

CABINET

TUESDAY, 11 JULY 2023

ENERGISING BLYTH PROGRAMME: LEVELLING UP DEEP DIVE

Report of: Councillor Wojciech Ploszaj, Portfolio Holder for Business

Lead Officer: Simon Neilson, Executive Director of Place and Regeneration

Purpose of report

To update Cabinet regarding the establishment, development and delivery of the £20.71m Levelling Up Deep Dive (LUDD) funding awarded to Blyth earlier this year. The report explains how this funding will be added to the Energising Blyth programme in the town to have a catalytic impact on the town's economy and drive forward the implementation of the Blyth Town Investment Plan.

This report seeks approval to accept this funding award from UK Government and to take a number of key early steps to enable the implementation of key projects.

Recommendations

Cabinet is recommended to:

- 1. Accept the award of £20.71m Levelling Up Deep Dive capital and revenue funding from the Department for Levelling Up, Housing and Communities (DLUHC) and it's use as follows;
 - a. Add £19,630,000 to the Capital Programme as an identified budget allocation for the capital projects identified in this report.
 - b. Add £1,080,000 as an identified revenue budget for the revenue funded projects and programme management arrangements outlined in this report.
- 2. Note that the funding will be used to deliver new initiatives to support the delivery of the Blyth Town Investment Plan as part of the Energising Blyth Programme including 'Welcoming and Safe Blyth', 'Housing Renewal and Town Centre Living' and 'Energy Central Campus: Technical Training Kit'.

- 3. Approve the associated financial profiles as set out in the report fully funded by the Levelling Up Deep Dive and agree to:
 - a. Establish a new Blyth Empty Homes Team in 2023 for two years from appointment
 - b. Authorise the S151 officer in consultation with the Executive Director of Place and Regeneration to enter into internal grant funding agreement for the empty homes team revenue costs subject to confirmation of funding being in place and local assurance being followed
 - c. Authorise the S151 officer in consultation with the Executive Director of Place and Regeneration to approve initial design fees up to the value of £1,993,469 across the programme
 - d. The associated programme management and assurance arrangements to support the programme's delivery as set out in the report. This includes the appointment of a Senior Programme Officer in 2023 to support the programme funded for two years from appointment drawn from the revenue budget above

Links to Corporate Plan

The Energising Blyth Regeneration Programme is a placemaking 'whole town' suite of emerging investments which will contribute to the economic growth of the town whilst seeking to address inequality and promote inclusion. The development of delivery plans and business cases to comply with the external funding requirements will ensure value for money.

Key Issues

This report focuses on the additional £20.71m funding awarded in February 2023 to Blyth through the Levelling Up Deep Dive process.

The new funding is for a range of activities in addition to the existing Energising Blyth Programme and provide further impetus to transform the town including housing renewal, town centre living and measures to tackle anti-social behaviour and retail crime alongside additional investment in technical training kit at the new Energy Central Campus.

The £20.71m Levelling Up Deep Dive award includes the following project activities:

Welcoming and Safe Blyth - £200k (£180k capital and £20k revenue) is allocated for the 'Safe and Welcoming Blyth' crime reduction initiative

Housing Renewal and Town Centre Living

- £18m capital funding to support housing regeneration in the town centre including housing renewal and town centre living projects.

£1.06m revenue funding to support housing regeneration activity and to create a
multi-faceted Empty Homes Team for Blyth to address its 257 long-term empty
properties, which currently leads to complaints, ASB and waste. This includes
revenue funding allocated for programme management including the Senior
Programme Officer support post referenced in the recommendations.

Energy Central Campus – Technical Training Kit - £1.45m capital is allocated for advanced technical training kit adding to the existing Energy Central Campus Phase 1 Learning Hub project.

