



# Northumberland

## County Council

### COUNCIL

DATE: 20 MARCH 2024

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### Annual Portfolio Report – Supporting Business and Opportunities

**Report of:** Councillor Wojciech Ploszaj Portfolio Holder for Supporting Business and Opportunities

**Responsible Officer:** Simon Neilson, Executive Director, Place and Regeneration

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#### 1. Purpose of report

1.1 This is the Annual Portfolio Report from the Portfolio Holder for Supporting Business and Opportunities. The Report contains issues that set the context for delivery of the Portfolio. It highlights achievements over the past year and, outlines some of the areas of focus for the coming year.

#### 2. Recommendations

2.1 Council is recommended to:

- (i) Note the update from the Portfolio Holder for Supporting Business and Opportunities.

#### Link to Corporate Plan

- **Driving Economic Growth** - The Portfolio is key in contributing to driving inclusive economic growth by supporting the delivery of the Northumberland Economic Strategy; delivering regeneration activity in towns and villages across the County making them places people want to live and visit and businesses invest in; and activity to support business and people, identifying and growing key growth sectors, providing support for businesses to grow and delivering activity which helps those furthest from the labour market move closer to securing work.
- **Achieving Value for Money** – The Portfolio contributes to Value for Money by seeking to maximise external funding and investment into the county, to support regeneration and business and job growth.
- **Tackling Inequalities** – The Portfolio plays a key role in driving delivery of the Council's Inequalities Plan through addressing the underlying causes of inequality via its support to inclusive growth and ensuring the jobs created are accessible to the County's communities.

#### 3. Key issues

3.1 The Annual Portfolio reports from each of the Council's Cabinet Members provide an opportunity for Council to consider an overview of, and comment on the work of each Portfolio. This strengthens the important link and accountability between key decisions

taken by the Cabinet and achievement of the three priorities of the Council as set out in the Corporate Plan.

#### 4. **Background**

4.1 The County Council adopted the Corporate Plan at its AGM on 17th May 2023. The Plan establishes three priorities for the Council, underpinned by our approach to tackling Climate Change. The Annual Council Achievements Report (reported to Council in March 2023) sets out overall progress against the three priorities whilst this Portfolio report provides an opportunity for Members to drill down further into the work of the Supporting Business and Opportunities Portfolio.

#### 5. **Northumberland Economic Strategy Framework**

5.1 The Northumberland Economic Strategy covers the period of 2019-24 and was approved by Cabinet in December 2018. The Economic Strategy established priorities for inclusive industrial growth in the context of the new North of Tyne Combined Authority, the developing Borderlands Inclusive Growth Deal and the national Industrial Strategy.

5.2 Set out as a positive statement of the potential of the Northumberland economy, the strategy builds on the statements in the Council's Corporate Plan to develop and grow whilst acknowledging the issues within the county that need to be addressed. Key themes include the importance of focusing on industrial led growth and key national challenges such as ageing and clean growth; the importance of inclusive growth; and the potential of local, regional and national partnerships.

5.3 The Economic Strategy sets out a vision to be a prosperous, inclusive and connected community. The objectives to deliver this vision are:

- To **grow the business base**, with a focus on six major sector opportunities where we can contribute to the national Industrial Strategy and ensure we deliver services to enable business to have the best possible enterprise, innovation, development, finance and advisory assistance to operate here in Northumberland.
- To **support inclusive employment**, our highly skilled workforce is a major strength, but we must ensure that the employment available is inclusive and accessible to all parts of our community.
- To **ensure our towns and communities are productive places** economically. It is vital that we are sensitive to each place's characteristics and the unique opportunities within them, our task is to develop effective support from the Council working with our partners to make things happen.

5.4 The strategic framework and the priorities set out in the Northumberland Economic Strategy are still relevant and reflect the priorities in the Council's Corporate Plan. However a light touch refresh of the strategy for 2024-26 has been undertaken to ensure Northumberland County Council can successfully respond to the County's priorities in developing partnerships and investment plans which will reflect on:

- successful delivery since 2019;
- the key trends in the evidence regarding key opportunities and challenges; and

- key regional and national policy changes.

5.5 The refreshed strategy will be finalised and published in April 2024. Key components which have been considered in relation to the refresh include:

- **Responding to economic, financial and political changes**
  - Macro Economic changes
  - New national economic policy
  - New and existing sub-national arrangements
- **Updated evidence and policy framework**
  - Development of the regional and local evidence base
  - Updates to the wider family of related NCC strategies including the Northumberland Employment and Skills Partnership Strategic Priorities, the Northumberland Cultural Strategy, and the Northumberland Destination Management Plan.
- **Enabling Delivery and Partnership Working**
  - Confirming the role of partners working together to deliver the strategy.
  - Providing the basis for an updated strategic delivery framework
  - Highlight the links to the Northumberland County Partnership and provide a platform for strengthening our engagement with business

## Partnership Working

5.6 Northumberland's economy works at multiple scales and much of the work to deliver this strategy will be undertaken in partnership. Over the last 5 year the North of Tyne devolution deal and the Borderlands Growth Deal have presented unique opportunities to deliver growth and change focused on our leading industries and our places. We have worked at multiple levels with neighbouring local authorities, the North of Tyne Combined Authority, the Borderland Partnership, the North East Local Enterprise Partnership (NELEP) and the North East Joint Transport Committee in support of our common objectives.

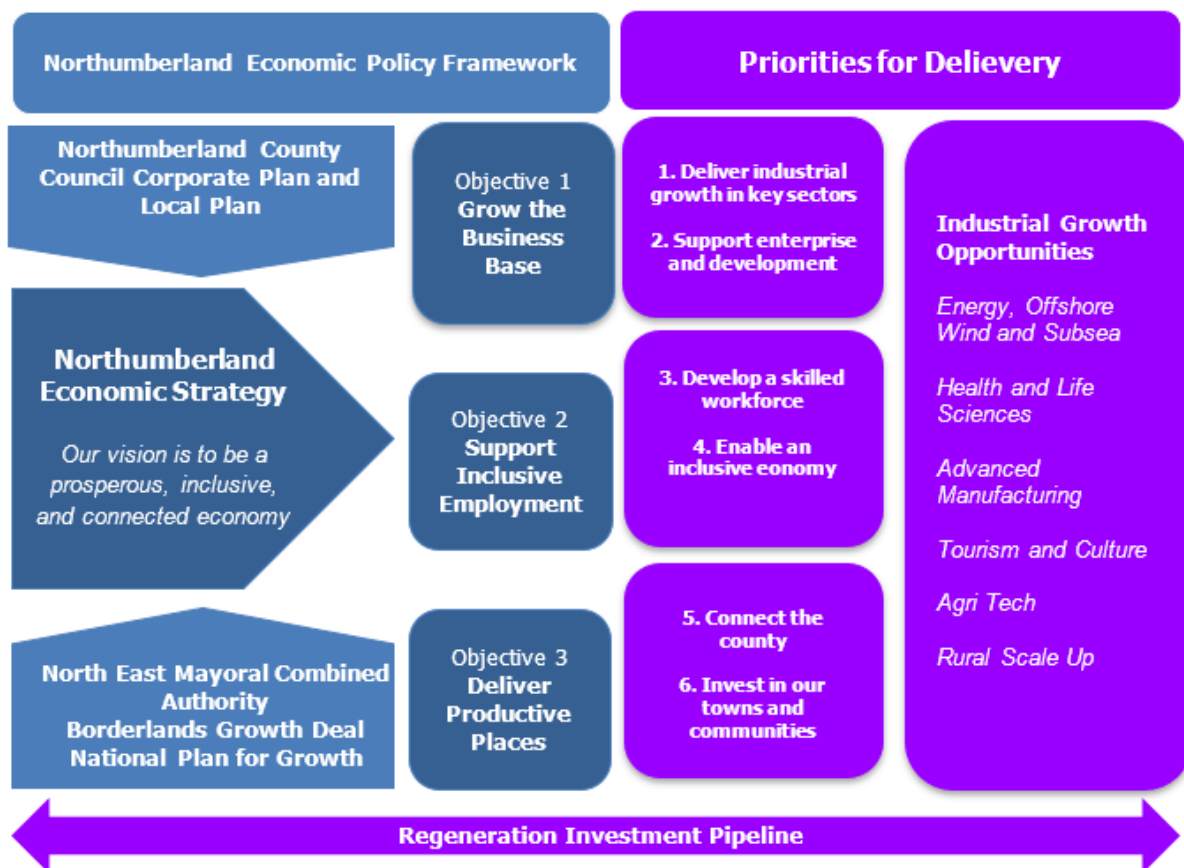
5.7 The **Borderlands**, bringing five Local Authority areas together represents an economy of over 1 million people, there is a growing base of small and medium sized businesses, a range of international companies and national scale strategic investment/employment sites. The opportunity is to boost connectivity to take advantage of the areas position, access to markets, and natural assets.

5.8 Of particular importance moving forward is the **North East Mayoral Combined Authority**. The North East Devolution Deal for the region means unlocking £4.2 billion of investment, over 30 years, and seeing additional powers transferred from Whitehall to local people with better knowledge and experience of our communities. It is expected to create 24,000 extra jobs, create 70,000 courses to give people the skills to get good jobs and leverage £5.0 billion of private sector investment. This deal and the North East Mayoral Combined Authority which will be established in May 2024 following the Mayoral Elections represents a significant opportunity to make a difference to people who live and work in the North East.

