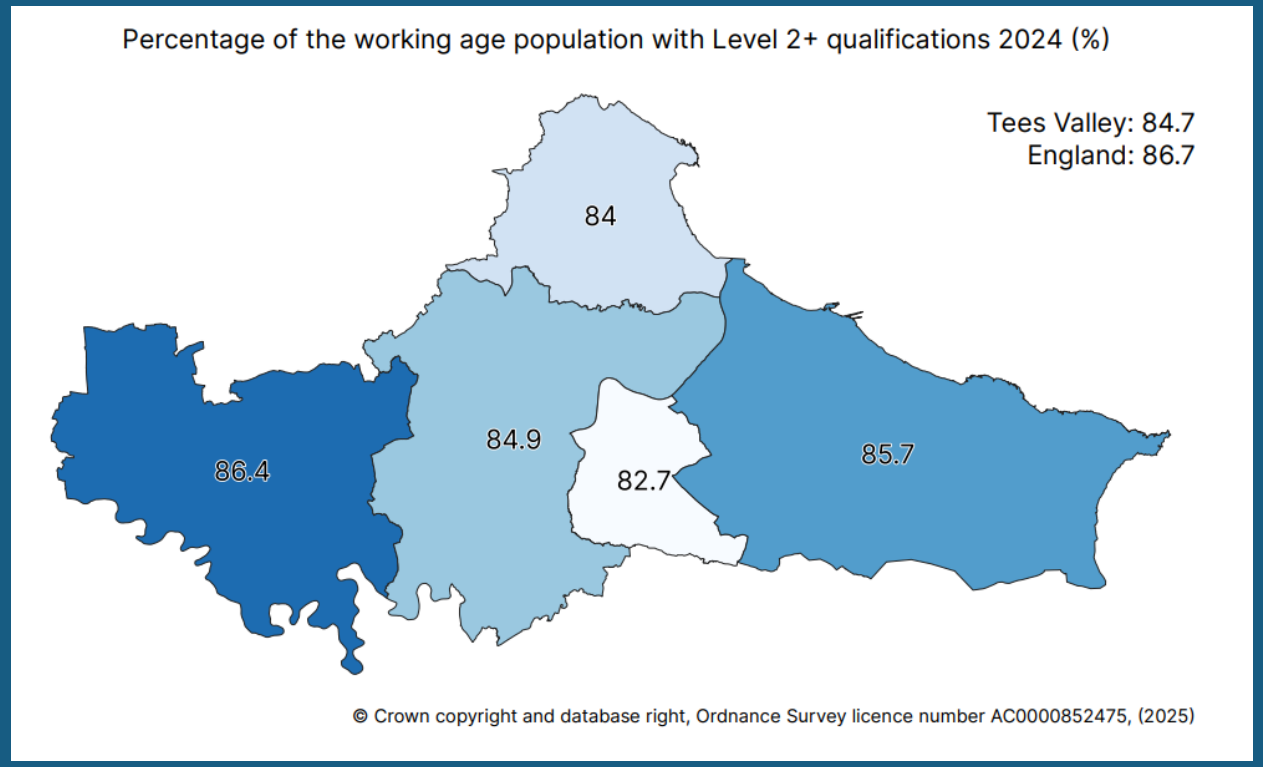
Source: ONS, APS, 2024

- Within Tees Valley, **Darlington records the highest percentage** of working age residents who are qualified to level 3 or above, at 63.1%. **Middlesbrough records the lowest percentage**, at 59.2%.

- **The gap between Darlington and Middlesbrough is 3.9%.** The gap between Middlesbrough and the England average is wider, at 8.4%.

Geographical Analysis

Geographical Variations in Adult Skills | Tees Valley Local Authorities | **Qualification L2+**



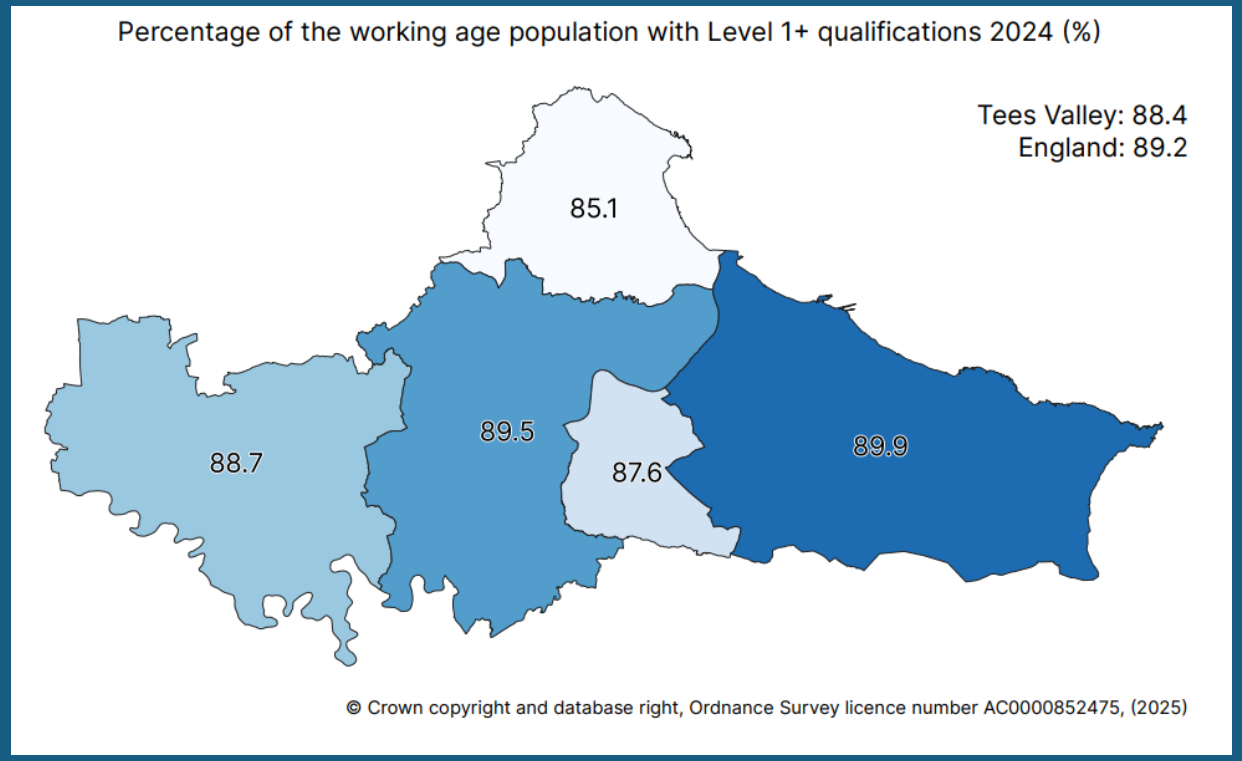
Source: ONS, APS, 2024

- Within Tees Valley, **Darlington records the highest percentage** of working age residents who are qualified to level 2 or above, at 86.4%. **Middlesbrough records the lowest percentage**, at 82.7%.

- **The gap between Darlington and Middlesbrough is 3.7%.** The gap between Middlesbrough and the England average is wider, at 4.0%.

Geographical Analysis

Geographical Variations in Adult Skills | Tees Valley Local Authorities | **Qualification L1+**



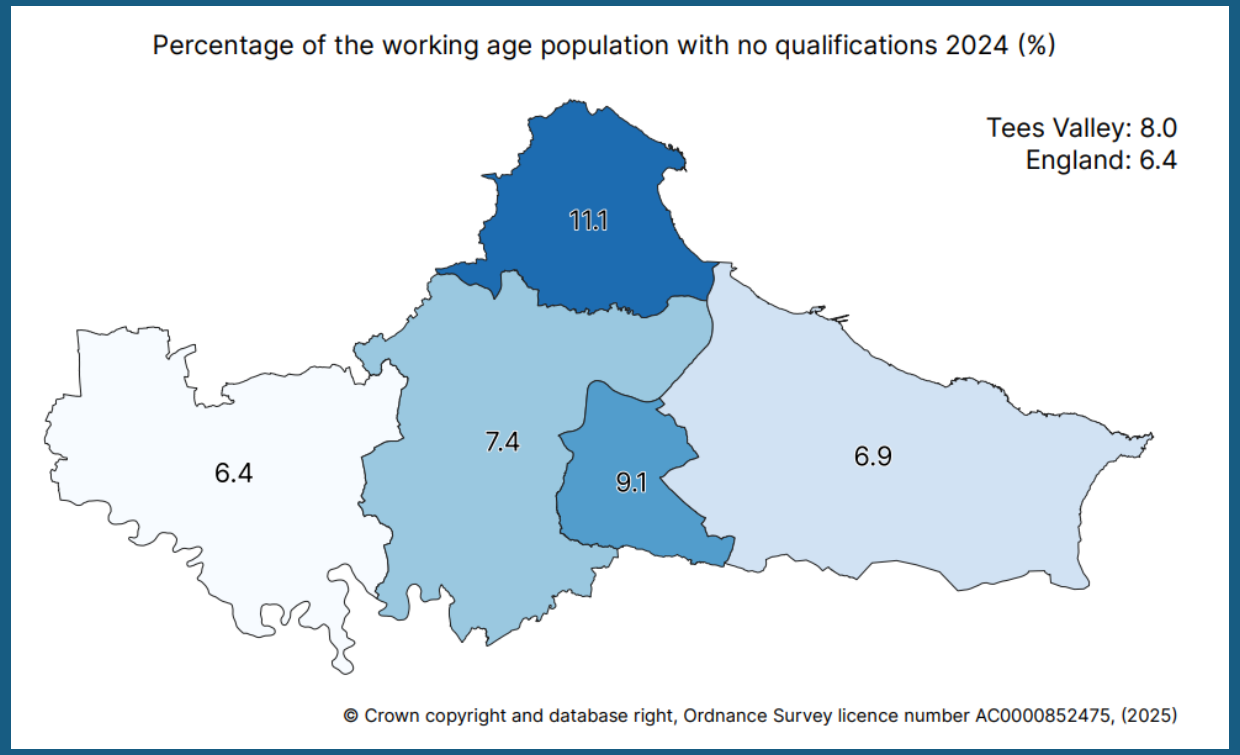
Source: ONS, APS, 2024

- Within Tees Valley, **Redcar and Cleveland records the highest percentage** of working age residents who are qualified to level 1 or above, at 89.9%. **Hartlepool records the lowest percentage**, at 85.1%.

- **The gap between Redcar and Cleveland and Hartlepool is 4.8%.** The gap between Hartlepool and the England average is 4.1%.

Geographical Analysis

Geographical Variations in Adult Skills | Tees Valley Local Authorities | **No Qualifications**



Source: ONS, APS, 2024

- Within Tees Valley, **Darlington records the lowest percentage,** at 6.4%, which is the same as the national figure. **Hartlepool records the highest percentage**, at 11.1%.

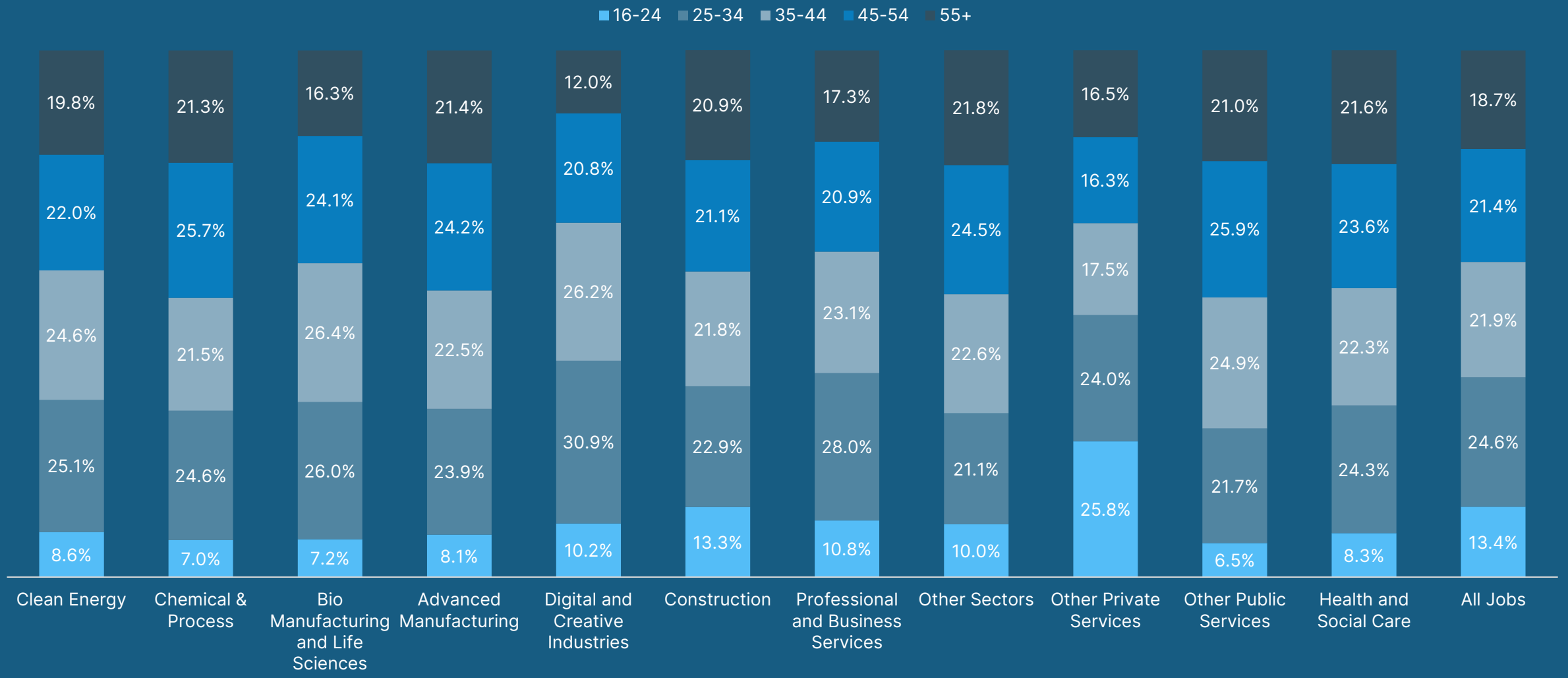
- **The gap between Hartlepool and Darlington for this measure is 4.7%,** while the variation between Hartlepool and the national average is also 4.7%.

Adult Skills in Tees Valley | Sector Skills Requirements

Education Requirements of Occupations by Sector	NVQ1 / GCSE D-G	NVQ2 / GCSE A*-C	NVQ3 / A level	NVQ3 / A level and above	NVQ 4 / Higher level and above	2034 Higher Level Skills Requirements
Modern Industrial & Technology Cluster	*4%*	*23%*	*27%*	*73%*	*46%*	*47%*
MI&TC – Clean Energy Subsector	3%	27%	37%	70%	33%	*33%*
MI&TC – Chemical & Process Subsector	7%	27%	21%	65%	45%	*47%*
MI&TC – Bio Manufacturing & Life Sciences	1%	10%	22%	89%	67%	*66%*
Advanced Manufacturing	6%	24%	35%	70%	35%	33%
Digital and Creative Industries	2%	15%	28%	83%	55%	57%
Construction	2%	25%	51%	73%	22%	23%
Professional & Business Services	9%	36%	17%	55%	39%	38%
Other Sectors	26%	46%	16%	28%	12%	12%
Other Private Services	6%	68%	16%	26%	9%	10%
Other Public Services	3%	37%	14%	60%	47%	46%
Health and Social Care	3%	32%	20%	65%	44%	44%
Total economy skills requirements	**7%**	**41%**	**21%**	**52%**	**31%**	**31%**
Current Skills Levels	**88%**	**85%**	**61%**	**61%**	**38%**	**-**

Source: Lightcast 2025.1

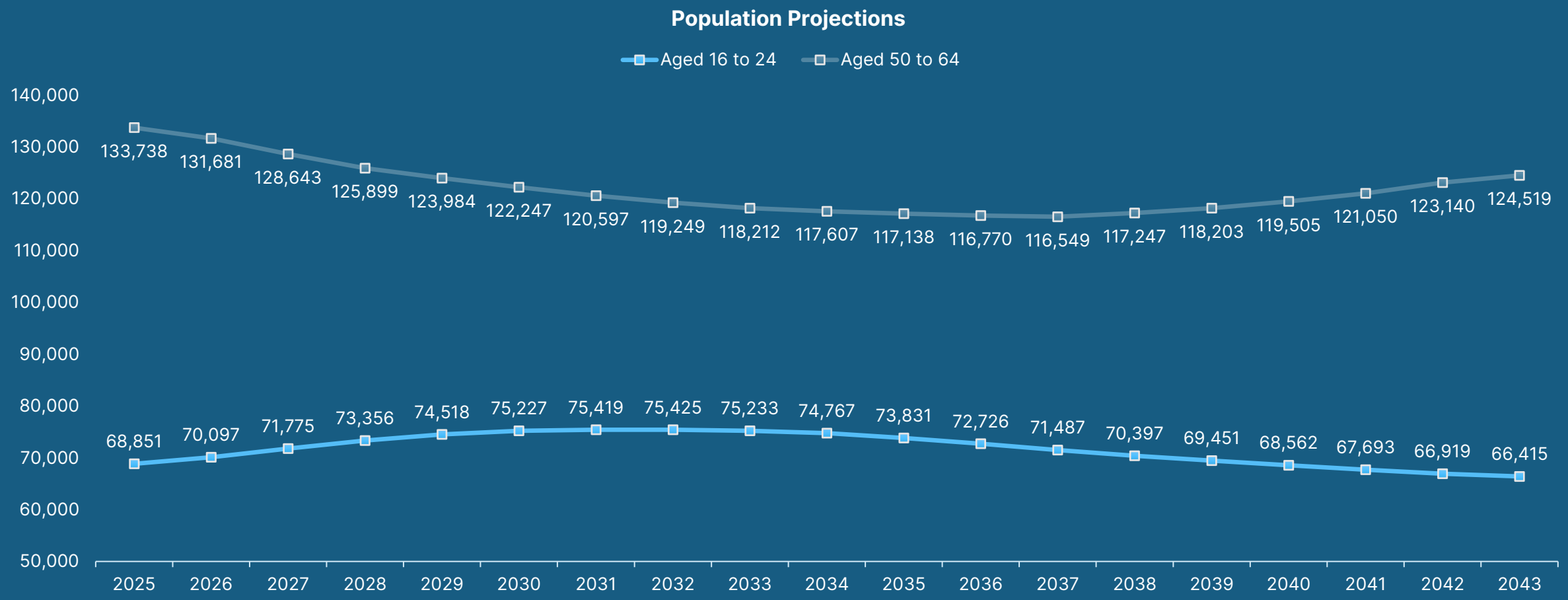
Adult Skills in Tees Valley | Sectors by age groups



TEES VALLEY

National data. Source: Lightcast 2025.1

Adult Skills in Tees Valley | Population Projections



Population projections show the population for 16-24 age group is projected to increase year on year until 2032, whilst the 50-64 age group is projected to decline until 2037.

TEES VALLEY

Source: ONS

Adult Skills in Tees Valley | Current Adult Skills Provision

High number of enrolments on low level skills courses

- Participation rates in Tees Valley are higher than the national average and increasing but **nearly nine out of ten enrolments (88%) are at Level-2, or below and more than half (52%) are at Entry Level and Level-1 – equivalent to GCSE level.**

88% Level 2 or below

Nearly nine out of ten Adult Education Budget enrolments are at Level 2 or below:

- **Entry Level and Level 1: 52%**
- **Level 2: 36%**
- **Level 3: 1%**

Source: RCU, 2024

Adult Skills in Tees Valley | Future Demand for Adult Skills

Significantly higher demand for higher level qualifications in the future

- By 2035, **70% of new and replacement demand jobs** in Tees Valley will need at least a Level 4 qualification, equivalent to 112,000 jobs.
- By 2035, **49% of all jobs** in Tees Valley will require a level 4 or above qualification, compared with 38% in 2020, an 11% gap, equivalent to 39,000 additional jobs which will require a level 4+ qualification.

70% Level 4+ by 2025
By 2025, 70% of job opportunities will require a Level 4+ qualification.

80% of people
Forecast to be in the 2030 labour market are already in the workforce

Source: NFER Skills Imperative 2035

Adult Skills in Tees Valley | Skills Shortage Vacancies

Significant increase in skills shortage vacancies

- The number of job vacancies with a known skills shortage in Tees Valley has more than doubled in just three years, from 1,500 in 2019 up to 3,200 in 2022, equivalent to an additional 1,700 vacancies

Significant employee skills gap

- The number of employees not fully proficient at work has increased significantly, from 10,000 in 2019 up to 13,400 in 2022, equivalent to an additional 3,400 employees who are not fully proficient at work

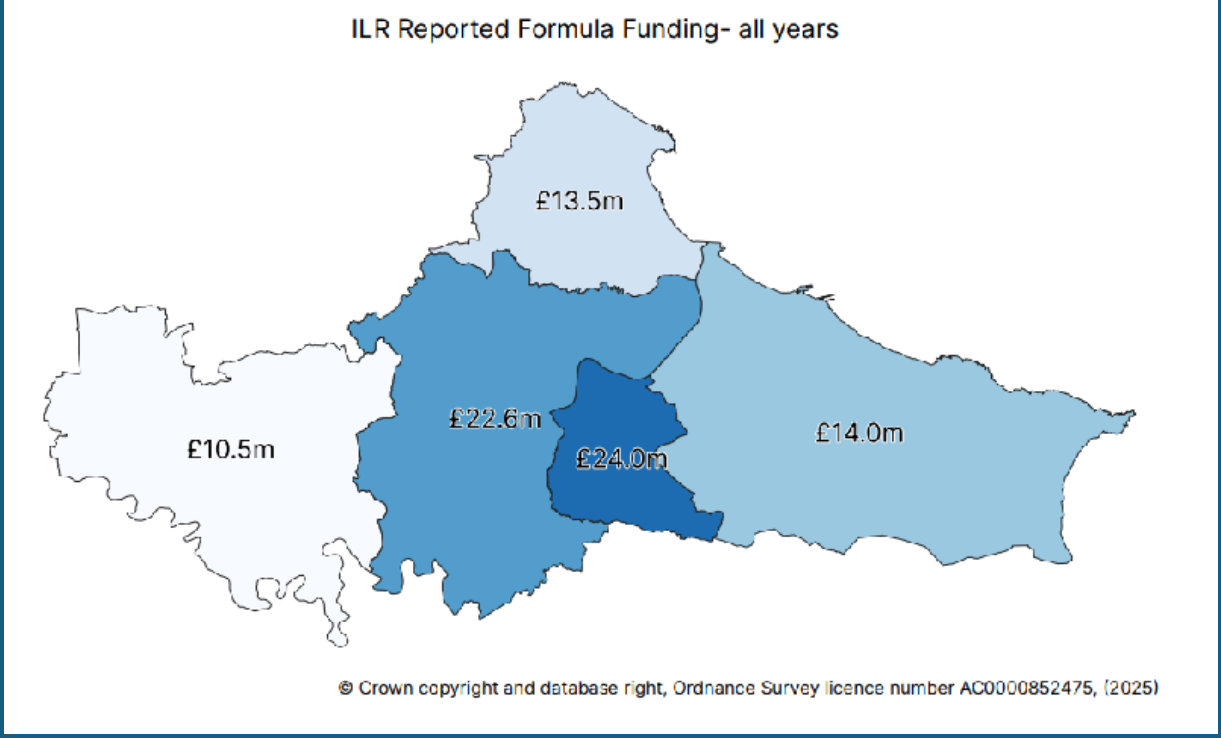
113% increase in 3 years
Skills shortage vacancies have significantly increased between 2019 and 2022: By 1,700 to 3,200

34% increase in 3 years
Tees Valley employers reported 13,400 workforce skills gaps in 2022: Up by 3,400 from 10,000 in 2019

Source: DfE, Employer Skills Survey 2022

Geographical Analysis

Geographical Variations in Adult Skills | Tees Valley Local Authorities | **Funding**



- In total across all years (2019 – 2023), **Middlesbrough received the highest amount of funding at £24.0m,** followed by Stockton-on-Tees with £22.6m, Redcar and Cleveland with £14.0m, Hartlepool with £13.5m and Darlington with £10.5m.

