

*Tees Valley*  
*unlimited*



Tees Valley Unlimited

Annual Performance Report  
**Executive Summary**

April 2009 - March 2010



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The Tees Valley contributes £10 billion to the national economy and has a population of 658,600, making up about one quarter of that of the North East region. The five main Local Authority areas within the Tees Valley have key regeneration assets which have the potential to contribute to enhancing the economic performance of the Tees Valley City Region and improve its urban competitiveness but the area also faces significant challenges.

Tees Valley Unlimited was set up in 2007 to tackle these challenges and has continued to make good progress on a number of issues and projects during 2009/10.

The North and South Tees Development Framework has identified the key areas where the public sector needs to intervene, with focused actions and priorities. It has given Tees Valley Unlimited a clear understanding of the industrial opportunities in the Tees Valley, and a direction of how to get there. It has also provided evidence for the role Tees Valley can play in the low carbon economy and provided the basis for the Tees Valley Low Carbon Transition Plan, which along with the North East Process Industry Cluster (NEPIC) ten point plan, led to the £60million Tees Valley Industrial Development Programme. Importantly the framework champions a different approach to the public sector involvement, with the public sector investing in infrastructure, and the importance of Tees Valley Unlimited taking a pro-active role in the future of Tees Valley Industry.

The Tees Valley Employability Framework implementation is well underway and a steering group has been established with a number of individual task groups. Tees Valley Unlimited are working with Teesside University to bring together evidence and views from employers to underpin the High Level Skills Strategy.

In June 2009 the Green Infrastructure Steering Group was established and a toolkit to demonstrate the economic impact and methodology to prioritise and assess projects is being developed.

The Climate Change Strategy has been agreed and actions will be embedded into the revised Tees Valley Unlimited Business Plan.

Substantial developments on the Tees Valley Housing Site Database have taken place, resulting in more accurate housing trajectories across the Tees Valley and providing measures of progress against the Regional Spatial Strategy, Multi-Area Agreement and Growth targets. This continues to evolve and alignment of these targets will be a priority in the forthcoming year.

In March 2010 the Department for Transport awarded full approval for the Tees Valley Bus Network scheme. A vital £57.6m scheme to greatly improve bus services in the Tees Valley area was given the go-ahead by Transport Minister Sadiq Khan with a £37.5m contribution from the Department. The programme of improvements will be implemented on key bus routes across Darlington, Hartlepool, Stockton, Middlesbrough and Redcar, leading to improved reliability and quicker journeys for the residents of the five towns.

The Bus Network in itself is part of a wider programme of transport initiatives being taken forward at the City Region level under the oversight and coordination of Transport for Tees Valley.

## What's Next?

Tees Valley Unlimited has experienced a challenging year, however good progress has been made despite the economic downturn. The development of the Tees Valley Economic Assessment will provide a comprehensive evidence base to inform local, sub-regional and regional strategies and work plans. **The Economic Assessment** and the **Tees Valley Economic & Regeneration Statement of Ambition** will be launched later in 2010, setting out revised High Level Outcomes for the Tees Valley over the next 15 years.

**The Tees Valley Investment Plan** this together with the Tees Valley Unlimited Business Plan will set out Tees Valley Unlimited activity for the next 5 years with more focused detail for the next 12 months. The development of a robust Performance Monitoring Framework will ensure performance is monitored effectively and help us achieve better outcomes for the Tees Valley.