- 5.9 Across the seven local authorities of County Durham, Gateshead, Newcastle, Northumberland, North Tyneside, South Tyneside and Sunderland we represent a functional and interdependent economy with a population of 2 million with 68,850 businesses, providing 887,000 jobs and a GVA of over £32,300 per head (Policy paper North East devolution deal, 2022).
- 5.10 In March 2024, Government also announced a trailblazer deal for the North East. This new deal deepens the devolution settlement of the North East Mayoral Combined Authority. It contains provisions from Level 4 of the Devolution Framework, as well as new, bespoke measures to drive economic growth in the North East and establish the Combined Authority as a place-leader in the region. This deal is subject to ratification by all partners and relevant statutory process to follow in 2024.
- 5.11 The county council has and continues to play a leading role working in partnership to ensure we strengthen Northumberland's position as a place to do business and invest in, a place where our residents are our greatest asset and international visitor destination based on our exceptional culture, arts, heritage and environmental offer. Collaboration with partners continues to be important part of what we do as an authority, working regionally to grow the economy.
- 5.12 As part of the Transition to the new Mayoral Combined Authority (MCA) NCC has been engaged in:
- 5.12.1 Operational transition – ensuring the new organisation of the Mayoral Combined Authority will be in a position to be up and running in May 2024, including the transition of legal, HR and financial arrangements from the predecessor bodies;
  - 5.12.2 Early priorities, including supporting the development of early Capital Investment , announced by Government at the time of the Deal announcement, through which a key Northumberland project will benefit, the development of policies and programmes such as the Investment Zone and the Investment Plan for the new MCA;
  - 5.12.3 Transition Portfolios – working through the transition Governance arrangements with Leadership from the seven Leaders, NCC officers have been supporting the development of transition portfolio plans, including: transport; finance and investment; economic; housing and land; culture, creative, tourism & sport; education, skills & inclusion, and rural, coastal & environment, the latter of which is led by the Leader of NCC.
  - 5.12.4 NCC established the **Major Employer Forum (MEF)** in summer 2022, as a means of strengthening its relationship with some of the most significant employers in the County; since then the MEF, which has membership from businesses across a range of sectors and geographies, has met regularly and provided a key route by which the Council can consult and engage with the business community. Importantly it has also proved to be a valuable forum for senior members of NCC to hear from businesses about their successes, opportunities and the challenges they face, which in turn informs the activities and investments NCC and partners make to support businesses and the economy. We will continue to strengthen the relationship with business and will look to build on the MEF and ensure it is in the best form to support growth across the County, including extending its membership and ensuring it can effectively support the Northumberland County Partnership.

## Enabling Delivery of the Economic Strategy

- 5.13 The Council has been successful in attracting high levels of external funding to support its economic regeneration and growth ambitions, delivered through a wide range of initiatives which grow, renew and connect the county's towns and communities and capitalise on natural assets. Activities include major town regeneration across a range of settlements to the ongoing success of the community chest, where relatively small scale investments make a big impact on places.
- 5.14 The delivery of the NCC Regeneration Investment Group (RIG) pipeline is supported and enabled by teams developing and delivering projects in the service and in a range of departments across the council. The Regeneration Programmes Investment Team secure investment and manage the assurance and governance processes, the Regeneration Finance and Performance Team support the finance and audit that underpin externally funded activities working closely with the council legal, procurement and finance departments. Activities include:
- Advising the Council and local organisations on external funding opportunities where appropriate; and
  - Supporting the council and partners with information, advice and guidance on project development, delivery and monitoring.
- 5.15 In summary the value of the projects in development and delivery across the County stands at over **£460m**, which includes a range of economic development, regeneration and strategic transport projects. This includes Council match of **c£134m**, private sector contributions of **£74m** and external funding of **c£252m**. The following sections of the report highlight the activity being delivered against the three priorities of the Economic Strategy.



## 6. OBJECTIVE 1 - GROW THE BUSINESS BASE

- 6.1. Our ambition is for Northumberland to be nationally recognised as the place to be if you are a large company or small business owner who wants to both prosper and be located in or close to a high-quality rural setting.
- 6.2. Northumberland is home to leading global industries and we are committed to ensuring that our businesses are successful, creating the right conditions for growth. The county has businesses operating in globally competitive supply chains, and unique assets for large scale investment, particularly in relation to clean growth.
- 6.3. Key to this is securing the resilience and expansion of our existing companies. This means working with the larger international brands to maximise the success of their operations based within the county. It also involves supporting the extensive range of our smaller and medium sized enterprises to maximise their competitiveness whether through scaling up, extending their reach, diversification, or through innovation.
- 6.4. Given our diverse geographical area, the key to delivering business growth is to ensure the right ecosystem is in place to support companies' growth ambitions. This means finding the appropriate mix of infrastructure that is attractive to business, as well as support to develop effectively within a rural geography.
- 6.5. Whilst market conditions present challenges in achieving this, of particular importance to Northumberland will be ensuring the best possible employment sites and facilities



are available. In particular supporting businesses wishing to capitalise on our transformational opportunities in key sectors is a focus whilst also ensuring there is a supply of good quality business space for a variety of needs.

6.6. There is a wide range of business support and finance tools available both nationally and regionally, and we want to ensure that this support is helping Northumberland businesses to generate ideas, innovate and grow. Advance Northumberland, NCC's development company provides a core service in helping businesses of all sizes find their way to the right support and we will seek to continue and build on this approach.

6.7. The following section includes updates on key projects and activity which support our ambition to grow the Northumberland Business Base.

## 6.8. **Enterprise Zones**

6.8.1. The seven local authorities in the North East and the North East LEP established ten Enterprise Zone sites across three locations (Blyth Estuary, North Bank of the Tyne and the A19 Corridor) during the first wave; focusing specifically on supporting significant sectors across energy, offshore and subsea engineering and automotive and low carbon vehicles respectively.

6.8.2. In 2017/18 these were joined by a further ten sites across, Northumberland (including Ashwood Business Park and Ramparts Business Park), Durham, Gateshead, Newcastle, South Tyneside and Sunderland with the International Advanced Manufacturing Park.

6.8.3. Enterprise Zone Site development funding provides the main route to developing out the Enterprise Zone sites, bringing up-front capital investment to the sites to complement and unlock development of the sites through development or land owner investment.

6.8.4. The following sites are part of Energy Central, a unique partnership between Advance Northumberland, the Port of Blyth, Offshore Renewable Energy (ORE) Catapult and Northumberland County Council. This partnership is underpinned by access to a readymade skills base, a highly connected location and an established offshore energy and fabrication cluster to support operations at Energy Central.

- Northumberland Energy Park Phase 1 consists of the strategic riverside site with associated dock. The area is the subject of the current £35m public investment enabling works covering the former Stations A and B Blyth Power Station and the Ash Barge Dock. These enabling works will provide an extended and deep-water berth at the Ash Dock.
- Dun Cow Quay is a 0.38 HA site is a North East Enterprise Zone and is well situated for businesses operating in the operations and maintenance segment of the offshore wind sector as it is located close to the Offshore Renewable Energy (ORE) Catapult. ORE Catapult offers world class R&D expertise and assets including open access shallow water testing facilities.
- Bates Clean Energy Terminal offers a unique opportunity for investors who operate in the marine, offshore and renewable energy sector. The site has

recently undergone an extensive **£10m+** redevelopment programme and has green, clean energy at its core. Located on site is Port Training Services' Wind Turbine Training Facility offering real-world training opportunities to businesses in the offshore renewables sector.

- Commissioners Quay site is home to a four storey, state of the art Blyth Workspace building providing high quality, contemporary services office space, which is suitable for a range of businesses – from start-ups to larger and more established companies. These facilities offered at the workspace include: offices ranging from 20 m2 to 100 m2, high speed broadband, virtual offices, training room for hire, meeting/conference room amenities and free parking. The site also hosts The Commissioners Quay Inn.

6.8.5. Ashwood Business Park is strategically located in South East Northumberland with excellent connectivity including direct access to A1(M) and A19 through the A189 arterial road. It offers good access to Newcastle International Airport and the Port of Blyth. The park was developed in 2003 and is currently home to: Bernicia Homes – headquarters for one of the UK's leading housing association AkzoNobel – Europe's most advanced paint and coatings production plant and Eurogarages – petrol station with drive thru Starbucks and Contec a new 60,000sqft advanced manufacturing facility.

6.8.6. Ramparts Business Park is prime development land available in Berwick, Northumberland. The Business Park offers a large scale investment opportunity for investors seeking a highly connected location with direct access to markets in England and Scotland.

## 6.9. Investment Zones

6.9.1. Investment Zones (IZs) are being introduced by Government to accelerate economic growth through clustering and agglomeration in specific sectors with significant growth potential. This includes supporting R&D and Innovation and maximising their contribution to sector growth. The seven constituent North East Local Authorities of the North East Mayor Combined Authority were invited to bring forward a proposition when the policy was announced in March 2023, alongside 7 other English areas. In November, Government announced that the programme would be extended from 5 to 10 years, with the total amount of funding available to each Investment Zone increased from **£80m to £160m**.

