

North Tyneside Council

Report to John Sparkes, Director of Regeneration & Economic Development

Date: 23 March 2022

Title: Accelerator Development Fund grant – North Shields Fish Quay, Acceptance of Grant Offer

Portfolio(s): Deputy Mayor Environment	Cabinet Member(s): Cllr Carl Johnson
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Report from Service Area: Regeneration and Economic Development

Responsible Officer: Paul Dowling, Service Manager,
Regeneration & Transport

Wards affected: North Shields

PART 1

1.1 Executive Summary:

The purpose of this report is to seek approval for the Director of Regeneration & Economic Development to accept an offer of Accelerator Development Fund (ADF) grant from the North East Local Enterprise Partnership (NELEP) for the North Shields Fish Quay works using the specific delegation RED 3 given to the Director of Regeneration and Economic Development.

Delegated approval is also sought to:

- complete the grant funding agreements for the project above; and
- appoint Capita as the Authority's strategic partner to prepare the RIBA design works (up to stage 4), feasibility and business case development

Completion of this work will enable the Authority to develop a Levelling Up Bid in advance of the expected Government announcement on the next funding round in Spring 2022.

1.2 Recommendation(s):

It is recommended that, using the power delegated by the Authority, the Director of Regeneration & Economic Development:

- (1) accepts from the North East Local Enterprise Partnership the Accelerator Development Fund grants of:
 - a. £60,000 for the feasibility, design and site investigation works to inform the development of designs, project plan and feasibility work for North Shields Fish Quay
- (2) Instructs the Assistant Chief Executive who is responsible for Law and Governance to take all necessary steps to complete the grant funding agreement pursuant to the above; and
- (3) authorises the appointment of Capita as the Council's strategic partner to prepare the designs and project plan for North shields Fish Quay.

1.3 Forward Plan:

- 1.3.1 The Grant Funding Agreement was only received on 1st March 2022. There is an expectation from funders that activity is required to commence on site as soon as possible to ensure funding for 21/22 can be spent. As such it is important that design and feasibility work is in place to inform the Levelling Up bid due to be submitted by 6th July 2022. Given these short timescales, it has not been possible to give twenty-eight days' notice of this report. It has been added to the Forward Plan and a decision will be sought after 5 clear days notice.

1.4 Council Plan and Policy Framework

- 1.4.1 This report relates to the following priority(ies) in the 2021/25 Our North Tyneside Plan:

- A thriving North Tyneside regenerating North Shields in line with the Masterplan, delivering ambition, opportunity and benefits for all residents
- A thriving North Tyneside by helping local businesses to grow and making it attractive for new businesses to set up or relocate in the borough
- A family-friendly North Tyneside contributing to events and facilities making North Tyneside a great place for family life.
- A green North Tyneside increasing opportunities for walking and cycling

- 1.4.2 The North Shields Fish Quay works also relate to the North Shields Masterplan and 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 May 2021, The North East LEP Board established the £4m Project Development Accelerator Fund (ADF) to accelerate the development of regional strategic projects across the North East.

- 1.5.3 Funding is available (up to £150,000) to improve the quality and readiness of projects which contribute to the LEP's Strategic Economic Plan, sectoral strategies (in Advanced Manufacturing, Digital, Energy and Health and Life Sciences and the Economic Recovery

and Renewal deal for the North East (EU Exit, Net Zero Carbon, Town, city centres and rural regeneration, Tourism and Inclusion).

1.5.4 The objectives of the Fund are to:

- Accelerate the development of regional strategic projects
- Improve the competitiveness of proposals and de-risk investments
- Leverage new funding into the region to deliver strategic projects aligned with the Strategic Economic Plan, Recovery and Renewal Deal and local plans

1.5.5 Projects supported will be designed to maximise and achieve a meaningful contribution to the objectives set out above and related Key Performance Indicators (KPIs). NE LEP require clear and well evidenced proposals that move strategic regional projects closer to delivery and secure investment.

1.5.6 Projects receiving this funding are likely to apply to the Levelling Up Fund that was announced in the 2020 Spending Review. The Levelling Up Fund will invest in local infrastructure that has a visible impact on people and their communities. This includes a range of high value local investment priorities, including local transport schemes, urban regeneration projects and cultural assets. The Fund is jointly managed by HM Treasury (HMT), the Department for Levelling Up, Housing & Communities and Local Government (DLUHC) and the Department for Transport (DfT).