# Tees Valley Unlimited Background and Structure

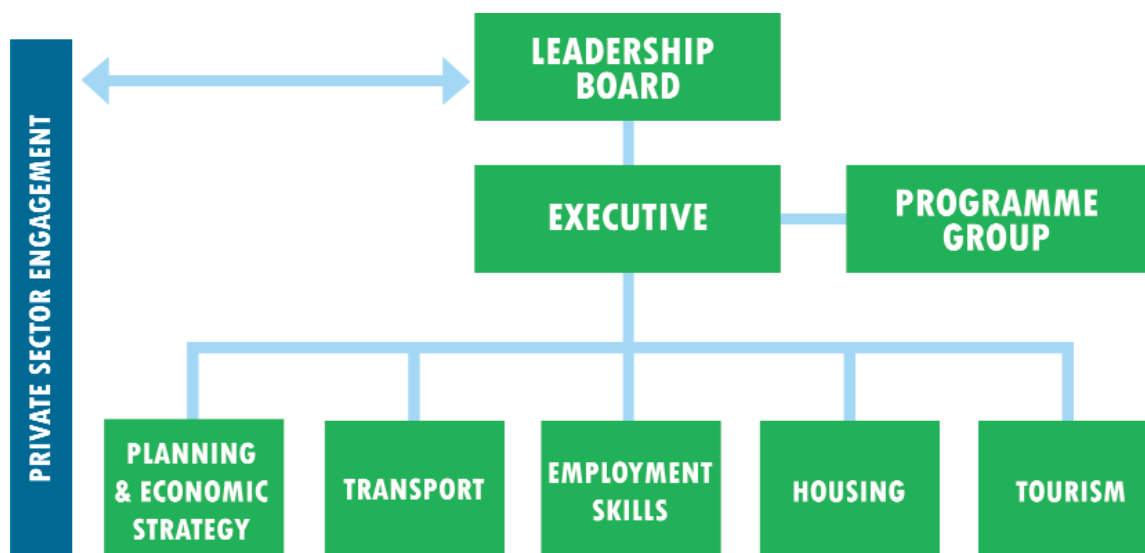
In May 2005 the *Northern Way Growth Strategy* identified the need to '*reduce the output gap between the north and the rest of the UK by accelerating economic growth*'. Recognising that local economies rarely work within administrative boundaries, the Government identified the Tees Valley City Region as a 'functional economic area' and therefore the most appropriate level on which to focus delivery.

Consequently Tees Valley Unlimited was established in shadow form in May 2007 to

bring together the public and the private sector to lead the future development of the Tees Valley economy.; its overall ambition is

*'To contribute to raising the economic performance of the Tees Valley, to improve quality of place and the quality of life for its people'*.

Tees Valley Unlimited consists of a number of elements as follows:



- **Leadership Board** comprising the Tees Valley Local Authority Leaders and Mayors with representatives from the private sector and has a private sector chair.
- **Executive** comprising the Tees Valley Local Authority Chief Executives and other key Chief Executives from City Region public sector bodies and the private sector. There are also observers from Regional and National organisations;
- **Five sub-boards** to cover the range of City Region working - planning and economic strategy, transport, employment and skills, housing and tourism;

# The Role of Tees Valley Unlimited

The Tees Valley local authorities have been working together at the sub-regional level for many years, developing their understanding of the economy. In recognition of this the Secretary of State for Communities and Local Government asked the Tees Valley authorities to prepare a City Region Business Case to enhance economic performance and improve urban competitiveness. Tees Valley Unlimited was established in 2007 as the governance arrangement to take forward these challenges.

**The City Region Investment Plan** was developed as a supporting document to the Business Case and included detailed proposals for the physical and economic regeneration, housing market renewal, transport, skills, cultural and environmental interventions.

The Business Plan set out Tees Valley Unlimited's ambition, the outcomes that it wished to achieve and the activities that Tees Valley Unlimited and its partners would undertake to deliver against these outcomes.