6.9.2. The North East Investment Zone (NEIZ) will support growth in Advanced Manufacturing and Green Industries. This builds on the 'Arc of Innovation' set out in the Devolution Deal and the world class strength of the region's Offshore, Engineering and Green Manufacturing industries. The IZ will be fully signed off by Central Government in March 2024, with implementation starting April 2024.

6.9.3. Following consultation and modelling, the region is bringing forward four Intervention Sites, each identified as either an 'IZ Tax Site' or 'IZ Growth Site'. This reflects the differing nature of the sites in terms of the economic opportunities and the constraints which need to be addressed to unlock private sector investment.



- 6.9.4. As an IZ Intervention Site new and expanding businesses within Blyth Energy Central designated areas will have access to tax benefits, including tax relief in relation to National Insurance, Business Rates, Stamp Duty and enhanced capital allowances.
- 6.9.5. Modelling to date has highlighted the potential for the creation of around 10,000 skilled jobs over the life-time of the initiative, with additional jobs created in construction and across supply chains. The region's universities have been actively involved in the development of the Investment Zone proposal, and will play a key role in aligning investment, expertise and academic programmes with the IZ sectors to help maximise growth opportunities.
- 6.9.6. Blyth Energy Central is the Northumberland Tax site. The energy cluster across the Blyth estuary and wider hinterland currently supports around 2,700 jobs, with key businesses including the Port of Blyth, Royal IHC and TFKables/JDR Cable Systems. Blyth is also home to the R&D and testing facilities of the Offshore Renewable Energy Catapult. There are significant further employment opportunities associated with offshore renewables, electrification and wider infrastructure. Key objectives moving forward include confirmation of next steps on the NEP3 site. There is recognition at national levels of the importance of the site and as such the County Council is in dialogue with Government and the administrators over the best way forward for the former 'BritishVolt' site to meet regional and national priorities. IZ tax benefits would provide a clear incentive for investment at scale – alongside wider IZ benefits around skills and innovation.
- 6.9.7. The NE Investment Zone will have **£70m** of flexible funding over the ten years of the IZ, with a £7m allocation per year. This funding is available on a 60:40 capital:revenue basis, and Government has published a menu of pre-approved interventions aligned with the themes of skills, infrastructure, innovation, planning, and business support. The NEIZ will also receive additional flexible funding, as a result of taking up less than the maximum allocation of tax sites. The precise level of additional funding is still to be confirmed with Government, with the intention being that this funding will be prioritised for co-investment with the private sector in infrastructure and innovation interventions.
- 6.9.8. The NEIZ proposition includes Business Rates Retention sites. These sites will enable the region to benefit from the retention of all growth in business rates over the next 25 years. Business Rates retention therefore provides the potential for a significant additional revenue source. To maximise its impact, and embed the principle of no detriment to individual Local Authorities, an IZ Business Rates Reinvestment Strategy has been agreed with Government through the co-development process. A report to Cabinet in February 2023 confirmed Blyth Energy Central as a Business Rate Retention Site.

## **6.10 Advance Northumberland**

- 6.10.1** Advance Northumberland, launched in November 2018, is a Northumberland County Council owned company and is tasked with helping to drive economic development and prosperity across Northumberland. Advance Northumberland help Northumberland Council with ambitious regeneration plans and play a critical role in delivering a step change in the local economy.

- 6.10.2** Key activities include management of a Commercial Estate; Economic Growth & Investments; Project Management Services; management of a Residential Portfolio; and through Ascent homes delivery of homes for sale.
- 6.10.3 Following Cabinet's approval of the Advance Business Strategy Review in November 2022, officials have been working closely with Advance Northumberland to implement the recommendations; this has resulted in strengthened Governance, with the creation of the Cabinet Shareholder Committee, and strengthened commissioning arrangements between the Council and the company.
- 6.10.4 Key components of Advance Northumberland delivery which contribute to growing the business base include
- Managing the Company's Commercial portfolio, valued at **c.£149m** generating rental income of c. **£13.5m pa**. This estate provides good quality, statutory compliant space for businesses to operate in Northumberland.
  - Delivery of a proactive Inward Investment service linked to Northumberland's key growth sectors
  - Working with existing large companies and growing strategic businesses across Northumberland through the Strategic Account Management programme
  - Managing the delivery of the new Northumberland Small Business Service programme
  - Managing the delivery of the Accelerate Ashington Business support programme on behalf of Northumberland County Council.
  - Exploring other possible funding options to deliver further business support or economic growth activity within Northumberland.

## **6.11 Business Support**

- 6.11.1** The **£4.8m Northumberland Small Business Service (NSBS) Programme** is delivering a range of direct local support services and investment until March 2026, to drive growth and resilience across rural businesses and communities within Northumberland. The programme is funded through combination of the North of Tyne Combined Authority Investment Fund, the UK Shared Prosperity Fund and the Rural England Prosperity Fund which the North of Tyne Combined Authority administers on behalf of the UK Government.
- 6.11.2 NSBS offers an integrated business support and grant programme including:
- Enterprise and Start Up Support, Growth & Resilience Support and a Farming Advisory Service
  - NSBS Grant Investment fund to support business growth with capital grants of £10,000 up to a maximum of £300,000. The grant is available to all rural micro and small businesses/enterprises in Northumberland with turnover of less than £10m and less than 50 employees. The grants awarded will increase economic growth and business resilience through the creation of new jobs as well as safeguarding jobs across rural Northumberland.

- 6.11.3 To date **140 businesses** have accessed specialist support and different workshops and networking events. In addition, four grants have been approved by investment panel so far, committing **£333,533** of funding and **leveraging £500,301** of private sector funding with delivery already progressing on the ground.
- 6.11.4 The Northumberland Business Service is a successor to the **Rural Business Growth Service (RBGS) project** was successfully delivered by Advance Northumberland and had two linked components:
- Business Advice and Support Services to support the development of growth plans and guide businesses towards appropriate sources of finance.
  - A Capital Grant Investment Fund to support investment in projects that enable rural businesses to expand productive capacity and / or diversify into new markets or products.
- The programme supported **24 businesses** with capital grant funding of **£1.536m**, which **levered in £2.48m** of private sector match funding. Overall the programme provided **support to 556 businesses** leading to the creation of 182.14 FTE jobs.
- 6.11.5 The **Rural Design Centre Innovation Programme** was completed in 2023 and was a collaboration between Advance Northumberland, Innovation Super Network and Northumbria University, which utilises the expertise of each entity to help organisations deliver real tangible change in rural communities in the North East of England. Part-funded by Government and the North of Tyne Combined Authority the programme invested in a wide and varied range of businesses to identify and investigate opportunities develop solutions to challenges, big and small.
- 6.11.6 The project has successfully supported 25 organisations to diversify through providing **£85,000** of grant funding for a range of projects from copyright and patenting facilitation to the creation of an augmented reality for the promotion of our cultural heritage. As part of the Rural Catalyst partnership with the NICRE, two large-scale annual hybrid events took place, with nearly 300 people attending.

## 6.12 ***Stewardship and Rural Growth***

- 6.12.1 Northumberland County Council is facilitating a place-based approach to investing in Northumberland's unique natural, economic, and cultural assets that will simultaneously enhance the environment, grow the rural economy, and improve opportunity and prosperity in communities. These assets offer huge potential to enhance the environment in Northumberland and to contribute to climate change goals, at the same time as boosting growth and prosperity in the local economy and communities by capitalising on these natural assets.
- 6.12.2 The approach aligns and balances investment in:
- Stewardship: looking after and enhancing our precious natural assets in a way that provides environmental, social, and economic benefits.
  - Rural growth: developing the rural economy, and growing businesses, jobs and wealth in a way that simultaneously delivers environmental and social benefits

- 6.12.3 Northumberland County Council and the North of Tyne Combined Authority, working with a range of rural stakeholders developed a North of Tyne Stewardship and Rural Growth Investment approach supported by **£9m** of investment until 2028. The investment is a combination of the North of Tyne Combined Authority Investment Fund, the UK Shared Prosperity Fund and the Rural England Prosperity Fund which the North of Tyne Combined Authority administers on behalf of the UK Government.
- 6.12.4 Two flagship programmes are enabled through this investment and include that Rural Asset Multiplier Pilot Programme and the Northumberland Small Business Service mentioned above.
- 6.12.5 The **£3.5m Rural Asset Multiplier Pilot (RAMP) Programme** will prioritise investment in strategic activities which will bring lasting, positive change to identified rural areas, piloted primarily in two areas – the Northumberland Coast National Landscape and the Northumberland National Park. Activity will be driven by local need, demonstrating a bottom-up approach targeted directly at tackling local, rural issues. Following a successful call, 11 projects have been shortlisted and progressing through assessment and delivery. Two grants have been approved so far totalling £290,870.
- 6.12.6 In addition funding has been secured to develop a **Natural Capital Accounting Pilot** and a **Northumberland Food Strategy** and pilot programme, work on both is underway with updates to be provided later in the year.
- 6.12.7 **Local Nature Recovery Strategies** are new spatial strategies introduced under the Environment Act 2021, which will identify priorities for nature recovery and propose actions that will make particular contributions to achieving those priorities. DEFRA has appointed 48 Responsible Authorities to lead on the production of LNRS which together cover the whole of England. The North of Tyne Combined Authority was appointed to lead the production of a LNRS covering Northumberland, Newcastle and North Tyneside the lead role for which has been delegated to Northumberland County Council, with Newcastle City Council, North Tyneside Council and Northumberland National Park Authority acting as Supporting Authorities.
- 6.12.8 The manner in which LNRS are to be produced is set out in regulations and statutory guidance, which define a five-step process and a series of consultation requirements. For the North of Tyne LNRS a steering group has been established, comprising representatives of the responsible and supporting authorities, the DEFRA bodies, protected landscapes, Environmental Records Centre and Northumberland Wildlife Trust. A map has been produced of designated sites and irreplaceable habitats and a document describing the strategy area and its ecological resources, which together meet steps 1 and 2 of the process. The next step will take us into the heart of the process, which is to identify a longlist of nature recovery priorities, which will be prioritised to form a shortlist to be taken forward in the strategy. This process requires wide consultation, and to do this we are preparing to undertake a series of place-based conversations based in six sub-areas defined by their geographical and ecological characteristics. This consultation will take place in summer and autumn 2024 and will enable farmers, landowners and others with an interest in land management to contribute to the process
- 6.12.9 **Local Investment in Natural Capital (LINC) Programme**

