

LEADERSHIP BOARD

**Meeting held at Cavendish House, Stockton
at 2.00pm on Wednesday 24th October 2012**

ATTENDEES

Sandy Anderson (SA)	Chair
Bob Cook (BC)	Leader, Stockton on Tees Borough Council
George Dunning (GD)	Leader, Redcar & Cleveland Borough Council
Ian Kinnery (IK)	Independent Advisor, Team Massive Results
David Robinson (DR)	Group Chief Executive Officer, PD Ports
Dave Stubbs (DS)	CEO Hartlepool Borough Council
Ada Burns	CEO Darlington Borough Council
Stuart Drummond (SD)	Mayor, Hartlepool Borough Council
Alison Thain (AT)	Board Member One North East and Chief Executive, Fabrick Group
	Vice Chancellor, Teesside University
Paul Booth (PB)	President, SABIC UK Petrochemicals
Amanda Skelton (AS)	Redcar & Cleveland Borough Council – Chief Executive
Ray Mallon (RM)	Mayor, Middlesbrough Borough Council
Gill Rollings (GR)	CEO Middlesbrough Borough Council
Neil Schneider (NS)	CEO Stockton on Tees Borough Council
Anne Mulroy (AM)	Homes & Communities Agency
Margaret Coates (MC)	BIS
Neil Kenley (NK)	Tees Valley Unlimited
Linda Edworthy (LE)	Tees Valley Unlimited
Stephen Catchpole (SC)	Tees Valley Unlimited

1.	<p>CHAIR'S WELCOME</p> <p>SA opened the meeting and welcomed Dave Stubbs as the new CEO of Hartlepool Borough Council.</p>
2.	<p>APOLOGIES</p> <p>Graham Henderson, Vice Chancellor University of Teesside</p>

	<p>David Soley, Tenergy, Wilton, Group, Camerons Brewery, ERS David Curtis, Homes & Communities Agency Cllr Bill Dixon, Leader, Darlington Borough Council Alastair MacColl, Business and Enterprise Group</p>
3.	<p>CONFLICTS OF INTEREST</p> <p>None</p>
4.	<p>MINUTES OF PREVIOUS MEETING AND MATTERS ARISING</p> <p>Agreed as a true record.</p>
5.	<p>CITY DEAL UPDATE</p> <p>SC went through the report. Stephen, Linda and Kevin Parkes had recently held a meeting with Civil Servants from the Cabinet Office and this is a reflection of that initial discussion. On Monday 29th October, TVU has been invited to London as one of the potential applicants for Wave 2, City Deal. The timetable is as set out in the report. This time the Government plan to do things differently from Round 1, taking account of lessons learnt. SC understands the invitation will be in the name of Tees Valley. To draft EOI end of week/early next week, for early consultation with stakeholders. Proposing Special Leadership board 28th November for Leadership Board to consider. Full draft to be endorsed 19th December.</p> <p>GD expressed concern at the length of time of the possible negotiation.</p> <p>SC Timetable will depend on the complexities of the deal, it may be shorter. Government nervous about completing deals as quickly as they did before.</p> <p>AT asked what Government is looking for regarding governance. SC advised there are options to look at, Government needs assurances that the structure will deliver.</p> <p>AB expressed also on behalf of Councillor Dixon concern at the length of negotiation and would wish to see key milestones during negotiations to see if there is added value in the deal.</p> <p>RM talked of rules of engagement, they apply to everybody, Government sending out message to everybody, not just us. We can get to where we want to, advance the best way we can. This is the next stage from the LEP of 2 years ago.</p> <p>SC said we need to get the balance right, but the message we are getting is cities are the way forward for future Government investment.</p> <p>SA concluded by saying this is the first step in proposal, hopefully when we meet on 28th November we can endorse the proposals in EOI.</p>