**Tees Valley Unlimited's role** can be defined as follows:

- to develop and articulate a clear Vision for the future economy of Tees Valley
- to speak with one voice on behalf of Tees Valley
- to influence sub regionally, regionally and nationally to ensure the needs and opportunities for Tees Valley can be addressed
- to ensure that delivery of the Tees Valley Unlimited work programme is undertaken effectively and efficiently
- to develop and enhance the image of Tees Valley
- to bring together the key partners required to deliver the Vision and maximise the benefits of working collaboratively

- to secure the external funding required to deliver the Vision for Tees Valley and maximise its impacts
- to develop, share and learn from good practice in regeneration

The Tees Valley Multi Area Agreement was signed off in July 2008 and the key objective was as follows:

*"To deliver the agreed investment priorities earlier than would otherwise have been the case, and more cost effectively, through the integration of physical and fiscal resources and a strong and accountable governance structure within a defined performance monitoring framework."*

Tees Valley Unlimited continues to move forward with a robust partnership that includes the private sector, regional bodies and the five Tees Valley local authorities, to achieve real outcomes for the Tees Valley and its communities.

The Tees Valley Unlimited Annual Performance Report focuses on the Performance Indicators, Key Actions and Milestones identified within the original Business Plan (2009-2012) and shows that much has been achieved.

# Outcomes for the Tees Valley

**TVUO TO CONTRIBUTE TO RAISING THE ECONOMIC PERFORMANCE OF THE TEES VALLEY, TO IMPROVE THE QUALITY OF PLACE AND THE QUALITY OF LIFE OF ITS PEOPLE.**

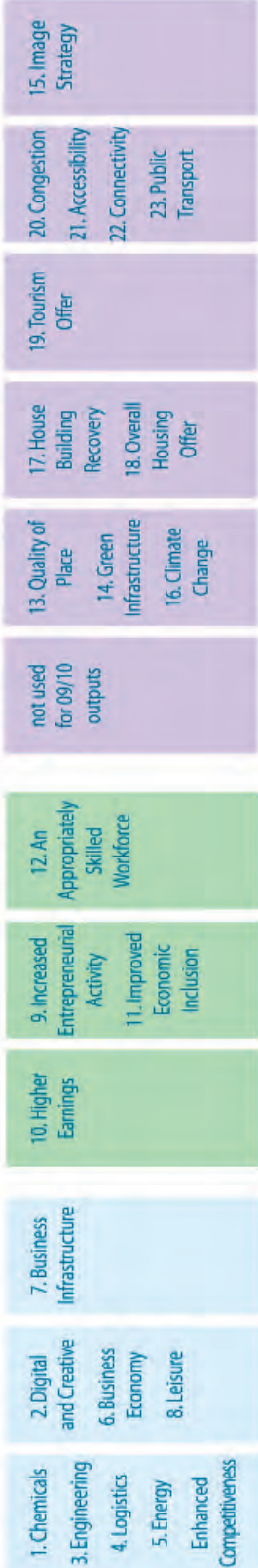
## 3 KEY PRIORITIES



## 13 HIGH LEVEL OUTCOMES



## 24 OUTCOMES



**TVUO 13: A WELL MANAGED PARTNERSHIP - 24 ROBUST PARTNERSHIP RECOGNISED AS EFFECTIVE LOCALLY, SUB REGIONALLY, REGIONALLY AND NATIONALLY.**

# Performance Summary






## High Level Outcome Performance Measures

A total of 21 individual performance indicators were identified within the original Business Plan, some of which apply to more than one outcome.

However from the 21 individual indicators;

- R** 13 (62%) are 'under development' or 'yet to be determined'
- A** 2 (9%) have a baseline set, however targets are yet to be agreed
- G** 6 (29%) have a baseline and targets set and can be monitored effectively