- 6.12.10 The LINC Programme is aimed at building the capacity and capability of leading local authorities to take a natural capital approach to economic growth. It will support local areas to develop local investment vehicles, facilitate co-operation and shared learning between organisations and sectors, direct investment to cost-effective solutions, and generate nature-related revenue flows.
- 6.12.11 The LINC programme focuses on how investors and those that deploy capital and deliver change (local authorities, landowners etc.) can come together to build a common understanding of investment in natural capital (and eventually a plan). Critical to this is how local areas can demonstrate “investment readiness”.
- 6.12.12 The area of the Borderlands in England (Cumberland, Northumberland and Westmorland and Furness) is one of four pilots awarded funding of up to £1million to be invested by March 2025 to become trailblazers in natural capital investment, with Northumberland being the lead authority. It is proposed that the programme explores three project themes:
- 6.12.13 Project 1: Developing a place-based Natural Capital Investment Brokerage
- 6.12.14 Project 2: Incentivising the transition to healthier grasslands
- 6.12.15 Project 3: Supporting demonstration Landscape-scale Case Studies
- 6.12.16 A partnership steering group has been established, including partners from across the geography. It will report into the Borderlands Natural Capital Programme Board once established, providing opportunities to share learning and best practice across border, and provides the opportunity shape how the £5m Deal funding for Natural Capital in England could be taken forward.

### 6.13 Cultural Programme – Supporting Economic Growth

- 6.13.1 The Council recognises the role of Culture and the positive benefits in relation to regeneration, economic growth, skills development, employability, health, and wellbeing. An update was included in the Healthy Lives portfolio update in March. The following projects have a particular impact on Economic Growth and Regeneration.
- 6.13.2 Northumberland County Council has secured **£1.8m** funding for a **Culture and Creative Zone (CCZ)** - Create Berwick - funded through the North of Tyne Combined Authority Investment Fund and the UK Shared Prosperity Fund which the North of Tyne Combined Authority administers on behalf of the UK Government. Create Berwick focuses on the town centre of Berwick upon Tweed and is investing in creative led regeneration of Berwick, helping creative, cultural and community led organisations to innovate and strengthen the local economy. Taking inspiration from Berwick’s rich coastal and borderlands heritage, traditions, and landscapes the CCZ will help create new contemporary cultural experiences and support thriving creative businesses. It provides business support and skills development, working with the National Art Fundraising School, analysis of spaces for production and growth, bringing together the sector to raise its profile and be attractive to visitors. Launched in October it announced the Creative Action Fund before Christmas 2023 to support artists with studio time, project delivery and R&D. The project continues until 2027 providing a positive amount of time to ensure culture and creativity is embedded in the town to benefit local people in projects such as a youth training, community radio, and opportunities to commission artists.



6.13.3 Create Berwick is bookended by two strategic capital projects. The new **Maltings** supported through the Borderlands Inclusive Growth Deal to transform the existing theatre and cinema into an expanded arts and entertainment centre of national significance. The **Living Barracks** partnership which includes English Heritage, the Maltings, Kings Own Scottish Borders and the Council is working together to provide a high quality and cohesive visitor experience showcasing a number of collections. In May 2023 Cabinet took a decision that the Berwick collections should be retained within the Barracks complex as part of the Living Barracks initiative. Plans for the Living Barracks also include a series of artist studios and temporary public art installations.

#### **6.13.4 Hadrian's Wall**

6.13.5 **HW 1900 Festival** - The Wall partners collaborated on Hadrian's Wall 1900, a year-long festival to explore what 1900 years of history means to the communities along the World Heritage Site (WHS). This award-winning festival included over 1,500 events and secured close to a million pounds in funding from multiple bodies. Led by a small project team the festival highlights the Wall in the minds of communities as a resource for them to use and celebrate as their own and not simply a tourist attraction for others. A key strand of interpretation on the Wall is a focus on the people who lived here. Showcasing this multicultural history, and engaging meaningfully with diverse communities, was a key strand of the Hadrian's Wall 1900 Festival.

6.13.6 **Hadrian Wall Capacity Funding** – A North of Tyne funded (£100k) project focused on unlocking the huge and under resourced potential of Hadrian's Wall for the visiting public. The Capacity Funding will support two part time posts: a Communications Officer to be hosted by Northumberland Tourism to work on behalf of the Partnership and a Programme Coordinator role to support the WHS in the development of engagement activities. Posts will be in place for the 2024 season.

6.13.7 **Illuminated Sheep by Deepa Mann-Kler** is inspired by the Gospels' themes of light, sheep and pilgrimage, and saw a flock of life-sized sheep lit up in bright colours at some of the region's most iconic locations including Bamburgh Castle, Vindolanda and Woodhorn Museum. The event was funded by North of Tyne Combined Authority and commissioned by Northumberland County Council as part of the Cultural Programme of Hexham High Street Heritage Action Zone. Illuminated Sheep was developed and managed by Queen's Hall Arts and the Hexham Culture Network. The event captured the imagination of local communities, the region and the nation and a successor project was also brought forward in 2023/24.

#### **6.14 Northumberland's Visitor Economy**

6.14.1 The Visitor Economy is a vibrant and important sector in our economy and has the potential, with careful management, to attract more visitors to stay longer, at all times of the year, and spend more in our County. As outlined in the Northumberland Corporate Plan and Economic Strategy, we are committed to create an environment for tourism and the visitor economy to develop and flourish sustainably for the benefit of local communities, businesses, visitors and the natural environment. An



update was provided to Council as part of the Healthy Lives portfolio update in February and some information is provided here in recognition of the contribution to Northumberland's economy.

- 6.14.2 Headline indicators are measured annually via a tourism economic impact modelling process which enables the measurement of the volume and value of tourism using local data, tourism performance and visitor survey data. In 2022:
- The Northumberland visitor economy recorded the highest ever gross value contribution to the Northumberland economy of **£1.169billion**.
  - Northumberland welcomed **9.97million visitors**, an increase of 28% over the previous year.
  - The recovery in spend is being driven by growth in overnight stays which are now just 0.2% off pre-covid levels, and growing at a faster rate than day visitors. Staying visitors account for 19% of visits and 67% of spend.
  - There has been a significant shift in the contribution of food and drink to the visitor economy, which is now the biggest contributor to direct economic impact (48.3%) and direct employment (39.9%).
  - 14,683 jobs are supported by the visitor economy, 12,004 directly employed in the sector.
- 6.14.3 Visit Northumberland is the official Local Visitor Economy Partnership (LVEP) for Northumberland and plays a key role in the long-term development of Northumberland as a visitor destination. It provides the leadership, influence and strategic drive essential to realise the vision of putting Northumberland firmly on the map as a premier visitor destination proactively leading the business community in the county. Activity is concentrated on three main areas - marketing delivery, business engagement and strategy development. In addition Visit Northumberland is also responsible for the development and updating of the Northumberland Destination Management Plan (DMP). Destination Management is a process of leading, influencing and coordinating the management of all the aspects of a destination that contribute to a visitor's experience. A Destination Management Plan is a shared statement of intent to manage a destination over a stated period, articulating the roles of the different stakeholders and identifying clear actions that they will take. The Northumberland Destination Management Plan is now into its first full year of delivery and structures are well established.
- 6.14.4 Visit Northumberland was one of the first partnerships to achieve LVEP accreditation from Visit England in February 2023, alongside 14 other destinations across the country, including Newcastle Gateshead Initiative and Visit County Durham from the north east region.
- 6.14.5 At the same time, the North East of England was selected to operate a new Destination Development Partnership (DDP) pilot, under the leadership of NewcastleGateshead Initiative, the only in the Country. Visit Northumberland became a primary LVEP partner in the North East Destination Development Partnership pilot alongside Visit County Durham. The role of the DDP is to develop and oversee the delivery of region wide activity and lead on advocacy, partnership working, funding bids, major events, data, and business support. The immediate impact of the DDP has been the strengthening of the regional dialogue about the importance of the

visitor economy, including a commitment in the North East devolution deal to develop a ten-year strategy for the Northeast allowing for projects to be delivered at scale beyond the lifespan of the initial pilot.

