

LEADERSHIP BOARD

Meeting held at Castlegate Quay, Stockton at 2.00pm on Wednesday 3 June 2009

ATTENDEES

Hugh Lang (HL)	Group Airports Director, Peel Airports Group	Chair
John Williams (JW)	Leader, Darlington Borough Council	
Ken Lupton (KL)	Leader, Stockton on Tees Borough Council	
George Dunning (GD)	Leader, Redcar & Cleveland Borough Council	
Ray Mallon (RM)	Mayor, Middlesbrough Borough Council	
Alison Thain (AT)	Board Member One NorthEast and Chief Executive, Fabrick Group	
Paul Booth (PB)	President, SABIC UK Petrochemicals	
Prof Graham Henderson (GH)	Vice Chancellor, Teesside University	
Paul Walker (PW)	Hartlepool Borough Council – Chief Executive Officer	
Ian Parker (IP)	Middlesbrough Borough Council – Chief Executive Officer	
Ian Williams (IW)	Director of Business and Industry, One NorthEast	

APOLOGIES

Martyn Pellew (MP)	Business Development Director, PD Ports
Alastair MacColl (AM)	Chief Executive, Business and Enterprise North East
Stuart Drummond (SD)	Mayor, Hartlepool Borough Council

OBSERVERS

John Lowther (JL)	Tees Valley JSU
Linda Edworthy (LE)	Tees Valley JSU
Jonathan Spruce (JS)	Tees Valley JSU
Sarah Johnson (SJ)	Stockton on Tees Borough Council

1. CHAIR'S WELCOME

The Chairman (HL) welcomed attendees to the meeting.

2. DECLARATIONS OF INTEREST

Councillor John Williams, Councillor Ken Lupton, Councillor George Dunning and Hugh Lang declared personal non prejudicial interests in the item entitled 'Submission to Regulatory Framework – Heathrow/DTVA'.

Councillor George Dunning declared a personal non prejudicial interest in the item entitled 'Petrochemicals Update' as his son was employed by DOW.

3. MINUTES OF THE MEETING ON 18TH MARCH 2009

The minutes of the meeting held on 18th March 2009 were agreed as a true record.

4. MATTERS ARISING

TVU Business Plan – It was expected that an updated business plan would be circulated by the end of the week. It was noted that the targets would not be revised until detailed discussions on the MAA had taken place with Government.

The Board was informed that discussions around the capacity of TVJSU would be held by the Tees Valley Chief Executives and the Leadership Board would be informed of the outcome.

RESOLVED that the information be noted.

5. CORUS RESPONSE GROUP UPDATE

IW, One NorthEast, provided the Board with an update on the Corus situation.

It was noted that a briefing paper on the potential economic impact would be produced by JL, TVJSU, for the Corus Response Group.

RM, suggested that a TVU Board Member should be included in the membership for the Corus Response Group. The Board voted in favour of this proposal.

RESOLVED that:-

1. The information be noted.
2. It be recommended to ONE that a TVU Board Member be appointed to the Corus Response Group.

6. PETROCHEMICALS UPDATE

The President of SABIC UK Petrochemicals, PB, provided an update to the Board on process industry issues in light of the current economic climate.

PB noted that the beginnings of a recovery would be likely until at least the end of 2010.

RESOLVED that the information be noted.

7. TAKING FORWARD THE MAA

The Board was presented with a report that set out the current position with the implementation of the Tees Valley Multi Area Agreement (MAA), set out the what had been happening since the announcement of the City Region Forerunners and put forward for consideration, the areas of activity that the TVU might wish to pursue with Government and how to take the work forward.

The Board was provided with details of the key areas of activity that TVU would be asking the Government to commit to if the necessary meeting with Ministers could be arranged. It was noted that, if successful, the key areas would be expanded upon within a session with senior civil servants and then meetings with individual departments.

It was noted that CLG and HCA had offered to meet with TVJSU on 26 June on the housing commitments within the MAA. It was commented that the MAA was essentially about more efficient delivery and savings. It was noted that a further report on this issue would be brought to the next meeting of the Board.

RESOLVED that officers be delegated to work with colleagues in CLG, with the support of GONE, to achieve the necessary meetings.

8. TEES VALLEY RECESSION REPORT AND ACTION PLAN

The Board was presented with a report that considered recent policy responses to combat the effects of the recession and the regional, sub regional and local initiatives to implement the responses. A shorted version of the JSU report "Tees Valley

Credit Crunch Report, Impact and Policy Responses” was presented to Members which provided details of all the various initiatives.