  (based on learner level postcode)

Source: RCU

Activity 2

Activity 2 | Our Opportunity

We want to continue to increase employment in Tees Valley, to bring the regional employment rate in line with the national average and achieve the long-term government ambition of an 80% employment rate by 2035.

£300 million	**10 years**	**407,500**	**37,000**	**3,700 per year**
Total value of Adult Skills Fund in Tees Valley is around £30 million annually, approximately £300 million over 10 years |	Timeframe 10 years (2026-2036)	Total working-age population is 407,500 and current employment rate is 71.5% (n=293,100 in work) |	36,900 more working-age residents needed in employment to meet the Government ambition of 80% by 2035 – required mix of new and replacement demand jobs	3,700 more working-age residents needed in employment per year to meet the Government ambition of 80% by 2035

Employment. ONS (2024): Number of Tees Valley residents in employment, in Tees Valley or elsewhere.
Employment Rate. ONS (2024): Number of working age residents in employment, divided by the working age resident population

Activity 2

Now that we have seen the evidence base,
Where should we target the adult skills investment?

Workshop questions:
What do we need to do?
What should we invest in?
Where should we invest?

Actions and Next Steps

- Feedback from today's workshop will feed into Workshop 2 "What" and having:

  a shared understanding of the priority provision we need to invest in, including consideration of the outputs such as qualifications/learning aims/levels, target learner groups, target geographical areas/wards and industry/sectors; and

  the desired outcomes such as moving more adults into employment or closer to employment, progressing those in work to higher level skills and measuring the impact of the skills provision locally in terms of business growth and productivity.

23 June 2025, 1.00pm-4.00pm, Teesworks Skills Academy

Thank you

Agenda Item 14

Report to the TVCA Cabinet

26 September 2025

Report of the Interim Monitoring Officer

OVERVIEW AND SCRUTINY: RECOMMENDATIONS OF THE EDUCATION, EMPLOYMENT AND SKILLS SUB-COMMITTEE

SUMMARY

This report seeks the adoption of the recommendation of the Overview and Scrutiny Committee following conclusion of the Education, Employment and Skills Sub-Committee's task and finish exercise.

RECOMMENDATIONS

It is recommended that Cabinet:

i. NOTES the report and recommendation detailed within paragraph 8 of this report alongside the response from officers detailed within paragraph 9;

and AGREES to:

ii. respond to the Overview and Scrutiny Committee indicating whether it agrees to adopt the recommendations; and

iii. publish a response to the Committee's recommendations.

and DELEGATES the drafting, submission to Overview and Scrutiny Committee and publication of the response to Overview & Scrutiny Committee, in line with Cabinet agreement, to the Chair of the Tees Valley Combined Authority, in consultation with the Cabinet members, TVCA Chief Executive, Section 73 Officer and Monitoring Officer.

DETAIL

1. The Overview and Scrutiny Committee established a Sub-Committee on 3 July 2024 to review the area of Education, Employment and Skills and report back its findings to the Committee.

2. As detailed with the terms of reference, the Sub-Committee agreed to conduct a task and finish exercise under the topic of "How do we effectively work with businesses to support the future talent pipeline".

3. The Sub-Committee met with officers of the Combined Authority and conducted a survey of educational establishments within the Tees Valley.

4. Members of the Education, Employment and Skills Sub-Committee concluded their review on 21 May 2025 providing two SMART recommendations to be approved by the Overview and Scrutiny Committee. One of which was to the Committee itself and not for Cabinet consideration.

5. On 1 June 2025, the Overview and Scrutiny Committee approved the recommendations and subsequent submission to Cabinet for formal consideration under paragraph 7, part 3, of the Tees Valley Combined Authority Constitution.

6. The full report and supplementary appendices are included in Appendix 1.

7. Officers have considered the Committee's recommendations to help inform the Cabinet decision and these views are set out in paragraph 9.

RECOMMENDATIONS OF THE EDUCATION, EMPLOYMENT AND SKILLS SUB-COMMITTEE

Recommendation 1: Youth Forum

8. The Sub-Committee recommends that the Tees Valley Combined Authority should develop and create a Youth Forum to act as a consultation vehicle for youth-based policy and activity of the Authority.

   This 'Youth Forum' should be as diverse and encompassing of the Tees Valley demographic, so far as is reasonably practical.

   The Overview and Scrutiny Committee should track the development of such a forum to ensure it aligns with the intentions of the Committee. Subject to the approval of such a forum, the Committee would expect the development and eventual creation within a 12-month timeframe.

OFFICER RESPONSE TO THE RECOMMENDATIONS OF THE OVERVIEW AND SCRUTINY COMMITTEE

Recommendation 1: Youth Forum

9. Officers within the Business Solutions directorate careers team are already looking to work with the Tees Valley Combined Authority Business Board to identify ways forward around understanding young people's voice. Officers are therefore supportive of the recommendation and the proposed timeframe is achievable.

FINANCIAL IMPLICATIONS

10. There are resource implications on the delivery of the recommendations should they be adopted, but this can be accommodated with existing capacity. There are no direct financial implications associated with the recommendations in this report.

LEGAL IMPLICATIONS

11. There are no legal implications associated with the recommendations in this report.

RISK ASSESSMENT

12. This report is categorised as low risk and any risks associated with the recommendations will be managed by the Business Solutions Team.

CONSULTATION & COMMUNICATION

13. The Education, Employment and Skills Sub-Committee met with TVCA Officers and consulted external education bodies through a survey.

Appendices

1. Final Report Pack – Education, Employment and Skills Sub-Committee

Name of Contact Officer: Connor Malone
Post Title: Governance and Scrutiny Officer
Email Address: connor.malone@teesvalley-ca.gov.uk

Agenda Item 5

Report to the Tees Valley Combined Authority
Overview and Scrutiny Committee

18 June 2025

Report of the Chair of the Education, Employment and Skills Sub-Committee

FINAL REPORT OF THE OVERVIEW AND SCRUTINY: EDUCATION, EMPLOYMENT AND SKILLS SUB-COMMITTEE

SUMMARY

The Overview and Scrutiny Committee established a Sub-Committee on 3 July 2024 to review the area of Education, Employment, and Skills and report back its findings to the Overview and Scrutiny Committee.

This report provides the SMART recommendations as established by the Sub-Committee following conclusion of the review.

RECOMMENDATIONS

That the Overview and Scrutiny Committee:

i) Note the report and supplementary appendices.

ii) Approves the recommendations of the Education, Employment and Skills Sub-Committee as detailed in paragraphs 4 to 6; and

iii) Adopts recommendation 1 and enacts the amendments required to the terms of reference to include the provision; and

iv) Agrees to the request of Cabinet, when receiving recommendation 2, as detailed in paragraphs 7 to 9.

DETAIL

1. The Overview and Scrutiny Committee met on 3 July 2024 and agreed to establish a Sub-Committee to undertake a review of Education, Employment and Skills.

2. The membership of the Education, Employment and Skills Sub-Committee was agreed as follows:

- Councillor Rachel Creevy (Chair)
- Councillor Ian Blades
- Councillor Lynn Hall
- Councillor Ian Haszeldine
- Councillor Dennis McCabe
- Councillor Margaret O'Donoghue.

3. The Education, Employment and Skills Sub-Committee has met on the following dates:

   22 October 2024 (Meeting One)

   The notes of the meeting have been appended to this report.

   08 January 2025 (Meeting Two)

   The notes of the meeting have been appended to this report.

   12 February 2025 (Scheduled Meeting – Inquorate)

   The 12 February meeting did not proceed due to low turnout. Members however conducted a virtual exercise to determine a questionnaire based on the objective focus within the Terms of Reference. The questionnaire and responses are appended to this report.

   21 May 2025 (Recommendation Session)

   The details of recommendations are provided in paragraphs 4 to 6.

RECOMMENDATIONS OF THE EDUCATION EMPLOYMENT AND SKILLS SUB-COMMITTEE

4. The Sub-Committee agreed to two key recommendations. Recommendation 1 is for the Overview and Scrutiny Committee to recommend to Cabinet and is subject to the process detailed in paragraphs 7 to 9, Recommendation 2 is to the Overview and Scrutiny Committee itself.

Recommendation 1: Youth Forum

5. The Sub-Committee recommends that the Tees Valley Combined Authority should develop and create a Youth Forum to act as a consultation vehicle for youth-based policy and activity of the Authority.

   This 'Youth Forum' should be as diverse and encompassing of the Tees Valley demographic, so far as is reasonably practical.

   The Overview and Scrutiny Committee should track the development of such a forum to ensure it aligns with the intentions of the Committee. Subject to the approval of such a forum, the Committee would expect the development and eventual creation within a 12-month timeframe.

Recommendation 2: Establishment of Permanent EES Sub-Committee (to Committee)

6. The Sub-Committee recommends that the Overview and Scrutiny Committee amends its Terms of Reference to permanently establish the Education, Employment and Skills Sub-Committee as a part of its work programming.

   Members agreed that by establishing the permanence of the Sub-Committee that it can conduct longer term reviews on key elements within the Education, Employment and Skills area of the Authority. Whilst membership will be agreed annually following the first meeting of the Overview and Scrutiny Committee, the incoming membership can continue to deliver on the work of the previous Committee.

REQUEST OF CABINET

7. Should the Overview and Scrutiny Committee agree to the recommendations detailed in paragraphs 4 to 6, the Committee will need to decide on the request of Cabinet.

8. Part 3 of the TVCA Constitution details the provision of the Committee under the rules of procedure. Paragraph 7 provides that, where the Overview and Scrutiny Committee makes a report of recommendations, the Committee may:

- *Publish the report or recommendations;*

- *By notice require the Combined Authority or the Mayor to:-*
    - *Consider the report or recommendations;*
    - *Respond to the Committee indicating what (if any) action the Combined Authority proposes to take; and*
    - *If the Committee has published the report or recommendations, to publish the response.*

9. Under the provisions of paragraph 7, the Committee is asked to consider and agree the request of Cabinet when the recommendations are submitted.

FINANCIAL IMPLICATIONS

10. There are no specific financial implications to this report.

LEGAL IMPLICATIONS

11. There are no specific legal implications from the proposal arising from this report.

RISK ASSESSMENT

12. There are no specific risks associated with this report.

CONSULTATION AND COMMUNICATION

Jacqui Banks, Business Solutions Manager, TVCA – Attended to provide technical expertise as part of the Sub-Committee's review.

Andrea Naylor, Business Solutions Manager, TVCA – Attended to provide technical expertise as part of the Sub-Committee's review.

Representatives from schools across the Tees Valley region provided response to the Committees questionnaire.

Appendices

- Appendix 1: EES Sub-Committee Terms of Reference
- Appendix 2: EES Sub-Committee – Meeting Notes – 23.10.24
- Appendix 3: EES Sub-Committee – Meeting Notes – 07.02.25
- Appendix 4: EES Questionnaire.
- Appendix 5: Responses to EES Sub-Committee Questionnaire.

Name of Contact Officer: Connor Malone
Post Title: Governance and Scrutiny Officer
Email Address: Connor.Malone@teesvalley-ca.gov.uk

Tees Valley Combined Authority Overview and Scrutiny Committee

Terms of Reference for Education, Employment and Skills

(These Terms of Reference should be read alongside and in conjunction with the Tees Valley Combined Authority Overview and Scrutiny Committee Terms of Reference and the TVCA Constitution, including the Rules of Procedure for Statutory Committees at Part 3.)

1. Introduction

   i. Tees Valley Combined Authority Overview and Scrutiny Committee established a Sub-Committee focussing on Education, Employment, and Skills to consider an area in more depth and to report back to the Committee its findings.

   ii. The Terms of Reference will be reviewed and approved by the Committee.

2. Purpose of the Education, Employment and Skills Sub-Committee

   i. The Sub-Committee will:

   a. Review the topic of 'How do we effectively work with businesses to support the future talent pipeline'.

   b. Understand the provisions of TVCA and the remit in which it works.

   c. Explore the challenges in relation to the Careers Advice Offer within the Tees Valley region.

   d. Invite key internal and external stakeholders within the Tees Valley region to provide evidence to support the Sub-Committee with its review.

   e. Produce recommendations with clear intended outcomes.

3. Membership of the Sub-Committee

   i. The Sub-Committee will compromise of the following members:

   - Councillor Ian Haszeldine, Darlington Borough Council
   - Councillor Rachel Creevy, Hartlepool Borough Council
   - Councillor Dennis McCabe, Middlesbrough Council
   - Councillor Ian Blades, Middlesbrough Council
   - Councillor Margaret O'Donoghue, Redcar and Cleveland Borough Council
   - Councillor Lynn Hall, Stockton Borough Council

ii. The Chair of the Sub-Committee is Councillor Rachel Creevy.

iii. The Sub-Committee will reflect (as far as reasonably practicable) representation from each local authority area in the Tees Valley.

4. Meetings of the Sub-Committee

i. The Sub-Committee will hold an initial scoping meeting to set the parameters of the review.

ii. The Sub-Committee will determine its own meeting schedule to consider its objectives.

iii. There will be no quorum requirements for Sub-Committee meetings, but at the discretion of the Chair, meetings may be rescheduled if, in the view of the Chair attendance is not considered sufficient and the meeting would be more productive with an increased number of elected members present.

iv. It is at the discretion of the Chair to determine if there is adequate representation for any meeting held.

v. The Chair will approve the agenda for each Sub-Committee meeting.

vi. Any member of the Sub-Committee may raise with the Chair a matter which is relevant to the objectives of the Sub Committee, for consideration.

5. Objective Focus

i. The Sub-Committee is to focus on the following:

a. Developing its understanding of existing careers provision and whether it is effective.

b. Exploring the barriers that exist in ensuring effective careers provision.

c. Identifying any potential gaps in provision.

d. Establishing good practice to be developed across the Tees Valley region.

e. Ensuring that overview and scrutiny focusses its review on those areas that it has the potential to make the biggest impact and add value.

6. Invitation of Technical Expertise

i. Members will engage with the following stakeholders;

a. Further Education representative(s);

b. Secondary Education / Academy representative(s);

c. Students in the later stages of education; and

d. Enterprise Advisors and Careers Champions.

7. Reporting and Outcomes of the Review

i. Regular updates on the activities of the Sub-Committee will be provided to the Overview and Scrutiny Committee.

ii. The Sub-Committee will collate its findings and produce a report for the Chair to present to the Overview and Scrutiny Committee, providing any recommendations.

iii. Recommendations arising from the Sub-Committee will be tracked as part of recommendation tracking arrangements to be agreed by Overview and Scrutiny Committee at its meeting on Wednesday, 6 November 2024.

8. Governance and other support

i. Governance support will be provided by Governance and Scrutiny Manager and Governance and Scrutiny Officer who will provide guidance and support and be present at meetings.

ii. Relevant officers, members and stakeholders may be called as witnesses to provide evidence and support the Sub-Committee with information gathering.

Tees Valley Combined Authority (TVCA)

Overview and Scrutiny: Education, Employment and Skills Sub-Committee

Tuesday, 22 October 2024 at 12:30 (meeting held remotely via MS Teams)

Attendance:

Councillor Rachel Creevy	Hartlepool Borough Council (Chair)
Councillor Ian Haszeldine	Darlington Borough Council
Councillor Lynn Hall	Stockton Borough Council

Officers:

Guy Close (TVCA)	Governance and Scrutiny Manager
Jacqui Banks (TVCA)	Business Solutions Manager
Connor Malone (TVCA)	Governance and Scrutiny Officer
Eleanor Thomas (TVCA)	Governance Assistant

Item	Actions
1. Apologies for Absence	
Apologies received from: Councillor Ian Blades, Middlesbrough Council Councillor Dennis McCabe, Middlesbrough Council	
2. Review into 'How do we support a future pipeline of talent?'	
Members considered supporting information provided at the Overview and Scrutiny Committee in relation to the topic of 'how do we support a future pipeline of talent'. Members sought to explore the topic area and discussed potential themes to focus on in greater detail.	

Adult Careers Advice Offer Members were keen to further understand the support for adults seeking further education and those looking to re-skill. It was felt that opportunities were often focused on youth programmes and awareness of the support available for adults was limited. Officers provided insight into the services provided for adults, for example, adult reskilling programmes. **Youth Careers Advice Offer** Members felt that there wasn't a wider understanding across the region of the careers work delivered by TVCA. That more could be done to raise awareness about the different types of support that TVCA provided. Members were advised that TVCA engaged with Education establishments across the region, with some key activities noted below: - **Shout Out Portal:** The service enabled schools and colleges to raise requests seeking support for their career events and activities and for employers to offer their support. - **Enterprise Advisers:** Individuals from across the business sector that volunteered to work closely with a local secondary school or college to provide strategic support and real-life insights into the labour market. Members were advised that the statutory responsibility to deliver careers advice was with the establishment itself and not TVCA. Members were keen to understand the level of direct engagement and the arrangements in place. The Sub-Committee requested the following information to support its review: - Not in Education, Employment, or Training (NEET) figures for the Tees Valley, split into Local Authority figures. - Details about upcoming careers events across the Tees Valley. - Provided with further information on the Shout Out Portal.	Circulation of NEET figures. Circulation of upcoming careers events Circulation of 'Shout Out Portal' information

Careers Advice It was noted that from the meeting in July, Members noted a growing disconnect in relation to individuals and businesses which it was perceived to be in part linked to the career's advice offer. Members were advised that the statutory responsibility of providing careers education advice information and guidance is with the schools and that they are required to assess themselves against the Gatsby Benchmark. As part of schools and FE and Skills inspections, HMI Ofsted do review this and make judgements on this.	
3. Key areas of Focus	
The Sub-Committee agreed to focus on the following: a) Developing its understanding of existing careers provision and whether it is effective. b) Exploring the barriers that exist in ensuring effective careers provision. c) Identifying any potential gaps in provision. d) Establishing good practice to be developed across the Tees Valley area. e) Opportunity for shared learning / drawing upon the experiences of service users, the business sector, schools and colleges, etc. f) Ensuring that overview and scrutiny focussed its review on those areas that it had the potential to make the biggest impact and add value.	
4. Invitation of Technical Expertise	
The following representatives to attend future sessions: - Further Education Establishments; - Secondary Education / Academy Establishments; - Students in the later stages of Education; and - Enterprise Advisors and Careers Champions from Business.	To collate information on potential witnesses and circulate to Committee for consideration.

The Sub-Committee was keen to ensure representation from across the Tees Valley to address potential localised issues.	
5. Next Steps	
Next steps agreed as follows: a) Provide a response to the agreed actions. b) Consider and agree draft terms of reference. c) Consider and agree the range of stakeholders to invite to the next Sub-Committee meeting to develop a greater understanding of the challenges faced and potential barriers.	

Tees Valley Combined Authority (TVCA)

Overview and Scrutiny: Education, Employment and Skills Sub-Committee

Wednesday, 8 January 2025 at 10.00 (meeting held remotely via MS Teams)

Attendance:

Councillor Rachel Creevy (Chair)	Hartlepool Borough Council
Councillor Ian Blades	Middlesbrough Council
Councillor Lynn Hall	Stockton Borough Council
Councillor Dennis McCabe	Middlesbrough Council

Officers:

Andrea Naylor (TVCA)	Business Solutions Manager
Jacqui Banks (TVCA)	Business Solutions Manager
Connor Malone (TVCA)	Governance and Scrutiny Officer
Eleanor Thomas (TVCA)	Governance Assistant

Item	**Actions**
1. Apologies for Absence	
There were no apologies for absence.	
2. Declarations of Interest	
There were no declarations of interest.	
3. Minutes of the previous meeting	
The minutes of the previous meeting held on 22 October were approved as a correct record.	
4. **Review of Evidence in relation to 'How do we support a future pipeline of talent?'**	
The second session of the Employment, Education and Skills Sub-Committee had been arranged for the purpose of reviewing the evidence in relation to supporting a future pipeline of talent.	

Members were keen to develop an understanding about Shout Out Portal data and how it worked. It was advised that the Shout Out Portal was a tool that TVCA had created to collate feedback from schools and businesses. It provided an effective and efficient way for businesses and schools to work together. Schools were able to use the tool to connect with local businesses through requests called 'shout outs', with businesses volunteering to support the schools' request. There was some concern about the lack of health service provision amongst employers on the portal and it was noted that that the care sector required support in getting skilled workers. The following was advised by officers: • Work was needed to review information provided to both young people and adults about the opportunities available in the care sector. • There was a review of information that was available to young people and adults across the Tees Valley area. • Establishing a care coordinator, which was to be a 2-year post, to take forward actions in relation to promoting the opportunities of working in the care sector. One member queried whether there was a live register which recorded the total number of apprenticeships across the Tees Valley area. Members were advised that TVCA has access to national apprenticeship data, which could be broken down to local authority level, and included the apprenticeship start date, what level these were and the achievements and completions of these apprenticeships over an academic year. TVCA also has access to the data cube, which was provided by the Department of Education. TVCA did not have details of apprenticeships that had been retained by the employer or whether they'd transferred to another employer. Members noted that the information provided by the Shout Out Portal was only a small part of all the work that TVCA undertook for Education, Employment and Skills for the Tees Valley. Officers undertook to put together a full overview of Tees Valley careers.	Circulation of apprenticeship data across the Tees Valley area. Officers undertook to provide a full overview of Tees Valley careers ahead of the next meeting.

5. Witness Discussion	
Officers advised that a good starting point for the witness discussion would be to agree a series of questions that the Sub-Committee were keen to ask representatives from further education, secondary sector and young people. It was noted that as part of the Government Further Education White Paper and the Introduction of the Local Skills Improvement Plans, colleges had to demonstrate how well they were responding to the skills needed and identified in the Local Skills Improvement Plans. Members discussed that it would be helpful for the first witnesses to be young people. It was suggested that schools could be contacted to provide feedback, potentially arranging a remote session, including an appropriate adult school representative with the young people, and used to find out about experiences from the young people's perspective. Members were advised that consideration for data protection and young people was required and that advice from the TVCA legal team was to be sought.	To confirm approach with TVCA Legal and does not breach GDPR, due to involvement with under 18s.
6. Next Steps	
Members agreed that the group had asked for more evidence-based information, and it was important for this information to be either provided to members or at another meeting before asking witnesses to attend meetings. It was agreed to arrange a follow up meeting to review the evidence that had been requested. This meeting was scheduled to take place remotely on **Wednesday, 12 February at 9:30am.** It was agreed that the next meeting was to be focussed on the questions members were keen to ask witnesses.	

Item 5.4 – EES Questionnaire

Good afternoon,

We are writing to you today on behalf of the Tees Valley Combined Authority's Overview and Scrutiny Committee. Members are currently conducting a review of Education, Employment and Skills with a focus on the topic **'How do we effectively work with businesses to support the future talent pipeline'.** To benefit your understanding, we have attached the Terms of Reference for the review.