**6.14.6 Dark Skies.** Through a successful application to the North of Tyne Combined Authority tourism and events investment programme, the Visit Northumberland operation has been actively supporting Northumberland visitor economy businesses with product and experience development to augment the Dark Skies visitor offer and awareness of bookable experiences available in Northumberland. Examples of new product developed include daytime planetarium experiences, 'stay and gaze' event experiences and new evening tour experiences ( <https://newcastletourcompany.com/northumberland-dark-skies-tour/> ). A targeted consumer marketing campaign launched in Autumn 2023 and has led to over 10,600 visits to the <https://www.visitnorthumberland.com/endlessexperiences> campaign page.

**6.14.7 Step into Alnwick.** Funded through a UKSPF grant through North of Tyne Combined Authority, The Step into Alnwick programme's aim is to engage Alnwick's retail and visitor economy business community to attract visitors during the winter season, maximising the opportunity of visitors attending The Alnwick Garden's Winter Lights event and Lilidorie attraction through the development of bookable products. Delivered through an app-based platform to showcase offers and experiences for the town's retail and visitor economy businesses, the programme has also seen the development of a self-guided visitor trail of Alnwick town centre, engagement of over 100 businesses and a marketing and promotion campaign via Visit Northumberland channels. To date, 2,696 downloads of the app have been achieved from the <https://www.visitnorthumberland.com/stepintoalnwick> campaign page

## **7. OBJECTIVE 2 - SUPPORT INCLUSIVE EMPLOYMENT**

7.1. Our highly skilled workforce is a major strength of the County and hugely significant in supporting the growth of our economy, but we must ensure that the employment available is inclusive and accessible to all parts of our community.

7.2. Northumberland's workforce is an asset and includes highly skilled employees, however the county has significant concentrations of both deprivation and affluence. This includes multiple, persistent and long-term deprivation for many individuals, concentrated in some communities particularly along the former coalfield areas of south east Northumberland - with smaller pockets in our rural market towns.

7.3. Too many of our residents have barriers to work that have prevented them from benefiting from jobs growth and disconnect them from the industrial growth occurring in their communities. Developing an inclusive economy means we must go further to connect those furthest away from opportunity with new industrial development.

- 7.4. Our focus is therefore to increase access to opportunity for all, removing the barriers which make it difficult for people to take up employment and training opportunities. We want to empower our people with the skills and resources they need to take ownership of their futures and secure good jobs.
- 7.5. As we develop links between education and industry in the county we will focus on bringing about fundamental change to the whole lifelong learning system from early years, school age qualification attainment, progression to Further/Higher Education and work, through to employability, in-work learning and retraining.
- 7.6. The following section of the report provides an update on key projects and activity.

## **7.7. Employability & Inclusion**

- 7.7.1. The Northumberland County Council Employability and Inclusion team leads the Council's strategic approach to employability and inclusion. It works with other Council services, including Northumberland Skills and Advance Northumberland, and external partner organisations and funders to develop and deliver a range of employment and skills programmes. These may be for those who are moving into work, looking to retain a job or progress in work, changing jobs, looking to improve skills, or are returning to the labour market. Key initiatives include the following.
- 7.7.2. The **Northumberland Employment and Skills Partnership** was established to take a cross-sector approach to providing strategic direction and leadership for employment and skills priorities in Northumberland. The cross-sector partnership is made up of a core membership of representatives with strategic roles delivering employment and skills services in Northumberland across the public, private and voluntary sectors. All have an interest in delivering Inclusive Economy ambitions to benefit Northumberland businesses, residents and communities and have jointly agreed a set of Employment and Skills strategic priorities for 2024-25. The partnership reports to the North of Tyne Inclusive Economy strategic management group with a link to the North of Tyne Inclusive Economy Board to raise issues relating to employment and skills policy and practice.
- 7.7.3. The Northumberland Employment and Skills Partnership oversees a dedicated **Employment Partnership project**, funded by the North of Tyne Combined Authority. Working with Newcastle and North Tyneside Councils, it brings together organisations to support residents and local employers to upskill the workforce and for residents to move into good quality work. Coordinating this work is helping to maximise efforts and deliver benefits for our residents and employers, and the Employment Partnership Coordinator actively brings organisations together to promote partnership working. Working with businesses is critical to promote the benefits of employing local people into good work and helping to deliver a more inclusive economy. An Employer Engagement Coordinator employed by Advance Northumberland works directly with local employers to help them access the right learning and employment support to meet their recruitment and business growth needs.

- 7.7.4.** The **Northumberland Employability Network**, part funded by the North of Tyne Combined Authority and managed by the Employment Partnership Coordinator provides a forum for all providers of employability, skills and inclusion services to work together and share information and good practice, and to identify gaps in provision or new opportunities to be raised with the strategic Employment and Skills Partnership.
- 7.7.5.** The **Northumberland Inclusive Economy Community Partnership** project is funded by the UK Government through the UK Shared Prosperity Fund (UKSPF) with the North of Tyne Combined Authority (NTCA) as the lead authority. With **£1.5m** of grant funding to support community-led activities in the most deprived areas of SE Northumberland, the project is supporting
- impactful volunteering and social action projects to develop social and human capital in local places and
  - investment in capacity building and infrastructure support for local civil society and community groups.
- 7.7.6.** Northumberland County Council acted as Lead Accountable Body for the **North of Tyne Working Homes** on behalf of the North of Tyne Combined Authority. The project trialled a model of integrating employment support with tenancy support delivered by social housing providers as social housing tenants are more likely to be unemployed or economically inactive and need additional support to move into the labour market. A partnership of seven housing providers (private and local authority) delivered the project, totalling **£5.2m** over 2018-23. Over 2,000 tenants were supported and almost 60% achieved a positive job or training outcome. The NEMCA Deeper Devolution Deal recognises the project as innovative and makes provision for a potential NEMCA wide employment support pilot building on the North of Tyne Working Homes model.
- 7.7.7.** Northumberland County Council also acted as Lead Accountable Body for **Building Better Opportunities: Bridge Northumberland**. This was a National Lottery Community Fund / ESF project supporting residents who are unemployed or economically inactive to raise their skill levels, overcome barriers to work and move towards the labour market, delivered entirely through a partnership of six Northumberland VCS organisations. The project totalled **£7.5m** over 2016-23. Over 2,000 residents received intensive and holistic support and around 350 moved into work. A legacy of the project is that the VCS partnership has been maintained as is currently receiving UKSPF to deliver a similar model.

## **7.8. Develop a Skilled Workforce**

- 7.8.1.** Spring 2023 was marked by the opening of Northumberland Skills Welding & Fabrication Training Centre. Education SEND & Skills officers secured £1.3m funding to deliver this ambitious project which was designed to directly solve workforce challenges and resultant productivity barriers reported by manufacturing, engineering, construction and energy sectors alike including port-based industries and supply chains. The facility is also a key example of the transformation of the Council's approach to delivering education and training. The centre has trained 30+ young people, 30+ apprentices, 30+ jobseekers some of whom have been supported through interview and into related employment, and an increasing adult education

audience on sector related short courses. A variety of manufacturing/engineering organisations have also been supported with commercial bespoke training.

**7.8.2.** Progress is being made on the delivery and development of the innovative Energy Central Learning Hub, the first phase of the Energy Central Campus, led by a partnership between the Council, Port of Blyth and the Offshore and Renewable Energy Catapult. With the focus on being employer-led the facility, being delivered by the Energising Blyth Programme, will provide vital learning and skills provision for local businesses, especially in the energy and renewable sectors, responding to the business need. Alongside the first tenant, Bede Academy, agreement was reached in November 2023 for Northumberland Skills to secure training space within Energy Central Learning Hub from August 2024. Accessing the flagship training facility enables another significant step forward in Northumberland Skills delivering on the strategy set out to support workforce growth in sectors which are a priority for Northumberland. New staff members have been recruited for this subject specialism and curriculum will focus upon electrical and mechanical engineering and fluid power systems which are highly relevant to the clean energy and advanced manufacturing sectors. It is intended to commence September 2024 with a cohort of 32 young people on full time programmes.

**7.8.3.** Education SEND & Skills officers commenced Northumberland SEND Employment Forum during summer 2023. The forum has met three times during 2023/24 with excellent attendance at each event from private sector organisations, VCS, SEND education providers and wider diverse stakeholder group. The primary objective is to increase the number of Supported Internships and progression to employment available for young people with EHC Plans in the county. Supported Internships are full time, one year study programme for young people with SEND that has a significant work placement element, a number of our employers and the business network Connect Northumberland are working with us to enable growth in this area. Northumberland County Council has also committed via Executive Directors to contribute to work placement opportunities. The work in this area is now beginning to yield demonstrable results in Supported Internship growth.

## **8. OBJECTIVE 3 - DELIVERING PRODUCTIVE PLACES**

**8.1.** Our town centres are fundamentally important, they act as economic, social and community hubs and are central to the health and wellbeing of our communities. As places with ongoing demand from consumers, the council has consistently encouraged and directly delivered development facilitating strong private sector investment into Northumberland.

