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**Report from Service**

**Area:** Regeneration and Transport

**Responsible Officer:** Paul Dowling, Service Manager – (Tel: (0191) 643 1441)  
Regeneration and Transport

**Wards affected:** Riverside

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**PART 1**

**1.1 Executive Summary:**

The purpose of this report is to seek approval of the Director of Regeneration and Economic Development to the Authority entering into a Transforming Cities Fund (TCF) Agreement with the North East Combined Authority (NECA) in relation to three North Shields Masterplan projects, namely:-

- The Transport Interchange and New Town Square
- The Riverside Embankment Walkway
- The Highways Gateway Schemes

After the Authority has entered into the TCF Agreement, the Director of Regeneration and Economic Development is requested to issue the required Stage 2 Project Manager Instruction (PMI) to Willmott Dixon as the Authority's appointed construction partner, to commence work under the Construction Delivery Agreement (CDA) signed by the Authority on 7<sup>th</sup> September 2021.

**1.2 Recommendation(s):**

It is recommended that the Director of Regeneration and Economic Development in consultation with the Chief Executive and the Director of Resources exercises specific delegation RED3 and General Delegation GD 6 included in the Authority's Officer Delegation scheme to:

- (1) Authorise the Authority's entry into the Transforming Cities Grant Fund Agreement with the North East Combined Authority so as to obtain £19.125m for delivery of the North Shields Masterplan Transport Interchange, New Town Square, Embankment Walkway and Highways Gateways.
- (2) Instruct the Director of Law and Governance in consultation with the Director of Regeneration and Economic Development and the Director of Resources to take all necessary steps to complete the Transforming Cities Grant Fund Agreement; and

- (3) Authorise the issue of the Stage 2 Project Manager Instruction (PMI) to the Contractor to commence work under the Construction Delivery Agreement following completion of the Grant Funding Agreement.

### **1.3 Forward Plan:**

Twenty-eight days' notice of this report has not been able to be given. The item first appeared on the Forward Plan that was published on 11th March 2022 following confirmation from Transport North East that the TCF funding decision would be taken at its Joint Transport Committee on 15th March. This will allow the Authority to enter into the CDA with the Contractor in order to meet the grant funding deadlines.

### **1.4 Council Plan and Policy Framework**

1.4.1 This report relates to the following themes in the 2021-25 Our North Tyneside Plan:

- A thriving North Tyneside
- A secure North Tyneside
- A green North Tyneside

1.4.2 The North Shields Masterplan also relates to the Local Plan which sets the planning policies to guide the development and regeneration of North Shields Town Centre and the adjoining areas.

### **1.5 Information:**

#### **1.5.1 Background**

1.5.2 In March 2020, the Government awarded a £198m Transforming Cities Fund (TCF) (Tranche 2) allocation to the North East, which was to be used for two purposes:

- Establishing a TCF Devolved Pot (£104m), which will enable a programme of over 20 schemes to be delivered by 2023. The programme includes big investments in active travel corridors, bus priority schemes, Park & Ride improvements and city centre public realm improvements.
- Delivering the Metro Flow scheme (£94m), which will provide extra Metro track capacity in Jarrow and Hebburn that enables the whole system to operate at six trains per hour on each line, compared to five trains per hour at present. The scheme will also reduce delays to trains across the whole network by improving operating efficiency and resilience in South Tyneside.

1.5.3 The Authority is seeking funding of £19.125M from the TCF Devolved Pot to deliver the following schemes: -

- A consolidated Transport Interchange (Hub) adjacent the North Shields Metro Station
- A new Town Square adjacent the Transport Interchange (Hub)
- A Riverside Embankment Walkway
- Gateway Improvements at 3 key access points into North Shields

- Bus Priority Measures
- Cycling Corridors along 2 Strategic Routes

1.5.4 A Final Business Case (FBC) has been prepared which includes tendered prices for the designs that have been prepared for each of the above elements. Works on the Transport Interchange, New Town Square, and Riverside Embankment Walkway will be delivered by Willmott Dixon. Highway works including the Gateway improvements, Cycling corridors and Bus Priority measures will be led by Capita.

1.5.5 The FBC was submitted in February 2022 to Transport North East and this was approved at the Joint Transport Committee on 15th March 2022.

## **1.6 Decision options:**

The following decision options are available for consideration:

### Option 1

To approve the recommendations set out at paragraph 1.2 of this report.

### Option 2

To reject some or all of the recommendations set out at paragraph 1.2 (1) (2) (3) of this report.

Option 1 is the recommended option.

## **1.7 Reasons for recommended option:**

Option 1 is recommended for the following reasons:

Accepting this funding will enable the Authority to proceed with the construction of the Transport Interchange, New Town Square, Embankment Walkway and Highways Gateway Schemes in line with the North Shields Masterplan approved at Cabinet in January 2021.

## **1.8 Appendices:**

None.

## **1.9 Contact officers:**

Paul Dowling, Regeneration & Transport Service Manager, Tel: 643 6428.  
Nicholas Bryan, Highway Network Manager, tel. 643 6622.