Members have identified several questions to build an evidence base to support their review. We would be incredibly grateful if you could please respond to the questions below. If you are happy to provide response, could you respond no later than 01/04/2025 to allow members the opportunity to review in a timely manner.

<table>
<tr><th>Objective Focus Theme</th><th>Question</th><th>Response</th></tr>
<tr><td rowspan="2">Developing its understanding of existing careers provision and whether it is effective.</td><td>a. Could you please explain the current support you receive from TVCA in regard to Careers provision?</td><td></td></tr>
<tr><td>b. On a scale of 1-10 (1 being poor, 10 being Excellent) could you provide a rating for the overall service you receive?</td><td><table><tr><td>1</td><td></td><td>2</td><td></td><td>3</td><td></td><td>4</td><td></td><td>5</td><td></td></tr><tr><td>6</td><td></td><td>7</td><td></td><td>8</td><td></td><td>9</td><td></td><td>10</td><td></td></tr></table></td></tr>
<tr><td rowspan="2">Exploring the barriers that exist in ensuring effective careers provision.

Identifying any potential gaps in provision.</td><td>c. What barriers do you as an organisation face in ensuring effective careers provision?</td><td></td></tr>
<tr><td>d. What barriers do those your organisation support face?</td><td></td></tr>
</table>

Establishing good practice to be developed across the Tees Valley *region.*	e. Can you provide any examples of exemplary supportive activities towards careers provision? (both in the Tees Valley region and further afield) *Please consider events / workshops / non typical activities to push engagement etc.*	

If you would be interested in speaking directly to the Committee on this, please let us know and we can establish a meeting between yourself and members.

For any general queries on the review, feel free to email myself or the EES Sub-Committee Chair via their email:

***** End of Email *****

TEES VALLEY

Appendix 5: Responses to EES Sub-Committee Questionnaire

Authority Area:	Question 1 *Could you please explain the current support you receive from TVCA in regard to Careers provision?*	Question 2 *On a scale of 1-10 (1 being poor, 10 being Excellent) could you provide a rating for the overall service you receive?*	Question 3: *What barriers do you as an organisation face in ensuring effective careers provision?*	Question 4 *What barriers do those your organisation support face?*	Question 5 *Can you provide any examples of exemplary supportive activities towards careers provision? (both in the Tees Valley region and further afield)*
Redcar and Cleveland	TVCA regularly update us through careers hubs on important developments to Gatsby Benchmarks and in education too. They host relevant guest speakers and provide time to network too which is useful. They provide the online portal to promote our events and also for us to book onto events our students may be interested in. They also provide support with Gatsby reviews. Finally, they organise an enterprise contact for the college.	9	Cost – particularly around transport. There are lots of trips and visits that would benefit our students immensely but transport is a barrier. Particularly because of where we are based, students from East Cleveland would struggle to make their own way to events. Timetabling – unlike a school, there is no set time for assembly like activities so it can be difficult, without repeating activities multiple times, to capture all students. Some students are only in Monday/Tuesday while others may only be in Thurs/Friday so we could have a great opportunity that half the cohort misses out on due to them not being timetabled in that day. It can be difficult to provide relevant careers related learning for certain areas – for example hair and beauty is a sector that is mostly small businesses who do not have the time/resources/need to engage with the college for things like guest speaker opportunities so employer engagement in this area can be more of a challenge.	Location – the lack of apprenticeships available to and commutable for students based in areas such as Loftus, Brotton etc. makes it challenging for them to look at future options. Background/aspirations – some students coming from homes where one/both parents are long term unemployed Caring responsibilities – lots of students have caring responsibilities for their relatives which can impact significantly on their learning.	A group of engineering students attended MPI where the bus was funded – this was a huge help as this group of students may not have had a work place visit otherwise.

Stockton	Opportunities to network with colleagues across the region; examples and advice of best practice when completing termly reviews; opportunities for students shared through the ShoutOut portal; resources and guidance for curriculum and PSHE teaching	8	Linking with some of the larger and new employers in the area can be hard to find a way in (eg Amazon) who will not engage with the school at all; finding work experience placements in healthcare, police, law, civil service sectors is challenging for school age pupils; building relationships with brands students have heard of is harder.	Motivation to find placements for some is an effort - particularly if parent buy-in is not strong; appropriate placements for SEND students; low aspirations for low ability students	STEM industries are super keen to work with schools in a wide variety of ways; lots of opportunity for mentoring with employers and employer talks; strong interest in attending careers fairs to meet students;
Middlesbrough	We currently receive a regular bulletin detailing local events and opportunities for students across the tees valley area. A number of them are virtual and we promote these to students and staff. We attend the TVCA hub meetings where best practice is shared.	6	Meeting Gatsby benchmark 8 with current volume of staff (we have 2 careers advisers and 1 careers lead for 5000 16-18 year olds, 11.5k students overall) and recruiting staff to L6 qualified. Saturation of employers given volume of students who require encounters with employers. This takes a lot of organisation to ensure we don't oversaturate employers with requests. Offering the volume of support required by cohorts of young people such as care experienced, SEND etc.	At some points in the year students may experience a 2-3 week wait to see a careers adviser.	Teesside Uni workshops are delivered in a responsive, personalised manner. Their Staff CPD opportunities include the HEAT conference and Teesside Uni's Supporting Progression Conference which are both beneficial. Aim a Little Higher Motivational Speaker, Kamal, received excellent feedback from our staff and students.

Hartlepool	Developing its understanding of existing careers provision and whether it is effective. 1. Could you please explain the current support you receive from TVCA in regard to Careers provision? As I am fairly new to the role of careers leader, they have been helping and advising on completing our compass report. They have also supported me with any queries regarding potential funding for pupil activities and secured funding for me to take a cohort of pupils to a university STEm event They are also the go to place when making certain enquiries for additional support and also provides information on potential upcoming opportunities that our pupils may be able to take part e.g Big Big Project.	6	1. Financial barriers to accessing opportunities 2. Lack of support from local government 3. Lack of support from other government agencies eg. DWP 4. The inability to support pupils with effective work experience activities	1) Lack of suitable support from SLT 2) Incorrect perceptions of the role by SLT 3) Timescales to deliver effective careers provision 4) Lack of access to yr 11 pupils 5) Support in agreeing events in school form school staff 6) Restrictions on agreed timescales to deliver effective careers interventions All of the above are barriers experienced in school as a result of insufficient support from SLT and other staff	The pupils taking part in the Big Big Project and the Girls Get Set project have thoroughly enjoyed the opportunity which has been fantastic opportunities in helping them build confidence and raise awareness of LMI and providing better knowledge of STEM related careers. Year 10 lat year attended an NHS careers event at James Cook Hospital. This was pivotal in helping them choose where they wanted to progress after yr 11 and had a positive direct impact on the vast majority of the pupils who attended the event
Middlesbrough	Lots of support from Officers. By phone and email if needed. Also lots of valuable updates that are well focused at our community needs	10	Impact on learning time and the balance with opportunity	n/a	TVCA Officers Johnson Mathey Skills academy Teesside Uni Rotary club British gas NYBEP Apprenticeships-Thompson Speakers for school High Tide C EA

Agenda Item 15

Report to the TVCA Cabinet

26 September 2025

Report of the Interim Monitoring Officer

OVERVIEW AND SCRUTINY: ANNUAL REPORT 24/25

SUMMARY

This report seeks the endorsement of the Overview and Scrutiny Committees annual report for the 2024/25 Municipal Year.

RECOMMENDATIONS

It is recommended that Cabinet:

i. ENDORSES the annual report provided in appendix 1.

DETAIL

1. The Scrutiny Protocol for English Institutions with Devolved Powers states that:

   "an annual report should be published to broadcast the work of the Overview and Scrutiny Committee demonstrating how the committee's work influences and benefits the outcomes of the institution and its strategic goals and priorities. For combined authorities, this should be formally considered by its constituent members."

2. In accordance with this guidance, a draft Annual Report was circulated to the Committee on 10 July 2025.

3. Members subsequently met on 31 July 2025 and discussed the draft Annual Report at a workshop. The report has been developed with members consideration in mind.

4. The Committee considered the draft report on 10 September 2025 at it's first meeting of the municipal year. Members moved to approve the report for submission to Cabinet with no questions raised.

FINANCIAL IMPLICATIONS

5. There are no specific financial implications in relation to this report.

LEGAL IMPLICATIONS

6. There are no specific legal implications in relation to this report.

RISK ASSESSMENT

7. There are no specific risks associated with this report.

CONSULTATION & COMMUNICATION

8. The draft annual report was presented to the Overview and Scrutiny Committee at a workshop on 31 July 2025. It was subsequently then received at a Committee meeting on 10 September 2025.

APPENDICES

9. Overview and Scrutiny Committee: Annual Report 2024/25

Name of Contact Officer: Connor Malone
Post Title: Governance and Scrutiny Officer
Email Address: connor.malone@teesvalley-ca.gov.uk

Overview and Scrutiny Committee

Annual Report 2024/25

10 September 2025

Foreword from the Vice-Chair

As Vice Chair of the Overview and Scrutiny Committee, I am pleased to present the 2024/25 Annual Scrutiny Report for the Tees Valley Combined Authority. This report reflects on the work we have undertaken over the past year to examine how decisions are made, and how we, as a committee, have sought to ensure transparency, accountability, and continual improvement.

Scrutiny is about asking the right questions, listening to the answers, and using that insight to shape better outcomes for our communities. Over the past year, we have engaged with stakeholders and service providers from across the region to explore the issues that matter most to the residents of the Tees Valley.

This report provides overview of the previous year and accounts the activity of the Committee. We invite you to read this report and reflect with us on what has been achieved – and what still lies ahead.

Councillor Ian Blades
Vice-Chair of the Overview and Scrutiny Committee 24/25

The Tees Valley Combined Authority

The Tees Valley Combined Authority (TVCA) exists to further the sustainable and inclusive growth of the economy of the Tees Valley. It was established in April 2016 and has been built on a strong history of collaboration between the Constituent Authorities, the private sector and other partners.

The Tees Valley is defined as the area covered by five Constituent Authorities. They are:

- Stockton-on-Tees Borough Council;
- Darlington Borough Council;
- Hartlepool Borough Council;
- Redcar and Cleveland Borough Council; and
- Middlesbrough Council.

The Combined Authority is led by the Tees Valley Mayor, Ben Houchen, and a Cabinet made up of the Mayor, Leaders from its constituent councils and the Chair of the Tees Valley Business Board in a non-voting capacity.

The Overview and Scrutiny Committee

The Combined Authority has established an Overview and Scrutiny Committee in accordance with the relevant statutes and the Combined Authority's own constitution, in order to scrutinise and support the decision making of the Combined Authority Cabinet and the Tees Valley Mayor.

The purpose of these arrangements will include:

- Monitoring the decisions of or other action taken by the Cabinet and Mayor and to submit reports and make recommendations for improvement and/or change;

- Reviewing the strategies and policies of the Combined Authority and holding the Mayor, other Cabinet Members, and Officers, to account for their delivery.

2024/25 Municipal Year

Cabinet appointed the Overview and Scrutiny Committee at its meeting on 27 June 2024. The Committee compromises of 15 councillors drawn from the 5 constituent authorities listed above. The membership for the 2024/25 municipal year is detailed below.

Chair	**Councillor Steve Nelson**	**Stockton**
Vice-Chair	**Councillor Ian Blades**	**Middlesbrough**
Member	Councillor Ian Haszeldine	Darlington
Member	Councillor Sonia Kane	Darlington
Member	Councillor Andy Keir	Darlington
Member	Councillor Rachel Creevy	Hartlepool
Member	Councillor John Nelson	Hartlepool
Member	Councillor Mike Young	Hartlepool
Member	Councillor David Branson	Middlesbrough
Member	Councillor Dennis McCabe	Middlesbrough
Member	Councillor Margaret O'Donoghue	Redcar & Cleveland
Member	Councillor Glyn Nightingale	Redcar & Cleveland
Member	Councillor Craig Hannaway	Redcar & Cleveland
Member	Councillor Tony Riordan	Stockton
Member	Councillor Lynn Hall	Stockton

At its first meeting on 3 July 2024, the Committee received a report presenting an initial draft work programme for 2024/25 which provided suggestions from Cabinet to support the Committees exploration of task and finish topics. In line with the TVCA Constitution, the Committee

automatically establishes a Finance and Resources Sub-Committee to consider the annual budget. The Committee agreed to the following task and finish Sub-Committees and memberships:

The Finance and Resources Sub-Committee

Councillor Ian Haszeldine (Chair)
Councillor Andy Keir
Councillor John Nelson
Councillor Glyn Nightingale
Councillor Tony Riordan

The Transport Sub-Committee

Councillor David Branson (Chair)
Councillor John Nelson
Councillor Sonia Kane
Councillor Andy Keir
Councillor Craig Hannaway

The Education, Employment and Skills Sub-Committee

Councillor Rachel Creevy (Chair)
Councillor Ian Blades
Councillor Ian Haszeldine
Councillor Dennis McCabe
Councillor Lynn Hall
Councillor Margaret O'Donoghue

The Impact of Scrutiny

The Overview and Scrutiny Committee met a total of 8 times during the municipal year, with an additional 8 sub-committee meetings held. The 2024/25 municipal year saw all Committee meetings open quorate.

Attendance 24/25

The attendance figure, by Authority, is listed below:

Authority:	Attendance %:
Stockton-On-Tees Borough Council	95.83%
Middlesbrough Council	87.50%
Darlington Borough Council	83.33%
Redcar and Cleveland Borough Council	70.83%
Hartlepool Borough Council	62.50%

There was however a minimum of one representative from each authority at each meeting.

Task and Finish Exercises

The following topics explore the impact of the Committee during the municipal year through its established task and finish exercises.

Tees Valley Independent Review, Scrutiny Protocol, Best Value Notice

On 24 May 2023, the Secretary of State for Levelling Up, Housing and Communities wrote to Ben Houchen, Tees Valley Mayor, to:

"...confirm that he had taken the exceptional decision to support the commissioning of an independent review of the South Tees Development Corporation (STDC) and Teesworks Joint Venture. This followed allegations of corruption, wrongdoing and illegality around the operations of

Teesworks and a letter from Mayor Houchen to the Secretary of State on 16 May seeking an independent review of the matter by a 'relevant body'."

The Tees Valley Review panel concluded its work and reported its findings to the Secretary of State on 29 January 2024. The Mayor set out an action plan for responding to the Secretary of State, to detail the proposed response to the Tees Valley Review panel's recommendations and the other members of TVCA Cabinet endorsed that plan.

During the process of establishing the response to Government, the Overview and Scrutiny Committee received several briefing sessions in advance of their Committee meeting to agree its final response to Cabinet in addressing the recommendations within the review.

Alongside the review, members discussed and agreed to adopt the Scrutiny Protocol as part of strengthening the Scrutiny function in line with the Independent Review. Following the recommendation of the adoption to Cabinet, the protocol has largely been adopted. The remaining principle is awaiting confirmation from Cabinet as to the status of the recommendation.

The Combined Authority subsequently received a Best Value notice on 3 April 2025, the Committee continues to work with Officers to ensure the delivery of the improvement plan and will be meeting to discuss and implement their own improvement journey.

Review of Transport

The Transport Sub-Committee concluded its review on 17 March 2025, with the recommendations being received by Cabinet on 27 June 2025, all recommendations were adopted in full. The recommendations and potential impact are provided below:

Recommendation:	Impact – When Delivered:
Recommendation 1: Physical Integration and Alignment In consideration of alignment of bus and rail services, the Sub-Committee recommends that TVCA Transport Officers conduct a review inclusive of the following points:	The Committee believes that the implementation of this request, by the delivery of a report to Committee, will support its work programming efforts and help them determine if further work on the topic is required.

Recommendation:	Impact – When Delivered:
• *A review of the physical assets to facilitate modal interchange at railway stations within the Tees Valley, including connectivity with bus, car parking, and walking, wheeling, and cycling.* • *A review of the onward bus connectivity from railway stations within the Tees Valley and an understanding of the alignment of timetabling, performance and reliability at these locations.* • *A review of the real time passenger information provided at railway stations and at bus stops and consideration as to whether enhancements can be made to improve integration between train and bus for onward journeys* The Sub-Committee expects this work to be completed in advance of the proposed September 2025 meeting of Overview and Scrutiny Committee to allow the Committee to determine if further work is required.	The report itself will support the wider Authority by providing benchmark data from across a range of assets and services within the Tees Valley region.
Recommendation 2: Ticketing Integration The Sub-Committee recommends that the Tees Valley Combined Authority should commit to working collaboratively with the bus and rail operators, the Department for Transport, Great British Rail, and National Rail to provide a timeline to introduce integrated (tap-on / tap-off) ticketing to Tees Valley. They should review existing provisions and viability of services with partners, monitor ongoing regional trials that mirror the region in both size and population, and ultimately pursue the development of an integrated transport ticketing system. The Authority should produce such a plan within 12 months.	The Committee believes that the advancement of integrated ticketing within the Tees Valley would be of benefit to the residents of the region. The delivery of this review would support the Authority's intention to eventually implement 'tap-on / tap-off' ticketing within the region and encourage greater uptake of public services by residents.

Recommendation:	Impact – When Delivered:
Recommendation 3: Local Planning Considerations The Sub-Committee recommends that the Chair of the Overview and Scrutiny Committee, alongside the Sub-Committee chair, should write to responsible Local Planning Authority (including development corporations) / Transport Officers to request that; • *When considering planning applications, early engagement with bus operators, rail infrastructure, train operators, Active Travel England to be included so as to maximise the opportunities for designs and developer contributions that promote integrated transport.* Once approved, these letters should be sent as soon as practical, with a representative of the Combined Authority's Overview and Scrutiny Committee acting as liaison between the authorities to ensure engagement with the considerations of the Committee.	The Committee believes that early engagement with public service operators and key national stakeholders during the planning process is of the utmost importance to ensure the promotion of integrated transport. By nominating Committee representatives to champion this recommendation within the constituent authorities, this will help ensure that the Committees recommendation is considered by the respective authorities.

Review of Education, Employment and Skills

The Education, Employment and Skills Sub-Committee concluded its review on 17 March 2025. The recommendation to Cabinet will be received at the September meeting. The recommendations and potential impact are provided below:

Recommendation:	Impact – When Delivered:
Recommendation 1: Youth Forum The Sub-Committee recommends that the Tees Valley Combined Authority should develop and create a Youth Forum to act as a consultation vehicle for youth-based policy and activity of the Authority. This 'Youth Forum' should be as diverse and encompassing of the Tees Valley demographic, so far as is reasonably practical. The Overview and Scrutiny Committee should track the development of such a forum to ensure it aligns with the intentions of the Committee. Subject to the approval of such a forum, the Committee would expect the development and eventual creation within a 12-month timeframe.	The Committee believes that the implementation of this recommendation will support the Combined Authority in the delivery of youth-based policy and activity. The Committee felt that there was not enough representation of the 'youth voice' when determining projects / schemes to support them. The establishment of a youth forum, to act as a consultation vehicle, would strengthen youth targeted schemes.
Recommendation 2: Establishment of Permanent EES Sub-Committee (to Committee) The Sub-Committee recommends that the Overview and Scrutiny Committee amends its Terms of Reference to permanently establish the Education, Employment and Skills Sub-Committee as a part of its work programming. Members agreed that by establishing the permanence of the Sub-Committee that it can conduct longer term reviews on key elements within the Education, Employment and Skills area of the Authority. Whilst membership will be agreed annually following the first meeting of the Overview and Scrutiny Committee, the incoming membership can continue to deliver on the work of the previous Committee.	In enacting an amendment to the terms of reference, the Committee agrees that reviewing Education, Employment and Skills, as a thematic area, is of high importance to the Committee. As provided within the recommendation, they agree that the establishment of a permanent Sub-Committee would allow it to conduct longer term reviews.

Further Information

Further information regarding the work of the Overview and Scrutiny Committee, including the agenda papers for its meetings, can be found here: Overview & Scrutiny Committee - About

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Agenda Item 16
Report to the TVCA Cabinet
26 September 2025
Report of the Interim Director Business Solutions

NORTH EAST & YORKSHIRE NET ZERO HUB

SUMMARY

The North East and Yorkshire Net Zero Hub, funded by government and managed on behalf of the region by TVCA, is supporting the local delivery of national energy ambitions, supporting the development of schemes with potential for more than 194MW of clean energy generation and making more than 14,500 houses warmer and more energy efficient.

This paper highlights evolution in a number of areas of management and delivery and makes a number of recommendations to strengthen and augment the Hub's governance by TVCA.

RECOMMENDATIONS

It is recommended that TVCA's Cabinet:

i. AUTHORISES the Group Interim Monitoring Officer to update TVCA's Constitution to accurately reflect the current scale and complexity of Hub delivery.
ii. APPROVES the Hub-specific delegations included as Appendix 1, which delegate authority to the Chief Executive or their nominated representative in consultation with the Section 73 and Monitoring Officer for decisions relating to the Hub's governance and financial responsibilities and to the Director of Business Solutions for matters of internal management. Once approved, the Hub-specific delegations will be added to the Scheme of Delegation within the TVCA Constitution.
iii. NOTES the update relating to the Hub's Regional Governance Board in relation to membership and process for selecting an independent Chair.
iv. NOTES that an Options Appraisal relating to the future Hub delivery will be brought to the Cabinet meeting in December.

DETAIL

Background

1. Tees Valley Combined Authority has been the administrator and accountable body for the North East and Yorkshire Net Zero Hub (formerly Energy Hub) since 2018, a function proposed and undertaken under agreement between the Hub's six Combined Authority partners and conferred through the signing of a Memorandum of Understanding with government, setting out Hub management and delivery expectations.

2. The Hub's core funding and that of programmes delivered under the umbrella of the Hub is administered through TVCA for the purpose of helping to unlock regional pipelines of commercially investible project opportunities and in doing so accelerate progress towards local targets and ambitions.

3. The Net Zero Hubs have become a recognised local delivery vehicle for Government-led initiatives. What began as a small programme has evolved significantly in response to policy drivers, further funding and additional delivery requirements.

4. Due to this increase in scale and additional delivery requirements, this Cabinet update is being provided to reaffirm the requirements and obligations and to request approval to update the TVCA constitution to ensure the Hub's scheme of delegation is clear.

5. TVCA has delivered the Hub under two previous MOUs with annual determinations of funding issued under Section 31 of the Local Government Act 2003. The agreement of a new Memorandum of Understanding between the Department for Energy, Security and Net Zero (DESNZ) and TVCA for 2025-26 sets the strategic direction of the Hub during a transitionary year and one in which the national programme of Local Net Zero Hubs is expected to align closely with the Government's agenda for GB Energy (the new publicly owned energy company) and specifically their Local Power Plan to develop up to 8GW of local and community-owned renewable energy by 2030.

6. The MOU introduces new focus and direction for Hub delivery, aligned with supporting GB Energy through its mobilisation phase. By working through the established structures of the Net Zero Hubs, the aim is for GB Energy to accelerate progress towards their mission, and this also positions the region through the Hub to advocate for investment in local power.