## Summary of Performance Measures

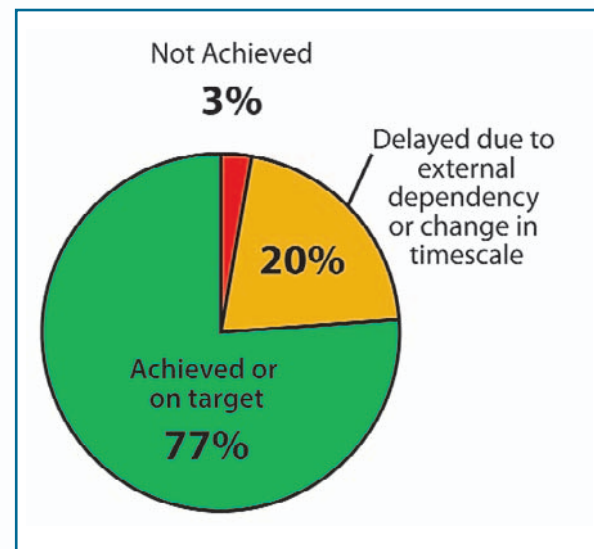
Most Recent Performance (based on most recent data)	
	5 (62%) Show Improvement
	1 (13%) Remain Static
	2 (25%) Show Deterioration
Performance Against Year End Targets (previous year where targets are not yet agreed)	
	5 (62%) Off Target or Deterioration Since Last Year
	3 (38%) Met Target or Improvement Since Last Year

## Summary of Key Milestones

A total of 66 milestones were identified throughout the year. The following performance has been reported.

- R** 2 were not achieved
- A** 13 were delayed or the timescale changed
- G** 51 were achieved or are on target

## TVU Milestones



# Performance Measures

(Targets refer to the latest information available)



Improved



Static



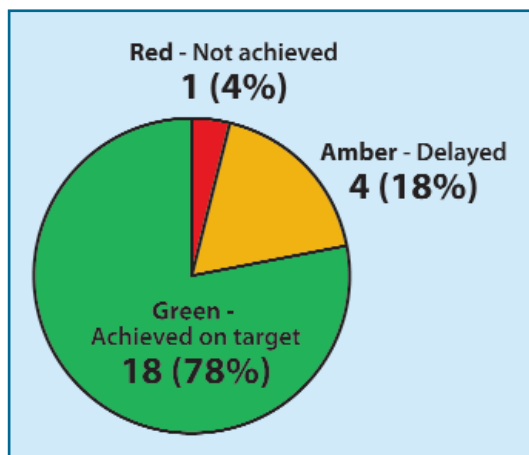
Deteriorated

HLO	Measurement		Baseline 2007/08)	Year 1 (2008/09)	Year 2 (2009/10) Current Data	Most Recent Performance	Performance Against Target
TVUO Narrow the Gap in GVA	T0.1/M1 Gross Value Added per Capita	Target		78*	78*	2007-1 from 2006	3 Below Target
		Actual	77*	76*	75*		
	NOTES: (Index UK = 100)	*Adjustment 2009	2005 Based	2006 Based	2007 Based		
TVUO1 Productivity	T1.1/M4/NI151 Employment Rate	Target		-3.7%	-3.6%	-5.7% Gap narrowed by 0.2 since Sept 08	2.1 Below Target
		Actual	-3.8%	-5.9%	Data available April 2010		
	NOTES: TV/GB % Gap		Year End Sept 2007	Year End Sept 2008	Year End Sept 2009	Year End June 2009	
TVUO2 Stock of Firms	T2.1/M2/NI171 New Business Births	Target		none set	none set	No target agreed 2008 Gap Narrowed - 2 since 2007	2008 Gap Narrowed - 2 since 2007
		Actual	1	3	1		
	NOTES: per 10,000 pop TV/NE Gap		2006 Data	2007 Data	2008 Data		Equal to Baseline
TVUO3 Household Income	T3.1/M3/NI152 People on Out of Work Benefits	Target		+5.0%	+4.8%	Gap Widened + 0.2%	0.5% Below Target
		Actual	+5.0%	+5.1%	+5.3%		
	NOTES:		2006/07 Based	2007/08 Based	2008/09 Based	Quarters - Nov 08, Feb, May, Aug 09	
	T3.2/NI166 Earnings from Full Time Employees	Target		none set	none set	Increase of 3%	No Target agreed 3% Increase
NOTES: Based on Place of Work		2007 Based	2008 Based	2009 Based			
TVUO4 Narrow Gap in Employment	T4.1/M3/NI152 People on Out of Work Benefits	Target		+5.0%	+4.8%	Gap Widened +0.3%	0.5% Below Target
		Actual	+5.1%	+5.1%	+5.3%		
	NOTES:		2006/07 Based	2007/08 Based	2008/09 Based		
	T4.2/M4/NI151 Employment Rate	Target		-3.7%	-3.6%	-5.7% Gap narrowed by 0.2 since Sept 08	2.1% Below Target
Actual	-3.8%	-5.9%	Data available April 2010				
NOTES: TV/GB % Gap		Year End Sept 2007	Year End Sept 2008	Year End Sept 2009	Year End June 2009		
TVUO5 Narrowing the Skills Gap	T5.1/NI164 NVQ3+ Qualifications (%19 - Retirement)	Target		-2.0%	-1.7%	No change since baseline	Currently 0.4% Below Revised Year 1 Target
		Actual	-2.4% 2007 Based	-2.4% 2008 Based	Data available Sept 2010		
	NOTES:	TVUO5 Qualifications - to tie in with CLG Hub the source of this data was changed to DIUS because of the way they calculated figures this slightly altered the % - Targets have been adjusted appropriately					Year 2 Data (2009) available Sept 2010
	T5.2/NI165 NVQ4+ Qualifications (%19 - Retirement)	Target		-4.9%	-4.7%	Gap Narrowed by 5.3% since 2007	3.9% above Revised Year 1 Target*
Actual	-6.3% 2007 Based	-1.0% 2008 Based	Data available Sept 2010				
NOTES:	TVUO5 Qualifications - to tie in with CLG Hub the source of this data was changed to DIUS because of the way they calculated figures this slightly altered the % - Targets have been adjusted appropriately					* Changes in calculation method requires this indicator and targets to be reviewed.	
TVUO6 Spatial Polarisation	Not used for 2009/2010 Outputs						

