

LEADERSHIP BOARD

**Meeting held at Cavendish House, Stockton
at 2.00pm on Wednesday 9th March 2011**

ATTENDEES

Sandy Anderson (SA)	Chair
John Williams (JW)	Leader, Darlington Borough Council
Ken Lupton (KL)	Stockton on Tees Borough Council
David Budd (DB)	Middlesbrough Borough Council
George Dunning (GD)	Leader, Redcar & Cleveland Borough Council
Paul Booth (PB)	President, SABIC UK Petrochemicals
Prof Graham Henderson (GH)	Vice Chancellor, Teesside University
Alison Thain (AT)	Board Member One North East and Chief Executive, Fabrick Group
Alastair MacColl (AM)	Chief Executive, Business and Enterprise North East

APOLOGIES

Martyn Pellew	Business Development Director, PD Ports
Ray Mallon	Mayor, Middlesbrough Borough Council
Ada Burns	Darlington Borough Council-Chief Executive Officer

OBSERVERS

Emma Speight (ES)	One NorthEast
David Curtis (DC)	Homes and Communities Agency
Amanda Skelton (AS)	Redcar & Cleveland Borough Council – Chief Executive Officer
Neil Schneider (NS)	Stockton Borough Council – Chief Executive Officer
Ian Parker (IP)	Middlesbrough Borough Council – Chief Executive Officer
Stephen Catchpole (SC)	Tees Valley Unlimited
John Lowther (JL)	Tees Valley Unlimited
Sarah Johnson (SJ)	Tees Valley Unlimited

1. CHAIR'S WELCOME

The Chair (SA) welcomed attendees to the meeting. As it was his last meeting the Chair thanked Councillor John Williams for his work on behalf of the Board.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. MINUTES OF THE MEETING ON 12TH JANUARY 2011

The minutes of the meeting held on 12th January 2011 were agreed as a correct record.

4. MATTERS ARISING

There were no matters arising.

5. REGIONAL GROWTH FUND

On 21 January 2011, Tees Valley Unlimited (TVU) submitted 20 bids to the Regional Growth Fund, asking for almost £80m of support. Nine of the 20 bids were from companies in the private sector who collectively have plans to invest over £820m within the next three years, creating 1,650 new jobs and safeguarding a further 850 posts. The remaining 11 bids involved a combination of public and private sector support and covered areas including housing, transport and mixed-use regeneration.

The results from round 1 were expected within the next couple of weeks. Round 2 would be opening on 12th April and would be more programme focused. Work to identify potential activity to submit to Round 2 was ongoing. The Leadership Board would be kept up to date on any announcements by email in advance of the next meeting.

RESOLVED that the information be noted.

6. VISITS OF MARTIN DONNELLY, SIR BOB KERSLAKE AND HENRY CLEARY AND FOLLOW UP ACTIVITIES

The Board was given details of two recent visits.

Henry Cleary, Deputy Director, Department for Communities and Local Government, visited Tees Valley on Friday, 4 February and met with officers of TVU, the local authorities,

Angela Lockwood, the Tees Valley Living Chair and Alison Thain (TVU Board Member). The purpose of the visit was for Henry to understand the scale of the issues facing Tees Valley with the closure of the Housing Market Renewal Programme.

Sir Bob Kerslake and Martin Donnelly visited Tees Valley on 11 February 2011. A debrief note was provided which also highlighted the follow up actions to be taken.

It was noted that a representative from the Department for Business, Innovation and Skills had been invited to attend Leadership Board meetings as an observer.

RESOLVED that the information be noted.

7. ENTERPRISE ZONES – PROPOSAL TO GOVERNMENT

Consideration was given to a report that sought the Board's support in principle to the submission of a proposal to Government for the establishment of enterprise zone(s) in the Tees Valley area.

It was noted that James Wharton MP was meeting with the Chancellor to discuss an enterprise zone(s) in the Tees Valley.

A draft proposal was being prepared following consultation with the Boroughs and it was anticipated that this could be submitted to Government within the next week or so. It was noted that such a proposal would be in outline only so that detailed discussion with Government could take place.

RESOLVED that the submission of a proposal to Government for the establishment of enterprise zone(s) in the Tees Valley area be supported in principle.

8. ACCESS TO FUNDING

The Board considered a report relating to recently announced opportunities for TVU to access funding.

The Department for Communities and Local Government (DCLG) had announced the availability of a £5 million transitional fund for growth/housing renewal locations.