Updating the TVCA Constitution

7. The Hubs were created primarily to deliver against four identified gaps in local capacity and capability:
    - Strategic support for aggregating projects and portfolios for scale-up and investment
    - Client-side support for writing informed tenders and specifications for procured provision
    - Technical support where this doesn't exist in house
    - Commercial support where this doesn't exist in house

    In addition to these four pillars of support, the Hubs play a valuable role in knowledge capture and sharing, identification of best practice and optimising insights from consultant-led research to avoid silo working and duplication.

8. While the Local Capacity Support referenced above remains at the core of Hub delivery, the Hubs' remit and scope has evolved and grown. The Hubs have become a recognised delivery vehicle for a range of Government-led programmes and initiatives, including but not limited to large scale domestic retrofit programmes, community-

owned energy generation and deployment, public sector estate decarbonisation and heat zoning support.

9. The Hub has transitioned from operating as a partnership of six LEPs to a partnership of six Combined Authorities and now delivers with a team of 22 FTE, around half of which are employed directly within TVCA and the others employed within partner Authorities under a Funding or Services Agreement.

10. To ensure that TVCA's Constitution accurately reflects the current management and delivery proposition, it is recommended that the Constitution is updated with references to the Hub that accurately reflect current scale and complexity of scope.

RECOMMENDATION: Cabinet to authorise the TVCA Group Monitoring Officer to update TVCA's Constitution to reflect the current scale and complexity of Hub delivery.

Scheme of Delegation

11. As an accountable body, TVCA is required to undertake legal and financial responsibility for the proper use of funding and accounting for how the money is spent. In practice it receives and manages the funding on behalf of the Department for Energy Security & Net Zero (DESNZ), exercising all the appropriate financial controls required of a public body for an entity (the Hub) that has no legal constitution of its own. This includes absorbing responsibility for financial decisions.

12. In the majority of cases, the Hub's funding is ring-fenced for a specific purpose that is determined by DESNZ and for which there is limited discretion. In such cases the role of TVCA is to formalise the process of allocation and financial control within its organisational governance and financial management structures. However, the Hub does have some areas where it may exercise discretion in the commitment of funding, for example in the allocation of funding as grants to external organisations or in the commitment of funding to strategic initiatives. In these cases, TVCA is required to formalise the recommendations of the Hub's regional governance board, provided they are satisfied that the decision is commensurate with delivery of the MOU and does not pose an unacceptable level of risk to the Authority.

13. While TVCA has, for this purpose, applied the scheme of delegations associated with the Investment Plan, for clarity and robustness it would be advantageous for decisions relating to the Hub to be taken under a separate scheme of delegation.

14. A proposed Scheme of Delegation is provided as Appendix 1 which the Cabinet is recommended to agree to ensure appropriate and focused decision making.

RECOMMENDATION: Cabinet to approve the Hub-specific delegations included as Appendix 1, which delegate authority to the Chief Executive or their nominated representative in consultation with the Section 73 and Monitoring Officers for decisions relating to Hub governance and financial responsibility and to the Director of Business Solutions for matters

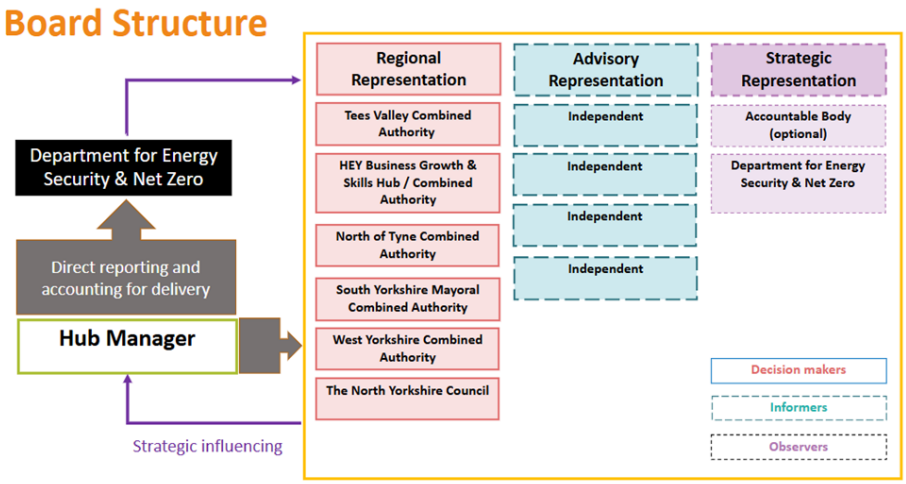
of internal management. Once approved, the Hub-specific delegations to be added to the Scheme of Delegation within the TVCA Constitution.

Update in relation to the Hub's Regional Governance Board

Membership

15. The MOU which TVCA signs to manage delivery of the Hub sets out a requirement for the Hub to maintain a governance structure that is regionally representative to oversee the activities of the Hub.

16. Each Hub is expected to have a Board made up of local representatives as well as other stakeholders such as regional leaders and third parties, which will be responsible for ensuring supported projects are in line with wider Net Zero goals and signing off on resource/funding decisions. The current structure of the Hub's Board is represented in the diagram below:



17. The NEY Net Zero Hub's Board originally comprised representatives from just the six partner LEPs (now MCAs) with TVCA taking the role of Chair. In 2023, four independent and non-decision-making roles were added to the Board and appointed through an open, regional selection process. The independent members bring a range of alternative experience, including Local Authority delivery, DNO practise, direct knowledge of community energy and commercial/business acumen.

    An updated list of current members is provided as Appendix 2.1.

Independent Chair

18. Representation on and chairing of the Hub Board has effectively been an ex-officio part of the Head of Net Zero role since the Hub's inception. However, this arrangement has highlighted a tension and limitation as the fair and objective Chairing of the Board is not always compatible with TVCA advocating for the interests of the Tees Valley in

the way the other MCA Board members are able to. Nor does it allow TVCA to effectively exercise oversight of Board governance as Accountable Body.

19. It is considered that the Hub Board should be independently chaired by an individual working in complementary alignment with the accountable body to focus and provide objective scrutiny of Hub performance against its objectives. This would allow TVCA's representative to advocate for the Authority as well as create an opportunity to appoint a Chair who could independently advocate for the Hub with external stakeholders, including senior decision makers from within the region and beyond.

20. While the Hub Board currently operates under agreed Terms of Reference, there is no precedent for managing such a transition in the Chair role. A suitable process and terms on which an Independent Chair would be engaged have been developed and are provided at Appendix 2.2

21. A review of candidate suitability from the current Board membership has been undertaken by the Head of Net Zero and the Hub Manager based on the criteria proposed in Appendix 2.2. A suitable candidate has been identified from the existing independent Board membership and recommended for the role of independent Chair, subject to being willing and able to accept the position.

22. Suitability has been determined based on the individual's submission to be a Board member and the attributes outlined in the application, along with most recent declarations, and knowledge of their performance as a Board member. It is considered that the individual would bring a number of strengths to the role, including:
    - Relevant technical knowledge and understanding
    - Experience of commercial investment and private finance
    - Organisational development and change management
    - Community energy policy and practice
    - Previous board/governance experience

RECOMMENDATION: Cabinet to note the update in relation to the Hub's regional governance Board.

Future Delivery

23. The Hub's current MOU and funding settlement is for a single financial year, with spend eligible up to September 2026 provided it is committed in the current financial year. At the time of writing, we await confirmation of future further funding from the Summer Spending Review and hope to have greater clarity by the Autumn.

24. At this point it will be pertinent to undertake a review of the Hub's strategic direction, and the management and delivery model to ensure it is fit for purpose and optimised for the region in the context of future funding priorities and requirements.

25. It is proposed that the Head of Net Zero, with support from the Hub Manager and input from DESNZ, will prepare an options appraisal for the Cabinet to consider at the December meeting.

RECOMMENDATION: To note that an Options Appraisal for the future management of Hub delivery will be presented for consideration at the meeting in December.

FINANCIAL IMPLICATIONS

26. There are no direct implications for TVCA finances and staffing as the Hub links into existing systems. The Hub's core and programme funding resources 100% delivery.

27. TVCA leverages a 10% charge on Hub core revenue funding and 10% of the ring-fenced Management and Administration elements of programmes delivered through the Hub (for example Great British Energy Community Fund) whereby up to 10% of the total budget supports the employment of Officers required to manage the programme, appraisal and due diligence and other administrative costs. This covers the costs of necessary access to back-office functions to support Hub governance and operations.

28. There are some exceptions which may apply to the application of a 10% programme charge:
    - Where TVCA receives funding which is explicitly ring-fenced in its entirety for an identified purpose (e.g. funding for a specific project, funding to deliver events, funding intended to be passported via the Hub)
    - Where the programme is delivered for the Hub by one of its partner or delivery Authorities (e.g. Public Sector Decarbonisation and Heat Zoning Support). In this instance the funding is passported directly and the right to leverage a programme charge is transferred to the delivering Authority.
    - Where the value of the programme is such that a 10% charge would be unreasonable and unnecessary (e.g. Warm Homes Social Housing Fund). In this instance an appropriate charge is agreed on a case-by-case basis.

29. The new Independent Chair will require payment of reasonable expenses for travel in the pursuit of their duties and will also require access to some administrative resource within the Hub to help with meeting arrangement, diary coordination etc. There are no implications for TVCA finances and staffing as all associated costs will be met within the Hub budget.

30. Financial and staffing implications for future management of Hub delivery will be considered as part of the Options Appraisal once we have greater clarity around future funding and policy direction.

LEGAL IMPLICATIONS

31. As accountable body for the Net Zero Hub, TVCA undertakes to ensure the Hub is managed and delivered in accordance with all relevant statutory requirements of a public body.

32. TVCA currently manages some of the Hub's delivery through Agreements with partners, by which delivery requirements and adherence to the Hub's MOU is passed to another Authority. TVCA maintains ultimate accountability to DESNZ for outsourced delivery and is required under the terms of the MOU to actively manage underperformance in devolved delivery to remove funding where this is an issue.

33. As the Hub acts as an umbrella delivery vehicle for additional programmes, TVCA as accountable body for the Hub, is periodically requested to agree further MOUs with government pertaining to delivery of these programmes.

34. The Hub's MOU embeds an overarching requirement to support Great British Energy, Britain's new publicly owned energy company created by an Act of Parliament in May, and delivery of the Clean Power 2030 Plan. The English Devolution and Community Empowerment Bill requires Mayoral Strategic Authorities to develop Local Growth Plans and Spatial Development Strategies with guidance promoting a holistic approach and integration with other policy teams within DESNZ and beyond. Energy demand, supply, security and production are key, underpinning considerations for all of the transformative activity mandated to MCAs.

35. There are no legal implications for the proposed changes to the Hub's Regional Governance Board. The Board has no legal personality and is not directed by any legislation. Legal accountability remains with TVCA.

36. There are currently no known legal implications for future Hub delivery though a full assessment of legal implications will be provided as part of the Options Appraisal once we have greater clarity around future funding and policy direction. If there is no future delivery, then implications arising from all extant employment Acts will require consideration.

RISK ASSESSMENT

37. TVCA's hosting of the Net Zero Hub carries the following identified core risks:

- Staffing – The Hub requires an appropriate level of resourcing to deliver against its objectives. Failure to secure the requisite resource could leave TVCA exposed to delivery liabilities.

  Hub delivery and the associated programmes delivered under the umbrella of the Hub are self-funded and in addition TVCA can (and does) draw on the wider Hub partnership to resource delivery.

- Stakeholder Relationships – In hosting the Hub TVCA has accepted a position of responsibility and authority with regional stakeholders which may require it to exercise responsibility that is deemed to be counter to the interests or priorities of individual stakeholders.

This may be mitigated by applying a consistent and fair delivery approach, demonstrating integrity and an ability to understand the holistic benefits of regional delivery. It should also be recognised that this position of responsibility and authority also confers opportunities for greater collaboration and strengthening of relationships with local and regional partners.

- Accountability for partnership delivery – The Hub's current model involves a significant amount of delivery responsibility devolved to partners which removes some control from TVCA as the partner ultimately responsible for delivering the Hub's MOU.

  This is mitigated by the transfer of funding under formal Agreements (including a move towards Services Agreements in preference to Funding Agreements) and monitoring of deliverables. In addition, the MOU places an obligation on TVCA to remove funding from under-performing delivery partners and compliance concerns are being actively addressed through internal escalation routes.

- Delivery Priorities – The Hub's delivery mandate may be perceived as duplicating MCA functions or peripheral to organisational priorities and therefore a distraction from substantive delivery.

  The Hub delivers against a core national agenda which underpins and integrates seamlessly with local ambitions for economic growth and community resilience. As a delivery mechanism it is cost effective and with ambition and vision has potential to provide excellent value for money, adding value to existing delivery and the implementation of local plans.

- Governance – TVCA has accepted accountability for a programme with several complexities and relationships to manage. This requires integration with robust internal processes and systems, active governance oversight and management of contract delivery, potentially adding pressure to existing systems.

  This is mitigated by strong and self-funded executive management and regional governance Board. There is a limit on autonomous decision-making as TVCA is largely required to enact requirements from DESNZ or recommendations from the Board. It is also noted that the implementation of TVCA's Improvement Plan will strengthen systems and processes, making them better able to accommodate the required responsibilities with minimal displacement.

38. The key risks associated with the appointment of an independent Chair can be characterised as follows:
    - Governance – the vision and direction of the Chair is at odds with TVCA's accountability for the Hub MOU or DESNZ's requirement of the Hubs. This would be mitigated by following the proposed selection process, limiting tenure and ensuring communication between the Chair and TVCA's representative.

- Regional Partnership – key Board stakeholders object to or are unable to unite behind the vision of the Chair. This would be mitigated by ensuring that the Chair's understanding and vision is firmly focussed on the delivery of the Hub's MOU and that the selected individual has sufficient experience and gravitas to positively engage regional leaders.

39. The primary risk to future delivery is no further funding for FY 2026-27 and beyond. The implication of this is that TVCA will need to implement a full programme closedown before the end of the current funding period (i.e. by September 2026) with associated likelihood of redundancies and loss of key skills within the team. A full risk assessment will be provided as part of the Options Appraisal once we have greater clarity around future funding and policy direction.

The content of this report is categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.

CONSULTATION & COMMUNICATION

40. The contents of this paper have been considered by Tees Valley Management Group and Tees Valley Chief Execs Group ahead of Cabinet. Additional consultation has been undertaken as follows:
    - DESNZ has been consulted in relation to:
        i. Changes to the Hub's Regional governance Board – the proposed changes have been discussed with DESNZ and confirmation provided that the proposals are acceptable to them.
        ii. Future delivery – we await further insight from DESNZ in relation to the required future direction of the Net Zero Hubs.
    - The Hub's Governance Board has been consulted in relation to:
        i. Changes to the Hub's Regional governance Board – ongoing consultation with a full discussion of the proposed arrangements tabled in August.
        ii. Future delivery – ongoing consultation while seeking clarity from DESNZ.

EQUALITY & DIVERSITY

41. There are no impacts on groups of people with protected characteristics.

Appendices

Appendix 1 – NEY NZ Hub Scheme of Delegation
Appendix 2.1 – NEY NZ Hub Board Members
Appendix 2.2 NEY NZ Hub Independent Chair Role and Recruitment

Name of Contact Officer: Karen Oliver-Spry
Post Title: Net Zero Hub Manager
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Email Address: karen.oliver-spry@teesvalley-ca.gov.uk

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Agenda Item 16, Appendix 1

Report to the TVCA Cabinet

26 September 2025

Report of the Interim Director Business Solutions

NEY Net Zero Hub Scheme of Delegation

	Delegation	Limitation
1.	Delegate authority to the Chief Executive (or their appointed substitute) in consultation with the Section 73 and Monitoring Officers, upon the recommendation of the Hub Board and where the decisions do not impact the Combined Authority budget or existing staffing arrangements: • To agree funding allocations for the use of Net Zero Hub funds. • To develop and design grant programmes in line with Net Zero Hub objectives. • To commission/procure services, projects and toolkits, and to award and enter into contracts. • To approve the award of grants. • To procure services and award contracts for DESNZ ringfenced projects or programmes arising out of the Net Zero Hub MoU(s). • To execute the corresponding grants, contracts and agreements. Such approvals or decisions to be reported to the next meeting of Cabinet on the exercise of that delegation.	Devolved/dispersed funding for partner-led core delivery - £350K Energy Project Enabling Fund - £1m Technical consultancy -£500K Strategic Programme - £750K DESNZ ringfenced projects £2million

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	Delegation	Limitation
2.	Delegate authority to the Chief Executive (or their appointed substitute) in consultation with the Section 73 and Monitoring Officers, to enter into agreements and approve the budgets corresponding to Hub MOU(s) where the decisions do not impact the Combined Authority budget or existing staffing arrangements. Such approvals or decisions to be reported to the next meeting of Cabinet on the exercise of that delegation.	£5million
3.	Delegate authority to the Chief Executive (or their appointed substitute) in consultation with the Section 73 and Monitoring Officers to agree variations to the Hub MoU(s), execute agreements and approve budgets. Such approvals or decisions to be reported to the next meeting of Cabinet on the exercise of that delegation.	£5million
4.	Delegate authority to the Chief Executive (or their appointed substitute) in consultation with the Section 73 and Monitoring Officers to accept new NEY Net Zero Hub MOUs, execute agreements and approve budgets. Such approvals or decisions to be reported to the next meeting of Cabinet on the exercise of that delegation.	£10million
5.	Delegate authority to the Chief Executive (or their appointed substitute) in consultation with the Section 73 and Monitoring Officers to take financial decisions for coordinating and managing Government retrofit programmes such as Warm Homes: Social Housing. Such approvals or decisions to be reported to the next meeting of Cabinet on the exercise of that delegation.	Up to £1million revenue expenditure.
6.	Delegate authority to the Chief Executive (or their appointed substitute) in consultation with the Section 73 and Monitoring Officers to take financial decisions, including the removal and/or reallocation of funding from under-performing projects, up to 20% of the grant awarded for Government retrofit programmes such as Warm Homes: Social Housing.	Capped at £20m capital expenditure

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	Delegation	Limitation
	Such approvals or decisions subject to the terms of the relevant MOU and to be reported to the next meeting of Cabinet on the exercise of that delegation.	
7	Delegate authority to the Director of Business Solutions (or their appointed substitute) to set up advisory boards/steering groups/funding panels, agree Terms of Reference, including updates and to approve changes to those boards/steering groups and funding panels, including the Hub's governance Board. Such approvals or decisions to be reported to the next meeting of Cabinet on the exercise of that delegation.	N/A

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Agenda Item 16, Appendix 2.1

Report to the TVCA Cabinet

26 September 2025

Report of the Interim Director Business Solutions

NEY Net Zero Hub Board Members

Regional Members

Member	Nominated Representative
Tees Valley Combined Authority	Chris Rowell (Head of Net Zero)
Hull & East Yorkshire Combined Authority	Teresa Chalmers (COO HEY Business Growth & Skills Hub)
North East Combined Authority	Ross Lowrie (Principal Manager Low Carbon Growth & Net Zero)
South Yorkshire Combined Authority	Colin Blackburn (Ass Dir Housing, Infrastructure & Planning)
West Yorkshire Combined Authority	Noel Collings (Head of Net Zero and Energy)
York & North Yorkshire Combined Authority	Katie Thomas (Snr Strategy Manager Low Carbon & Environment)

Independent Members

Member	Key Credentials
Debbie Trebilco	Commercial financing expertise and experience of international private sector business. Net zero project implementation (including community energy and domestic retrofit). Change management and business improvement.
Melanie Taylor	Experience of leading net zero infrastructure programmes in both public and private sector. Responsibility for energy futures transition planning and policy in regulated utilities. Reginal Head of RESP
Maggie Bosanquet	30+ years leading and growing local authority Low Carbon service. Expertise in sustainable heat, especially mine heat and deep geothermal systems; in stakeholder engagement and partnership; and in strategic planning for net zero.
Anda Baumerte	Experience of advancing decarbonisation across public, private, and voluntary sectors – including positions in civil service, research, consultancy, and regulated utilities. Current role with Blue Lights Services.

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Observers

Member	Nominated Representative
DESNZ	Molly Cole (Regional Lead for NEY and SW)
	Other programme leads as required to oversee programme-specific decisions.

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Agenda Item 16, Appendix 2.2

Report to the TVCA Cabinet

26 September 2025

Report of the Interim Director Business Solutions

NEY Net Zero Hub Board Independent Chair Role and Selection

Overview

The Hub's Board provides regional governance and oversight, setting the strategic direction of delivery and reviewing progress to ensure the Hub's resources are being used effectively.

The MOU with the Department requires that the Hub Board will be made up of appropriate regional representatives as well as other stakeholders such as regional leaders and third parties to ensure full and balanced coverage.

The full Terms of Reference are included as Annex 1 to this document.

Independent Chair

From Autumn 2025 it is intended that the Chair of the Board will be an independent member to steer the regional oversight of Hub delivery with the Hub's MOU objectives at the head. This will enable a clear separation between the functions of the Board Chair and the accountable body for optimal governance. It is also envisioned that this will enable the Chair to take on a stronger advocacy and figure-head role with external stakeholders and strategic decision makers.

Below is set out the proposed role and terms for selection.

<u>Role</u>

- Provide leadership and direction to the Board, ensuring it remains focused at all times on Hub delivery and performance.
- Ensure that the Hub Board is managed in a transparent and equitable manner, adhering to the seven Nolan Principles of public life.
- Ensure that all Board members are involved and active participants in meetings, that all relevant matters are discussed, and that effective decisions are made, minuted and actioned.
- Develop and maintain relationships with relevant key stakeholders, including regional government, DESNZ, and GBE.
- Act as an ambassador and advocate for the Hub with external stakeholders.
- Deliver constructive challenge and uphold accountability for the Hub's performance.
- Work with the accountable body to escalate any issues and risks to Hub delivery
- Attend regular meetings with the accountable body to ensure alignment of direction with assurance and governance principles.

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Required Experience

- Extensive leadership experience.
- Experience with the Hub's core delivery requirements – e.g. renewable energy generation, community action/benefits in relation to local energy, commercialisation of energy generation/net zero projects.
- Experience of working with and influencing senior decision makers such as local politicians/ Ministers/ MPs, regional and national government agencies, business etc.
- Track record of developing and driving strategic change
- Track record of success in actively promoting collaboration, joint initiatives, and partnerships.
- Well-developed strategic, influencing, and negotiation skills, and ability to work across organisations in an open and effective way.
- Ability to Chair meetings effectively.
- Ability to understand, monitor and manage the detail of complex programme management information.
- Ability to act in accordance with the seven Nolan Principles of public life.

Appointment

- The Chair will normally be selected from within the existing independent Board membership unless it is not possible to identify a suitable and willing candidate.
- The Chair will be nominated by the Accountable Body following a review of candidate suitability against the role description and an informal conversation to gauge appetite and appointed with the agreement of the Board/DESNZ.
- If it is not possible to select an independent Chair from within the current Board membership, then the role will be appointed through an open and transparent competitive process which assesses candidates on merit in the context of their skills and experience.
- Shortlisting will be undertaken by the outgoing Chair in consultation with the Hub Manager and DESNZ and agreed by the Accountable Body.
- The interview panel will consist as a minimum of the Accountable Body representative, Hub Manager and DESNZ representative but may also include other Board members.

Remuneration and expenses

- The Chair (and Vice Chair if elected) may be remunerated positions if decided by the Accountably Body in consultation with the Board. The Board will review this in advance of recruitment taking place.
- In addition, the independent Chair may access administrative support from within the Hub executive team to help coordinate meetings and process expenses.
- Expenses will only be paid in line with the Accountable Body's expenses policy.

