

LEADERSHIP BOARD

**Meeting held at Castlegate Quay, Stockton at 2.00pm on Wednesday 18
March 2009**

ATTENDEES

John Williams (JW)	Leader, Darlington Borough Council	Chair
Ken Lupton (KL)	Leader, Stockton on Tees Borough Council	
George Dunning (GD)	Leader, Redcar & Cleveland Borough Council	
Ray Mallon (RM)	Mayor, Middlesbrough Borough Council	
Martyn Pellew (MP)	Chair, Tees Valley Committee, Chamber of Commerce and Business Development Director, PD Ports	
Alastair MacColl (AM)	Chief Executive, Business and Enterprise North East	
Alison Thain (AT)	Board Member One NorthEast and Chief Executive, Fabrick Group	
Paul Booth (PB)	President, SABIC UK Petrochemicals	
Prof Graham Henderson (GH)	Vice Chancellor, University of Teesside	
Neil Schneider (NS)	Stockton on Tees Borough Council – Chief Executive Officer	

APOLOGIES

Hugh Lang (HL)	Group Airports Director, Peel Airports Group
Stuart Drummond (SD)	Mayor, Hartlepool Borough Council

OBSERVERS

John Lowther (JL)	Tees Valley JSU
Linda Edworthy (LE)	Tees Valley JSU
Jonathan Spruce (JS)	Tees Valley JSU
Sarah Johnson (SJ)	Stockton on Tees Borough Council
Richard Poundford (RP)	Stockton on Tees Borough Council

1. APPOINTMENT OF CHAIRMAN

The Board agreed that Councillor John Williams be appointed as Chairman for this meeting only in the absence of Hugh Lang.

RESOLVED that Councillor John Williams be appointed Chairman for this meeting only.

2. CHAIR'S WELCOME

The Chairman (JW) welcomed attendees to the meeting.

3. MINUTES OF THE MEETING ON 10TH DECEMBER 2008

The minutes of the meeting held on 10th December 2008 were agreed as a true record.

4. MATTERS ARISING

Regional Funding Advice 2 – The Board was informed that the advice had now been submitted to Government. With regards to transport, a meeting had been arranged for 31st March for the Highways Agency, Assembly One North East (ONE) and the Association of North East Councils to consider the phasing of the transport schemes. In terms of the Single Programme Funding, ONE officials would be recommending to the ONE Board that £14mil be allocated for 2009/10 and £10mil allocated for 2010/11.

TVU Communication Strategy Action Plan - TVU Officers had revisited the action plan after concerns were raised at the last meeting in relation to the funding available to deliver it. The updated action plan would be circulated to the Board along with an events diary for TVU which was currently being produced. The Board was informed that an update from each of the TVU sub boards would be included as a standing item on the Leadership Board agenda in future.

TVU Conference – The Board congratulated TVU Officers for their hard work on the TVU Conference which had been held on 16th February 2009 at Wynyard Hall. It was noted that feedback from the Conference had been positive.

RESOLVED that the information be noted.

5. BUSINESS ENTERPRISE ACTIVITY IN THE TEES VALLEY

The Chief Executive from Business and Enterprise North East (BENE) gave a presentation to the Board on the services offered, its background, aims and current performance. The Board discussed the role of BENE since it had become a regional organisation. It was commented that BENE was currently working with more businesses than last year and was seeing better results.

It was commented that BENE were keen to see more dialogue with the Local Enterprise Growth Initiative (LEGI) in order to join up activity and also to ensure that duplication wasn't occurring.

MP commented that the logistics and energy sectors were key sectors for the Tees Valley and that BENE could do more to link up with these sectors.

RESOLVED that the presentation be noted.

6. THE CREDIT CRUNCH AND THE CHEMICAL INDUSTRY

The President of SABIC UK Petrochemicals gave a presentation to the Board on process industry issues in light of the current economic climate.

The Board discussed the issues raised in the presentation. It was considered that TVU should reinforce the messages in the presentation. The Board agreed that TVU Officers should draft a letter to Lord Mandelson and that the letter should be signed by the Leadership Board Chairman and the 5 Tees Valley Authorities' Leaders/Mayors.

RESOLVED that TVU Officers draft a letter to Lord Mandelson and that the letter be signed by the Leadership Board Chairman and the 5 Tees Valley Authorities' Leaders/Mayors.

7. TEES VALLEY CITY REGION FORERUNNER PROPOSAL

The Board was reminded that the Government had written to all upper tier Chief Executives in England on 22 December 2008 inviting them to submit proposals to become a City Region Forerunner, as announced in the Pre Budget Report in November 2008.

TVU had submitted to Government an Expression of Interest in becoming one of a City Region Forerunner to build on the Multi Area Agreement and officers from TVU had attended a workshop with Government on 10 February 2009.