<p>6.</p>	<p>HCA INVESTMENT PLAN</p> <p>HCA asked the Board/Local Authorities to look at its future investment plan. Board happy with Plan and will ask Investment Panel to take it into account when considering TV's Investment Plan.</p> <p>North East Stewardship Steering Group meeting on 20th November to endorse proposals.</p>
<p>7.</p>	<p>ERDF UPDATE</p> <p>LE went through the report explaining current programme comes to an end in December 2013 and the EU is proposing changes to funding for Cohesion Policy which will run from 2014 to 2020 and how this will impact on the Tees Valley. Two main goals – growth and jobs. Also there is a new classification for intervention – transition regions. Working with Durham to lobby both at UK and European level. UK Government to consult on how future funding should be used. LE fed back on a recent lobbying visit to Brussels (along with Councillor Bob Cook and Stephen Catchpole). TV and Durham County have produced a lobbying plan, working with other transition areas in the UK. The Commission are aware of our views. Linda advised on possible changes to State Aid/Regional Aid with large companies being excluded from support.</p> <p>SA enquired about the timescale. There could be a time period after 2014 when there is no programme. LE looking at in detail and will bring back to the meeting with recommendations.</p> <p>With regards to Regional Aid Map, the NE need to lobby for a common cause regionally.</p> <p>LE advised this has been shared with ANEC.</p> <p>DR said ERDF programme has been in place for quite a while, how viable has it been to the Tees Valley? SC agreed to bring this back to future meeting.</p> <p>SA advised that Digital City has received significant ERDF funding, also Teesside University.</p> <p>BC said we will await the rules and regulations, how money will be distributed, before we make decisions.</p> <p>PB – Regional Aid Map/State Aid – advised at least 5 major projects would not have happened without ERDF, you cannot over emphasis the importance of ERDF. This is a national issue, should be working</p>

	<p>alongside all LEPS.</p> <p>SD asked how much do we know about the Smart Cities agenda. LE advised this tended to focus on the bigger cities. LE will look at this and bring back to meeting.</p>
8.	<p>SECTOR PLANS PROGRESS UPDATE</p> <p>Submitted for information, meeting with stakeholders over the next few months on key things to make a difference, it is critically important we communicate with those involved. The paper is on the website and has been sent to companies involved in the Action Plan.</p> <p>SA felt this was a critical part of Ambition 2.</p>
9.	<p>PROGRESS REPORT</p> <p>SC circulated the current version.</p> <p>SA felt that in terms of communications with the Board and others this is extremely helpful. It is sent to MPs and other stakeholders.</p> <p>PB concerned how we can get the good work that goes on out to the general public.</p> <p>SC - how do we do this in an effective way, need to work smarter and get message across and not just the big headlines.</p> <p>BC advised of the circulation of the Stockton News to 76,000 homes. TVU news goes in this. Read quite well, full of public news/events.</p> <p><u>Update of RGF3</u></p> <p>RGF3 was very successful, 11 company projects to £53 million, NE overall had 25 projects, and we got 50% across the region. TVU awarded £10m for the performance bond bid. Had a share in the £30 million UNW regional bid for access to SMEs. Some disappointments, DTVA/Apprenticeships/Bank Scheme, these need to be carried forward, will have to look at another way of doing them but overall very good with access to £70 million. Good result for the area.</p> <p>SA found the failure of the apprenticeship bid very worrying, £800 million capital projects in place and we have a skills gap. Whole apprenticeships issue a worry, we will not be able to sustain investment.</p> <p>SD asked about RGF 1 and 2 and companies still waiting for money, any blockages we can help with to progress. SC did not know of any blockages.</p> <p>MC advised 3 / 4 Tees Valley companies to receive letters this week to decide to either comply or withdraw in order to release money. Deadline</p>

	<p>soon to complete actions.</p> <p>SC does not know if there will be a RGF4 but could be a possibility.</p> <p><u>Growing Places Fund</u> SC updated on current situation, 5 / 6 approved, 2 withdrawn, both private sector projects, 1 fully signed up, 1 close to sign off, 1 due to reconfirm to go through due diligence. The money set aside for the bank loan scheme is being released.</p> <p>LE – there is an opportunity to develop a spec build at Belasis matching GDP with ERDF, we now have to work through the detail in consultation with partners to decide if to take forward.</p> <p><u>Future Events</u> Planning a Business to Business event again next year.</p> <p>6th December a Skills event at Middlesbrough Football Club, 30 schools signed up, good spread across the Boroughs. All Colleges/Teesside University signed up, 38 exhibitors, attracting more private sector companies. More detail nearer the time.</p> <p>AT – in talking about events clearly we are in delivery mode, do we need to think about Scotland and vote in 2014. Look at threats/opportunities for this part of the world. We need thinking time to consider impact/consequences on our strategies.</p> <p>NS clarified there has been some work with ANEC on this matter, will bring back to a future meeting.</p>
<p>10.</p>	<p>PANEL REPORTS</p> <p><u>Transport and Infrastructure (DR)</u></p> <p>Secured 2 pieces of funding in the Pinch Point Programme, work should start 2013 for delivery in 2014.</p> <p>Rail – East Coast will continue franchise for the next 12/18 months. Hopefully future new franchise will bring new tonnage, equipment etc. Work on the Darlington Bank Top not in plan.</p> <p>Promoting the Bus Network in the Tees Valley, money set aside for PR etc. £160,000 a year for next 3 years.</p> <p>Infrastructure – electricity network in the Tees Valley and access to it. Dialogue ongoing to ensure infrastructure/capital goes ahead.</p> <p>Important to promote bus network to employment sites, lobbying to get the project underway, particularly in Middlesbrough and Redcar.</p>