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Terms of Office

- Independent Chairs (and Vice Chairs) are appointed for a term of up to two years, which may be renewed for a further two years on the basis of satisfactory performance.
- The Chair may serve an additional two-year term (six years total) in exceptional circumstances if approved by the Accountable Body in consultation with the Board.

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Annex 1 – Hub Board Terms of Reference

PURPOSE

To oversee delivery and progress of the NEY Net Zero Hub's activities, setting strategic priorities for Hub delivery and making decisions that accelerate the delivery of net zero projects at a local level.

To review and discuss the development and progress of the pipeline of local energy/net zero projects to ensure Hub resources are being used effectively, in line with the Hub's MOU with the Department and complementary to regional strategies, including Mayoral priorities.

OBJECTIVES

1. To develop and agree strategic priorities to inform Hub delivery.
2. To consider reports and monitor progress of Hub delivery against the Hub's core objectives and any agreed KPIs.
3. To review risks, issues and exceptions and determine appropriate course of action based on recommendations.
4. To maintain communications across participating organisations and the Department.
5. To select projects and activities to receive allocated support (financial or capacity), prioritise resources and make funding decisions in alignment with agreed governance processes.
6. To monitor performance, spend and outcomes of programme delivery, providing constructive challenge where necessary and support to overcome barriers.
7. To work collaboratively and cooperatively to ensure effective delivery and optimise impacts within the region.
8. To participate in meetings with the Department to discuss Hub governance as required.

MEMBERSHIP

To meet the requirements of the Hub's MOU, the Hub Board will be made up of appropriate regional representatives (normally from the Hub's constituent Combined Authorities), as well as other stakeholders such as regional leaders and third parties to ensure full and balanced geographical coverage.

Full details of Hub Board Membership, including how members are detailed in a separate document.

CHAIR

The Hub Board will be Chaired by an independent person, normally selected from within the independent membership. The Chair will be appointed by the accountable body and agreed with DESNZ/the Board members.

If the Chair is not able to be present at a board meeting, then they will nominate a deputy from within the membership for the duration of the meeting.

DECISIONS

Board members may be asked to take decisions acting on recommendations from the executive to, for example approve resource allocations or grant awards under a defined programme.

The Board will seek to achieve consensus where possible. Where it is not possible to achieve consensus, decisions will be taken on the basis of majority vote and silence will be taken as acquiescence unless the member registers a conflict or abstention.

Where there is no clear majority, the accountable body will have the casting vote but may delegate this to the Chair.

No decisions will be deemed to have passed where they are contrary to the MOU or are deemed by the accountable body to present an unacceptable level of risk.

QUORUM

The quorum for meetings shall be four Board members or their nominated qualified deputies (in the case of regional representatives).

If a member does not attend a meeting, does not field a deputy and does not respond to papers circulated for the meeting they shall be deemed to have waived their influence for any decisions taken in their absence.

CONDUCT

1. The Board will operate in a business-like, non-bureaucratic fashion.
2. A schedule of meetings (at least every 2 months) will be prepared on an annual basis.
3. Board members will conduct themselves according to the Nolan Principles of public life.
4. Board members with personal, commercial or financial interests in any agenda items will declare them at the relevant points on the agenda and not participate in discussion or votes on those items.
5. Board members with declared personal, commercial or financial interests in any agenda items may be required to leave the room at the discretion of the Chair for the duration of the agenda item discussion.
6. Board meetings are confined to Board members and advisers except for external presenters and observers which have been agreed with the Chair in advance.

7. There will be a formal record of notes and decisions taken.

REPORTING ARRANGEMENTS

Papers will be prepared by the Hub executive, collated and circulated at least 3 working days in advance of the meeting.

FREQUENCY AND LOCATION OF MEETINGS

The Board shall meet at least every two months.

Urgent decisions required from the Board may be taken by electronic communication in between meetings, with the same requirements for quorum and declarations of interest as above.

Board meetings will usually be held on MS Teams but may be held in person by agreement.

Board members will also participate in up to two Away Days each year to support strategic planning and direction setting.

Agenda Item 17

Report to the TVCA Cabinet

26 September 2025

Report of the Tees Valley Mayor

TEES VALLEY LOCAL REMEDIATION ACCELERATION PLAN

SUMMARY

In the Prime Minister's response to the Grenfell Inquiry, the commitment to accelerate the remediation of buildings with unsafe cladding was made. The resulting National Remediation Acceleration Plan aims to address the buildings affected and speed up the completion of works whilst supporting the residents of those buildings.

To deliver on this commitment and to accelerate remediation works locally, the Deputy Prime Minister wrote to all Mayoral Combined Authorities, recognising the unique position they are in locally to co-ordinate the work of enforcing authorities and asked them to work alongside key partners to prepare a Local Remediation Acceleration Plan for their regions. This request makes use of the Mayoral Combined Authority's convening powers, relationships and local knowledge to help increase the pace of remediation.

This report provides an overview of the Tees Valley Local Remediation Acceleration Plan (see Appendix 18.1) including how it has been developed.

RECOMMENDATIONS

It is recommended that the TVCA Cabinet

i. APPROVES the Local Remediation Acceleration Plan for publication on the TVCA Website and NOTES the convening role TVCA takes in its delivery.

DETAIL

Background

1. On 14 June 2017 the fire at Grenfell Tower claimed the lives of 72 people. The tragedy placed a spotlight on the safety of the nation's buildings and led to an inquiry into the

failings of the system that allowed this to happen. As well as identifying the causes of the fire the Grenfell Inquiry Report, published in September 2024, made a series of recommendations for ensuring that such a tragedy should never be repeated.

2. The Prime Minister committed to responding to the recommendations of the report and in December 2024 provided a National Remediation Acceleration Plan (NRAP). This plan aims to speed up the work required to address the issues within the housing stock. Buildings with unsafe cladding have been identified, but making these buildings safe is not progressing fast enough.

3. The NRAP was published on 2 December 2024 and has three core objectives:

    i. Fix Buildings faster
    ii. Identify all buildings with unsafe cladding
    iii. Support residents

4. To deliver on this commitment, the Deputy Prime Minister wrote to all Mayoral Combined Authorities, requesting that they use their convening powers to pull together key partners and regulators to develop a Local Remediation Acceleration Plan (LRAP). This request makes use of the Mayoral Combined Authority's convening powers, relationships and local knowledge to help increase the pace of remediation. The role of the LRAP is to is to identify how, if necessary, the pace of remediation can be increased at a local level and what, if any, support is required.

5. The NRAP, and its local counterpart, the LRAP, is critical to the support of residents and leaseholders of buildings which have unsafe cladding. Not only to reduce the risk of unsafe buildings claiming lives in an avoidable tragedy, but also to remove the crippling bills and other difficulties faced by people in our region.

Tees Valley LRAP development

6. The purpose of the LRAP is to increase the pace of remediation of residential buildings over 11m high with unsafe cladding and applies the commitments of the National Remediation Acceleration Plan at a local level in Tees Valley.

7. The role of the Mayoral Combined Authority is to convene meetings between the regulators, monitor the progress of the LRAP, aid addressing barriers preventing remediation, encourage use of enforcement where required and seek to access government support should local enforcement require additional powers.

8. On behalf of the Tees Valley Mayor, the Deputy Mayor pulled all relevant partners across the region together to discuss the LRAP and agreed approach, next steps and roles & responsibilities. This group became the LRAP Partnership who meet on a quarterly basis. Membership includes Cleveland Fire Service, Durham & Darlington Fire

Service, Tees Valley Combined Authority and the Local Authorities of Darlington, Hartlepool, Middlesbrough, Redcar & Cleveland and Stockton-on-Tees.

9. The LRAP Partnership then worked closely with MHCLG to prepare the LRAP (Appendix 18.1) which was led by Cleveland Fire Service and Tees Valley Combined Authority in conjunction with the other partners as outlined above.

FINANCIAL IMPLICATIONS

10. MHCLG has provided £50k of New Burdens funding to TVCA for 2025/26 to resource the activity required to develop the LRAP and cover the capacity required to support the implementation of the plan.

11. Part of this funding has been provisionally allocated to Cleveland Fire Service for their additional work to develop the LRAP document and verify the heights of buildings. The review and enforcement work of the regulators is within their existing obligations.

12. TVCA are reporting to MHCLG on a quarterly basis on how this funding is being used. There may be scope for funding for future years and TVCA are exploring this with Government.

LEGAL IMPLICATIONS

13. Convening the LRAP Partnership does not have legal implications for TVCA.

14. The regulatory bodies, the fire services and local authorities, have enforcement powers conferred on them by the Housing Act 2004, Regulatory Reform (Fire Safety) Order 2005 and the Building Safety Act 2022.

RISK ASSESSMENT

15. The Mayor and TVCA carry an element of reputational risk from holding the convening role and being associated with regulators. There is a reputational risk should the convening role be misdescribed and presumed to have powers of enforcement.

16. This is categorised as low risk. It is written in the LRAP itself that the role of the MCA is to convene only.

17. Existing management systems and daily routine activities are sufficient to control and reduce risk.

CONSULTATION & COMMUNICATION

18. Through the LRAP Partnership, the relevant regulators have been consulted and have fed into the document.

19. MHCLG have aided the development of the LRAP including providing technical feedback.

20. The resultant LRAP document will be hosted on the TVCA website, the location shared with the Partnership and MHCLG so that the current document is made available for the public to access.

EQUALITY & DIVERSITY

21. This report does not negatively impact any group of people with protected characteristics.

Appendices

Appendix 1 – Tees Valley Local Remediation Acceleration Plan

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Agenda Item 17, Appendix 1

Report to the TVCA Cabinet

26 September 2025

Report of the Tees Valley Mayor

TEES VALLEY

LOCAL REMEDIATION

ACCELERATION PLAN

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Authorised date: 26 September 2025

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Introduction

On 14 June 2017 the fire at Grenfell Tower claimed the lives of 72 people. The tragedy placed a spotlight on the safety of the nation's buildings and led to an inquiry into the failings of the system that allowed this to happen. As well as identifying the causes of the fire the Grenfell Inquiry Report, published in September 2024, made a series of recommendations for ensuring that such a tragedy should never be repeated.

The Prime Minister committed to responding to the recommendations of the report and in December 2024 provided a National Remediation Acceleration Plan (NRAP). This plan aims to speed up the work required to address the issues within the housing stock. Buildings with unsafe cladding have been identified, but making these buildings safe is not progressing fast enough. There are several barriers that have been identified, and government is committed to overcoming these.

The National Remediation Acceleration Plan, published in December 2024, has three core objectives, to:

1. Fix Buildings faster
2. Identify all building with unsafe cladding:
3. Support residents

To deliver on this commitment, the Deputy Prime Minister wrote to all Mayoral Combined Authorities, recognising the unique position they are in locally to co-ordinate the work of enforcing authorities and asking them to prepare a Local Remediation Acceleration Plan for their regions. This request makes use of the Mayoral Combined Authority's (MCA) convening powers, relationships and local knowledge to help increase the pace of remediation. The role of the MCA is to is to identify how, if necessary, the pace of remediation can be increased at a local level and what, if any, support is required.

This Local Remediation Acceleration Plan applies the commitments of the National Remediation Acceleration Plan in the Tees Valley. It is produced by Cleveland Fire Service and Tees Valley Combined Authority (TVCA) in conjunction with Durham & Darlington Fire Service, and the constituent Local Authorities of Darlington, Hartlepool, Middlesbrough, Redcar & Cleveland and Stockton-on-Tees.

Its aim is to set out how the pace of remediation of buildings over 11m in height with unsafe cladding can be increased at a local level, and to identify what is needed from government to support this work.

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The Plan will be published on the Tees Valley Combined Authority website. It will be reviewed by the Partnership at the start of each financial year to ensure effectiveness.

Scope of the Tees Valley Local Remediation Acceleration Plan

The purpose of the Local Remediation Acceleration Plan (LRAP) is to increase the pace of remediation of residential buildings over 11m high with unsafe cladding. Under Building Regulations, combustible materials have been banned for use in external facades of buildings higher than 18m since 2018. Since 2020 the ban has been extended to apply to existing residential buildings over 11m in height.

Geographically, this LRAP covers the residential buildings over 11m high with unsafe cladding within the TVCA area only. Within this area, Cleveland Fire Service serve the Local Authority Areas of Hartlepool, Middlesbrough, Redcar & Cleveland and Stockton on Tees. The Darlington Local Authority area is served by Durham and Darlington Fire & Rescue Service (D&DFRS). D&DFRS are also responsible for work within a wider area of Durham, however as this is outside the boundary of TVCA it is not considered within this LRAP.

Scale

The table below illustrates the data from MHCLG as of April 2025. According to the data there are 30 buildings within the TVCA area have been identified as over 11m in height - 10 of which are over 18m.

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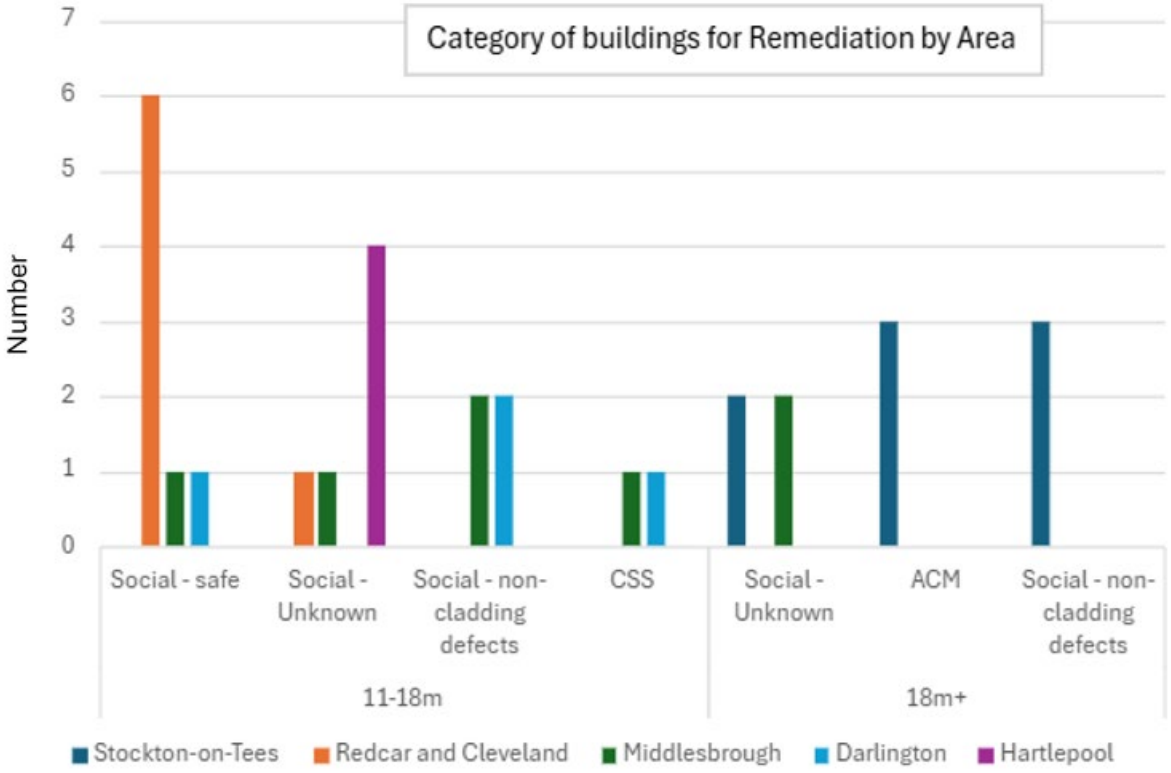

Glossary of terms from above chart:

- Social – Safe: these are 11m+ buildings, which are the responsibility of a social housing provider, but which do NOT have identified life-critical fire safety defects
- Social - Unknown: these are 11m+ buildings which are not yet categorised as Social, Social non-cladding defects, Social safe/tbc or Social / Developer (non-cladding / safe / unknown)
- Social - non cladding defects. These are buildings of 11m+ in height with unsafe non-cladding defects being remediated via a social housing provider.
- CSS – these are 11m+ buildings identified as having unsafe cladding that are being remediated via the Cladding Safety Scheme
- ACM – buildings with unsafe cladding that are being monitored by the Aluminium Composite Material monitoring programme

The data provided in April 2025 provides more categorisation on the 30 buildings listed to confirm the buildings in scope for the LRAP:

- 8 are social safe and are not in scope for this plan.
- 3 have completed remediation and therefore are not in scope of this plan.

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- 6 have non cladding related remediation works to carry out, in progress or complete, and 1 has an unclear plan for a non-cladding related remediation issue. These are not within the scope of this plan.

The remaining 12 listed buildings are therefore within the scope of this plan:

- 2 are in the Cladding Safety Scheme programme, but not started on site.
- 10 have unknown remediation status, where the data must be updated to re-categorise the buildings to a known status.

Data sources

The above data has been provided by MHCLG as the starting point of the production of the LRAP and has been reviewed by the partnership. It is used to identify the action required to ensure remediation of cladding takes place in the timescales set out by government in paragraph 1.1.3.

Further data releases will follow which will update the information provided above, and a database provided by Homes England will provide one consistent point of reference in due course.

Data will continue to be received from MHCLG and Homes England and updated and will be held in a single database, the National Remediation System (NRS). The NRS is run by Homes England and will become the 'single source of truth' for all buildings over 11m and over 18m. It will bring together local intelligence and speed up confirmation of which buildings require attention.

A phased rollout is underway, starting with Fire and Rescue Services and Local Authorities. By summer 2025, social housing data and data from the Responsible Actors Scheme will also be integrated, bringing all programmes into one streamlined system, regardless of tenure, making it easier to report on progress and hold to account landlords who are failing to carry out the work.

There is a process for residents who think their building should be in the Cladding Safety Scheme. Contact should be made to the Responsible Entity (freeholder, landlord, management company or social housing provider) and residents can also use the Tell Us Tool to provide information about their building.

The Terms of Reference for the Partnership formalises the roles and responsibilities including the process for data sharing. Relevant data protocols are in place to effectively share data and monitoring information between stakeholders, which allow updates to be sent and received from central government.

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Regulatory Context

- Building Safety Act 2022: this sets out that building owners and landlords are responsible for making buildings safe
- Regulatory Reform (Fire Safety) Order 2005: requires all multi-occupied high risk residential building to have a Fire Risk Assessment to include assessment of external walls. If unsafe cladding is identified as a risk, a Fire Risk Appraisal of External Walls is required to be carried out by a chartered engineer. This Order also provides Fire & Rescue Services with enforcement powers.
- The Housing Act (2004) provides Local Authorities with powers to assess certain hazards and take enforcement action against building owners or landlords which includes unsafe ACM cladding.

The Regulatory Bodies

- Building Safety Regulator (BSR): The BSR in England is part of the Health and Safety Executive (HSE). It was set up under the Building Safety Act 2022 to regulate high risk buildings, raise safety standards of all buildings and help professionals in design, construction, and building control, to improve their competence.
- Regulator of Social Housing (RSH): The RSH regulates registered providers of social housing. RSH takes appropriate action if the outcomes of the standards are not being delivered. Following an expansion of powers, from 1 April 2024, they have begun carrying out regulatory inspections of social landlords. RSH objectives are set out in the Social Housing (Regulation) Act 2023.
- Joint Inspection Team (JIT): The national fire safety JIT is hosted by the Local Government Association and funded by MHCLG. They are a multidisciplinary team with fire engineers, building control surveyors and environmental health officers and supported by intelligence officers and external legal advisors. The JIT are invited by Local Authorities and inspects blocks using the Housing Act 2004 and associated powers of the local authority. The JIT provides specialist fire safety advice and assesses the fire hazards and advises local authorities.
- Fire and Rescue Authorities: Fire and Rescue Authorities enforce the Fire Safety Order and Fire and Rescue Services Act in England and Wales, including undertaking inspections and compliance audits, undertaking prosecutions of those who are in breach of their legislative obligations and responding to emergencies

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- Homes England: Homes England deliver the Cladding Safety Scheme (CSS) on behalf of MHCLG, which provides funding to remediate buildings that are above 11m in height across England (excluding London) and buildings between 11-18m in London.
- Health and Safety Executive (HSE): The HSE is the body within which the Building Safety Regulator operates. They are also the regulator for the Health and Safety at Work regime, which monitors safety on construction sites.
- Local Authorities (LA): LAs have regulatory powers and oversight of buildings within their area, deriving from the Housing Act 2004 and other legislation. As part of this they can serve improvement and enforcement notices to impose requirements for a building owner to improve their buildings.

Tees Valley LRAP Partnership

A Tees Valley Partnership has been put in place to oversee the development and delivery of the LRAP to ensure it meets its objectives. The partnership meets quarterly, with the first meeting taking place on the 25 March 2025. Members have worked in partnership to develop the LRAP to ensure there is a plan to accelerate the pace of remediation of 11m+ where required in buildings in the Tees Valley. Membership of this partnership can be found in Section 3.

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Section 1: Activities

1.1 Driving and monitoring the progress of remediation

1.1.1 TVCA plays a convening role for the LRAP partnership which aims to work together to accelerate remediation through Tees Valley's regulatory enforcement stakeholders. These stakeholders have responsibilities relating to the safety and remediation of buildings with dangerous cladding in line with HM Government's National Remediation Acceleration Plan (NRAP).

1.1.2 The NRAP sets out clear expectations:

- By the end of 2025: remediation work to start in high-rise private sector residential buildings with unsafe cladding in government funded schemes
- By the end of March 2025: remediation work to start in high-rise private sector residential buildings with for the buildings with the most unsafe, ACM cladding.
- By the end of 2029: aim for all 18m+ (high-rise) buildings with unsafe cladding in a government funded scheme will have been remediated.

1.1.3 By the end of 2029, every 11m+ building with unsafe cladding will either have been remediated, have a date for completion, or face enforcement action and severe penalties.

1.1.4 To monitor progress against these metrics, data will be provided by government to the LRAP Partnership. The relevant regulators (who are members of the partnership) will receive and validate the data appropriate to them and will update the data source accordingly including progress made. Where progress is not being made, or the remediation plan will not meet the timelines of the NRAP, the Regulators will determine the appropriate next steps, which could include enforcement.

1.1.5 Durham and Darlington Fire and Rescue Service (D&DFRS) and Cleveland Fire Brigade (CFB), have both reviewed the data provided to date from MHCLG to identify buildings in need of remediation alongside those listed in government schemes. D&DFRS have not identified any premises requiring remediation. CFB, alongside their respective Local Authorities, have identified some buildings and are driving and monitoring the progress of the remediation through to completion.

1.1.6 The existing work of CFB and D&DFRS requires data to be held on the buildings they have inspected and hold records of action taken, along with timelines of

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ongoing individual building remediation plans. This data is updated periodically with information from MHCLG.

1.1.7 The existing work of the Local Authorities is to keep housing conditions in their area under review. As required by the Housing Act 2004, the local authority assesses hazards and monitors the risk posed to the health and safety of occupants and visitors. Also, Local Authorities provide building control services and check that building regulations are complied with.

1.1.8 Where buildings do not meet the required standards, Local Authorities work with the Fire and Rescue Services. Adopting a risk-based approach, the organisations work in partnership using their enforcement powers, within the guidelines of the Regulators Code which encourages an open and constructive engagement between regulator and those they regulate. These organisations have established working practices, which will continue in addition to the joint working under this LRAP.