**8.2.** Ensuring there are ample social experiences to drive dwell time and the generation and retention of spend on the High Street is vital. This means working together to promote vitality and intervening where it makes sense to do so to support the provision of the right mix of uses including leisure, services, and retail in an increasingly complex and competitive place environment.



**8.3.** Our task is to continue working together with our partners to ensure each place uses its strengths to be successful in a rapidly changing environment. The following section includes updates on our key projects in 23/24.

#### **8.4. Energising Blyth**

**8.4.1.** The Energising Blyth Programme is a **£90m** regeneration programme to grow, renew and connect the town delivered by Northumberland County Council (NCC) and supported by funding including UK Government, NCC, and North of Tyne Combined Authority. In 2023-24 the Programme includes a number of transformative projects delivering major change in the town including:

**8.4.2.** Two projects have already been completed as follows:

- **Bowes St, Church St and Wanley Street improvements** have now been completed beginning the process of revitalising the town centre with visible public realm and connectivity improvements;
- Intervention on **Northumberland Energy Park** has now been completed to improve infrastructure installing a new capping beam on the deep dock supporting the area to be investment ready in addition to infrastructure works on the site to date.

**8.4.3.** Major flagship schemes are in delivery and due to complete in 2024-25 including:

- As noted above, the construction of the new **Energy Central Campus Learning Hub Phase 1** is underway and set to open in Autumn 2024 creating a major new facility for training and skills connecting local people to jobs in future industry. The first two education partners have been announced: Bede Academy will bring new industry focused 'T Levels' to the town for the first time; and Northumberland Skills will focus upon electrical and mechanical engineering and fluid power systems which are highly relevant to the clean energy and advanced manufacturing sectors .
- The **Technology Development Centre (TDC)** – a major new project from the Offshore Renewable Catapult bolstering the innovation capacity in the town.
- Works on the first flagship project in the town centre began in September 2023 with the development of a new **Culture Hub featuring a new 3 screen cinema led attraction and improvements to Market Place** to stimulate renewed confidence in the area are set to open in Spring 2025. This is complimented by a **Culture and Placemaking Programme** delivering events, branding and enhanced public art and public realm in the town.
- Further improvements to public realm and connectivity are underway on **Bridge St** completing in Autumn 2024 connecting the town centre to the quayside.

#### **8.5. Ashington Regeneration Programme**

**8.5.1** In Summer 2023 NCC approved the establishment of the **£30m** Ashington Regeneration Programme which to boost the town's economy and contribute to the delivery of the Ashington Town Investment Plan. This investment programme is a key component of the Northumberland Line Economic Corridor linked to the reopening of the line in 2024.



8.5.2 The creation of the Ashington Regeneration Programme adds to the significant investments already planned in the town. This includes the reopening of passenger rail services to the Northumberland Line and the development of a state-of-the-art 'Gen Zero' Northumberland College campus at Wansbeck Business Park, being funded by the Department for Education.

8.5.3 The Ashington Regeneration programme brings together significant funding from the council, the North of Tyne Combined Authority and the UK Shared Prosperity Fund with the recently announced award from the Government of **£16.4m for transformational investments at the Wansbeck Square and Portland Park sites.**

8.5.4 These capital projects are a key part of the long-term vision for the town centre, improving pedestrian movements from the new Ashington Station through the high street and includes creating an attractive link from Woodhorn Road to Portland Park, at '**Grand Corner**'. The investments are designed to create new facilities at either end of the high street that will attract the community and visitors, increasing vibrancy, footfall and spending.

**6.5.1** Alongside the flagship capital projects, the **North of Tyne Combined Authority (NTCA) Towns and High Streets Investment Programme is funding Animating Ashington**, a full programme of distinctive cultural events and activities in and around the town centre. This will be designed and delivered by a Creative Team who will be appointed early next year with events and activities organised from April 2024 to March 2025. **NTCA are also funding digital business support for Ashington traders** and potential entrepreneurs, which is being delivered by Advance Northumberland.

## **6.6 Hexham Regeneration Initiatives**

Improvements to Hexham include the Hexham High Streets Heritage Action Zone (HSHAZ), Masterplanning of the Hexham Middle School Site and approval for planned improvements to the Hexham Shambles in the town centre.

**6.6.1 Hexham HSHAZ** The **£3.4m** Hexham HSHAZ programme funded by NCC and Historic England will end in March 2024, with the evaluation currently underway. Key achievements to support heritage led regeneration of the town centre with a focus on Priestpople, Battle Hill and Cattle Market include:

- 9 buildings improved through the Building Grants Scheme, including two that were long term vacant, bringing commercial floorspace back into use and creating new employment opportunities
- Heritage training and skills opportunities throughout, many oversubscribed including fantastic engagement with local schools and community organisations
- Support for town heritage tour guides and launch of a heritage trail app
- Development of a Conservation Area Management Plan to guide change in the town centre
- Significant investment in around 500m<sup>2</sup> of public realm improvements to be completed in Spring funded by NCC

- Combined works to streetscape and buildings will aim to see removal of the 'at risk' status of the Conservation Area

**6.6.2 Former Hexham Middle School** - The Council has prepared ambitious plans to bring the former Hexham Middle School site back into use through the development of a Master Plan for the land:

- NCC owns the 16 1/2 acre site on Wanless Lane and has outlined the timelines it is currently working to and how it will involve the local community in the decision-making process.
- A master planning exercise is currently being developed by IDP Architects to look at options for utilising this key vacant site, including assessing the site, its challenges, looking at building layout and density, and developing costings and valuations.
- Initial proposals incorporate exploring options for housing, including affordable housing, an extra care scheme and independent supported living bungalows, along with seeking to retain green space. A priority for the council is to continue to provide community garden facilities on the site.
- These proposals represent a starting point and no firm decisions have been made at this stage, with the masterplan now subject to consultation. Feedback from the consultation will help to shape the final plans.

**6.6.3 Hexham Shambles** – In 2023 NCC approved plans to safeguard, refurbish and enhance the prominent Hexham Shambles a grade II\* listed building in the heart of Hexham which currently stands in a poor state of repair and has been repeatedly damaged by vehicles in recent years. The **£300,000** repair and refurbishment scheme of the Shambles will enhance the Market Place in the centre of the Hexham Conservation Area where the building is located. The works are currently being planned to take place at an optimum time to mitigate any impact on the town centre during the works.

**6.7 Borderlands Inclusive Growth Deal**

**6.7.1** The Borderlands Partnership and Inclusive Growth Deal, working across Northumberland, the newly created Cumberland and Westmorland and Furness Council areas, Dumfries and Galloway and the Scottish Borders Councils, exists to unlock the potential for sustainable and inclusive economic growth across the South of Scotland and North of England. It is a platform for growth, allowing people and places to prosper with an increasingly skilled workforce and well connected infrastructure. Representing economic opportunities and inclusive growth, the Borderlands Inclusive Growth Deal involves an extensive programme of investment to deliver significant economic benefit for our communities and businesses.

**6.7.2** Over the programme's lifetime, and a further 10 years to capture the benefits, it is estimated that the Deal will benefit over a million residents, deliver thousands of job opportunities, improve mobile and digital connectivity as well as unlocking investment in towns across the area, generating around £1.1 billion in additional GVA to the UK economy.

**6.7.3** Northumberland County Council has the role of accountable body for the UK Government funding which relates to Growth Deal projects physically located in England. The accountable bodies will enter into the financial legal agreements with the UK and Scottish Government in respect of the Growth Deal.

**6.7.4** Borderlands have a number of projects already in delivery, those in Northumberland include:

- **Ad Gefrin** Visitor Experience and Distillery in Wooler, Ad Gefrin is an Anglo-Saxon Museum and Whisky Distillery, which aims to bring 35,000 visitors annually to Wooler. It is supporting 60 fulltime jobs, the majority of which have been filled by residents of north Northumberland
- **Lilidorei** at The Alnwick Garden A magical children's play park, the largest of its kind in the world, has opened at the Alnwick Garden. Lilidorei was conceived by the Duchess of Northumberland and has received funding from the Borderlands Inclusive Growth Deal. The £15million project has created 50 new jobs and will be an all year round destination for the region
- The **Borderlands Energy Programme** sits within the Encouraging Green Growth theme of the Deal and aims to capitalise on the green credentials of the Borderlands region and to facilitate decarbonisation and the creation of new high value jobs supporting low carbon energy generation and carbon reduction schemes. To inform the Borderlands Energy Programme an overarching Borderlands Strategic Low Carbon Energy Masterplan (the Masterplan) has been developed. From this an Investment Strategy has been developed which sets out the next steps for the programme. The first is to create a Borderlands Energy Prospectus which will set out the ambition and opportunities for investment in energy related projects across the Borderlands regions. The second and main activity is to deliver the Borderlands Energy Investment Programme. This will draw upon funding within the deal to invest in local pilot projects which can be replicated across the Borderlands area. Areas for investment have been prioritised and will be the basis for a call for projects to be launched in April 2024.
- **Place Programme** - The Programme is a central part of the Deal and will support towns' growth through Place and Town Investment Plans. Developed at local level, each Place Plan will set out the community's vision for the future of their area and enable them to apply for investment through a range of matched funding beyond the Deal's investment. The Place Programme includes seven towns in Northumberland in scope for support from this programme of investment to improve and grow places across the county. Bedlington, Alnwick and Newbiggin have all developed Place Plans, the first step in securing Borderlands support and will be developing priority projects in preparation to apply in 2024 for support moving towards delivery. Prudhoe, Rothbury, Haltwhistle and Bellingham are developing Place Plans and pipelines of new projects from Spring 2024 onwards. Prudhoe and Rothbury Place Plans are set to be developed by Autumn/Winter 2024 and Haltwhistle and Bellingham by Winter 2024/Spring 2025 with a view to all Place Plans being approved in financial year 2024-25

supported by a developing pipeline of projects to benefit from this funding.

