

**North Tyneside Council
Report to John Sparkes, Director of Regeneration & Economic Development
Date: 10 January 2025**

Title of Report: North Shields Town Centre Works

Report from Service Area:	Regeneration and Economic Development
Responsible Officer:	Vicky Cuthbertson, Head of Regeneration (Tel: 07584 687505)
Wards affected:	North Shields

PART 1

1.1 Purpose:

The purpose of the report is to seek approval from the Director of Regeneration & Economic Development to exercise his RED 3 delegation as set out in the Authority's Officer Delegation Scheme to the entry into the *Grant Funding Agreement appended to this report.

Agreeing to enter into the Grant Funding Agreement will enable the Authority to receive a capital grant of £3.3m from the North East Mayoral Combined Authority (NEMCA) which forms part of the revenue grants totaling £4.768m approved by Cabinet on 16 September 2024.

The grant monies will be used to support the completion of outstanding public realm improvement works which form part of the North Shields Masterplan which was approved by Cabinet 25 January 2021.

The report also seeks the appointment of Capita Business Services Ltd (Capita) by the Director on behalf of the Authority as the Authority's strategic partner to deliver the outstanding improvement works. The Director can make such an appointment in accordance with the authority given to him by Cabinet on 25 January 2021 to, amongst other things, procure construction services for those elements of the North Shields Master Plan where funding has been secured and following consultation with the Mayor, Deputy Mayor and Cabinet Member for Finance and Resources.

1.2 Recommendation(s):

It is recommended that the Director of Regeneration & Economic Development agrees:

1. To the Authority entering into the *Grant Funding Agreement appended to this report so that the Authority receives £3,300,000 grant funding from the North East Mayoral Combined Authority to enable the completion of the remaining public realm

improvements identified in the North Shields masterplan within North Shields Town Centre.

2. To appoint Capita Business Services Ltd as the Authority's strategic partner to deliver the outstanding public realm works set out in paragraph 1.5.6 of this report.

1.3 Forward Plan

Twenty-eight days' notice of this report has been given and it first appeared on the Forward Plan published on 26 April 2024.

1.4 Council Plan and Policy Framework

1.4.1 This report relates to the following priorities in the 2021/25 Our North Tyneside Plan:

- Building a better North Tyneside
- A thriving North Tyneside

1.4.2 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.

1.4.3 Activity builds on investment being delivered as part of North Shields Masterplan, with a focus on North Shields town centre and surrounding areas in line with 'Our Ambition for North Shields'.

1.4.4 Improving the public realm will help enhance pride and wellbeing, develop the local visitor economy, reduce inequalities and develop skills and investment to increase access and opportunities for local young people to live and work in the area.

1.4.5 The visitor economy is a growing sector and the opportunities in extending this visitor offer in terms of quality of built environment, variety of offer (arts & culture), and connectivity the Authority forecasts substantial benefits to the existing, and new, businesses located in North Shields Town Centre and the Fish Quay.

1.4.6 The proposed works also deliver against the devolution priority to support cultural, creative and visitor economy sectors and will drive inclusive and sustainable economic growth, with activity aligned to the work on the Cultural and Creative Zone and connecting coastal assets to North Shields to enhance the economy.

1.5 Information:

1.5.1 Background

1.5.2 In April 2023 an application was submitted to the North of Tyne Combined Authority (the predecessor Combined Authority of NEMCA) for funding from the North East devolution deal. A total of £20m of Capital funding was available to all of the seven constituent councils of NEMCA once fully established in May 2024.

1.5.3 North Tyneside Council received £3.3m grant funding which will enable the Authority to complete the remaining public realm improvements to North Shields Town Centre and enhance the connection to the Coastal/Riverside Promenade route, via the planned relocated Ferry terminus on Western Quay.

1.5.4 The proposed work will upgrade a further 14,000 sqm of streetscape creating a pedestrianised loop around the retail core of the Town and connecting this to the buoyant hospitality and visitor offer of the Fish Quay and wider Coastline. The works are proposed to be concluded ready for the celebration events for the North Shields' 800th anniversary in 2025, during which a programme of events are being planned.

1.5.5 This investment will have a positive compounding impact on the prior projects delivered as part of the North Shields Masterplan that are already well underway and will continue until Autumn 2024. This proposal physically links all of the other projects together.