1.1.9 To increase the pace of remediation, the LRAP Partnership will review the data and progress of building remediation works quarterly, which will ensure all regulators have a joint understanding of the risk to residents and wider community that is presented by the specific buildings listed so that they can target their efforts accordingly.

1.2 Assuring the safety of buildings awaiting / undergoing remediation

1.2.1 The Regulatory Reform (Fire Safety) Order 2005 requires that all multi-occupied higher risk residential buildings must have a Fire Risk Assessment, which includes an assessment of their external walls. If this assessment identifies risk of unsafe cladding a Fire Risk Appraisal of External Walls (FRAEW) is required to be carried out by a chartered engineer.

1.2.2 The FRAEW identifies the buildings where remediation work is required. A plan must be created to remediate the building. Each building has an individual timeline to complete remediation, which is dependent on its unique circumstances. Each building will have different factors which could be the cause of delay. It is important that regulators understand the reasons why work to remedy unsafe buildings has either stalled or not been completed so that a premises specific approach can be adopted. This ensures remediation is undertaken to meet the agreed expectations of regulators, landlords and those carrying out the remediation.

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1.2.3 There are three regulators (LA, FRS and BSR) that work together to coordinate building safety and enforcement activity. Local Authorities Coordinators of Regulatory Services (LACoRS) provides national guidance on fire safety in residential accommodation. This guides the existing working relationships between the Fire and Rescue Services have and the relevant Local Authorities.

1.2.4 LACoRS guidance has been further reinforced with the Remediation Enforcement Guidance for Regulators (REG) and includes the BSR. Section 4 sets out Principles to establish the importance of identifying the lead regulator for each building and how to determine the most appropriate lead.

1.2.5 Appendix 2 to the LACoRS guidance provides a protocol between fire and housing authorities to improve fire safety. The Fire and Rescue Authorities have a legal duty to enforce the Fire Safety Order in the common areas of all residential accommodation not forming a single private dwelling. Local Housing Authorities (LHA) are responsible for implementing the various licensing requirements of the Housing Act 2004 and utilising the Housing Health and Safety Rating System to identify and if necessary, act upon any significant hazards found within all housing.

1.2.6 The REG, published in December 2024, adds in the regulatory function of the BSR. Annex C sets out Considerations for determining a lead regulator, so that the regulators use the legislative regime best equipped to deal with different enforcement cases. This depends on the height of the building, the location of the defect, the defect type, and the legislative regime that best addresses the defect type.

1.2.7 Typically, this could mean that for buildings covered by this LRAP, the BSR will lead on buildings over 18m high, the Fire and Rescue Authority will take the lead enforcing role for fire safety in all multiple-occupied accommodation that is owned or managed by the LHA; and, premises with mixed commercial and associated residential accommodation and sheltered housing; the Local Housing Authorities will lead on houses in multiple occupation and all self-contained flats whether purpose built or converted. As the guidance cannot cover for every possible situation, the regulatory authorities will work together to determine which organisation will lead the enforcement activity on a case-by-case basis.

1.2.8 The regulators follow the guidance to agree which regulator should lead on co-ordinated enforcement activities relating to buildings that are not making sufficient progress. This will continue in addition to this LRAP.

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1.2.9 Local and Fire Authorities have well established processes to carry out inspection and enforcement activities which are used in prioritising premises requiring remediation. The partnership will have oversight of this and will try to ensure remediation works are completed and accelerated wherever possible by encouraging the utilisation of government guidance and enforcement powers.

1.2.10 Where further support is required, the partnership will arrange for support for regulators to implement this guidance to ensure efficiencies, for example supported through teach-ins and workshops with MHCLG to help embed the way of working recommended in the advice.

1.2.11 In addition to the existing regulator working relationships, the Partnership will facilitate the sharing of information, and best practice to expedite remediation. The Partnership will also raise issues and barriers to remediation with MHCLG.

1.3 Identifying additional buildings in need of remediation alongside government schemes

1.3.1 Work to identify buildings in need of remediation has been carried out extensively by fire services and Local Authorities. In 2020, the Secretary of State for MHCLG mandated that all high-rise residential buildings (HRRBs) of 18m+ with aluminium composite material (ACM) cladding, undergo inspections as part of a comprehensive building risk review following an initial assessment by fire and rescue services of (HRRB) exceeding 18 meters that featured.

1.3.2 All HRRBs within the TVCA area were examined, and the findings were submitted to the MHCLG through the National Fire Chiefs Council. The HRRB classification now includes buildings over 11m in height. Homes England in partnership with Local Authorities, is using Ordnance Survey data as a basis to identify buildings 11-18m with unsafe cladding. The data on all these buildings will be maintained in a single database.

1.3.3 The LRAP Partnership are supporting the identification and remediation of these buildings with unsafe cladding, by reviewing the data provided by Homes England and providing locally held knowledge to the National Remediation System (NRS) database.

1.3.4 This will aid in monitoring the progress of remediation and focus on buildings above 11m in height where action is required to be taken; it will help identify the entities responsible for remediating these buildings and will also ensure that buildings out of scope are ruled out.

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1.4 Taking action, including enforcement action, where voluntary remediation is not happening at a reasonable pace

1.4.1 Local authority housing officers and fire and rescue service protection officers have enforcement powers which can be used where remediation is not happening at a reasonable pace.

1.4.2 These powers are conferred upon them by the Housing Act 2004, Regulatory Reform (Fire Safety) Order 2005 and the Building Safety Act 2022. These regulations provide powers to inspect and enforce building safety, including the removal of unsafe cladding. The powers allow them to take both non-statutory and statutory enforcement action as required.

1.4.3 The Housing Act 2004 provides Local Authorities with powers to assess certain hazards and take enforcement action against building owners or landlords which includes unsafe ACM cladding.

1.4.4 The Regulatory Reform (Fire Safety) Order 2005 requires all buildings in scope of the legislation to have a suitable and sufficient fire risk assessment; this should include consideration of the external wall system installed. These fire risk assessments are carried out by the fire service. During audits conducted by fire services where these appraisals have not been conducted and are required, they have been requested.

1.4.5 The Building Safety Act 2022 bolstered these powers by introducing remediation orders and remediation contribution orders. These new tools allow regulators and leaseholders to apply to the First-tier Tribunal for an order requiring landlords to fix, or pay to fix, unsafe buildings. An explanation of enforcement powers under the Housing Act 2004, Fire Safety Order 20905 and Building Safety Act 2022 can be found in Annex A of the Remediation Enforcement Guidance

1.4.6 Regulators adopt a risk-based approach and consider both the Enforcement Concordat that supports a partnership approach over enforcement and the Regulators Code which supports open and constructive engagement between regulators and those they regulate. Regulators can serve statutory notices on landlords to force them to fix fire safety issues by a set time, or face prosecution.

1.4.7 In situations where responsible parties are actively engaging and collaborating with regulators, it could be unreasonable to pursue statutory enforcement to address issues within their premises. However, if the remediation plans do not

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have good reason for progressing to completion within the milestones of the NRAP, the lead regulator will consider taking action to accelerate the remediation.

1.4.8 Of the premises known to require remediation within the Tees Valley, all accountable parties are engaging with local regulators, the Building Safety Regulator and/or Homes England. The strategy of working in partnership rather than enforcement is preferred. However, there are reasons that could trigger an enforcement route. Such triggers could include an identification of increased risk to occupants; delays against agreed timescales that are not considered reasonable; where responsible entities are not engaging with government through one of the funding streams or when responsible entities have disengaged with regulators.

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Section 2: Delivering Objectives

2.1 Driving and monitoring progress

2.1.1 The Partnership will keep an interim record of in scope buildings provided by the Ministry of Housing, Communities and Local Government (MHCLG) until the Homes England National Remediation System database is fully available.

2.1.2 Monitoring of project plans for each building will be agreed between relevant stakeholders for those premises requiring remediation. Progress on remediation efforts will be tracked in accordance with the timelines specified in these plans. Based on the type of remediation required, the most suitable regulatory authority or authorities will be designated to oversee the monitoring of progress.

2.1.3 Undertaking an evaluation of progress against the timescales set out in project plans, and the milestones of the NRAP, will enable regulators to determine whether sufficient headway has been made where progression is deemed to be insufficient then alternative, more formal approaches can be considered. Enforcement Notices are one of the suite of tools available to local regulators to ensure remediation remains on track and that Responsible Persons are held accountable for progress. Where the enforcement tools cannot achieve the completion of remediation within the timescales prescribed by the NRAP, the LRAP Partnership will consider escalation to the Building Safety Regulator's Remediation Enforcement Unit.

2.2 Coordinating intervention activity

2.2.1 The government has established guidance for regulators concerning the enforcement of remediation. These guidelines outline key principles for regulators to adhere to in relation to monitoring buildings, acting when construction remediation activities are delayed or halted, prioritising interventions, and determining the appropriate levels of enforcement. Furthermore, the guidelines provide a recommended process for agreeing and designating a lead regulator and for the sharing of data.

2.2.2 Every regulatory body possess their own set of tools to enforce the requirements of legislation, nonetheless the fundamental principles remain the same of providing advice and guidance whether verbal or written or a formal notice. Consequently, whichever regulator is determined as lead will utilise their powers

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in the first instance. The overarching principle is that any intervention should be based on the presented level of risk.

2.2.3 In addition to regulators, primary legislation the Building Safety Act 2022 allows interested parties to apply to the first-tier tribunal for a remediation order. Interested persons include Local Authorities, Fire and Rescue Authorities, the Building Safety Regulator, the Secretary of State for MHCLG, Homes England and any person with a legal or equitable interest in the relevant building. A remediation order is made by the Property Chamber of the First-tier Tribunal to require a relevant landlord to remedy specified building safety defects. However, it is anticipated that regulators would utilise their own enforcement powers in the first instance.

2.2.4 Each building identified as requiring remediation must have its own project plan. The project plan will outline the necessary actions to effectively remediate the building. The appraisal of the external wall will serve as the foundation for this plan, and the achievement of milestones in the project plan for key stages will be closely monitored. Any failure to adhere to these timescales without reasonable justification would form the basis for any further intervention from a regulatory body. Where enforcement is taken (by whichever regulator) this stakeholder group recommends that the enforcement action (i.e. a statutory notice) includes wording requiring the evidence provided to confirm the satisfactory completion of the remediation is provided by Local Authority Building Control.

2.2.5 The regulatory bodies will continue to work together following the established guidance for the enforcement of remediation. The LRAP Partnership meetings will take place quarterly and will coordinate the activities of the regulatory stakeholders, and facilitate reporting of progress to central government via the National Remediation System.

2.2.6 The progress of the remediation of properties with unsafe cladding will be made available to residents and owners of properties provided by the organisations responsible for carrying out the remediation in line with the Code of Practice for the remediation of residential buildings.

2.2.7 The Code of Practice sets clear expectations of those undertaking and managing remediation projects. It requires the organisation responsible for a remediation project to consider the impact on residents, to minimise inconvenience, to make clear to residents what to expect during remediation, and to know where to go when they have questions or issues that require resolution.

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2.2.8 The Building Safety Fund (BSF) Leaseholder and Resident Service provides updates on the buildings in the BSF scheme. The remediation of buildings in the Cladding Safety Scheme and Developer Remediation Contract programme are monitored and enforced by the local regulators, and benefit from review by this LRAP. If resident has concerns, they should approach the organisation undertaking or managing the remediation. If this does not resolve the concern or issue, a resident should contact the local regulator(s).

2.3 Working with the department

2.3.1 Regular meetings were held with MHCLG in the development of the LRAP. MHCLG also attend the Partnership meetings each quarter which provides the opportunity to discuss progress including reasons for a lead regulator to consider moving from engagement to enforcement. Members of the Partnership can also contact the department outside of this meeting schedule should there be a need. This enables any issues to be raised with the department as soon as possible especially where there is risk to progress in line with the local and national remediation plans - for instance, if issues cannot be resolved through the use of regulatory tools within the required timescales. In addition, the National Remediation System will be used to escalate building issues to the department when the system is fully operational.

2.4 Working with regulators

2.4.1 The LRAP Partnership meet quarterly to ensure that strategic matters are dealt with, discuss data, share experiences and updates and manage the information flow to the department. Should issues arise, more frequent meetings will be arranged as appropriate.

2.4.2 The regulatory members of the LRAP Partnership will use their statutory powers and established methods of established inter-agency protocols to drive forward the work following Building Safety Act 2022, Housing Act 2004, and the Regulatory Reform (Fire Safety) Order 2005.

2.5 Receiving, recording and sharing data

2.5.1 The data sharing arrangements will be set out in a Terms of Reference document which enables data to be discussed by the LRAP Partnership. Data will be shared directly with each regulator relevant to their area from the National Remediation System database which allows each stakeholder to provide progress updates direct to the system.

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2.5.2 The convening role of TVCA includes ensuring the data is captured and shared/stored centrally so that the Partnership can access this to monitor the effectiveness of the LRAP by tracking pace of remediation against the baseline milestones of each building remediation plan where they are available.

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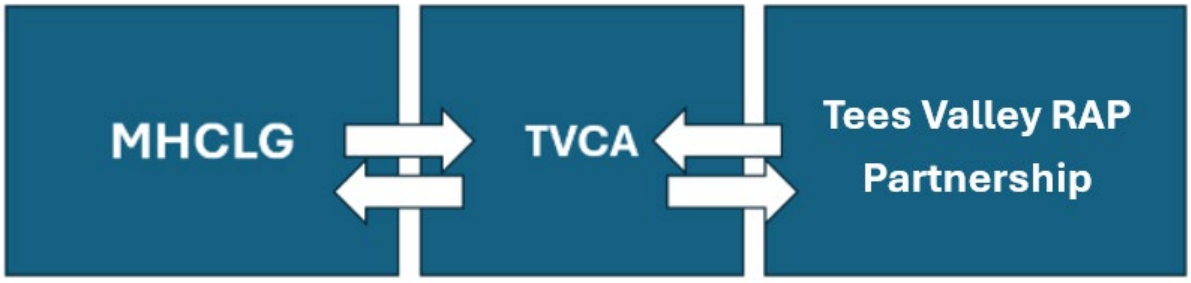
Section 3: Governance

3.1 Structure

3.1.1 The Terms of Reference for the LRAP Partnership sets out the roles and responsibilities of all members.



3.1.2 The illustration above shows the two-way flow of data and discussion, convened by TVCA, between central government and the Partnership which meets quarterly as a minimum.

3.1.3 The data flow will initially be with MHCLG until the National Remediation System is fully functional.

3.2 Tees Valley LRAP Partnership Membership

3.2.1 The table below details the current members of the Tees Valley LRAP Partnership (correct at the time of writing). Additional members may be co-opted as required to resolve the issues requiring action to speed up remediation.

Name	Role	Organisation
Cllr Brenda Harrison	Deputy Mayor of Tees Valley (Chair)	Cllr at Hartlepool Borough Council
Simon Weastell	Assistant Chief Fire Officer	Cleveland Fire Brigade
Joe Flounders	Head of Protection	Cleveland Fire Brigade
Ben Cairns	Director Community Risk Management	Durham and Darlington Fire Service
Johnny Smith	Head of Protection	Durham and Darlington Fire Service
Christine Booth	Private Sector Housing Manager	Darlington Borough Council
Angela Walker	Building Control Manager	Darlington Borough Council
Garry Hutchison	Building Control Lead	Hartlepool Borough Council
Judith Hedgley	Head of Public Protection	Middlesbrough Borough Council
Andrew Glossop	Building Control Lead	Middlesbrough Borough Council

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Nicola Smith	Building Control Lead	Redcar and Cleveland Borough Council
Gary Knight	Private Sector Housing Team Manager	Stockton on Tees Borough Council
Ray Sullivan	Building Control Lead	Stockton on Tees Borough Council
Elizabeth Hutchinson	Project Development Manager	Tees Valley Combined Authority
Julie Hurley	Interim Director of Infrastructure	Tees Valley Combined Authority

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Agenda Item 18
Report to the TVCA Cabinet
26 September 2025
Report of the Interim Monitoring Officer

DELEGATED AND URGENT DECISIONS

SUMMARY

This Report provides Cabinet with detail of all Delegated Decisions made since Cabinet last met on 25th July 2025.

RECOMMENDATIONS

It is recommended that the Cabinet:

i. NOTES the Delegated Decision detailed in paragraph 4 and Appendix 1.
ii. NOTES the Delegated Decision detailed in paragraph 5 and Appendix 2.
iii. NOTES the Delegated Decision detailed in paragraph 6 and Appendix 3.
iv. NOTES the Delegated Decision detailed in paragraph 7 and Appendix 4.
v. NOTES the Delegated Decision detailed in paragraph 8 and Appendix 5.
vi. NOTES the Delegated Decision detailed in paragraph 9 and Appendix 6.

DETAIL

1. At each meeting, Cabinet receives a report confirming the Delegated and Urgent Decisions taken since Cabinet last met.

2. Since the date of its last meeting on 25th July 2025 seven Delegated Decisions have been taken.

3. Since the date of its last meeting on 25th July 2025 there have been no Urgent Decisions taken

Delegated Decisions

4. Delegated Decision CF06-2025 below has been taken in line with the Tees Valley Combined Authority Assurance Framework as agreed by Cabinet on 13 March 2020 and the Tees Valley Combined Authority Investment Plan One year on Update as agreed by Cabinet on 31st January 2020.

    a. A decision was taken to approve business case and commit funds for the Teesside International Airport Infrastructure Project. The project will finance improvements to the upgrades to the Northside of Teesside International Airport, required to unlock additional development plots.

    b. A copy of the Delegated Decision form, recording the action taken by those officers to whom delegated authority was given, is attached at confidential Appendix 1.

5. Delegated Decision CF07-2025 below has been taken in line with the Tees Valley Combined Authority Investment Plan Approval, and Investment Plan Refresh Approval.

    a. A decision was taken to approve business case and approve funds for the Teesworks Stations and Transport Hubs.

    b. A copy of the Delegated Decision form, recording the action taken by those officers to whom delegated authority was given, is attached at confidential Appendix 2.

6. Delegated Decision CF08-2025 below has been taken in line with the Tees Valley Combined Authority Investment Plan Approval, and Investment Plan Refresh Approval.

    a. A decision was taken to approve business case and approve funds for the Billingham Sports Hub. This is significant investment in an area of high deprivation, delivering a sports facility which will tackle health inequalities and deliver better life chances to residents.

    b. A copy of the Delegated Decision form, recording the action taken by those officers to whom delegated authority was given, is attached at confidential Appendix 3.

7. Delegated Decision CF10-2025 below has been taken in line with the Tees Valley Combined Authority Investment Plan Approval, and Investment Plan Refresh Approval.

a. A decision was taken to approve business case and approve funds for the Furbd project which is a continuation of the Digital Inclusion Growing in IT project.

b. A copy of the Delegated Decision form, recording the action taken by those officers to whom delegated authority was given, is attached at confidential Appendix 4.

8. Delegated Decision CF11-2025 below has been taken in line with the Tees Valley Combined Authority Investment Plan Approval, and Investment Plan Refresh Approval.

a. A decision was taken to approve business case and approve funds for the continuation of the Supply Chain Tees Valley project into 2025/26.

b. A copy of the Delegated Decision form, recording the action taken by those officers to whom delegated authority was given, is attached at confidential Appendix 5.

9. Delegated Decision CF12-2025 below has been taken in line with the Tees Valley Combined Authority Investment Plan Approval, and Investment Plan Refresh Approval.

a. A decision was taken to approve business case and approve funds for the continuation of the delivery of the Tees Valley Labs project into 2025/26.

b. A copy of the Delegated Decision form, recording the action taken by those officers to whom delegated authority was given, is attached at confidential Appendix 6

FINANCIAL IMPLICATIONS

10. There are no direct financial implications arising from the content of this Report.

LEGAL IMPLICATIONS

11. The specific delegations exercised by those officers to whom delegated authority was given to make the Delegated Decisions are referenced in the main body of this Report.

RISK ASSESSMENT

12. The subject matter of report is categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.

CONSULTATION & COMMUNICATION

13. No additional consultation in respect of the content of this Report has been undertaken.

EQUALITY & DIVERSITY

14. It is not expected that the content of this Report will have an adverse impact on any person with protected characteristics.

Appendices

Appendix 1 – Delegated Decision CF006 -2025
Appendix 2 – Delegated Decision CF007 -2025
Appendix 3 – Delegated Decision CF008 -2025
Appendix 4 – Delegated Decision CF010 -2025
Appendix 5 – Delegated Decision CF011 -2025
Appendix 6 – Delegated Decision CF012 -2025

Name of Contact Officer: Jodie Townsend
Post Title: Interim Monitoring Officer
Telephone Number: 01325 792600
Email Address: Jodie.townsend@teesvalley-ca.gov.uk

Item 18 Appendix 1

DELEGATED DECISION TO APPROVE BUSINESS CASE & COMMIT FUNDS

This form should be used to record decisions taken under delegated decision arrangements by the Chief Executive, Mayor and Cabinet Portfolio member. Delegated decisions are possible only where the following criteria are met:

1. Any commitment of funds have already been assigned by Cabinet for that purpose within the Investment Plan;
2. The proposal reflects an established Combined Authority policy position and does not raise novel or contentious issues which require debate with the full Cabinet. (In order to assure this, discussions would generally have taken place through the appropriate officer forum); and
3. The proposal has been through the established Combined Authority Assurance Framework, as agreed with central government.

OFFICER:	DATE DECISION TAKEN:
Victoria Robinson, Performance & Assurance Officer	5th August 2025
DECISION NO:	**DELEGATION POWER AND PAGE OF CONSTITUTION:**
CF06-2025	Revised TVCA Assurance Framework agreed by Cabinet on 27th September 2024 (Minute No. TVCA 20/2024)

DETAILS OF DECISION:

A business case for the Teesside International Airport Infrastructure Project has come forward seeking funding of £12,519,370 from TVCA.

The project will finance infrastructure upgrades to the Northside of Teesside International Airport, required to unlock additional development plots. These upgrades will include new taxiways, roadways, airside fencing and power upgrades. In addition, the grant will finance the construction of a 27,000 sq/ft hangar to accept B737 Max 9 & A321 Neo size aircraft, known as hangar 9.

The outputs the project aims to achieve by 31st March 2026, solely utilising TVCA investment are detailed within the table below.

Description	Target
Commercial Floorspace Created (sq/m)	2,508.38
Direct Jobs Created	40
Maintenance apron to provide access (sq/m)	7,000
New HV Transformers providing increased power	2
Construction Jobs	130
Indirect Jobs Created	18

The overall project, including TVCA investment & leverage, provides high value for money with a BCR of 9:4, and a positive NPSV of £105m. Additional benefits to the overall project include an increase in GVA of £9.3m p/a, and the creation of approx. 250 new direct jobs at Teesside International Airport.

FINANCIAL IMPLICATIONS:

The total project costs are £12,519,370 and this will be funded in full by TVCA utilising UK Shared Prosperity Fund (UKSPF) (capital) up to the allocation of £6.5m and then Investment Plan borrowing for the remainder. TVCA Finance will keep track of this as recorded in the appraisal.

Note payments are made on an accruals basis via the Performance Risk and Assurance team, funds are only paid once claims are validated.

Consideration of appropriate use of funds:

UKSPF: confirmation obtained that the scheme is compliant with the UKSP grant terms and conditions.

