BACKGROUND

In October 1986, the Secretary of State for the Environment announced the Government's intention of setting up new Urban Development Corporations in areas where structural industrial change had been very marked.

The Teesside Development Corporation came effectively into being on 1 September 1987, and the area within which it operates is shown on the attached map.

PURPOSE

The object of the Development Corporation is to secure the regeneration of its area by:

* bringing land and buildings into effective use
* encouraging the development of existing and new industry and commerce
* creating an attractive environment
* ensuring that housing and social facilities are available to encourage people to live and work in the area
* levering private sector investment into the area.

OPERATION

The Development Corporation is run by a Board of thirteen members representing a broad spectrum of local private and public sector interests under the Chairmanship of Ron Norman OBE.
The Senior Management Team is:

Mr Duncan Hall - Chief Executive
Mr Ian Watts - Director of Development
Mr John Walker - Director of Finance
Mr Peter Watson - Director of Marketing

POWERS

There are wide discretionary powers to:

* acquire, hold, manage, reclaim and dispose of land
* carry out buildings and other operations
* provide services
* support the provision of roads and other infrastructure
* enter into partnership arrangements with private sector and other agencies to achieve development.

FINANCE

The Government is making available funding of between £100 million and £160 million over six or seven years, mainly to reclaim derelict or disused land and buildings, and provide access roads or other infrastructure to pave the way for private sector investment.

In addition, many incentives for industrial and commercial investment are available on Teesside, principally as a result of its designation as a Development Area under the Government's Regional Policy.
These include:

* Regional Development Grants, which apply to most manufacturing and some service industries, and offer £3000 for each new job created, or 15% of new capital expenditure.

* Regional Selective Assistance, which is negotiable prior to start-up and may be paid in addition to a Regional Development Grant.

* Business Improvement Services, which offers part-payment of consultancy fees in the areas of business planning, marketing, product development, quality assurance and design, and supports research and development in leading-edge technologies.

* The Small Firms Service, which provides free initial business counselling.

* Enterprise Zone, which offers exemption from rates until 1993, 100% tax allowance on building costs in the first year, and simplified planning procedures.

* European Community Funding, which can provide loans of up to 50% of capital expenditure on favourable terms, through the European Investment Bank or the European Coal and Steel Community.

* Rent and Rate Support, which may be negotiated on premises leased from English Estates and with local authorities.
PROGRESS

The Development Corporation has already taken considerable strides in devising a strategy for the area and several major projects have either been agreed or are the subject of detailed study.

These include:

* The reclamation of derelict land on seven key sites totalling some 170 hectares

* The identification of five opportunities for important road improvements to improve access to sites with investment potential

* Environmental improvements, by building a weir and riverside walkway, and the creation of an international nature reserve to preserve one of the most important bird and seal populations in Northern Britain

* The development of a high quality marina and associated housing on 59 acres of the South Docks at Hartlepool

* The setting-up of a new offshore subsea contract support base at Smiths Dock, announced by the Prime Minister in September 1987.

* Support for a new technology park at Belasis Hall, Billingham, to stimulate research and development and the attraction of hi-tech industry

* A scheme for riverside housing, commercial and retail developments on the south bank of the river near to Stockton-on-Tees town centre.
* The creation of a prestige industrial, commercial, warehousing and distribution complex adjacent to the A66 at Bowesfield Park

* Teesside Regional Leisure Centre, with indoor and outdoor recreational activities, restaurant, fast-food facilities and specialist shopping.

TALENT AND ABILITY

A great deal of skill and expertise already exists on Teesside, as manifested by the presence of internationally famous companies like ICI, British Steel, Davy International, BASF, Phillips Petroleum, RHM Foods, Whessoe, Trafalgar House, and British Telecom International Marine Services.

Teesside operates the third largest port in the UK, offering excellent services to the European continent, has good rail and motorway links, and a first class regional airport. Add to all this the hard-working and reliable labour force, and it is clear that all the ingredients are there for a major resurgence of the Teesside economy.

ACTION

Whilst the Teesside Development Corporation is providing the initiative to get things done the achievement of results also depends upon the enthusiasm of industrial and commercial companies, financiers, developers and a wide variety of specialist and public sector bodies.

The economic and social regeneration of Teesside is already underway and interest is positively welcomed from all organisation who can contribute to its further stages.

CHAIRMAN: R. NORMAN, O.B.E.
CHIEF EXECUTIVE: D. HALL