

Press Release
17 August 2011

TEES VALLEY ENTERPRISE ZONE ANNOUNCED

'BOLD AND CLEVER' was the Government's view of proposals submitted by Tees Valley Unlimited and this was further endorsed today as details of the Tees Valley Enterprise Zone were announced.

Encompassing 12 individual sites across the five Tees Valley boroughs, the Enterprise Zone will offer stimulating financial incentives to help attract real investment and growth and deliver significant job opportunities by 2015 and beyond.

Tees Valley Unlimited's Chairman, Sandy Anderson said;

"This is just the outcome we wanted. In laying the foundations for the long-term transformation of the region, approval of the Enterprise Zone is another significant tool to help us achieve our goals."

Businesses locating on Queen's Meadow, South West Iron Masters, Kirkleatham and Belasis Hall Technology Park before March 2015, will benefit from business rate discount worth up to £55,000 per business for five years.

The sites will have the advantage of simplified planning regimes to help attract and support the growth and development of small and medium enterprises. These are the businesses which are fundamental in growing the supply chain for Tees Valley's petro-chemical, renewable energy, advanced engineering and digital industries.

Income secured from the Government for these four sites will enable the provision of identical financial incentives at Oakesway, Northshore, Darlington Central Park and St Hilda's.

This will help ensure both an immediate opportunity for the sub-region and provide a building block for long-term growth as Tees Valley Unlimited looks to invest locally and drive forward the economy over the next 25 years.

The Tees Valley is one of only a small number of areas across the country which can now additionally offer large-scale occupiers enhanced capital allowances against the cost of their plant and machinery.

Four sites at Wilton and PD Ports/South Bank Wharf both in Redcar and Cleveland, Port Estates in Hartlepool and the New Energy and Tech Park in Billingham can apply the benefit for capital investments made by March 2015.

Sites put forward in the original strategy for the TIF (or Tax Increment Finance) scheme to fund infrastructure and site preparation are part of the long term vision and can be subsequently funded either by the income generated by the Enterprise Zone or by local prudent borrowing.

Tees Valley Unlimited Managing Director, Stephen Catchpole said;

“TVU, our partners and stakeholders have received strong commendation for the long-term plan that we presented as it demonstrated an appreciation of our industrial heritage and identified sectors in which we can and should be growing including the new and exciting digital sector.

“The Government’s priority is to achieve delivery within a shorter timescale up to 2015 and therefore we have worked together to agree a plan that will both achieve results and give us the foundation on which to build our long-term transformation of the Tees Valley.

“I am delighted with today’s announcement and should like to pay tribute particularly to our local authority partners and the business representative organisations, whose effort and support have secured this achievement.

“I believe the Tees Valley Enterprise Zone will be a great success and look forward to the hard work ahead to ensure its delivery.”

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Quotes from key stakeholders and partners

Alastair Thomson, Institute of Directors North East

“We welcome the good news that Enterprise Zone status has been secured to support industries that will contribute to the future economic well-being of the Tees Valley.

“The IoD is delighted that Government backing, complemented by Tees Valley Unlimited’s arrangements, means that all five boroughs within the Tees Valley will benefit.”

James Ramsbotham, Chief Executive North East Chamber of Commerce

“Tees Valley Unlimited should be commended for presenting a bold and challenging proposal to Government, much of which has now been accepted in today’s announcement.

“Businesses in the Tees Valley require a sophisticated package of support to promote investment and it’s welcome that this has been acknowledged.”

Councillor Bill Dixon, Leader of Darlington Borough Council

“I am delighted that our combined efforts have reaped rewards across the Tees Valley. In Darlington we are working hard to encourage the development of new business and investment.

“The additional incentives offered by this scheme will provide a most welcome boost to potential businesses looking at locating in Darlington.”

Councillor Bob Cook, Leader of Stockton Council

“We are delighted the proposal for a Tees Valley Enterprise Zone has been approved. The announcement is testament to all five Councils’ continued efforts to work together with our private sector partners, through Tees Valley Unlimited (TVU), to benefit the entire area.

“The Enterprise Zone will give the region a real economic boost, bringing with it job and business opportunities which will benefit Stockton Borough residents as well as people living in other parts of the Tees Valley.

“It will also complement Stockton Council’s on-going commitment to regenerate its Borough, operating alongside several major regeneration projects like the redevelopment of Stockton and Billingham town centres and the multi-million pound Northshore housing and regeneration scheme on the banks of the River Tees.

“It is certainly an exciting time to be in the Tees Valley, we’re leading the way when it comes to cross-authority working and I’m looking forward to see our innovative proposal take shape so it can benefit all who live and work here.”

Mayor Stuart Drummond, Hartlepool

"This is great news for Hartlepool and recognition by the Government that Hartlepool and the rest of the Tees Valley need assistance to help grow the local economy in the current climate.

"I am confident that the granting of Enterprise Zone status will stimulate long term investment and new jobs for the town. We've now got a great opportunity to create good quality, sustainable jobs in developing sectors including renewable energy and biotechnology.

"I would like to praise everyone involved in putting the bid together but now the real work begins to turn the plans into reality."

Councillor George Dunning, Leader of Redcar & Cleveland Borough Council

"With the imminent return of steelmaking to Redcar and a host of other exciting regeneration initiatives taking shape, these are extremely positive times for our local economy.

"The announcement of the Enterprise Zone is yet another tremendous boost, which will prove a catalyst for further investment and job creation."

Mayor Ray Mallon, Middlesbrough

"Confirmation of the Enterprise Zone is excellent news for the area as a whole and will help to attract much needed investment.

"These innovative proposals will help to build on the area's economic strengths and give a much needed boost to the private sector at a time when the public sector is facing major cuts.

"This Enterprise Zone will stand Teesside and the wider area in good stead for many years to come."