TVCA borrowing increase:

Key consideration for compliance with the CIPFA Code and PWLB rules is that TVCA are not engaging in capital expenditure (or borrowing from PWLB) to make a profit. The purpose is a grant for services. The grant is to facilitate the construction of a number of aircraft hangers and associated infrastructure. Theses hangers will allow pre identified companies to expand/establish their operations at the airport, ensuring long term skilled job creation and bringing increased industrial activity into the region. It is on the basis of creating inward investment and employment (a core activity of TVCA).

The £12.5m capital payment is incorporated into the investment plan refresh paper that went to cabinet Microsoft Word - 13 Investment Plan Refresh in March 2025 page 27.

The updates in relation to this will be reflected in the Q1 cabinet paper in September 2025 and will include the grant in TVCAs latest capital budget.

The level of borrowing and funding of it, is as set out in the Cabinet linked above.

The increased borrowing requirements have been factored into the associated CFR and there is sufficient revenue budget to support the borrowing costs associated with our borrowing for this scheme (MRP and Revenue).

Confirmation from Arlingclose in terms of the Prudential and TM Codes, there is nothing prohibiting us from making a capital grant to a controlled subsidiary, particularly where we are borrowing to fund that grant and have no control of the assets.

Competitions and Market Authority (CMA) referral

Due to the value of the grant being above £10m, a subsidy assessment referral to the CMA was mandatory. This has been completed and the report published by the CMA on their website. TVCA's referral to the CMA was prepared by Geldards (external Solicitors). TVCA also sought assistance from Geldards in respect of acting upon the advice from the CMA and strengthening the Subsidy Assessment. Finally TVCA obtained advice from Geldards as to the likelihood of a legal challenge to the grant and TVCA's position in defending any potential challenge. Geldards confirmed that the lack of engagement from third parties during the CMA process may indicate that the likelihood of challenge is low but they could not say for certain however Geldards did advise that should a challenge be received TVCA are in a strong position to defend the same.

Going concern

Assessment of going concern to support the awarding of the grant and as part of the requirement of the CMA application. To support this a procurement exercise was carried out by TVCA, with KPMG appointed to review the reasonableness of the assumptions, the cashflows and funding, within TIALs 5 Year Business.

*Supported by historical trends and current performance / supporting evidence (e.g., contract base/order book position)
*Partially supported by historical trends and current performance / supporting evidence (e.g., contract base/order book position)
*Not supported by historical trends and current performance / supporting evidence (e.g., contract base/order book position)

Assumptions Rated 'Red'
TVCA, using information and supporting documentation from TIAL, has sought additional assurance on the following assumptions:

- Multiple Capital Plan Forecasts – Two capital plans were submitted: a 'desirable' operational plan and a revised plan covering only essential operational capital. Phil Forster confirmed that the essential operational capital plan will be pursued exclusively over the next five years.
- Working Capital Forecasts – Differences in treatment were addressed and confirmed within the report (see page 19).
- Fixed Asset Forecast – Capex and Depreciation – The report confirms that the total impact of an identified error is £76K across the five-year period. This was deemed immaterial, and no update was required from TIAL.
- Food & Beverage Revenue and Ground Handling – Assumptions were considered prudent, with no projected increase in revenues per departing passenger across the period. Any update to reflect growth would have a favourable impact.
- Air Traffic Costs – Costs are projected to stabilise from 2027 despite continued growth in carrier activity. TIAL confirmed this reflects CAA regulations, which impose a minimum staffing requirement regardless of carrier volume. As volumes increase, staffing requirements do not necessarily rise in direct proportion.

KPMG Conclusion
KPMG stated: "While actual results may differ materially from Management's projections, the five-year business plan produced by Management is largely supported by historical trends and/or supporting evidence available at the time the plan was produced."

Funding Gap and Mitigation
Both the business plan and the KPMG report identified a funding gap from October 2025. As outlined in the Cabinet paper, the proposed mitigation is a strategic review of TIAL's activities to increase revenue and reduce costs.

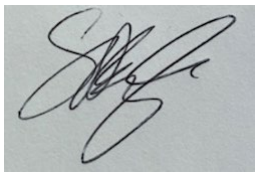
A separate review of unutilised assets has been carried out. With two long leasehold agreements at the final legal stages. This is expected to generate a £1.2m cash injection, which is not currently included in the business plan and would be sufficient to bridge the funding gap identified for October 2025.

Assurance Framework
Assurance is provided through the established framework to ensure the correct use of funds. The risk of misuse is reduced by paying claims on an accruals basis only after validation by the Performance Risk and Assurance (PRA) team.

TIAL is required to submit claims to the PRA team, which are validated against supporting documentation (e.g., invoices, bank statements). The PRA team assesses all expenditure against the terms of the signed funding agreement before approving payment.

Availability of funds

Sufficient cash funds are available from cash reserves currently held on short term deposits.
IS THIS A KEY DECISION? No
RELEVANT CABINET POLICY FRAMEWORK: The Investment Plan for Tees Valley 2019-2029 was signed off in January 2019 and sets out the strategic investment in programmes and transformational capital priorities that will deliver a significant economic impact, benefitting residents and businesses across the Tees Valley. The plan was developed in collaboration with the five Local Authorities. An overarching assurance framework is in place which outlines the governance requirements of implementing the plan.
PROCESS OF PARTNER CONSULTATION: As per the Assurance Framework Tees Valley Management Group have been consulted. Comments were received from two members and the feedback to TVMG is attached in appendix A.
HOW THE ASSURANCE PROCESS WILL BE APPLIED TO THE DECISION: In line with the assurance framework, named priority projects, with an allocation, that Cabinet accepts into the TVCA Investment Plan are subject to the development of a business case and its subsequent appraisal. Final sign off is delegated to the Combined Authority Chief Executive in consultation with Tees Valley Management Group, the Section 73 Officer, and Monitoring Officer. This delegated decision provides a record of approval and will release associated funds for project delivery.
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED: An options analysis is recorded within the business case. 4 options were considered, i.e. Do Nothing – Status Quo maintained as well as Do Something x 3 – as outlined within the proposal. There is clear justification for the preferred option being progressed as it meets the primary objectives of the investment to strengthen the regions commercial property offer allowing the expansion of existing businesses to meet national market demand trends. This will in turn ensure Teesside International Airport's long terms sustainability / attractiveness to future investors, increase GVA and create jobs for local people.
ACTUAL OR PERCEIVED CONFLICT OF INTEREST BY ANY OF THE DECISION-MAKERS: None

SIGNATURE:	SIGNATURE:	SIGNATURE:
 CHIEF EXECUTIVE DATE: 12/08/25	 MONITORING OFFICER DATE: 13/08/2025	 FINANCE DIRECTOR DATE: 13/08/2025
All sections below are for Governance Team use only DATE REPORTED TO MANAGEMENT GROUP:		
KEY DECISION YES NO *If Yes circulate to Overview & Scrutiny Committee within 2 working days* DATE CIRCULATED: OFFICER NAME:		
DEADLINE DATE FOR CALL IN BY OVERVIEW & SCRUTINY COMMITTEE (5 days from the date Committee notified of the decision):		
DATE FUNDS CAN BE RELEASED:		

Once fully complete and signed off please return to the Governance Team.

DELEGATED DECISION FOR ADVANCED FUNDING

This form should be used to record decisions for funding in advance of a business case taken under delegated decision arrangements by the Chief Executive (in consultation with the Tees Valley Management Group), Mayor and Cabinet Portfolio member. Delegated decisions are possible only where the following criteria are met:

1. Any commitment of funds have already been assigned by Cabinet for that purpose; for example, through the specification of a named prioritised project within the Investment Plan;
2. The proposal reflects an established Combined Authority policy position and does not raise novel or contentious issues which require debate with the full Cabinet. (In order to assure this, discussions would generally have taken place through the appropriate officer forum); and
3. The proposal is subject to the established Combined Authority Assurance Framework, as agreed with central government.

OFFICER: Simon Mills	DATE DECISION TAKEN:
DECISION NO: *(See Governance Team for number)* CF07-2025	DELEGATION POWER AND PAGE OF CONSTITUTION: DfT and TVCA have agreed the CRSTS Delivery Programme as set out in letters between the two organisations and the CRSTS MoU. The agreed delivery programme is publicly available: City Region Sustainable Transport Settlements: confirmed delivery plans and funding allocations - GOV.UK (www.gov.uk). Investments in the delivery plan are subject to TVCA's agreed Assurance Framework. This delegated decision is seeking approval to spend money in advance of a Full Business Case

DETAILS OF DECISION:

Background

To secure City Region Sustainable Transport Settlement ("CRSTS") funding TVCA was required to submit a Programme Business Case outlining its proposed programme of investment. In April 2022, the Secretary of State for Transport confirmed to the Tees Valley Mayor an allocation of £310 million to TVCA. In July 2022, the agreed delivery plan was confirmed and published.

Transforming the Tees Valley Rail system is one of the six packages of investment set out within the CRSTS Programme Business Case. The polycentric nature of the Tees Valley, which means that rail connectivity is a crucial part of developing the world-class public transport system that is needed to connect our communities to economic opportunities and reverse the dependence on the private car. Improvements to the rail network, both in terms of passenger and freight, are therefore a key component of the CRSTS programme.

The Programme Business case included a project called Teesworks Stations and Transport Hubs with an allocation of £20m. Teesworks Stations refers to the two stations which serve the site, South Bank Station at the western edge of the site and British Steel Redcar Station at the eastern edge.

South Bank Station is served by trains which run between Bishop Auckland and Saltburn via Darlington providing an hourly service, with a second train each hour between Darlington and Saltburn passing through non-stop. As well as serving Teesworks, the station also serves the community of South Bank which is an area with high levels of deprivation and high-levels of no-car ownership.

South Bank Station was identified for CRSTS investment because of it not meeting modern accessibility standards on account of the eastbound platform only being accessible by steps. TVCA's aspiration is to increase the service frequency at this location with both trains stopping in each direction to provide a 2 trains per hour frequency.

British Steel Redcar station isn't currently served by any trains following the suspension of services in December 2019, due to it being landlocked within the former steelworks site which was in the process of being demolished and decontaminated. Investment into this station was based on a potential re-opening, linked to the proposed adjacent construction park and ride facility and the opportunity to create a Transport Hub to serve the site. The initial aspiration is for a limited stop train service frequency to tie in with shift patterns on site, as the station was used previously, potentially stepping up to a regular service frequency in the medium-term as demand grows at the site.

Development work has taken place on both projects and proposals are being developed, however, in Autumn 2024 a more pressing issue emerged. The footbridge which provides both access to platform 2 and access over the railway line at this location is maintained by Redcar and Cleveland Borough Council. In October 2024 the bridge was inspected by structural engineers, and the decision was taken by the local authority to close the bridge with immediate effect due to safety issues.

As a result, platform two, which serves eastbound train services to Saltburn, was inaccessible and closed and more generally an important connection over the railway enabling the local community to access employment opportunities, including at the soon to be opened SeAH monopile facility, has been lost.

The TVCA Transport Team have been working with stakeholders to find a suitable resolution and to plan a way forward promptly. The solution is to demolish the existing life-expired footbridge and install a temporary structure which will endure until the project to build a new South Bank Station is developed, approved, constructed and entry into service is achieved.

The estimated cost to demolish the existing footbridge is £234,420. The estimated cost to install a new footbridge including maintaining and inspecting the footbridge for 2 years is estimated to be £487,381. Should the new station at Southbank not be completed and be open within 2 years then there would be an ongoing financial risk of approximately £1k per week to maintain and keep the bridge in situ.

To mitigate the impact, Network Rail are providing a shuttle bus service to allow passengers to travel between Middlesbrough, South Bank and Redcar Central station. Meanwhile the westbound platform remains open to train services. The approx. cost of the bus service is £1,400 per day and it is estimated to total £230,000 before the bridge is reopened as part of a project to update South Bank Station. Network Rail / Northern are wanting to recoup the costs of this, as this has been the result of the closure of the footbridge and there is a legal agreement in place between Network Rail and RCBC.

The estimated total cost is therefore £985,114. TVCA will contract directly with Network Rail through an emerging cost Basic Implementation Agreement. RCBC are proposing to make a financial contribution to this project of £250,000 via TVCA with the balance of funding coming from the CRSTS Teesworks Stations and Transport Hubs project. This delegated decision seeks approval to fund the work required to enable the station to re-open whilst work continues to progress the Full Business Case to develop, approve, construct and bring into service a new South Bank station that complies with modern standards. This is expected to be forthcoming in late 2025/26.

In approving this delegated decision, it is important to note that the Teesworks Stations and Transport Hubs project is identified as a retained scheme within the CRSTS programme, which means that DfT approval is required the programme business case for delivery of this scheme. It is understood this status is to manage the interfaces between the infrastructure improvements at the station and changes to train service specifications (increased service frequency at South Bank and the reintroduction of a service to British Steel Redcar). DfT have been informed of the proposed spend from this project as outlined and there is provision to spend up to 10% of retained schemes in advance of a business case. In view of the need to move quickly to deliver a solution, there is a small risk that approval won't be granted but this is considered unlikely, and dialogue is continuing with DfT with a view to closing this out as soon as possible.

FINANCIAL IMPLICATIONS:

The estimated total cost provided by Network Rail is £985,114. Contractually this will be an emerging cost basic implement agreement and therefore TVCA will take the financial risk on this project and so it is proposed that an additional risk and contingency amount of 10% should be applied by TVCA taking the total funding approval to £1,083,625.

Should the new station at Southbank not be completed and open within 2 years of August 2025 then there would be an ongoing financial risk of approximately £1k per week to maintain and keep the bridge in situ and keep the Eastbound platform open.

As outlined above a RCBC contribution of £250,000 is to be made to the total costs and therefore this advance funding delegated decision is seeking to draw down of up to £833,625 from the £20m allocated within the CRSTS Programme for the Teesworks Stations and Transport Hubs project.

As at Q4 2024/25, £266,000 of expenditure has been incurred in the development of the Teesworks Stations and Transport Hubs project of £1.1m and therefore this level of spend remains within the parameters of the DfT's expectations for retained schemes as it is below 10% of the project allocation.

EXISTING CABINET DECISION WHICH ASSIGNED THE NECESSARY FUNDING:

The CRSTS Delivery Programme was agreed between the Department for Transport and TVCA and accepted into the Investment Programme on 26th January 2022.

IS THIS A KEY DECISION?

No. Decision is an internal TVCA decision to release up to £833,625 of CRSTS funding.

RELEVANT CABINET POLICY FRAMEWORK:

One of the six growth generating themes in the Strategic Economic Plan (SEP) is Transport & Infrastructure. The SEP details the desire to boost economic growth in the Tees Valley by providing key investments in transport infrastructure. This includes facilitating local, regional, national and international road and rail connectivity through collaborative investment in physical infrastructure projects.

The Strategic Transport Plan (STP) has been agreed by Cabinet and sets out the investment priorities.

The CRSTS Programme includes 6 investment packages:

- Cycling and Walking
- Rail
- Bus
- Decarbonisation
- Digital
- Accessing Opportunity

PROCESS OF PARTNER CONSULTATION:

The CRSTS Programme was developed in conjunction with the local authorities through Transport Advisory Group and Transport Planning Officers Group.

The proposed demolition and temporary structure solution has been developed in conjunction with RCBC and in collaboration with Network Rail and Northern.

HOW THE ASSURANCE PROCESS WILL BE APPLIED TO THE DECISION:

DfT have confirmed approval of the CRSTS programme in the letters noted on page 1.

This is an advance to be considered under delegated arrangements, as set out in the Assurance Framework.

The Assurance Framework allows for the consideration of funding in advance of Business Case approval which is delegated to the Combined Authorities Chief Executive in consultation with the Tees Valley Mayor and thematic portfolio holder.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED:

Do Nothing

The condition of the existing footbridge has been assessed by structural engineers, and the superstructure has been assessed as structurally inadequate to sustain its own self weight. There are various elements throughout the bridge with assessed inadequate capacities for the relevant load cases. Based on the structural engineer's assessment result, it is recommended that the bridge is removed.

By not agreeing the advanced funding would mean the bridge would continue to deteriorate and be at risk of collapse during adverse weather conditions. In addition, this would result in access to Platform 2 at South Bank Station remaining closed and the continuation of the costly bus replacement service. The dis-connectivity would continue between the community of South Bank and employment opportunities north of the railway line, including a growing number of jobs at SeAH wind's monopile factory as operations start.

ACTUAL OR PERCEIVED CONFLICT OF INTEREST BY ANY OF THE DECISION-MAKERS:

N/A

SIGNATURE:	SIGNATURE:	SIGNATURE:	SIGNATURE:
CHIEF EXECUTIVE (in consultation with the Tees Valley Management Group) DATE:30/06/2025	TEES VALLEY MAYOR DATE: 23/06/2025	CABINET PORTFOLIO HOLDER DATE: 19/07/2025	SECTION 73 OFFICER DATE: 02/07/2025

All sections below are for Governance Team use only

DATE REPORTED TO MANAGEMENT GROUP:

KEY DECISION YES NO

If Yes circulate to Overview & Scrutiny Committee within 2 working days

DATE CIRCULATED: OFFICER NAME:

DEADLINE DATE FOR CALL IN BY OVERVIEW & SCRUTINY COMMITTEE (5 days from the date Committee notified of the decision):

DATE FUNDS CAN BE RELEASED:

Once fully complete and signed off please return to the Governance Team.

DELEGATED DECISION TO APPROVE BUSINESS CASE & COMMIT FUNDS

This form should be used to record decisions taken under delegated decision arrangements by the Chief Executive, Mayor and Cabinet Portfolio member. Delegated decisions are possible only where the following criteria are met:

1. Any commitment of funds have already been assigned by Cabinet for that purpose within the Investment Plan;
2. The proposal reflects an established Combined Authority policy position and does not raise novel or contentious issues which require debate with the full Cabinet. (In order to assure this, discussions would generally have taken place through the appropriate officer forum); and
3. The proposal has been through the established Combined Authority Assurance Framework, as agreed with central government.

OFFICER: Victoria Robinson, Performance & Assurance Officer	**DATE DECISION TAKEN:** 24th July 2025
DECISION NO: CF08-2025	**DELEGATION POWER AND PAGE OF CONSTITUTION:** Revised TVCA Assurance Framework agreed by Cabinet on 27th September 2024 (Minute No. TVCA 20/2024)

DETAILS OF DECISION:

The Investment Plan for Tees Valley 2019-2029 was signed off in January 2019 and sets out the strategic investment in programmes and transformational capital priorities that will deliver a significant economic impact, benefitting residents and businesses across the Tees Valley. The plan was developed in collaboration with the five Local Authorities. An overarching assurance framework is in place which outlines the governance requirements of implementing the plan.

In July 2022, as part of the Investment Plan refresh, of the £10m made available by TVCA for place-based investments in non-Mayoral Development Corporations, £6m was ring-fenced for projects to drive the economic development of Billingham.

A business case for Billingham Sports Hub has now come forward from Stockton-on-Tees Borough Council seeking to draw down £6m from the £10m allocation for place-based investment in non-Mayoral Development Corporation areas. This proposal seeks to provide significant investment in an area of high deprivation, delivering a sports facility which will tackle health inequalities and deliver better life chances to residents.

The outputs the project aims to achieve by 30th September 2027 are detailed within the table below

Description	Target
Construction of pavilion building (sqm)	700
Construction of new car park (no of spaces) (circa)	170
Construction of Stadia Artificial Grass Pitch (sqm)	6,400
Construction of full-size Artificial Grass Pitch (sqm)	5,005
Construction of small size Artificial Grass Pitch (sqm)	2,035
Construction of ball courts (sqm)	1,332.25
Construction of athletics enclosure	200m (oval), 135m (straight)
Construction of active track	1km (long), 3m (wide)
Jobs Created (FTE)	8.9

FINANCIAL IMPLICATIONS:

Commit £6m from the Investment Plan (place – based allocation) (TVCA investment and subject to this decision).

Total project costs currently amount to £13,747,653 (RIBA stage 3) with the aim for £13m at cost certainty (RIBA stage 4). The provision of RIBA stage 4 will be an additional condition of funding, which will be required prior to the submission of the first claim, if approval granted. The current project costs are comprised of the following:

- £6m TVCA Investment Plan
- £427,000 – Stockton Borough Council s106 monies
- £7,320,653 – Football Foundation

EXISTING CABINET DECISION WHICH ASSIGNED THE NECESSARY FUNDING:

10-year Investment Plan for Tees Valley approved by Cabinet on the 24th January 2019 (Minute No: TVCA 57/18).

High-level financial allocations within the Investment Plan 2022/23 approved by Cabinet on the 28th January 2022 (Minute No: TVCA42/21).

In July 2022, as part of the Investment Plan refresh, of the £10m made available by TVCA for place-based investments in non-Mayoral Development Corporations, £6m was ring-fenced for projects to drive the economic development of Billingham (Minute No: TVCA 07/22)

IS THIS A KEY DECISION?

No

RELEVANT CABINET POLICY FRAMEWORK:

The Investment Plan for Tees Valley 2019-2029 was signed off in January 2019 and sets out the strategic investment in programmes and transformational capital priorities that will deliver a significant economic impact, benefitting residents and businesses across the Tees Valley. The plan was developed in collaboration with the five Local Authorities. An overarching assurance framework is in place which outlines the governance requirements of implementing the plan.

PROCESS OF PARTNER CONSULTATION:

Tees Valley Management Group have been consulted – no objections received in relation to the proposal by the deadline of 5:00pm on 23rd July 2025.

HOW THE ASSURANCE PROCESS WILL BE APPLIED TO THE DECISION:

In line with the Combined Authority' Assurance Framework projects proposed for funding from this allocation are subject to the development of a business case and its subsequent appraisal.

Final sign off for individual projects is delegated to the Combined Authority Chief Executive (in consultation with Tees Valley Management Group), the Section 73 Officer and Monitoring Officer.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED:

As part of the business case development a range of delivery options were assessed against value for money, risk, and deliverability considerations. A preferred option was selected and progressed on the understanding that the approach offered an affordable and deliverable solution.

ACTUAL OR PERCEIVED CONFLICT OF INTEREST BY ANY OF THE DECISION-MAKERS:

None

SIGNATURE:	SIGNATURE:	SIGNATURE:
 CHIEF EXECUTIVE DATE: 08/08/2025	 MONITORING OFFICER DATE: 08/08/2025	 FINANCE DIRECTOR DATE: 08/08/2025
All sections below are for Governance Team use only DATE REPORTED TO MANAGEMENT GROUP:		
KEY DECISION YES NO *If Yes circulate to Overview & Scrutiny Committee within 2 working days* DATE CIRCULATED: OFFICER NAME:		
DEADLINE DATE FOR CALL IN BY OVERVIEW & SCRUTINY COMMITTEE (5 days from the date Committee notified of the decision):		
DATE FUNDS CAN BE RELEASED:		

Once fully complete and signed off please return to the Governance Team.

DELEGATED DECISION TO APPROVE BUSINESS CASE & COMMIT FUNDS

This form should be used to record decisions taken under delegated decision arrangements by the Chief Executive, Mayor and Cabinet Portfolio member. Delegated decisions are possible only where the following criteria are met:

1. Any commitment of funds has already been assigned by Cabinet for that purpose within the Investment Plan;
2. The proposal reflects an established Combined Authority policy position and does not raise novel or contentious issues which require debate with the full Cabinet. (In order to assure this, discussions would generally have taken place through the appropriate officer forum); and
3. The proposal has been through the established Combined Authority Assurance Framework, as agreed with central government.