## **1.10 Background information:**

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

- (1) The applications for TCF grant in relation to the North Shields Masterplan.
- (2) Procurement of a Contractor through the Scape Framework to deliver North Shields Masterplan Projects; Delegated Decision Report, 23<sup>rd</sup> April 2021.
- (3) North Shields Town Centre and Fish Quay Masterplan; Cabinet, 25<sup>th</sup> January 2021.

## **PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING**

### **2.1 Finance and other resources**

In addition to the TCF grant, £2.5m of North Tyneside Council Match funding has been approved by the Investment Programme Board. £1.25M of this funding has been utilised during 2021/22 to support the design and business case development work. The remaining balance is allocated across 2022/23 and 2023/24 financial years. This funding has been made available from the Council's Our Ambition Fund.

Funding of approximately £894,000 secured from the Local Highways Maintenance Challenge Fund has also been allocated for complementary works in North Shields around the Gateway locations.

### **2.2 Legal**

2.2.1 The Authority's Officer Delegation Scheme gives specific authority to the Director of Regeneration and Economic Development at RED3 to enter into agreements "*with other funding organisations where the purpose of the agreement is to enable that organisation to provide funding support for projects within any of the programmes delivered or managed by the Authority.*" This specific authority enables the Director to authorise entry into the TCF Grant Fund Agreement.

2.2.2 In addition to the specific delegation at RED3 relating to "Funding", the Director of Regeneration and Economic Development in common with all Directors has a general delegation GD6 that enables him/her to "*To take decisions on behalf of the Authority on all matters where they have managerial or professional responsibilities for their service areas. A summary of the scope of each Director's responsibility is set out at the beginning of each service area's section in the scheme*".

2.2.3 Following a procurement under the existing SCAPE framework a Contractor was appointed. The Construction Delivery Agreement (CDA) was signed and sealed by the Authority on 7<sup>th</sup> September 2021.

2.2.4 In accepting the TCF grant funding the Authority will enter into a grant funding agreement with the North East Combined Authority (NECA) based on NECA's standard grant funding terms and conditions agreeing amongst other matters the details of the schemes, prescribed use of funding, payment terms, monitoring, reporting and audit requirements.

2.2.5 Once the grant funding agreement has been signed and dated (completed) the Authority will authorise the contractor to commence work under the Construction Delivery Agreement.

### **2.3 Consultation/community engagement**

#### **2.3.1 Internal Consultation**

2.3.2 The relevant Lead Cabinet Members have been briefed and finance, legal and procurement senior officers have provided advice on this project and the background to this report.

### **2.3.3 External Consultation/Engagement**

Consultation and engagement with key stakeholders has been and will continue to take place throughout the development and delivery of the Masterplan. This is outlined in the January 2021 Cabinet Report.

## **2.4 Human rights**

There are no human rights issues directly arising from this report.

## **2.5 Equalities and diversity**

There are no direct equality and diversity implications arising from this report. However, development of the individual Masterplan schemes are working to inclusive design principles and standards to ensure the accessibility and public safety of residents and visitors. This includes the provision of Changing Places toilet facilities in the new Transport Interchange. The Council's construction delivery partners are also subject to the Public Sector Equality Duty.

## **2.6 Risk management**

The risks associated with the North Shields Masterplan have been considered in consultation with the Authority's Senior Risk Adviser and a Strategic Risk Register is in place along with Project level Risk Registers for each of the Masterplan schemes.

## **2.7 Crime and disorder**

There are no Crime and disorder implications directly arising from this report. Crime and disorder are being considered as part of the planning process in respect of the design of the Masterplan schemes.

## **2.8 Environment and sustainability**

There are no Environment and sustainability implications directly arising from this report. Environment and sustainability implications are being considered as part of the planning process in respect of the demolition of the Co-op building and the subsequent redevelopment of the site.

The Output Specification provided to the Construction Partner included design principles guidance to ensure the design meets the Authority's policies and aspirations for an environmentally sound and sustainable building. The Interchange will also have sustainable travel benefits:

- In making it easier and better to visit the town which is key to the regeneration of the town centre.
- By consolidating the existing disaggregated bus provision for the Town Centre which will allow greater interchange between services and transport modes, including the free link to the Shields Ferry.
- By improving the Metro connectivity as well as creating opportunities for Park/Cycle and Ride. Adjacency to the Metro Station is therefore critical.
- It will also be served by three new Strategic Cycle routes linking into the surrounding residential areas to support sustainable linked trips to/from the Town Centre.

The Riverside Embankment Walkway is also a Site of Special Scientific Interest (SSSI) and officers are working closely with the Authority's Biodiversity Officer to ensure that development progresses in an engaging way.

**PART 3 - SIGN OFF**

- Chief Executive  X
- Director(s) of Service  X
- Mayor/Cabinet Member(s)  X
- Chief Finance Officer  X
- Monitoring Officer  X
- Assistant Chief Executive  X