In terms of what Tees Valley Unlimited should concentrate on in tackling the current recession the following actions were suggested to the Board:

- In the short term play our part in responding to short term initiatives to deal with the immediate issues at Corus or in the petrochemicals sector;
- Ensure that the intelligence available on the recession was up to date and properly disseminated to partners;
- Prepare for the upturn in the long term by ensuring strategic initiatives were in place to deliver economic impact. A long term investment plan, new regeneration funding models and the MAA were the mechanisms for delivering the long term investment needed;
- Ensure the integrated regional strategy, regional transport programmes reflected the needs of the Tees Valley and contributed to regional initiatives such as ANEC’s Task and Finish Group on the credit crunch.

RESOLVED that the information be noted.

9. TEES VALLEY HIGHER LEVEL SKILLS STUDY

The Leadership Board was informed that Teesside University had offered to carry out a study identifying the demand for higher level skills in key sectors in the Tees Valley. It was explained that Stage 1 was essentially a scoping exercise, following the completion of which it was proposed to set up a task and finish officer group of the key partners to oversee the work.

The Board was presented with the outline proposal for the study for approval. It was noted that once the first stage of the project had been completed, a more detailed project plan for stages 2 to 4 would be prepared.

GH commented that he had raised concerns over the timescale of the study and this was currently being looked at.

RESOLVED that the Tees Valley Higher Level Skills Study outline proposal be approved.

10. BUDGET 2009 AND THE DEVELOPMENT OF THE LOW CARBON ECONOMY IN THE TEES VALLEY

The Board considered a report that advised of the measures in

the Chancellor's budget statement of April 2009 that related to the development of the low carbon economy and identified the main implications and opportunities for the Tees Valley.

The report also provided details on the progress with expanding the Tees Valley Climate Change Partnership.

The Board received information on progress to date on Carbon Capture and Storage (CCS), energy generation and distribution, the Climate Change Strategy and also information on various other activities being undertaken by the JSU.

The Board raised questions over who would be developing the work. JL commented that it would be beneficial to meet with PB to get a better understanding of the issues and to develop a proposal following the meeting.

RESOLVED that:-

1. The report be noted.
2. The JSU continues to promote CCS in the Tees Valley through the Carbon Abatement Working Party and link with Genecon who are working with Parsons Brinckerhoff to deliver the N & S Tees Study, developing the two studies.
3. The JSU continues working with ANEC and ONE to promote the Tees Valley as the preferred location for a CCS demonstration project.
4. The JSU develops a consultant's brief and procures a contract for an options appraisal for district heating using industrial heat sources.
5. The JSU continues responding to DECC and developing the M7 carbon metric, reporting through the Planning & Economic Development Board.
6. The Executive receive reports from the Climate Change Partnership either directly or through the Planning & Economic Development Board.

11. SUBMISSION TO REGULATORY FRAMEWORK – HEATHROW / DTVA

The Board was presented with a submission to the Department of Transport in response to the consultation paper, "Reforming the Framework of the Economic Regulation of UK Airports". The submission had to be submitted by 5th June 2009. It was explained that the regulatory framework document proposed not to take any action to regulate for

regional connectivity.

JL, Director of TVJSU gave details of a seminar he had attended on the proposed regulations.

It was considered that it was unlikely that civil servants would alter the regulatory framework without political pressure. MPs had already met with TVJSU and Northern Way was preparing a case. CBI had also offered to help through their membership of the Future Heathrow Group.

RESOLVED that the submission to the Department for Transport be endorsed.

12. TVU PERFORMANCE REPORT

The Board was presented with the performance report for Quarter 4/Year End 2008/09. Details on performance were given for the TVU Business Plan Performance Indicators, TVU Single Programme, TVU Housing and TVU Transport.

RESOLVED that:-

1. The performance on the year end in relation to the TVU high level outcomes and MAA targets be noted;
2. The position at the year end of the Single Programme 2008/09 be noted;
3. The position at the year end of TVL be noted;
4. The position on transport be noted.

13. TVU EVENTS CALENDAR

The Board was presented with the Tees Valley Unlimited events calendar which detailed the proposed events and newsletter publication deadlines scheduled in the next 12 months.

RESOLVED that the information be noted.

14. UPDATE FROM SUB BOARDS

The Leadership Board was provided with a report that detailed an update from each of the TVU Sub Boards.

RESOLVED that the information be noted.

15. ANY OTHER BUSINESS

None

16. DATE OF NEXT MEETING(S)

- 9 September 2009
- 9 December 2009
- 17 March 2010
- 9 June 2010