

Appendix 2 to this report is not for publication by virtue of paragraphs 3 of schedule 12A of the Local Government Act 1972

AGENDA ITEM 15

REPORT TO THE TEES VALLEY COMBINED AUTHORITY CABINET

27th NOVEMBER 2020

REPORT OF THE GROUP CHIEF EXECUTIVE

TEESSIDE INTERNATIONAL AIRPORT – BUSINESS PLAN UPDATE 2021-2029

SUMMARY

On 24th January 2019 Cabinet approved investment proposals for Durham Tees Valley Airport, now renamed Teesside International Airport (TIA). The investment proposals included the acquisition of the airport and funding to deliver the turnaround plan. The current business plan and annual budget was agreed by Cabinet at its meeting on 25th October 2019. This report presents the updated TIA Business Plan 2021-2029 for approval. An executive summary of the business plan is set out at **Appendix 1**.

RECOMMENDATIONS

It is recommended that the Combined Authority Cabinet:

- i. approves the updated TIA Business Plan 2021-2029.

BACKGROUND

1. TIA is 89% owned by Goosepool Limited and 11% by local authorities (the five Tees Valley authorities and Durham County Council).
2. A key priority in the period after the acquisition of the airport was to agree a business plan and annual budget. The current business plan and annual budget, which was in line with the business case agreed by Cabinet in January 2019, was agreed by Cabinet at its meeting on 25th October 2019 and is therefore due to be updated.

DETAIL

3. The Business Plan Update 2021-2029 is set out at **Appendix 2** to this report. The Business Plan Update was approved by Goosepool Limited Board on 25th November 2020 and approved by the TIA Board on 26th November 2020. The business plan will be refreshed annually and will be submitted to Cabinet for approval.

FINANCIAL IMPLICATIONS

4. The Report at **Appendix 2** sets out updated the Business Plan for TIA for the period 2021-2029. The updated Business Plan does not require the Combined Authority to increase its previously approved funding allocation to the airport.

LEGAL IMPLICATIONS

5. There are no legal implications arising from this report.

RISK ASSESSMENT

6. The key short and medium-term risk to the delivery of the TIA Business Plan is the uncertainty surrounding the ongoing COVID-19 pandemic and its effect on the aviation industry generally and the airport. The airport senior management team will continue to monitor and manage this risk and develop strategies for the growth and development of the airport. Regular updates will be provided to the Goosepool Limited and TIA Boards.

EQUALITY & DIVERSITY

7. There are no equality and diversity impacts arising from this report.

LOCAL ENTERPRISE PARTNERSHIP

8. This item has been considered at the LEP meeting in advance of it coming forward to Cabinet.

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