

TEES VALLEY MAYORAL MANIFESTO

A Manifesto Delivering Sustainable Growth



Foreword

In May, voters across England will elect 10 metro mayors, the most to date. By May 3 approximately 26 million people, or 44 per cent of the English population will be presided over by a mayor. And in May, another three mayors will be elected for the first time, in the North East¹, York and North Yorkshire, and the East Midlands. This combined group of Metro Mayors (the M12) will then collectively represent more than 50 per cent of England's GDP.

With a strong personal mandate, mayors provide a powerful and influential voice, bringing a strategic regional view to crucial policy decisions on areas such as transport, housing, education, strategic planning and infrastructure. All of which are crucial to business. Across England, we see mayors continue to play a vital role in ensuring a region is an attractive place for inward investment and to do business, both domestically and internationally.

The CBI has been a long-standing supporter of devolution and of directly elected mayors, we have seen how they can be strong advocates for their region with the convening power to make things happen. They act as ambassadors for their regions both nationally and internationally, and importantly, provide the governance and accountability Whitehall needs in order to devolve powers and funding.

Regional priorities for devolution

The Tees Valley, straddling the River Tees from Darlington to the coast at Redcar & Cleveland, incorporates vibrant towns like Middlesbrough, Stockton-on-Tees, and Hartlepool. With a heritage coastline, market towns, nature reserves, and a thriving creative and cultural sector alongside its industrial heartland, the Tees Valley is a dynamic region.

Notably excelling in services, health, advanced manufacturing, chemicals, and the digital industry, these strengths significantly contribute to the local economy, positioning the Tees Valley as a hub for innovation and sustainable growth.

The Tees Valley Combined Authority (TVCA) plays a crucial role in shaping the region's future, fostering economic prosperity, and making the Tees Valley a place where businesses, communities, and individuals can thrive and grow. Since its creation in 2016, the TVCA has seen significant investment, establishing itself as a presence on the national and international stage.

Critically, the Tees Valley has all the ingredients to be a globally recognised green economy; a status that must be pursued tenaciously, in a way that values people as much as physical infrastructure.

The North East Mayoral Combined Authority will replace the non-mayoral North East Combined Authority and the North of Tyne Combined Authority, whose incumbent mayor is Jamie Driscoll

The Mayoral election in May is a pivotal moment for the Tees Valley. Pursuing a Tier 4 devolution deal could grant expanded powers and a single funding settlement to realize the Tees Valley Strategic Economic Plan's vision: 25,000 jobs and £2.8 billion added to the economy by 2026².

The CBI has identified key priorities for the newly elected mayor:

- Drive regional investment
- Future proof the regional labour market to drive inclusive growth
- Regional climate commitments to help the UK deliver net zero
- Drive high-growth technology and innovation
- Delivery resilient public services and fit for purpose infrastructure.

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² <u>Tees Valley's Strategic Economic Plan - About (teesvalley-ca.gov.uk)</u>

Drive regional investment

The Tees Valley boasts a robust exporting sector, anchored by its strengths in chemicals and engineering. However, the region's heavy reliance on a handful of large employers has hindered entrepreneurial growth and left the business base underdeveloped. As outlined in the Harrington review, the mayor should strategically champion the region's sectoral prowess and competitive advantages to attract inward investment and foster substantial business expansion by:

- Collaborating with the 12 English regional mayors to amplify their collective voice and attract investment to the UK. Ensuring regional assets and opportunities of national strategic importance are given the visibility they need.
- Unlocking the full potential of the Tees Valley Freeport, by enhancing connectivity
 with the broader Northern Powerhouse and leveraging the region's existing strengths
 in chemicals, offshore wind, energy, advanced engineering, and biomanufacturing.
- Boosting exports, with a fully integrated export strategy highlighting the trade benefits and providing targeted business support. This includes aiding existing exporters in navigating EU trade relationships and diversifying into new global markets as the UK forms fresh trading agreements.
- Enhancing business growth, by improving digital and transport connectivity in Redcar and Cleveland using the Rural England Prosperity Fund.

Future proof the regional labour market to drive inclusive growth

Tees Valley, with a population of approximately 700,000³, faces challenges with employment rates slightly below the national average (73.6% in September 2023), but higher levels of economic inactivity, and high long-term sickness levels at 36.1%, worse than the Northeast average at 32.9% and the national average of 26.9% ⁴. It also contains some of the most deprived areas in the UK in terms of health and disability⁵. To address these issues, the mayor must prioritize inclusive growth, job creation, and skill development by:

³ https://www.ons.gov.uk/visualisations/areas/E47000006/

⁴ https://www.nomisweb.co.uk/reports/lmp/lep/1925185563/report.aspx#tabempunemp

⁵ https://www.communityfoundation.org.uk/wordpress/wp-content/uploads/2017/10/Vital-Issues-Vital-Issues-Tees-Valley-2017-Healthy-Living.pdf

- Building on the Tees Valley Local Skills Improvement Plan by collaborating with businesses, Further Education colleges, Higher Education, and training providers to gather evidence, to inform decisions on how best to direct funding from devolved adult skills budgets effectively and efficiently.
- Collaborating with neighbouring authorities to provide a portfolio of training and upskilling opportunities, which are accessible to companies and individuals across the Northern Powerhouse region, regardless of postcode.
- Helping businesses to promote health and wellbeing in the workforce as well as working with organisations like Fuse, the Centre for Translational Research in Public Health⁶ and Tees Valley Community Mental Health Transformation to support those with more complex health needs⁷.