It was explained that the proposals had been developed during January and February and involved detailed discussions with key partners. The draft submission was considered by the TVU Executive at its meeting in February and had the support of the all partners on the Executive. The final submission had been cleared by the Executive and the TVU Chair in advance of its submission to Government on 6 March 2009.

The Board was provided with a briefing note which set out the basis of the submission and also a full copy of the submission.

In particular, Board Members attention was drawn to Section R3b in the submission which outlined the governance arrangements for TVU at present and moving forwards. It was explained that to enable Government to give greater flexibilities to the partnership TVU were required to move to statutory body status. The Board's attention was drawn to Annex 11 of the submission which illustrated the potential governance arrangements for a TVU statutory body.

It was noted that whether or not TVU was chosen to proceed as a City Region Forerunner there were elements of the proposal that TVU would wish to take forwards such as improvements to the governance structure (to align areas of activity such as housing and regeneration and the further development of the Employment and Skills Board) and developing the approach to investment planning with key agencies.

It was commented that One NorthEast, Homes and Communities Agency, Job Centre Plus and the Learning & Skills Council were all full partners in the submission.

The Board was informed that the Government would announce the successful areas (at least two) for the City Region Forerunner in the Budget announcement on 22 April 2009.

RESOLVED that the City Forerunner Submission be endorsed.

8. UPDATE ON KEY INITIATIVES

The Board considered a report that provided an update on various key initiatives.

It was explained that progress on the North Tees/South Tees Development Framework was progressing well. The main constraint on the future development of the renewable energy industry was the lack of capacity on the national grid and the

regulatory framework by which companies gained access to the grid. The Board was informed that detailed evidence was being prepared to raise with national government on this issue.

The Board was informed of the various actions taken in terms of the recent withdrawal of the Heathrow – Durham Tees Valley route. A meeting with officers had been held, and on 24th March a meeting of the Regional Minister and local MPs had been arranged with Jim Fitzpatrick, the Minister for Aviation. A submission to the House of Commons Transport Select committee had also been made.

The Regional Funding Advice had been submitted. The Board was informed that Lord Adonis, the Minister for Transport, would be visiting the Tees Valley at the end of April to discuss the Metro and hopefully announce the approval of the Bus Network Project.

RESOLVED that the information be noted.

9. TVU BUSINESS PLAN

The Board considered a report relating to the TVU Business Plan.

It was explained that the Tees Valley Unlimited Business Plan was due for publication in April 2009. The Board was provided with the final draft which was an iteration of the first TVU Business Plan produced in 2008.

The Business Plan presented the agreed TVU priorities for action over the next 12 – 36 months, together with performance management information to enable TVU to ensure that they were on track to deliver the priorities. It was noted that reporting on Business Plan actions and milestones would be quarterly, and would be incorporated into the TVU Monitoring Reports.

It was explained that the current version of the Business Plan had been subject to consultation through the Tees Valley Unlimited Sub Boards. This had coincided with the preparation of the City Region Forerunner Proposal. Following the budget announcement the TVU Business Plan would need to be reviewed and the performance framework completed. The Board was informed that the deadline for partner comments on the TVU Business Plan was 3rd April 2009.

The Board was provided with the details of the high level Outcomes (TVUO's) which had been identified with the TVU Business Plan and sat beneath the three key priorities of Business, People and Place. It was requested that with

regards to TVUO 10, energy be incorporated into this outcome.

RESOLVED that the information be noted.

10. TVU PERFORMANCE REPORT – QUARTER 3 2008/09

Members of the Board considered a report that provided the third quarter performance update on the TVU Business Plan Performance Indicators and Targets and the performance of funding programmes directly associated with the Multi Area Agreement.

It was noted that whilst it was clear that the recession was having some impact on the local economy, events so far supported the hypothesis that the Tees Valley was less badly affected than other areas, mainly due to its industrial structure.

The Board was informed that with regards to progress on Single Programme funding, there were still some concerns about the level of Single Programme spend with 30% of spend still to be achieved in Quarter 4.

The Board was informed that the TVL programme was on course to deliver targets for grant expenditure and outputs by 31st March 2009.

An update on the position of the Bus Network Improvements, Tees Valley Metro and the A66/A19/A174 Area Action work was provided to the Board.

RESOLVED that:-

1. Performance on the 3rd quarter in relation to the TVU high level outcomes and MAA targets be noted.
2. The position on the 3rd quarter of the Single Programme 2008/9 be noted.
3. The Board notes that TVL are on course to deliver targets for grant expenditure and outputs by 31st March 2009.
4. The position on Transport be noted.

11. ANY OTHER BUSINESS

The Board discussed issues relating to pressure and capacity within the TVJSU to support TVU. The Board was informed

that Tees Valley Chief Executives were aware of the increasing demands and were bringing together a detailed review which would also reflect proposals relating to TVR.

RESOLVED that the information be noted.

12. DATE OF NEXT MEETING(S)

- 3 June 2009
- 9 September 2009
- 9 December 2009
- 17 March 2010
- 9 June 2010