

North Tyneside Council
Report to John Sparkes, Director of
Regeneration & Economic Development
Date: 31 January 2022

Officer Delegated Power Report

**Title of Report: Accelerated
Development Fund Grant Offer –
Wallsend masterplan & A19 Corridor
Improvements**

Report from Service Area: **Regeneration and Transport**

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

Wards affected: **Wallsend, Valley, Killingworth and**
Camperdown

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 an Accelerator Development Fund Agreement (ADF) with the North East Local Enterprise Partnership (NELEP) in relation to two projects in the Borough, namely:

- The preparation of the Wallsend Masterplan
- Traffic survey/feasibility work to inform A19 North of Tyne Improvements (Local Plan Housing/Employment Land enabling)

After the Authority has entered into the ADF agreements the Director of Regeneration and Economic Development is requested to appoint Capita, as the Authority's strategic partner, to prepare the Wallsend Masterplan and to carry out the A19 modelling and feasibility work.

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

1.2 Recommendation(s):

It is recommended that the Director of Regeneration and Economic Development in consultation with the Director of Law and Governance 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 Accelerator Development Grant Fund Agreement with the North East Local Enterprise Partnership so as to obtain: -
 - a. £80,000 for the feasibility, design and site investigation works to inform the development of a Wallsend Masterplan

- b. £80,000 for the feasibility and business case development work on the A1056 and A19 (SRN) Corridors;

(2) Request 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 Accelerator Development Grant Fund Agreement; and

(3) Authorise the appointment of Capita, as the Authority's strategic partner, to prepare the Wallsend Masterplan and to carry out the A19 survey, modelling and feasibility work.

1.3 Forward Plan:

1.3.1 Given the need to start the master planning work early to inform the Levelling Up Fund bids it has not been possible to give twenty-eight days' notice of this report, it did however first appear in the Forward Plan that was published on 23rd December 2021.

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:

- Our places will be great places to live
- Our places will offer a good choice of quality housing
- Recognise the climate emergency
- Our economy will grow by supporting new businesses

1.4.2 The Wallsend Masterplan also relates to the Local Plan which sets the planning policies to guide the development and regeneration of Wallsend 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 (an announcement is expected later this year) 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 HM Treasury Green Book compliant Business Cases. The Authority has secured funding for 2 key projects in North Tyneside that are aligned with the objectives of the ADF call, that 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 2022 but most of the feasibility work is scheduled to be completed by 31 March 2022 to enable the business case to be produced for the Levelling Up Fund grant applications.
- 1.5.11 Two projects have been offered funding:
- i) **Wallsend Masterplan – £80,000 ADF Development funding** has been secured to prepare a detailed masterplan, undertake feasibility work, site investigation and progress from RIBA stages 0-4 to support the regeneration of Wallsend Town Centre and surrounding areas.
 - ii) **A19 North of Tyne Improvements (Local Plan Housing/Employment Land enabling) – £80,000 ADF Development Funding** will support economic and future housing growth across the region and the Authority proposes to accelerate the delivery of a grade separated junction upgrade of the A19 Moor Farm roundabout. The junction remains one of the few remaining at-grade locations along the A19 and is stifling economic and housing development in North Tyneside and Northumberland. Further feasibility work is required to accelerate the development of the scheme for which a jointly funded scheme from the Highways England Road Investment Strategy (RIS) Phase 3 is proposed.

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 Paragraphs 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 undertake feasibility and development work which will be used to inform Levelling Up applications for round 2 for Wallsend and the A19.

1.8 Appendices:

None.

1.9 Contact officers:

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

Paul Graves, Regeneration Project Manager, tel. (0191) 643 6013 (Wallsend)

Nicholas Bryan, Highway Network Manager, tel. (0191) 643 6622 (A19 improvements)

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 ADF grant in relation to the Wallsend Masterplan and A19/A1056 corridors respectively.

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

- 2.1.1 In addition to ADF grant, North Tyneside Council Match funding has been approved by the Investment Programme Board as set out below:

	ADF Funding 2021/22	Match Funding 2021/22	Total Project Cost 2021/22
Wallsend MasterPlan	£80,000	£34,500 Feasibility Budget	£114,500
A19 Improvements	£80,000	£35,000 Feasibility Budget	£115,000
Total	£160,000	£69,500	£229,500

2.2 Legal

- 2.2.1 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 entered into in 2012. This work is within the scope of that contract.
- 2.2.2 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 ADF Grant Fund Agreement.
- 2.2.3 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.*"
- 2.2.4 The appointment of Capita to undertake the works referred to in this report relates to regeneration and development and are clearly within his service area.

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.

2.3.2 External Consultation/Engagement

2.3.3 Tyne and Wear Archives and Museums, as operators of Segedunum, have been advised about the Wallsend Masterplan and consultation with other stakeholders will take place as the Masterplan is developed.

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 in Wallsend and along the A19 Corridor.

2.8.2 Implementation of a grade separated junction at the A19 Moor Farm junction would positively contribute addressing localised congestion and subsequent poor air quality. It is anticipated that this would also reduce traffic volumes on adjacent routes that pass through residential areas as “rat-running” in avoidance of existing congestion reduces.