1.5.7 The Government will run a competitive process engaging directly with local authorities.

1.5.8 Each Local Authority (LA) can submit multiple bids each worth up to £20m in line with the number of MPs within their boundaries, with every LA able to submit at least one bid. Where a constituency crosses multiple LAs, one local authority should take responsibility as the lead bidder, gaining an additional bid for doing so. The North of Tyne Combined Authority can also submit one transport bid.

1.5.9 Tier 2 authorities of which North Tyneside is one can only achieve a maximum score of 75% as part of the Government's scoring process.

1.5.10 Funding is available for projects to undertake development activity that will be used to develop robust green book compliant Business Cases. We have secured funding for this key project in North Tyneside, which is aligned with the objectives of the ADF call, and will deliver against the NE LEP Strategic Economic Plan by growing and developing the region's economy. The funding must be defrayed by 22 June, the design and feasibility work is scheduled to be completed during March and April 2022, with the initial £20,000 ADF funding being spent by 31 March and the remaining funding defrayed in April 2022 to enable the business case to be produced for the Levelling Up Fund grant applications during April and May for submission in July.

1.5.11 The following project has been offered funding:

- North Shields Fish Quay – £60,000 ADF Development funding, matched with £36,000 Our Ambition feasibility funding**, has been secured to produce designs up to RIBA stage 4 plus costs and appoint some resource to pull together a project plan, identify key stakeholders, manage the feasibility work and draft an outline application and in the coming months draft a full green book business case for submission.

1.6 Decision options:

The following decision options are available for consideration:

Option 1

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

Option 2

To approve and/or reject some or all of the recommendations set out at Paragraph of this report.1.2 contained within 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 undertake feasibility and development work required to inform Levelling Up applications for round 2 for North Shields Fish Quay for submission by 6th July 2022

1.8 Appendices:

None

1.9 Contact officers:

Graham Sword, Senior Manager - Regeneration, tel. (0191) 643 6421

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 application for ADF grant

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

2.1.1 In addition to ADF grant NTC Match funding has been approved by Investment Programme Board as set out below:

	ADF Funding		Match Funding 2022/23 Feasibility Funding	Total Project Cost
	21/22	22/23		
North Shields Fish Quay	£20,000	£40,000	£36,000	£96,000
Total	£20,000	£40,000	£36,000	£96,000

2.1.2 Our Ambition feasibility funding of £36,000 was secured through a Gateway 0 and discussions with finance colleagues.

2.2 Legal

2.2.1 Procurement

2.2.2 Capita, as the Authority's Strategic Partner, will be appointed directly to carry out the master planning and feasibility work as allowed for and under the terms of the contract between the two parties.

The Director of Regeneration and Economic Development has specific delegated authority under RED 3 which states that: -

“In relation to all projects and programmes, to authorise the entering into of agreements with other funding organisations where the purpose of the agreement is to enable that organization to provide funding support for projects within any of the programmes delivered or managed by the Authority.”

2.3 Consultation/community engagement

2.3.1 Internal Consultation

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

2.3.2 External Consultation/Engagement

2.3.3 Key Stakeholders on North Shields Fish Quay including the North Shields Fish Quay Company, have been advised about the design works and future Levelling Up bid, and consultation with other stakeholders will take place as the work develops.

2.4 Human rights

2.4.1 There are no Human Rights issues arising from this report.

2.5 Equalities and diversity

2.5.1 There are no Equalities and diversity issues arising from this report. As the master plan and feasibility work progresses inclusive design principles will be central to the development of the proposals.

2.6 Risk management

2.6.1 A risk register will be developed for each of the projects and will be reviewed monthly by the project delivery teams.

2.7 Crime and disorder

2.7.1 There are no crime and disorder issues arising from this report. As the master plan and feasibility work progresses consideration of crime, fear of crime and anti-social behaviour will be central to the development of the proposals.

2.8 Environment and sustainability

2.8.1 The feasibility work undertaken with this funding will inform the development of robust business cases that include full environmental and sustainability plans for regeneration of the North Shields Fish Quay.

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