Rail - series of issues/franchise/budget over the next 6/12 months.

AB added information about work with York CC, the York Leader and other Leaders and officers from Local Authorities based along the east coast from Stevenage to Scotland have been involved in joint lobbying, lot of common ground. Darlington and Newark to benefit from this – lobbying could be quite useful.

Trying to get Transport Minister to the region, hoping for a couple of visits in the next 4/6 months.

BC – Northern Rail – franchise ends 2013. New franchise may bring in better rolling stock.

DR – lobbying work still ongoing for the local and regional network, Northern Rail/Transpennine, need to keep connectivity with Manchester.

Economic Development Group (PB)

Long discussion re RGF3, potential for success. Discussed Amsci and green industries but bid in abeyance. Full update at next meeting. Also covered automotive sector/chain supplies and Hitachi. There is an event organised with MAS in November – number of SMEs involved.

Employment and Skills (IK)

Presentation from 2 Teesside University students, who have set up 'Limitless Change', students trying to access field of work, pooling resources, trying to find their own solutions.

Disappointed with RGF3 and apprenticeships bid – we need to find our own solutions. Planning to get businesses together to move forward.

Skills event as already discussed on 6th December- this event will involve the parents also.

Met with Andrew Hodgson, IK counterpart in the NE LEP, good meeting, same problems, envisage further dialogue.

Place (AT)

Last meeting cancelled but lot of work going on.

Investment Panel – (NS)

Discussed Business Loan Scheme, endorsement to use GPF, HCA Stewardship Investment Panel. First draft of TVU Investment Plan for next meeting.

	<p><u>Communications Group (AB)</u></p> <p>Revamped communications panel, stronger connection to TVU Management Group. Principle focus of addressing local audiences, making clearer what TVU is doing for us, developing calendar – what is on offer across the Tees Valley, each borough to provide stories.</p> <p>Good progress with key ambassadors, key set of messages to take away.</p> <p>New addition to panel – the university, they have good contacts with Ministers.</p> <p>Big priorities, lobby plan – identifying for the year ahead big themes that we need to influence Ministers on. To seek advice from Chief Executives/Leadership Board.</p>
11.	<p>POST 2020 WASTE DISPOSAL</p> <p>DSt brought to meeting for info. Affects all in the Tees Valley. Various options for 2020 onwards. Largest contract local authorities investing in. Emerging industry in the Tees Valley.</p> <p>PB advised that technology is changing, there will be biogas markets within 5 years, thinks a 25 year contract is too long, would like a discussion with DS, to guide length of contract. DSt recognises what is happening over next 5 years, need to look at cost effective ways for the local authorities. DS and PB to meet to discuss.</p>
12.	<p>AOB</p> <p>SC advised on work being commissioned by the NE LEP by Lord Adonis, to set out some strategies for them. There has been some confusion that it covers our area but it does not so it will not disturb our strategies. Lord Adonis needs to make this clear and we have been pressing for that. There have been rumours we have been obstructive in not taking part, again this is not true. We would have liked the courtesy to speak to Lord Adonis during week of 29th October. We were invited to a wash-up session at end of week. We have declined that but made it clear we want to take part at the appropriate time.</p> <p>PB felt we need to work together on the big issues. GR reiterated there has been no blocking from this end.</p> <p>NS – referred to the TVU management report and ongoing work through the Direct Line joint task group.</p>