OFFICER:	DATE DECISION TAKEN:
Victoria Robinson, Performance & Assurance Officer	21st July 2025
DECISION NO:	**DELEGATION POWER AND PAGE OF CONSTITUTION:**
CF10-2025	TVCA 34/22 – Tees Valley Investment Plan Approval TVCA 16/23 – Tees Valley Shared Prosperity Fund Programme Update TVCA 66/24-25 – Tees Valley Investment Plan Refresh Approval

DETAILS OF DECISION:

TVCA is the designated Lead Authority for UKSPF. The Tees Valley UKSPF Investment Plan was submitted to government for approval in July 2022 and subsequently approved in December 2022. The plan was developed in collaboration with Local Partnership Group (LPG) and details the investment priorities for the UKSPF £46.3m (including £3.6m of Multiply funding) for the period April 2022 to March 2025.

An overarching UKSPF Implementation Plan was produced which outlined the approach to the delivery of the UKSPF funding in accordance with TVCA's Assurance Framework.

Government has since announced a one-year continuation of funding to 2025/26, which must be delivered in line with the original UKSPF Investment Plan approved by Government.

Plans for the 2025/26 one-year continuation were endorsed by LPG (11th February 2025). TVCA Cabinet subsequently approved accepting the UKSPF 2025/26 into the TVCA Investment Plan as a named programme with a confirmed allocation of £21.5m, and approved proposed priorities set out in the Investment Plan Refresh Report.

An Investment Proposal has been submitted by The Hope Foundation for the Furbd project (PROJ-2506) which has been reviewed internally by the Project Lead and Performance, Risk & Assurance Team with a recommendation to approve.

The Furbd project is a continuation of the Digital Inclusion Growing in IT (DIG-IT) project and UKSPF funding will support the following:

- Continued employment of 1.5 (fte) team members
- Creation of 1 (fte) role
- Further development and roll-out of a commercial website to support income from online ordering & sales
- Planning for relocation to a larger working and storage space for Furbd
- Continued engagement and training of 6 T-level students and 3 other volunteers
- Network development and engagement with existing 133 donation & distribution hubs
- Indirectly, ensuring ongoing links between the provision of free kit and digital literacy training across network partners in the Tees Valley delivering maximum benefit to those at risk of digital exclusion.

Total Project Costs are £158,205, to be funded as follows:

- £145,000 – UKSPF (Communities & Place)
- £13,205 – match funding (Hope Foundation)

FINANCIAL IMPLICATIONS:

This decision will commit **£145,000** UKSPF investment in 2025/26 under the Communities & Place Investment Priority.

EXISTING CABINET DECISION WHICH ASSIGNED THE NECESSARY FUNDING:

TVCA Cabinet accepted the UKSPF 2025/26 allocation/programme into the TVCA Investment Plan as a named priority project, and approved the priorities set out within the Investment Plan Refresh Report (Cabinet Decision No: TVCA 66/24-25).

IS THIS A KEY DECISION?

No.

RELEVANT CABINET POLICY FRAMEWORK:

The Tees Valley UKSPF Investment Plan was submitted to government for approval in July 2022 and subsequently approved in December 2022. The plan was developed in collaboration with Local Partnership Group (LPG) and details the investment priorities for the UKSPF £46.3m (including £3.6m of Multiply funding) for the period April 2022 to March 2025.

An overarching UKSPF Implementation Plan was produced which outlined the approach to the delivery of the UKSPF funding in accordance with TVCA's Assurance Framework. Government has since announced a one-year continuation of funding to 2025/26, which must be delivered in line with the original UKSPF Investment Plan approved by Government. Plans for the 2025/26 one-year continuation were endorsed by LPG (11th February 2025). TVCA Cabinet subsequently approved accepting the UKSPF 2025/26 into the TVCA Investment Plan as a named programme with a confirmed allocation of £21.5m, and approved proposed priorities set out in the Investment Plan Refresh Report.
PROCESS OF PARTNER CONSULTATION: In accordance with the UKSPF Investment Plan Local Partnership Group (LPG) considered a 'UKSPF Programme 22/25 & 25/26 Investment Plan' Report Agenda Item 4) at the meeting held on 11th February 2025. LPG endorsed the plans for the 2025/26 continuation to go to Cabinet for approval in March 2025. The appraisal of the Investment Proposal will be submitted for Ratification to the LPG following approval as per process outlined in the Implementation plan and is not required prior to the approval of this DDR.
HOW THE ASSURANCE PROCESS WILL BE APPLIED TO THE DECISION: Subject to Cabinet approval of the UKSPF programme, TVCA will agree the terms of any extension, including UKSPF financial commitment and associated outputs & outcomes. These will be approved in accordance with the TVCA assurance process for the UKSPF programme, accepted into the Investment as a 'named priority project'. This delegated decision provides a record of approval and will release associated funds for project delivery.
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED: The approach to developing plans for the one-year continuation were agreed by Cabinet.
ACTUAL OR PERCEIVED CONFLICT OF INTEREST BY ANY OF THE DECISION-MAKERS: None

SIGNATURE:	SIGNATURE:	SIGNATURE:
  CHIEF EXECUTIVE DATE: 31 July 2025	 MONITORING OFFICER DATE: 31 July 2025	 pp FINANCE DIRECTOR DATE: 31 July 2025

All sections below are for Governance Team use only

DATE REPORTED TO MANAGEMENT GROUP:

KEY DECISION YES NO *If Yes circulate to Overview & Scrutiny Committee within 2 working days* DATE CIRCULATED: OFFICER NAME:
DEADLINE DATE FOR CALL IN BY OVERVIEW & SCRUTINY COMMITTEE (5 days from the date Committee notified of the decision):
DATE FUNDS CAN BE RELEASED:

Once fully complete and signed off please return to the Governance Team.

DELEGATED DECISION TO APPROVE BUSINESS CASE & COMMIT FUNDS

This form should be used to record decisions taken under delegated decision arrangements by the Chief Executive, Mayor and Cabinet Portfolio member. Delegated decisions are possible only where the following criteria are met:

1. Any commitment of funds has already been assigned by Cabinet for that purpose within the Investment Plan;
2. The proposal reflects an established Combined Authority policy position and does not raise novel or contentious issues which require debate with the full Cabinet. (In order to assure this, discussions would generally have taken place through the appropriate officer forum); and
3. The proposal has been through the established Combined Authority Assurance Framework, as agreed with central government.

OFFICER: Angela Hart, Head of Performance, Risk & Assurance	DATE DECISION TAKEN: 08/08/2025
DECISION NO: CF11-2025	DELEGATION POWER AND PAGE OF CONSTITUTION: TVCA 34/22 – Tees Valley Investment Plan Approval TVCA 16/23 – Tees Valley Shared Prosperity Fund Programme Update TVCA 66/24-25 – Tees Valley Investment Plan Refresh TVCA 28/25 – Business Growth Service Delivery Plan

DETAILS OF DECISION:

Background

TVCA is the designated Lead Authority for the UK Shared Prosperity Fund (UKSPF). The Tees Valley UKSPF Investment Plan was submitted to government for approval in July 2022 and subsequently approved in December 2022. The UKSPF Local Partnership Group was established to provide oversight of the programme. The Investment Plan set out the evidence base and strategic priorities for the fund.

Details of the investment priorities for the initial UKSPF allocation of £46.3m (inc. £3.6m of Multiply funding) for the period April 2022 to March 2025 were subsequently approved by Cabinet and followed the required Assurance Process.

Government has since announced a one-year continuation of funding to 2025/26, which must be delivered in line with the original UKSPF Investment Plan approved by Government.

Plans for the 2025/26 one-year continuation were endorsed by LPG at their meetings on 11th February 2025 and 25th June 2025.

TVCA Cabinet approved / accepted:

- the UKSPF 2025/26 into the Tees Valley Investment Plan as a named priority programme with a confirmed allocation of £21.5m, and approved proposed priorities set out in the Investment Plan Refresh Report (Cabinet Meeting 28th March 2025, Decision No: TVCA 66/24-25)
- the new Business Growth Delivery model and allocation of the remaining £4.4m UKSPF funding under the Supporting Local Business Investment Priority (Cabinet Meeting 27th June 2025, Decision No: TVCA 28/25). This included an allocation of £1m to the RTC North project extension specifically.

Decision

Following completion of the assurance process, approval is required to commit the UKSPF revenue funding to continue delivery of the Supply Chain Tees Valley project (PROJ-4611) into 2025/26. This follows successful delivery from 2023–2025 and is in line with the UK Shared Prosperity Fund (UKSPF) continuation of activity.

The programme supports Tees Valley SMEs to access and grow within strategic supply chains such as offshore, advanced manufacturing, life sciences, defence, and digital sectors. The 2025/26 programme builds on the existing structure and adds new sector-based activity and supply chain engagement initiatives.

Delivery will commence on 01/09/2025 and conclude by 31/03/2026.

FINANCIAL IMPLICATIONS:

£4.4m of UKSPF revenue funding is available in the financial year 2025/26 to support local businesses. Cabinet approved an allocation of £1m for this project.

This decision commits £967,174 of UKSPF revenue funding in 2025/26 under the Supporting Local Business Investment Priority, bringing total project funding to £1,875,484 over the two years. Funding covers direct project costs, staff costs, overheads, marketing, workshops, exhibitions and a small number of grants to businesses.

No match funding is required.

Due to a delayed start to the 2025/26 programme, timely approval is required to mitigate any risk of programme underperformance.

EXISTING CABINET DECISION WHICH ASSIGNED THE NECESSARY FUNDING:

TVCA Cabinet approved / accepted:

- the UKSPF 2025/26 into the Tees Valley Investment Plan as a named priority programme with a confirmed allocation of £21.5m, and approved proposed priorities set out in the Investment Plan Refresh Report (Cabinet Meeting 28th March 2025, Decision No: TVCA 66/24-25)
- the new Business Growth Delivery model and allocation of the remaining £4.4m UKSPF funding under the Supporting Local Business Investment Priority (Cabinet Meeting 27th June 2025, Decision No: TVCA 28/25). This included an allocation of £1m to the RTC North project extension specifically.

Due to time constraints on the UKSPF, the delayed start and to mitigate the risk of underperformance this year, the Cabinet decision taken in June 2025 included a delegation to the Interim Director of Business Solutions in consultation with the Chief Executive, Section 73 Officer and Monitoring Officer to progress to mobilisation. Where consultation with the LPG is possible prior to a decision being taken this should take place, but decisions can be made and reported to the LPG in line with the cabinet approval.

Whilst this was approved by Cabinet, the LPG requested specifically at their meeting in June, to see proposals and appraisal outcome reports for the RTC North project. Details are set out in the Assurance section below.

IS THIS A KEY DECISION?

No

RELEVANT CABINET POLICY FRAMEWORK:

The Strategic Economic Plan (SEP) recognises the importance of increasing jobs and business density through targeted support to create and attract new companies and to grow businesses and sectors with high growth potential. Ensuring a high-quality environment where business and people can thrive is a critical enabler of the SEP and Industrial Strategy.

The Tees Valley UKSPF Investment Plan includes activity for Supporting Local Business interventions that strengthen local entrepreneurial ecosystem and supporting businesses at all stages of their development.

PROCESS OF PARTNER CONSULTATION:

A Delivery Group has been established on which TVCA, and the constituent Local Authorities work collaboratively on the implementation of the new business growth model, including the mobilisation and delivery of the 2025/26 UKSPF programme.

In accordance with the UKPSF Investment Plan, Local Partnership Group has:

- considered and endorsed plans for the UKSPF 2025/26 continuation, subsequently approved by Cabinet in June 2025; and
  - considered the Project Change Recommendation (sent on 20th July 2025) to continue delivery of the Supply Chain Tees Valley Project (PROJ-4611). Comments received addressed and response issued to LPG (sent on 15th August 2025) for ratification, this is summarised below:

LPG Feedback & TVCA Response (Overview):

- General: LPG noted RTC North can deliver value within UKSPF timescales.
- Evaluation: LPG asked that evaluation requirements, especially around financial impact, be written into agreements. TVCA confirms provider discussions are underway to ensure required evidence is collected for robust evaluation. TVCA will commission an independent evaluation of the UKSPF programme.
- IP: LPG raised concerns on ownership of new materials. TVCA will add a funding agreement clause ensuring equal rights for TVCA to use content/tools beyond the programme, with Legal drafting.
- Underspend: LPG queried a £6,500 underspend for the period 2022-2025. TVCA confirms this was identified post-year end submission, remains with TVCA and will not be paid to the provider. TVCA is awaiting confirmation from Government on if this must be returned.

HOW THE ASSURANCE PROCESS WILL BE APPLIED TO THE DECISION:

- As this was an extension of existing activity a Project Change Request was submitted by RTC North to TVCA including proposed financial profiles and output and outcome targets
- Appraisal was undertaken by the TVCA Performance, Risk and Assurance Team including a legal review to inform the subsequent variation to the funding agreement.
- Consultation has been undertaken with the LPG as requested
- Monitoring will be undertaken by TVCA
- Evaluation will be commissioned independently by TVCA
- This delegated decision provides a record of approval to commit the funds and enter into a funding agreement.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED:

The approach to developing plans for the one-year continuation of UKSPF was agreed by Cabinet where alternative options were considered.

ACTUAL OR PERCEIVED CONFLICT OF INTEREST BY ANY OF THE DECISION-MAKERS:

None

SIGNATURE:	SIGNATURE:	SIGNATURE:
CHIEF EXECUTIVE	MONITORING OFFICER	FINANCE DIRECTOR
DATE: 28/08/2025	DATE: 28/08/2025	DATE: 28/08/2025

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DATE REPORTED TO MANAGEMENT GROUP:

KEY DECISION YES NO

If Yes circulate to Overview & Scrutiny Committee within 2 working days

DATE CIRCULATED: OFFICER NAME:

DEADLINE DATE FOR CALL IN BY OVERVIEW & SCRUTINY COMMITTEE (5 days from the date Committee notified of the decision):

DATE FUNDS CAN BE RELEASED:

Once fully complete and signed off please return to the Governance Team.

DELEGATED DECISION TO APPROVE BUSINESS CASE & COMMIT FUNDS

This form should be used to record decisions taken under delegated decision arrangements by the Chief Executive, Mayor and Cabinet Portfolio member. Delegated decisions are possible only where the following criteria are met:

1. Any commitment of funds has already been assigned by Cabinet for that purpose within the Investment Plan;
2. The proposal reflects an established Combined Authority policy position and does not raise novel or contentious issues which require debate with the full Cabinet. (In order to assure this, discussions would generally have taken place through the appropriate officer forum); and
3. The proposal has been through the established Combined Authority Assurance Framework, as agreed with central government.

OFFICER: Angela Hart, Head of Performance, Risk & Assurance	DATE DECISION TAKEN: 27/08/2025
DECISION NO: CF12-2025	DELEGATION POWER AND PAGE OF CONSTITUTION: TVCA 34/22 – Tees Valley Investment Plan Approval TVCA 16/23 – Tees Valley Shared Prosperity Fund Programme Update TVCA 66/24-25 – Tees Valley Investment Plan Refresh TVCA 28/25 – Business Growth Service Delivery Plan

DETAILS OF DECISION:

Background

TVCA is the designated Lead Authority for the UK Shared Prosperity Fund (UKSPF). The Tees Valley UKSPF Investment Plan was submitted to government for approval in July 2022 and subsequently approved in December 2022. The UKSPF Local Partnership Group was established to provide oversight of the programme. The Investment Plan set out the evidence base and strategic priorities for the fund.

Details of the investment priorities for the initial UKSPF allocation of £46.3m (inc. £3.6m of Multiply funding) for the period April 2022 to March 2025 were subsequently approved by Cabinet and followed the required Assurance Process.

Government has since announced a one-year continuation of funding to 2025/26, which must be delivered in line with the original UKSPF Investment Plan approved by Government.

Plans for the 2025/26 one-year continuation were endorsed by LPG at their meetings on 11th February 2025 and 25th June 2025.

TVCA Cabinet approved / accepted:

- the UKSPF 2025/26 into the Tees Valley Investment Plan as a named priority programme with a confirmed allocation of £21.5m, and approved proposed priorities set out in the Investment Plan Refresh Report (Cabinet Meeting 28th March 2025, Decision No: TVCA 66/24-25)
- the new Business Growth Delivery model and allocation of the remaining £4.4m UKSPF funding under the Supporting Local Business Investment Priority (Cabinet Meeting 27th June 2025, Decision No: TVCA 28/25). This included an allocation of £2m to the Altlabs project extension specifically.

Decision

Following completion of the assurance process, approval is required to commit the funds to continue delivery of the Tees Valley Labs project (PROJ-1198) into 2025/26. This follows successful delivery from 2024/2025 and is in line with the UK Shared Prosperity Fund (UKSPF) continuation of activity.

Alt Labs Ltd was originally awarded UKSPF Revenue Grant funding to deliver the 'Tees Valley Labs' project, originally covering a start-up incubation programme (The Stable) and a scale-up programme (The Forge), with total funding of £2.81m for 2024/25.

Alt Labs Ltd has submitted a Project Change Request (PCR) requesting an additional **£1,999,895** of UKSPF revenue funding to continue the project delivery in 2025/26. This continuation includes a new intensive 'Pre-Flight' programme designed to prepare potential entrepreneurs, alongside revised cohort sizes and grant award levels for the Stable and Forge programmes. This was added in response to feedback and lessons learned from the first phase of delivery.

The proposed continuation maintains strategic fit and objectives, supports consistent delivery across the 5 Local Authority areas in Tees Valley, and aligns with the UKSPF Investment Plan refresh approved by Cabinet on 28 March 2025 and the Business Growth Service Delivery Plan approved by Cabinet on 27 June.

Delivery will commence on 01/09/2025 and conclude by 31/03/2026.

FINANCIAL IMPLICATIONS:

£4.4m of UKSPF revenue funding is available in the financial year 2025/26 to support local businesses. Cabinet approved an allocation of £2m for this project.

This decision commits £1,999,895 of UKSPF revenue funding in 2025/26 under the Supporting Local Business Investment Priority, bringing total project funding to £3,302,279 over the two years. Funding covers direct project costs, staff costs, overheads, and grant awards to businesses.

No match funding is required. Alt Labs will assume all grant delivery compliance and risk.

Due to a delayed start to the 2025/26 programme, timely approval is required to mitigate any risk of programme underperformance.

EXISTING CABINET DECISION WHICH ASSIGNED THE NECESSARY FUNDING:

TVCA Cabinet approved / accepted:

- the UKSPF 2025/26 into the Tees Valley Investment Plan as a named priority programme with a confirmed allocation of £21.5m, and approved proposed priorities set out in the Investment Plan Refresh Report (Cabinet Meeting 28th March 2025, Decision No: TVCA 66/24-25)
- the new Business Growth Delivery model and allocation of the remaining £4.4m UKSPF funding under the Supporting Local Business Investment Priority (Cabinet Meeting 27th June 2025, Decision No: TVCA 28/25). This included an allocation of £2m to the Altlabs project extension specifically.

Due to time constraints on the UKSPF, the delayed start and to mitigate the risk of underperformance this year, the Cabinet decision taken in June 2025 included a delegation to the Interim Director of Business Solutions in consultation with the Chief Executive, Section 73 Officer and Monitoring Officer to progress to mobilisation. Where consultation with the LPG is possible prior to a decision being taken this should take place, but decisions can be made and reported to the LPG in line with the cabinet approval.

Whilst this was approved by Cabinet, the LPG requested specifically at their meeting in June, to see proposals and appraisal outcome reports for the Altlabs project. Details are set out in the Assurance section below.

IS THIS A KEY DECISION?
No

RELEVANT CABINET POLICY FRAMEWORK:

The Strategic Economic Plan (SEP) recognises the importance of increasing jobs and business density through targeted support to create and attract new companies and to grow businesses and sectors with high growth potential. Ensuring a high-quality environment where business and people can thrive is a critical enabler of the SEP and Industrial Strategy.

The Tees Valley UKSPF Investment Plan includes activity for Supporting Local Business interventions that strengthen local entrepreneurial ecosystem and supporting businesses at all stages of their development.

PROCESS OF PARTNER CONSULTATION:

A Delivery Group has been established on which TVCA, and the constituent Local Authorities work collaboratively on the implementation of the new business growth model, including the mobilisation and delivery of the 2025/26 UKSPF programme.

In accordance with the UKPSF Investment Plan, Local Partnership Group has:

- considered and endorsed plans for the UKSPF 2025/26 continuation, subsequently approved by Cabinet in June 2025; and
- considered the Project Change Recommendation (sent on 21st July 2025) to continue delivery of the Tees Valley Labs Project (PROJ-1198). Comments received addressed and response issued to LPG (sent on 15th August 2025) for ratification, this is summarised below:

LPG Feedback & TVCA Response (Overview):

- Outputs/Outcomes: LPG requested confirmed outputs and outcomes from the initial project delivery. TVCA confirmed the final validated outputs (previously delayed by compliance checks). Process issues were identified, and actions are in place to strengthen guidance and monitoring for providers.
- Monitoring: LPG requested a more detailed breakdown of performance data by sector and Local Authority area. TVCA confirmed this will be included in agreements with the provider and provided to LPG.
- Underspend: LPG requested clarification on £7,902 underspend from Phase 1. TVCA confirmed it is removed from the new allocation.

- **BCR:** LPG questioned the validity of a 28.7 BCR which was provided in the Altlabs independent evaluation. TVCA confirmed this was due to high private investment leveraged through the project. TVCA also confirmed that whilst high, applying sensitivity analysis to this would still result in a positive BCR. Changes have been made this year, so TVCA will commission the evaluations independently from the provider to provide further assurances.
- **Partnerships**: LPG raised concerns about Teesside University links as a formal partnership is not in place, as suggested in the proposal from AltLabs. TVCA confirmed no formal partnership exists, which has been discussed directly with AltLabs, however they will continue to work with Teesside University and seek to formalise. The Teesside University representative on the LPG confirmed they will continue to support businesses attending these programmes. They are content the informal approach is appropriate. However, they are open to exploring a more formal partnership in the future, as this would add value to all parties concerned.

HOW THE ASSURANCE PROCESS WILL BE APPLIED TO THE DECISION:

- As this was an extension of existing activity a Project Change Request was submitted by AltLabs to TVCA including proposed financial profiles and output and outcome targets
- Appraisal was undertaken by the TVCA Performance, Risk and Assurance Team including a legal review to inform the subsequent variation to the funding agreement.
- Consultation has been undertaken with the LPG as requested
- Monitoring will be undertaken by TVCA
- Evaluation will be commissioned independently by TVCA
- This delegated decision provides a record of approval to commit the funds and enter into a funding agreement.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED:

The approach to developing plans for the one-year continuation of UKSPF was agreed by Cabinet where alternative options were considered.

ACTUAL OR PERCEIVED CONFLICT OF INTEREST BY ANY OF THE DECISION-MAKERS:

None

SIGNATURE:	SIGNATURE:	SIGNATURE:
CHIEF EXECUTIVE DATE: 28/08/2025	MONITORING OFFICER DATE: 28/08/2025	FINANCE DIRECTOR DATE: 28/08/2025

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DATE REPORTED TO MANAGEMENT GROUP:

KEY DECISION YES NO *If Yes circulate to Overview & Scrutiny Committee within 2 working days* DATE CIRCULATED: OFFICER NAME:
DEADLINE DATE FOR CALL IN BY OVERVIEW & SCRUTINY COMMITTEE (5 days from the date Committee notified of the decision):
DATE FUNDS CAN BE RELEASED:

Once fully complete and signed off please return to the Governance Team.