

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting4th January 2007

1. Title of Item/Report

Regional Economic Strategy Consultation

2. Record of the Decision

Cabinet was informed that the Regional Economic Strategy 2006-2016 (the RES) had been approved by the Department of Trade and Industry and finalised during October 2006. It set out proposals to deliver sustainable, inclusive economic growth. One NorthEast had prepared a draft Action Plan as a basis for further discussions with regional partners on the priority actions to deliver the Strategy. Each section described the main activities proposed for the five years starting April 2006, and identified the responsible lead and other partners.

The draft Action Plan provided broad, preliminary indications of the scale of resources that One NorthEast and partners were planning to invest to help deliver the new Regional Economic Strategy. The Plan detailed the preferred growth scenario, and the six transformational interventions under the themes of Business, People and Place, and collective regional leadership.

A proposed consultation response to the RES Action Plan Consultation Draft was provided to Members and a number of key issues highlighted viz:-

A priority issue that needed to be raised with One North East as part of this consultation process was in relation to the Stockton Middlesbrough Initiative. Members were reminded that SMI was an initiative led by Stockton and Middlesbrough Councils to help transform the economy and environment at the heart of Tees Valley, bringing real benefits to the local community and the City Region as a whole. This required creating a city-scale environment which capitalised on the opportunities presented by two vibrant town centres and an outstanding riverside setting.

Within the Action Plan Transformational Interventions SMI had been translated into two initiatives – North Shore and Middlehaven. The fact that SMI was a transformational Intervention was welcomed, however it would be helpful to have a specific reference to the town centres as hubs

for commercial, leisure and hospitality activity. It needed to be highlighted with One North East that SMI comprised:

- a commitment to partnership between SBC and MBC – integrating staff resources, where appropriate, to address delivery gaps and add value via joint working;
- a mechanism for transforming perceptions of the heart of the Tees Valley City Region and building civic pride amongst the local community;
- an initiative to push forward proposals for regeneration of the town centres and transformation of the riverside corridor between them;
- a commitment to working alongside regeneration partners to complement and add value to their work.

Other areas that needed to be highlighted within the Action Plan included accommodation at Wilton for the chemical industry, as North Tees would require investment to keep the economy competitive. Furthermore, investment would be needed to increase the skills base in this area, to ensure the workforce within the chemical industry for the future.

Access to enterprise support programmes in the more deprived communities needed to be improved as an integral part of tackling worklessness. If the new business creation target was to be achieved then this area of work needed to be given a higher priority. Whilst it was recognised that Local Authorities were already involved in this work and so were well placed to take a lead role, the Action Plan needed to align and support programmes such as LEGI with regional initiatives, and link directly with the Tees Valley Investment Strategy, which detailed projects requiring One NorthEast support over a rolling ten year period.

The Action Plan would be improved by reference to Durham Tees Valley Airport (alongside Newcastle Airport) in the Tees Valley investment list, in line with the expansion proposed.

There were pressures on the Single Programme, with caps placed by One NorthEast. Current projections were anticipated to be 25% lower than expected. This equated to an approximate £50,000,000 reduction for the delivery of the Tees Valley projects. By raising the profile of priority projects, opportunities for securing alternative funding sources, such as European and mainstream government programmes were improved.

RESOLVED that the proposed response to the RES Action Plan Consultation Draft, as provided in the Appendix to the report, be approved.

3. Reasons for the Decision

This recommendation had been put forward as the proposed priorities, structure and allocation of funding through the development of the Action Plan will have ramifications for the Council's opportunity for securing funding support from the Regional Development Agency, One NorthEast.

4. Alternative Options Considered and Rejected

None

5. Declared (Cabinet Member) Conflicts of Interest

Councillor Cunningham declared a personal, non prejudicial interest in this item as he was employed as an energy consultant.

6. Details of any Dispensations

None

7. Date and Time by which Call In must be executed

By not later than midnight on Friday 12th January 2007

Proper Officer
08 September 2007