HLO	Measurement		Baseline 2007/08)	Year 1 (2008/09)	Year 2 (2009/10) Current Data	Most Recent Performance	Performance Against Target
TVU07 Quality of Place	<b>T7.1/M7</b> Per Capita CO <sub>2</sub> Emissions from Industrial Premises	To Be Determined					
	<b>T7.2/NI5</b> Satisfaction with Local Area	To Be Determined					
	<b>T7.3/NI10</b> Visits to Museums and Galleries	To Be Determined					
TVU08 Housing	<b>T8.1/M6</b> Net Additional Homes	Target		1700 pa	2000 pa	Q3 340 Q4 390	60.1% of MAA Target
		Actual	1500 pa	1260 pa	1201 pa		
			440 Below Year 1 Target	799 Below Year 2 Target	Improvement on last quarter		
	<b>T8.2/NI115</b> Number of Affordable Homes Delivered	Under Development					
	<b>T8.3/NI159</b> Supply of Ready to Develop Housing Sites	Under Development					
TVU09 Visitor Economy	<b>T9.1</b> Domestic and International Visitors	Under Development					
	NOTES:						
	<b>T9.2</b> Tourists Average Spend	Under Development					
	NOTES:						
TVU010 Transport	<b>T10.1/M5</b> Reliability of Strategic Road Network	Under Development - Currently drawing together survey data					
	<b>T10.2</b> Bus Patronage on Core Routes	Under Development - Aimed for 2010/2011					
TVU011 Business Sites & Accommodation	<b>T11.1</b> Increase in % Private/ Public Sector Investment in Sites & Premises	To Be Determined					
	<b>T11.2/M2/NI171</b> New Business Births	Target		none set	none set	No target agreed	2008 Gap Narrowed - 2 since 2007
		Actual	1	3	1		
	NOTES: per 10,000 pop Tees TV/NE Gap		2006 Data	2007 Data	2008 Data	2008 Gap Narrowed -2 since 2007	Equal to Baseline
TVU012 Perceptions of the Tees Valley	<b>T12.2</b> Measures of Perception of this Area	To Be Determined					
TVU013 A well Managed Partnership	<b>T13.1</b> Views of Stakeholders and Partners	To Be Determined					
	<b>T13.2</b> National Profile	To Be Determined					

