

# MULTI-AREA AGREEMENT

## Tees Valley

### Name of Partnership:

Tees Valley Unlimited

### Participating local authorities:

Darlington Borough Council, Hartlepool Borough Council, Middlesbrough Council, Redcar and Cleveland Borough Council and Stockton-on-Tees Council

### Other non-Central Government partners:

One NorthEast

### Introduction

The full agreement dated 14<sup>th</sup> July 2008 itself sets out the supporting evidence and detail for the outcomes and asks of Government. It also sets out activities that Tees Valley Unlimited are already taking forward as a partnership and with other partners, which do not require any additional action from Government or its agencies, and puts forward a number of longer-term aspirations. Tees Valley Unlimited intends to continue to work on these proposals and discuss these with partners.

### The partnership will deliver

Outcome	Baseline (2007/08) <sup>1</sup>	March 2009	March 2010	March 2011	March 2012	March 2018	PSA/DSO
Gross value added per head  (% of UK average)	80% UK average <sup>2</sup>	81% UK average	81% UK average	82% UK average	83% UK average	86% UK average	Links to PSA 7 – reduce gap economic performance
VAT registration rate (NI 171)  (Number of new registrations)	Data not available until Oct 2008 as the national data are being broadened to include PAYE information						BERR DSO
Working Age People on	5.1% higher	5.0% higher	4.8% higher	4.5% higher	4.1% higher	2.6% higher	PSA 8 – maximise

<sup>1</sup> The full MAA document indicates the baseline date for each outcome.

<sup>2</sup> Targets to be set once baseline data are available.

out of work benefits (linked to NI 152) (% of working age population)							employment opportunities for all
Overall Employment Rate (linked to NI 151) (% of working age population)	3.8% below	3.7% below	3.6% below	3.5% below	3.1% below	1.8% below	Links to PSA 8 - maximise employment opportunities for all
Reliability of City Region Road network (mean journey time) <sup>3</sup>	Surveys on journey time along series of links on the strategic road network. Undertake in Sept/Oct 2008 and Mar/May 2009; repeated annually	Minimum target would be to maintain absolute mean journey time (ie the network is at least as reliable as previously – even with an increase in traffic flows)					PSA 5 - deliver reliable and efficient transport networks
Net Additional Homes provided (NI 154)	1550	1700 (1,700)	2000 (3,700 cum)	2325 (6,025 cum)	3,617p.a. (13,259 cum)	3,617p.a yrs 6, 7, 8 2,184p.a. yrs,9, 10  (28,480 cum)	PSA 20 – Increase housing supply and affordability
CO <sup>2</sup> emissions from	TBC						PSA 27 – lead global effort on

<sup>3</sup> Exact target to be agreed once data are available.

Industrial Premises							climate change
---------------------	--	--	--	--	--	--	----------------

### Other benefits

*It is anticipated that there will be a saving of 3-5% on costs over the total lifetime of the programme (ie 2015/2016) based on the assumption that approving projects within the wider programme is reduced by three to six months*

### Outcomes

**To facilitate the delivery of these outcomes, the Government agrees that:**

Action	Timescale	Who is directly responsible for agreeing action	Other partners with an interest
<b>To allow Tees Valley to deliver outcomes against an agreed programme of outcomes, Government will provide the following</b>			
Development and use of a single and rationalised appraisal framework based on HM Treasury Green Book for Housing CLG and DfT funding, which can be used by One NorthEast, CLG and DfT to avoid unnecessary duplication where projects involve multiple funding streams	By March 2009	HMT, CLG, DfT,	ONE, BERR
Legislation to allow One NorthEast to delegate funding on a programme basis to an authority in the Tees Valley through the Community Empowerment, Housing and Economic Regeneration Bill (subject to SNR consultation and Parliamentary approval)	From March 2010	BERR	ONE, CLG
In the light of market circumstances, CLG will have a dialogue with Tees Valley about the long-term levers to support housing supply	From September 2008	CLG	HMT
One North East and the City Region has agreed that together they will develop a 5 year investment plan with a commitment of Agency resources in line with the current CSR period and the Agency's Corporate Plan (up to 2011). Indicative allocations for the years	From January 2009	ONE	BERR,

beyond, will be considered subject to the Agency's resource settlement from Government.			
Tees Valley will have the ability to bring forward or delay up to 10 per cent of its Housing Market Renewal funding in any given year covered by the CSR07 settlement subject to confirming its intention to CLG by 31 <sup>st</sup> December each year.	From September 2008	CLG	
For the Tees Valley authorities to be able to re-profile the sequencing of individual projects, between and within these funding streams: Housing Market Renewal, Housing Growth Funding, Major Schemes (Transport) Funding and RDA Single Programme Funding*. This will be subject to these funding streams being used to deliver an agreed programme to further the economic development and regeneration of the area by achieving the outcomes agreed with Government and the RDA in this MAA. This agreed programme would support the priorities agreed in the North East regional economic and spatial strategies/regional strategy and those identified in response to regional funding advice. * except for RDA funding which will need to comply with the RDA Act provisions on spending on housing. Subject to SNR consultation and Parliamentary approval, Government will make changes to the Act to allow broad delegation of programmes to local authorities through the Community Empowerment, Housing and Regeneration Bill.	From March 2009 except for RDA funding prohibited by the RDA Act which will be from March 2010	CLG, DfT, ONE	BERR

The full agreement dated 14<sup>th</sup> July sets out the supporting evidence for these outcomes and Government actions outlined above. In signing the MAA, Government confirms it is content with the actions and outcomes described in this summary, and also supports the economic vision and evidence

underpinning the proposals contained in this MAA, and with the MAA partnership's chosen governance model.

The achievement of the outcomes set out above is also dependent on a number of other MAA proposals of Government that will be subject to ongoing discussions. Government also gives a commitment to continue negotiations on other aspects of the MAA such as the principle of sharing cost efficiencies, a duty for national and regional agencies (such as the Homes and Communities Agency, the Health and Safety Executive and the Highways Agency) to participate with the MAA, with the involvement of Network Rail, and the potential for longer-term funding commitments across capital programmes.

**Signed by**

**Hugh Lang**

Chair, Tees Valley Unlimited  
On behalf of Tees Valley Unlimited

**John Williams**

Leader of Darlington Borough Council and Vice-Chair, Tees Valley Unlimited  
On behalf of Tees Valley Unlimited



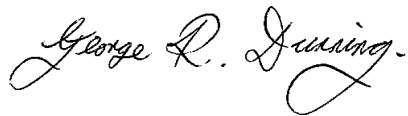
**Mayor Stuart Drummond**

On behalf of Hartlepool Borough Council



**Mayor Ray Mallon**

On behalf of Middlesbrough Council



**Councillor George Dunning**

On behalf of Redcar and Cleveland Borough Council



**Councillor Ken Lupton**

On behalf of Stockton-on-Tees Council

**Rt Hon Hazel Blears MP**

Secretary of State for Communities and Local Government

On behalf of Her Majesty's Government

**Nick Brown MP**

Minister for the North East

On behalf of Her Majesty's Government

**14 July 2008**