<b>Borderlands Place Plan Towns</b>	<b>Tranche</b>	<b>Activity and milestones in 2024/25</b>
Bedlington	Tranche 1	Via the Place Partnership Group build on Place Plans, identifying priority projects to move toward delivery.
Alnwick	Tranche 1	Via the Place Partnership Group build on Place Plans, identifying priority projects to move toward delivery.
Newbiggin	Tranche 1	Via the Place Partnership Group build on Place Plans, identifying priority projects to move toward delivery.
Prudhoe	Tranche 2	Spring 2024 – meetings of Place Partnership Groups Autumn / Winter 2024 - Place Plan to be developed
Rothbury	Tranche 2	Spring 2024 – meetings of Place Partnership Groups Autumn / Winter 2024 - Place Plan to be developed
Haltwhistle	Tranche 2	Spring 2024 – meetings of Place Partnership Groups Winter 2024 / Spring 2025 - Place Plan to be developed
Bellingham	Tranche 2	Spring 2024 – meetings of Place Partnership Groups Winter 2024 / Spring 2025 - Place Plan to be developed

- **The Maltings** is a **£21m** redevelopment of The Maltings Theatre in Berwick to create a flagship cultural centre, able to provide a full-time year-round cinema programme alongside an expanded range of daytime and evening performances, event broadcasts, community activities, workshops, and events for children and young people. Design work is currently underway to deliver the project within budget and deliver the required impacts for the town and local economy.
- **Hadrian's Wall** - investment to broaden the appeal of Hadrian's Wall to open up new markets which will increase visitor numbers and spread activity along the Wall, with better connectivity to the towns and villages along the Wall. The activity in Northumberland has been split into two business cases. The first is to provide new and improved visitor attractions along Hadrian's Wall. The second is to provide improved active travel routes from the towns/railway stations to the Wall and assist people to move and orientate themselves better along the whole Hadrian's Wall corridor, by provision of signage, information and digital content to be delivered utilising traditional communication and innovative use of technology.
- **Digital Borderlands** - investment in transformational digital infrastructure to tackle barriers to long term inclusive growth. Advances in technology and changes to the national funding landscape led to a pause and reset for the programme. A new Digital Investment Strategy is being developed to update the programme, before submission to Government in 2024 for approval.

## 6.8 Cramlington Regeneration Programme

6.8.1 NCC working with Cramlington Town Council and other partners in the town through the Cramlington Town Forum launched the Cramlington Conversation in 2023. The Conversation was designed to identify what the community think is great about the town and how it could be improved further. A new action plan is in development to tackle the issues identified. NCC has backed this with a new allocation of **£3.5m** to support interventions which tackle issues that are holding the town back from further success. A new Regeneration Programme will be launched in 2024 to address a range of issues to support the town to grow and be better connected in future.

## 6.9 Prudhoe Regeneration initiatives

6.9.1 The former East Centre site in the town is proposed to be a new youth and community facility and the Prudhoe Community Partnership are developing the project with feasibility funding awarded to develop this priority project from NCC and Prudhoe Town Council. The town has also benefitted by being prioritised by NCC to receive support from the national High Streets Task Force who have developed a plan with local partners on action to improve the High Street in the town via a range of measures. This comes on the back of wider investment in the town by NCC including the **£1.5m** investment in leisure facilities at Waterworld.

## 6.10 Bedlington Town Centre

6.10.1 Advance Northumberland is leading in the delivery of the scheme that aims to comprehensively redevelop a high profile, brownfield site located in the heart of Bedlington Town Centre. The scheme includes the new supermarket Aldi. Progress was halted in early 2023 when the contractor Tolent Construction entered administration. Advance Northumberland then took over as principal contractor to successfully complete Phase 1 which saw Greggs relocate to a larger store in September 2023. The second phase, which includes three more retail units, and six apartments started in November 2023. Demolition of the former Greggs unit was completed in December 2023 and the foundations are currently being laid – the development is due to complete early 2025.

## 6.11 Community Chest

6.8.1 The Community Chest is **100% allocated this year** supporting a wide range of small scale community initiatives in each of the five Local Area Council (LAC) areas.

- **150 grants** of up to £5,000 have been awarded which is an historically high number of awards.
- The total allocation this year was £343,149.72.
- The fund is guided by Local County Councillors to provide support making a real difference across communities in the county.
- The aim of the Community Chest Scheme is to support community groups and organisations to deliver activities which contribute to achieving the Council's

ambition for Northumberland. It includes Help For You which aims to help young people under 18 to achieve an ambition.

## 6.12 Strategic Estates

6.12.1 The Strategic Estates Team have continued to manage the NCC property estate to support key Council priorities. This includes:

- Acquiring sites for key regeneration projects in Ashington and Blyth,
- Acquiring a site for the new school development in Seaton Valley.
- Working with Housing, Children's services and Adult Services to bring forward sites for development and additional service provision,
- Supporting the Leisure, Culture and Depot Review processes to improve service delivery
- Acquiring land and sites to delivery major infrastructure projects, including Northumberland Line and Blyth Relief Road
- Selling surplus assets (achieving capital receipts of around £1.5m this year)

## 6.13 Great Northumberland Forest

6.13.1 The Great Northumberland Forest is a plan backed by the County Council in partnership with the Northumberland Woodland Creation Partnership and funded by DEFRA to establish millions of trees, creating more wooded landscapes across the county by 2030. This will help tackle some of the big challenges facing society, such as climate change, biodiversity decline, while promoting health and wellbeing, and supporting a thriving local economy. Over the last year the project has:

- Secured **£1.5million** capital from DEFRA for Storm Arwen Restoration to be delivered of 23/24 and 24/25 - estimated 30ha of delivery this FY with a strong pipeline for 24/25 (currently 100ha committed and will grow over 24/25)
- Secured **£2.2million** capital from DEFRA to deliver a 148ha tenant-led woodland creation scheme, to be planted in 24/25 and managed/established over the next 10 years - (operations have started)
- Supported 15 landowners to access national grants for woodland creation (covering 50ha)
- Planted 13.3ha to date and due to deliver an additional 20ha by the end of March with an approx. spend of **£500,000** across 69 projects. Strong pipeline forming for 24/25.
- Secured additional revenue and capital funding to fund the GNF team and programme for an additional year (25/26) - currently being finalised and agreed with NCC.

## 6.14 A Connected County

### 8.14.1 Public Transport

NCC has drawn on funding released through the region's Bus Service Improvement Plan (BSIP) which outlines region-wide ambitions to make buses more attractive by making them an affordable and practical alternative to using private cars for more people and helping existing bus users to travel more frequently.



Numerous measures have been implemented through the BSIP of specific benefits to the residents of Northumberland including:

- if you're 21 or under, you can buy a single bus ticket for just £1. Or, you can buy a £3 unlimited day ticket to get round County Durham, Northumberland and Tyne & Wear.
- For those aged 22 and over, day tickets for unlimited bus travel in Northumberland are just £5.
- The introduction of new bus services including:
  - the 777 which links Morpeth to Newcastle International Airport and Kingston Park
  - the 434 service acting as the Northumberland Line connection which provides an hourly link on Mondays to Saturdays between Bedlington Station, North Blyth, Cambois, Stakeford, Ashington, Linton and Widdrington Station

### **8.14.2 Cycling & Walking Strategy**

The council has developed an ambitious suite of Local Cycling and Walking Improvement Plans (LCWIPs) for the 12 main towns across the county. Active Travel corridors set out within these plans are now moving towards delivery with the council having been successful in a number of funding asks including:

- Levelling Up Fund to deliver corridors between Hexham and Corbridge, and Bedlington
- Active Travel Fund to deliver corridors in Ashington and Blyth
- Transforming Cities Fund to deliver the Ponteland to Callerton cycle corridor
- Energising Blyth funds have been set aside to deliver the Bebside to Blyth cycle corridor which aligns closely with the new train station at Bebside on the Northumberland Line

Further active travel schemes are under development in order to take advantage of the funding opportunities presented by the City Region Sustainable Transport Settlement (CRSTS) linked to the emerging North East Mayoral Combined Authority.

### **8.14.3 Northumberland Line**

Progressing throughout the year has been the delivery of the Northumberland Line, a transformational project which will bring passenger trains back into service between Ashington and Newcastle. It is a priority of both Northumberland County Council and is supported by a number of key project partners, including the Department for Transport (DfT), Network Rail, Transport for the North (TfN), Nexus and Northern Trains Limited, North Tyneside Council, North of Tyne Combined Authority and Newcastle City Council.