# Key Achievements - Business

## Business Milestones



The milestones achieved contributed to improving outcomes for Business within the Tees Valley. Working towards providing a healthy and sustainable business economy and competitive business infrastructure particularly in the following sectors;

- Chemicals Cluster
- Digital and Creative Industries
- Logistics Sector
- Low Carbon Energy Economy
- Encouraging a Vibrant Leisure and Tourism Sector

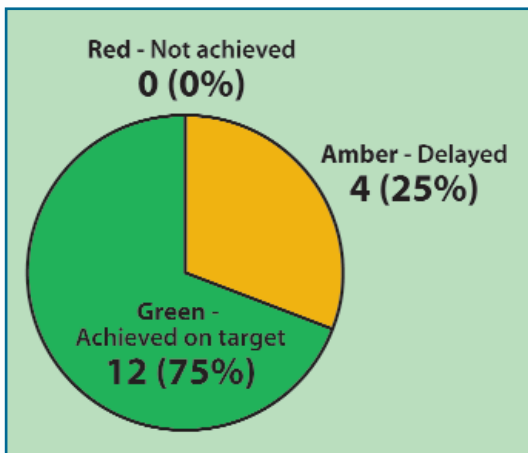
The infrastructure work due to begin at Skylink International Business Park was delayed due to the economic downturn.

The Business Support Agreement and Strategy will be produced as a framework and will be informed by the Local Economic Assessment. Draft recommendations will be fed into the Tees Valley Economic and Regeneration Statement of Ambition.

- The successful development of the North and South Tees Industrial Development Framework and the Low Carbon Transition Plan, led to the £60million Tees Valley Industrial Development Programme.
- Achieved €1,762,400 of INTERREG IVC Funding for European Chemicals Network Open Innovation Pilot
- Digital City Investment Plan agreed by Regional Development Agency ONE North East
- Development of the Tees Valley Economic Resilience Action Plan (formerly Recession Action Plan).
- Implementation of the Business Support Simplification Programme throughout the Tees Valley
- Ongoing recruitment of volunteers via the Tees Valley Cultural Volunteering Pilot
- Consultants appointed to produce a Business & Enterprise Framework - expected April 2010

# Key Achievements - People

## People Milestones



The milestones achieved contributed to improving outcomes for People within the Tees Valley by working towards increasing entrepreneurial activity, improving economic inclusion and providing an appropriately skilled workforce to meet existing and future needs of the Tees Valley.

Since the recruitment of the Tees Valley Employability Framework Team in January 2010, much progress has been made in developing the following factors;

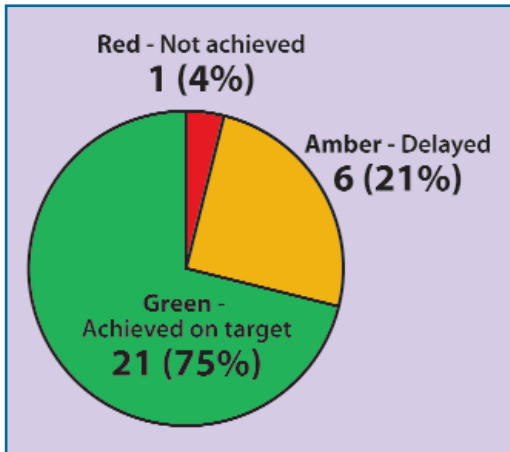
- A greater customer reach
- A clear and co-ordinated customer and employer offer
- A joined up employability infrastructure
- Improved information sharing and management

Some delays occurred due to the unavoidable delay in the recruitment process.