Regional climate commitments to help the UK deliver net zero

The Tees Valley Combined Authority aims to remove 20 million tonnes of CO₂ from the area by 2030⁸. With ambitious plans to become the world's first Net Zero industrial cluster by 2040⁹, it can fulfil both regional and UK climate change commitments by:

- Supporting the Net Zero Teesside project¹⁰, to develop the Green Hydrogen Hub and Carbon Caption Utilisation and Storage (CCUS) infrastructure for Teesside and encourage the uptake of Hydrogen and CCUS technologies by local industries.
- Working with organisations such as the Tees Valley Nature Partnership¹¹ to create access to community green spaces and create active travel opportunities such as walking and cycling routes and ensuring a 'just transition'.
- Continuing to champion low carbon approaches to production by working with the industrial clusters to demonstrate the benefits and opportunities of the circular economy, as highlighted in Lord Heseltine's review of Tees Valley¹²

⁶ http://www.fuse.ac.uk/

⁷ https://www.tewv.nhs.uk/about/campaigns-and-programmes/community-mental-health-transformation/tees-valley-community-mental-health-transformation/

⁸ https://www.teesvalleynz.com/

¹⁰ https://www.teesvalleynz.com/tvnz/project

¹¹ https://teesvalleynaturepartnership.org.uk/themes-3/theme-3-natural-health-and-well-being-2/improve-health-wellbeing/

¹²https://assets.publishing.service.gov.uk/media/5a7497b6ed915d0e8bf198f1/Tees_Valley_Opportunit y_Unlimited.pdf

- Developing an integrated, low-carbon public transport system by continued collaboration with transport providers to deliver integrated and sustainable travel options.
- Expanding electric vehicle charging infrastructure, ensuring that rural and coastal communities have access to the charging infrastructure.

Drive high-growth technology and innovation

The Tees Valley should seek to drive economic growth and sustainability through innovation. It aims to lead in clean energy, low carbon, and hydrogen, with centres of excellence in various sectors. The mayor can support this ecosystem by:

- Supporting the Tees Valley Innovation Accelerator program¹³ to help SMEs leverage funding to develop new technologies and products for new and existing markets.
- Facilitating partnerships between the regions businesses, universities and innovation assets such as the Materials Processing Institute, Centre for Process Innovation (CPI) and the National Biologics Manufacturing Centre to build the Tees Valley's reputation, internationally, as an innovation hothouse¹⁴.
- Delivering upon the vision for Tees Valley to become a smart region by ensuring all communities are digitally connected with high-speed connectivity for all businesses and homes across the region and establishing the Tees Valley as a global centre of digital innovation, research and practice¹⁵.
- Building a strong cultural sector to catalyse growth and innovation in the creative and visitor economies, contributing to economic regeneration and job creation.

¹³ https://www.twi-global.com/tees-valley-innovation-accelerator

¹⁴ https://teesvalley-ca.gov.uk/business/invest/innovation/

https://teesvalley-ca.gov.uk/business/wp-content/uploads/sites/3/2023/03/Tees-Valley-Digital-Strategy-Final.pdf

Delivery of resilient public services and fit for purpose infrastructure

By striking a balance between public and private delivery and fostering collaboration, the mayor can drive progress and prosperity. To succeed, the region must enable businesses to invest, innovate, and share risk in public services. Unlocking capital investment in infrastructure, AI, education, and health requires ambitious, credible, long-term frameworks. Due to HS2's cancellation, Tees Valley, has significant funding for transport infrastructure. The mayor must maximise its impact by:

- Prioritizing public transport routes across the Tees Valley, to ensure equitable access to education and job opportunities within the region's industrial heartland.
- Collaborating with regions across the Northern Powerhouse, to enhance pan-regional connectivity, linking cities within the region and bolstering east-west connectivity.
- Empowering the combined authority to create a strategic framework for identifying and supporting pan-regional infrastructure delivery, including both physical and digital aspects. That ensures local employment land use plans receive equal importance alongside new housing plans.
- Working with the Police and Crime Commissioner, who is responsible for policing and crime prevention to tackle crime in urban centres by collaborating on projects such as street lighting, CCTV, and youth services.
- Collaborating with other Mayoral Combined Authorities to establish standardized procurement frameworks that prioritize openness, transparency, and inclusivity.
 These frameworks should enable small and medium-sized enterprises (SMEs) and local companies to actively participate in contract bidding.

Conclusion

On 2 May, the people of Tees Valley will head to the polls to elect the next Mayor of the Tees Valley Combined Authority (TVCA).

The CBI and its members are committed to collaborating with the next Mayor to ensure that Tees Valley continues to thrive as a region where people live, work, and conduct business. Despite numerous challenges such as the rising cost of living, inflation, and geopolitical instability, both the region and the nation face, the decisions made by the next mayor will significantly impact employees, employers, and the entire region.

The CBI contends that when politicians, public, and private sectors collaborate, the Tees Valley can fully unlock its potential. Businesses are poised to contribute by partnering with the new mayor to advance the priorities outlined in this manifesto.

Business will have the opportunity to hear from all the mayoral candidates at our hustings event, running in partnership with the FSB and Chamber of Commerce on the 26 March 2024. Register your attendance here



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To share your views on this topic or ask us a question, contact:

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