

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting19th April 2018

1. Title of Item/Report

Economic Climate Report

2. Record of the Decision

Consideration was given to a report on the Economic Climate.

The report, and subsequent quarterly updates, provided Members with an update on information published in Stockton's Local Economic Assessment 2017 as well as key recent economic announcements.

The report was presented to Cabinet on a quarterly basis. The emphasis of each report focuses on a particular theme as follows:

- People – labour supply
- Place – key economic development locations
- Business – key sectors and businesses
- Economic Performance Summary Report and Economic Growth Plan monitoring

Each thematic report was presented in four sections:

- i. Economic Dashboard – presented a number of key indicators which were monitored at least quarterly, and included a position statement against the two indicators of growth relevant to the 'People' chapter
- ii. Updates – summarising key announcements and developments:
 - updates – announcements with implications across key sectors, the region and nationally
 - business announcements – announcements from some of the key businesses within the Borough
 - strategic locations – a brief update on any new development at strategic employment locations across the Borough
 - training & skills – provides an update on emerging news relating to skills needs and provision

Internet links had been included, where possible, to provide digital

viewers of the report with more information on each announcement.

iii. Theme Review – An in depth focus, and the substantive part of the report, on key statistics affecting business, people or place. Most of the referenced statistics in the review are produced annually and cannot be updated quarterly.

iv. Case Study – A relevant case study for the theme. For example, the 'Business' case study in the report focuses on the Chemical Industry in the Borough.

Member's attention was drawn to the following areas of the report:

With regard to the strategic updates in the North East Business Awards 2018 (Teesside Heat), 12 companies with a presence in Stockton-on-Tees were nominated for 10 awards, which attracted award sponsorships from a wide variety of companies. Of the awards where winners were announced at the Dinner held on 22nd March, the following Stockton-on-Tees businesses were winners:

- Company of the Year
Quorn Foods
- Heart of the Community Award
North Star Housing Group
- Innovation Award
Applied Scientific Technologies
- Small Business Award
WhiteWash Laboratories Ltd
- Tourism & Hospitality Award
Wynyard Hall

With regard to economic performance, economic output in Stockton-on-Tees was over £4 billion and made up 31.5% of the £12.8 billion output of Tees Valley. The total value of economic output of Stockton-on-Tees was estimated to be £4.04bn in 2016 (provisional), which was £394m higher than in 2011; equating to a 10.8% rise.

The Process, Chemicals and Energy sector has been identified by the Tees Valley Local Enterprise Partnership as being particularly important to the economy. Driven by the presence of unique assets, niche industrial specialisms and high value jobs the sector is of significant importance and value to the Stockton-on-Tees, Tees Valley and the wider national economies.

45% of all sector jobs in Tees Valley are based in Stockton-on-Tees businesses. These jobs have high earnings that are above the average national hourly rate, and contribute to a high value and productive sector.

The case study was the chemical industry. The oil and gas delivered by pipeline to the gas processing plant and oil reception and storage facilities at Seal Sands was the major economic driver of the whole petrochemicals, energy and bio-resources cluster in Tees Valley. The petrochemicals industry in Stockton was based around CF Fertiliser's operations in Billingham and fine and speciality chemicals based mainly at Seal Sands and Billingham.

RESOLVED that the content of the report be noted and the work being undertaken be supported.

3. Reasons for the Decision

Understanding the nature and extent of opportunities and challenges that exist within Stockton's economy will create a Borough that is more confident, vibrant and successful than ever before; where business and people prosper and grow.

4. Alternative Options Considered and Rejected

None.

5. Declared (Cabinet Member) Conflicts of Interest

Councillor Steve Nelson declared a personal non prejudicial interest in respect of agenda item 7 – Economic Climate Update as his son worked for Marks and Spencer.

6. Details of any Dispensations

N/A

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

Midnight, 27 April 2018.

Proper Officer
23 April 2018