1.5.6 Short Description of the proposed works:

- Bedford Street South - public realm improvements (pedestrianisation) consistent with completed works on new Town Square and Transport Hub
- Saville Street – connecting completed works on Howard Street / Northumberland Square
- Howard Street South – continuation of route from HAZ scheme on Howard Street linking to Riverside Embankment Walkway.
- Borough Road / Saville Street (Gateway 3) - improved crossing provision, public art installation, and streetscape works.

1.5.7 The works listed above are part of Phase 1 North Shields Masterplan and Phase 1 of the Fish Quay Area Plan which is a key area of focus for growth by the Authority, nine key projects were identified of which four are now complete, three are underway and the remaining two are planned. This additional funding will enhance the benefits forecast on those projects already delivered/underway whilst also supporting the Authority's bid to commence delivery of the Fish Quay Area Plan.

1.5.8 The proposed improvements in public realm on Bedford Street have synergy with the Government's ambition to enhance towns and high streets, encouraging their greater use and helping them to thrive.

1.5.9 The investment will improve the quality of public realm throughout North Shields Town Centre and establish a seamless and accessible link to the Transport Interchange, the Fish Quay and wider coastline. The improvements will also help raise the profile for existing arts and heritage assets as well as the introduction of new public art linked to the town's history and heritage.

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

No to approve the recommendation 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:

Entering into the Grant Funding Agreement will enable the Authority to receive the grant funding from NEMCA approved by Cabinet in September 2024 that will enable the final projects set out in North Shields Masterplan to be completed. The £3.3m capital funding has been secured with no Authority match funding being required and offers exceptional value for money and enables the Authority to meet its priorities in North Shields.

1.8 Appendices:

*Grant Funding Agreement (exempt from publication)

1.9 Contact officers:

Fay Hodgson, Senior Manager Funding and Enterprise, tel. 07929 652906

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) North Shields capital funding - High Level Business Case Link to Cabinet Report [North Tyneside Council: Decision making](#)
- (2) Cabinet report dated 16 September 2024
- (3) Minutes from the Cabinet Report of 16 September 2024.
- (4) Cabinet report 25 January 2021

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

2.1.1 The £3.3m Capital Grant Funding will complement other secured external funding which has been approved by the Investment Programme Board under EV094 Transforming Cities (NT02) North Shields Transport Hub (21/02/24) and approved by Cabinet for inclusion in the 2024-29 Investment Plan which will deliver the proposed works.

	FINANCIAL VALUE 2024/25
Capital Grant	£3,300,000
TOTAL NTCA FUNDING:	£3,300,000
Active Travel Fund 4	£600,000
Transforming Cities Fund	£1,850,000
TOTAL PROJECT COST:	£5,750,000
Intervention Rate (NTCA £ ÷ Total Project £ = IR %)	57%

2.2 Legal

Subsidy Control – The grant funding does not amount to a subsidy, because the Authority is not classed as an economic actor and in Section 15.28 of the Statutory Guidance for the UK Subsidy Control Regime it states:- "...public funding for infrastructure that delivers a general public benefit and which is not intended to be used primarily to carry out an economic activity will not fall within the scope of the Act."

Procurement

Capita Business Services Ltd, 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 Authority and Capita.

2.3 Consultation/community engagement

2.3.1 Internal Consultation

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

Key Stakeholders and residents have been consulted on the North Shields Masterplan and have had an opportunity to comment on individual projects as they were developed. Key messages are shared widely through Our Ambition for North Shields social media channels.

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 part of the North Shields master plan inclusive design principles were central to the designs.

2.6 Risk management

2.6.1 A risk register was submitted with the high-level business case and will be reviewed monthly by the project delivery team.

2.7 Crime and disorder

2.7.1 There are no crime and disorder issues arising from this report. As part of the master plan work consideration of crime, fear of crime and anti-social behaviour were central to the design and development of all the projects.

2.8 Environment and sustainability

2.8.1 The contents of the plan aim to support sustainable development and contribute to reducing carbon emissions and responding to the climate change emergency.

PART 3 - SIGN OFF

- Chief Finance Officer X
- Monitoring Officer X
- Interim Director of Corporate Strategy & Customer Service X