The Northumberland Line aims to stimulate and support economic growth, regeneration and community development in Northumberland and the surrounding region by providing new and improved transport links for local people and businesses.

By doing so, the scheme will:

- improve access from towns such as Ashington and Blyth to employment hubs like Newcastle, as well as opening up new opportunities for education and travel;
- provide a real incentive for potential employers to relocate to and invest in the area;
- provide vital infrastructure to help deliver the region's aspirations for population and economic growth;
- help to attract visitors and improve local tourism;

- enhance public transport connectivity within and beyond the region;
- help to reduce congestion and improve air quality on key corridors by moving people away from car travel and onto public transport; and
- support the delivery of significant growth in sectors such as renewable energy, offshore oil and gas and engineering.

Construction is continuing at pace, with Ashington Station almost complete, a new level crossing installed at Bedlington, updating the signals along the line and a 160 tonne crawler crane installed at Northumberland Park ahead of the next stage of station construction works. To allow for services to start at the earliest possible opportunity, a phased approach for opening is taking place – with Ashington, Newsham and Seaton Delaval open from summer 2024.

Work will continue at the three remaining stations (Blyth Bebside, Bedlington and Northumberland Park) to get these stations opened as quickly as possible.

The opportunities created by this transformational project and the economic corridor that results from the investment are being maximised by wider activities and investments highlighted in this report, supporting the communities and businesses up and down the line.

Further updates will be included in the Leader’s Portfolio Report.

### **8.14.3. Blyth Relief Road**

The council continues to develop the Blyth Relief Road project which will provide additional radial highway capacity for Blyth to relieve congestion and facilitate economic growth within the town. Work continues in preparation for the planning application to be submitted in April 2024. This will incorporate feedback from the well attended stakeholder engagement sessions which were held in Autumn 2023.

Discussion continues with the Department for Transport with a view to final sign-off of the Outline Business Case. As part of the Network North announcement in Autumn 2023 the government contribution to the project will rise from 85% to 100% subject to business case approval. Further detail is awaited although this will offset the current local contribution of ~£7m.

The spring of 2026 remains the target date for scheme opening.

**8.14.4. Digital Connectivity** - A Northumberland Council top-up voucher scheme was approved by Cabinet and **£1.15m** set aside to provide up to £2,500 per premises, to “top-up” the government’s Gigabit Voucher of £4,500. This will help us attract suppliers to connect more challenging rural communities.

**Mobile and future connectivity** - NCC commissioned an innovative solution, so we can better understand mobile coverage in the county. Working with Streetwave, we have installed devices to local services vehicles, that scan for connectivity strength. This data will enable us to see where the ‘not-spots’ are, and work with mobile operators to address them. In addition, NCC has worked with the Combined Authority on a Government-funded programme (Digital Connectivity Infrastructure Accelerator). This will simplify the process for connectivity providers to find and use public assets, such as lampposts and Council buildings. This will help accelerate the rollout of improved and innovative connectivity

across the region.

**5GIR** - NCC were partners in two bids for the 5G Innovation Regions funding, and both bids were successful. The first bid backed by the 7 NE Local Authorities includes 5G to support Agritech in Northumberland working with Newcastle University and exploring 5G and Future connectivity in the Port of Blyth. The Borderlands backed bid, includes a proposal to install future connectivity solutions in Kielder and The Sill.

**WAN (Wide Area Network)** – some 138 Council sites are now migrated to NCC's new provider, Commsworld. The sites are operating on upgraded infrastructure, providing faster more reliable connectivity. The procurement won an MJ award to recognise the innovative social value elements and featured in the Guardian newspaper earlier in the year. The contract provides **£114m of private investment** in the county, with 260km of new fibre being installed, helping to better connect our county for residents and businesses.

The developments reported within a Connected County, have been reported in other Annual Portfolio Updates, but have been included here, due to the clear contribution to the Economic Strategy of the County.

## **9. DELIVERY PRIORITIES FOR 2024/25**

### **9.1. Grow the Business Base**

- Refresh the Northumberland Economic Strategy and make preparations for the full revision of an Economic Strategy to be in place from 2025
- Implementation and mobilisation of the Blyth Energy Central Investment Zone
- Delivery of a proactive Inward Investment service linked to Northumberland's key growth sectors
- Working with existing large companies and growing strategic businesses across Northumberland through the Strategic Account Management programme
- Supporting the balanced growth of our Visitor Economy
- Delivery of the Northumberland Small Business Service and the Accelerate Ashington programme
- Delivery of the Rural Asset Multiplier Pilot Programme
- Delivery of Berwick Culture and Creative Zone and key cultural investment programmes which support to growth of the sector

### **9.2. Support Inclusive Employment**

- Northumberland Skills development of curriculum at Energy Central Learning Hub increasing specialisms in Electrical Engineering, Mechanical Engineering, High Voltage Power, and Global Wind Organisation Basic Technical Training enabling Northumberland Residents to gain entry to high value careers in local growth sectors, and
- Development of related Apprenticeship programmes as a progression route from ECLH curriculum into employment and training in related sectors.
- Continuation of Northumberland Skills education and training developments related to the construction sector and emerging technologies important to growth in the construction sector.

- Increase the capacity of Northumberland Skills to support young people with Special Educational Needs (SEND) into vocational education & training, work focussed programmes of study, and sustainable employment outcomes.
- Education, SEND & Skills officers will continue work to increase capacity in Supported Internship programmes year-on-year across Northumberland Skills and all other Northumberland SI education providers.
- Design employment support programmes for those under-represented in the labour market and work with providers to ensure provision is coordinated and meets identified need
- Develop community-led and place-based approaches to engaging with people who are unemployed or economically inactive to move them closer to the labour market
- Take integrated Work and Health approaches (with the ICB, NHS Trust and other health services) to support more residents with disabilities and long-term health conditions to find and retain work, and to progress in the labour market
- Work with employers to promote the concept of Good Work and support their recruitment, skills, and retention needs to offer inclusive employment and progression opportunities.

### 9.3. Deliver productive places

- Delivery of the significant regeneration programme including:
- The next stage of Energising Blyth includes a range of major projects including the newly awarded **£20.7m Levelling Up Deep Dive secured in 2023 which includes major housing renewal and town centre living projects, welcoming and safe and skills initiatives**. The Keel Row Shopping Centre was acquired by the Council in 2023 and has now closed making way for the next stage of major redevelopment in the town centre including the new Energy Central Institute.
- In September 2023 Government announced a new wave of support with a further **£20m through the Long Term Plan for Towns** – this new programme will be developed in 2024 and will see the Energising Blyth Programme increase in value to £110m.
- Progress Cramlington Town Regeneration Programme, delivery of the Bedlington town centre and progress the development of the seven town Place Plans and Town Investment Plans within the Borderland's Place Programme.
- Key activities in the future to deliver the **Ashington Regeneration Programme** include:
- The Council anticipate that the demolition of the existing buildings at Wansbeck Square and potential construction of a new community facility could start in Winter 2024 with completion currently forecast as March 2026.
- Creation of the proposed Grand Corner Gateway in the north east of the town centre, on Woodhorn Road adjacent to Lintonville Terrace, will see demolition of an existing end building later this year and the public realm works starting in January 2025 through to summer 2025.
- Advance Northumberland currently forecast that construction work on the proposed new cinema facility could commence on the Portland Park site in late Autumn 2024, with a projected opening in early summer 2026.
- These dates are indicative only, with developments subject to planning consent.

<b>Policy</b>	This report supports delivery of all three priorities of the Corporate Plan.
<b>Finance and value for money</b>	Value for money is a priority for the Council. This Report contains no direct financial implications, but summarises the activity underway and significant levels of external funding secured. The ongoing delivery of the individual actions within the Portfolio may have financial implications which would form separate reports as these arise.
<b>Legal</b>	Whilst this report contains no immediate legal implications, the delivery of the individual actions within the Portfolio may have legal implications, which would form separate reports as these arise.
<b>Procurement</b>	Whilst this report contains no immediate procurement implications, the delivery of the individual actions within the Portfolio may have procurement implications, which would form separate reports as these arise
<b>Human Resources</b>	N/A
<b>Property</b>	Whilst this report contains no immediate property implications, the delivery of the individual actions within the Portfolio may have property implications, which would form separate reports as these arise
<b>Equalities (Impact Assessment attached)</b> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	N/A
<b>Risk Assessment</b>	Risks across this portfolio are managed at Corporate, Directorate and service level, as well as at project level.
<b>Crime &amp; Disorder</b>	N/A
<b>Customer Consideration</b>	Consultation is taken forward during the development and delivery of many of the activities included in this report to ensure projects are informed by residents and businesses and key developments are communicated to communities as they progress.
<b>Carbon reduction</b>	Each of our three Priorities have an important a part to play in responding to the Climate Change Emergency.
<b>Health and Wellbeing</b>	An attractive, clean and safe environment and access to high quality green spaces are key determinants of a health and wellbeing for our residents.
<b>Wards</b>	All

Background papers:



N/a

Linked documents

- Corporate Plan 2023-26
- Corporate Plan Achievements Report March 2023

Report sign off.

*Authors must ensure that officers and members have agreed the content of the report:*

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Chief Executive	Dr Helen Paterson
Monitoring Officer/Legal	Stephen Gerrard
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