Tees Valley has been identified as one of the five most severely challenged Housing Market Renewal (HMR) areas and therefore was being given priority bidding status. The objective of the funding was to provide transitional support to transfer expertise to ensure capacity in a Local Enterprise Partnership (LEP). TVU would work up a bid to be discussed

with Directors of Regeneration (DoRs)/Chief Executives (CEs) prior to its submission by deadline of 6th April.

In addition it was noted that the Government had invited bids from LEPs for monies to support their activities. The emphasis seemed to be on those organisations which were starting from scratch but it was believed that TVU would be able to bid successfully.

Deadline for bids was 31st March and it was intended that TVU would work up a proposal in consultation with Directors of Regeneration and the Chief Executives.

RESOLVED that the approach as set out be endorsed.

9. ERDF POLICY AND OPERATIONAL CHANGES

The Board considered a report that outlined the major changes in both policy and operational terms for European Regional Development Fund (ERDF). Details of the major changes in terms of the greater role to be played by the two LEPs and the local authorities in managing the current programme were discussed. The report also detailed the likely future servicing arrangements for the new Local Management Committees together with some initial thoughts about the future 2014 – 2020 programme.

RESOLVED that the information be noted.

10. NEEP AND NE LEP UPDATE

The Board was provided with a brief update of progress on the North East Economic Partnership (NEEP) and the North Eastern Local Enterprise Partnership (NE LEP).

The transfer of assets held by One NorthEast (ONE) was discussed. It was noted that ONE were looking at various proposals.

RESOLVED that the information be noted.

11. REPLACEMENT OF MARTYN PELLEW ON THE BOARD

The Board's agreement was sought for various actions required to secure a replacement for Martyn Pellew on the Board. The procedure agreed by the Board at its last meeting would be used to find a replacement.

RESOLVED that the necessary actions be agreed.

12. TAKING FORWARD THE DEVELOPMENT OF THE PETROCHEMICAL SECTOR AND LOW CARBON ECONOMY IN THE TEES VALLEY : AN ACTION PLAN

The Board considered a report relating to the development of

the petrochemical sector and the low carbon economy in the Tees Valley.

The report detailed the overall strategy that TVU would be recommending that the government adopt. It was based on work carried out by Paul Booth, President, SABIC UK Petrochemicals, on how to relate in a positive way the development of the low carbon economy to the development of the petrochemicals industry. Work had also been carried out by TVU on carbon pricing, electricity market reform, discussions with developers and major companies on barriers to investment and the opportunities for tax incentive financing. It also sets out the key elements of a work programme for TVU to implement the vision set out in this report which can be developed further through the business planning and engagement planning process.

The Board was provided with a copy of the Low Carbon Economy Engagement Plan which detailed how TVU would take this work forward.

RESOLVED that:

- a) The approach be endorsed.
- b) The North East Process Industries Cluster, the Centre for Process Innovation, the North East Chamber of Commerce, the Confederation of British Industry, and the Chemicals Industries Association be consulted on the approach and their support be sought.
- c) Discussions be opened with the Department of Business, Innovation and Skills on the proposed approach.

13. ENGAGEMENT PLANS FOR PRIORITY THEMES

The Board considered a report that provided an update on the development of the thematic engagement plans.

At the meeting of the TVU Review Project Board it was agreed that before proceeding with the proposed future governance arrangements, as presented to the Leadership Board in June 2010, it would be helpful to revisit the purpose behind the structure. It was agreed that engagement plans be commissioned for Transport, Low Carbon, Employment and Skills and Housing.

The engagement plans were in varying stages of completeness and work was continuing on the Low Carbon, Employment and Skills and Housing themes to complete them.

RESOLVED that

1. The progress made to date be noted.
2. The transport engagement plan be agreed.

14. BUSINESS ENGAGEMENT

The Board was presented with a report that gave details of the progress made to date in seeking greater engagement with businesses, particularly small businesses.

RESOLVED that the information be noted.

15. BUSINESS PLAN

The Board was given details of the proposed timetable for agreeing a Business Plan for Tees Valley Unlimited for 2011/12.

The intention was to present the Plan for endorsement at the Board's meeting on 8th June. The Board would be involved in its formulation by way of several topic focused sessions in April/late May.

The Business Plan would then be used to produce Performance Measures for senior and other staff as part of a performance management/appraisal system.

RESOLVED that the information be noted.

16. ANY OTHER BUSINESS

None.

17. DATE OF NEXT MEETING(S)

- 8 June 2011