- Appointment of the Tees Valley Employability Framework team
- Development of the Employability Services Website 'Step to Success'
- Successful development of the Shared Data Framework for the Tees Valley
- Delivery of the New Futures Project
- Preparation of the High Level Skills Study to inform the Tees Valley High Level Skills Strategy
- Agreement to sign Department of Working Pensions Chinese Walls (Level 1) Devolution and to prepare the case for section 4 powers
- Enterprise Strategy Steering Group established

# Key Achievements - Place

## Place Milestones



The milestones achieved contributed to outcomes to enhance the quality of Place within the Tees Valley by working towards;

- Developing a network of green corridors and green spaces
- Establishing climate change as a key economic driver
- Improving the housing offer and recovering the momentum of the house building industry
- Improving the quality of the tourism offer

Overall improving the attractiveness and functionality of the area as a place to live, work, invest or visit.

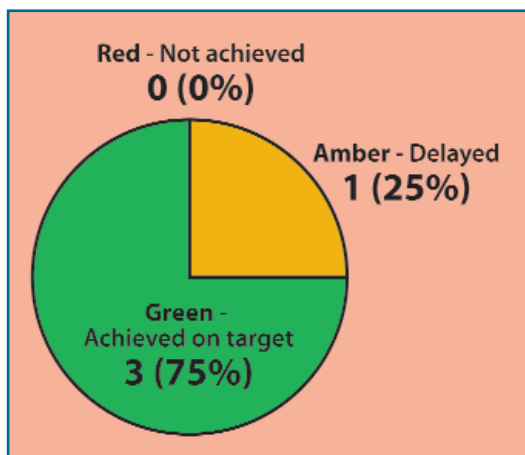
A Business Case for the Tees Valley Green Infrastructure funding was not agreed this year. However a Programme Manager has been recruited and is sourcing various funding models based on the toolkit and exemplar Project Business Case.

Good progress has been made on the development of the Multi Area Agreement CO<sub>2</sub> Indicator M7. Some delays have taken place in setting targets. Tees Valley Unlimited is currently working closely with Teesside University to recruit an additional officer to develop and evaluate this performance indicator further.

- Approval of several GAP funded projects
- Green Infrastructure Programme Manager recruited and development of the Green Infrastructure Toolkit
- Received funding for Tees Valley "Brand Ambassadors" to complete Tees Valley Welcome Scheme
- Development of the M7 CO<sub>2</sub> Indicator "CO<sub>2</sub> Emissions from Industrial Premises"
- Development of the Climate Change Strategy
- Development of the Housing Site Database to provide accurate housing trajectory
- The Time2Buy Scheme was established
- Development of the Sub-Regional Housing Strategy
- Established three visitor sector specific Business Forums
- Established Event Best Practice Toolkit
- Business Case for the Area Action Plan accepted by Homes & Communities Agency, delivery commenced
- Full Department for Transport Approval of the Major Bus Scheme was received in March 2010
- Established Tees Valley Rail Partnership

# Key Achievements - Partnership

## Partnership Milestones



The milestones achieved contributed to developing a robust partnership, recognised as effective locally, sub-regionally, regionally and nationally;

The current review will look at the constitution and governance, membership and staffing arrangements for Tees Valley Unlimited.

The launch of the Tees Valley Economic Assessment as an evidence base to the Tees Valley Economic and Regeneration Statement of Ambition, Investment Plan and subsequent Business Plan will emphasise partnerships, working to enhance economic performance and improve urban competitiveness of the Tees Valley.

- Tees Valley Public Transport Team transferred to Tees Valley Unlimited
- Tees Valley Regeneration will be integrated into Tees Valley Unlimited by 1st April 2010
- Tees Valley Economic Assessment has been completed and will be launched at the next Tees Valley Unlimited Conference in 2010.
- Durham and North Yorkshire are represented on Tees Valley Unlimited's thematic sub boards and regular meetings are also held between Tees Valley Unlimited the Durham and North Yorkshire Local Authorities and Tyne and Wear.
- The review of Tees Valley Unlimited governance and membership structures is underway.



# *Tees Valley* *unlimited*



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