The Housing Renewal and Town Centre Living package of projects include:

- **Bowes Court** an energy efficiency scheme is planned to improve these NCC properties with delivery planned to start in 2023/24.
- Extra Care Facility a new extra care scheme is planned. Delivery of this project is longer term expected to be delivered in 2024-26 and initial design work is planned as the next step.
- Richard Stannard House Advance Northumberland (Commercial) Limited own
 Richard Stannard House which is the third project awarded funding for development as
 the 'Town Centre Living' activity. This will involve redeveloping commercial property as
 high quality residential apartments for rent. This project is also expected to be
 delivered in longer term from 2024-2026 and consultation with affected tenants will
 progress as part of the project's development.

The projects represent critical components of this package to ensure the delivery of external funding awarded. As such early engagement with tenants will be beneficial to progressing schemes to delivery.

As individual business cases are developed for the above capital housing projects, they will be assured by the Council and brought to Cabinet for final approval (Advance Northumberland's Board will also need to approve the Richard Stannard House project).

Authorisation is included in the recommendations to enable the empty homes team and programme management capacity to be appointed. Authorisation is included in the recommendations for spend on project design fees up to a total of £1,993,469 to enable significant project development work to proceed. This will demonstrate to the Government the Council's commitment to delivery which was made in the submission for the funding and assist in completing detailed project reports for approval.

As accountable body, the Council is responsible for ensuring the successful delivery of the Programme and that public funding is invested effectively and appropriately, in accordance with the grant funding agreements issued by the Government. Ultimate decision-making responsibility lies with the accountable body, as set out in relevant guidance.

The assurance arrangements agreed with Government for this funding are in the context of wider funding simplification activity by UK Government. This means this part of the Energising Blyth Programme can be assured by the accountable body with regular

monitoring and reporting to Government. The funding is provided as a Section 31 unringfenced grant.

The external Town Deal Board plays an advisory role only in relation to this element of the Energising Blyth Programme and will be provided with opportunities to input into programme and project development and receive regular updates in line with internal reporting. The assurance arrangements are summarised in the report.

Developing and implementing an additional package of projects simultaneously with the existing Energising Blyth Programme and wider towns regeneration programme across the county involves fully establishing additional programme management and delivery arrangements to manage this funding effectively under the different assurance arrangements set out in this report.

Staffing and resource arrangements are set out in the report and includes a new Senior Programme Officer role funded by LUDD with a dual role in programme and project management with a focus on supporting housing projects to come forward. This will be kept under regular review given the scale and nature of the programme.

The LUDD funded activities fully support the Energising Blyth Town Investment Plan, developed by the County Council in partnership with public, community and private sector stakeholders through the Energising Blyth Town Board, sets out the strategic direction for the town's economic growth and the ambition and investment themes required to enable this to be realised. It focuses on growing, renewing and connecting the town delivering inclusive growth underpinned by clean growth objectives.

The current Energising Blyth Regeneration Programme provides a co-ordinated mechanism to support the development and delivery of the investments required by effectively integrating Council capital allocations with significant external grant funding to create a £70m portfolio to grow, renew and connect the town.

With the additional LUDD funding award added, the existing £70m Energising Blyth Programme can be expanded and communicated as a £90m (rounded) Investment Programme to grow, renew and connect the town. A summary of how the expanded Programme will be communicated is included in the report and appendices.

BACKGROUND

Introduction

- 1. This report focuses on the additional £20.71m funding awarded in February 2023 to Blyth through the Levelling Up Deep Dive process.
- 2. The new funding is for a range of activities which will be integrated and add to the existing Energising Blyth Programme and provide further impetus to transform the town including housing renewal, town centre living and measures to tackle antisocial behaviour and retail crime alongside additional investment in technical training kit at the new Energy Central Campus.
- 3. This report focuses on the above funding award and how this funded programme will be developed and delivered. This report then also explains how the existing Energising Blyth Programme will be expanded to communicate the new Levelling Up Deep Dive funding as part of the overall investment in the town to support delivery of the Town Investment Plan.

Levelling Up Deep Dive Process

- 4. In Autumn 2022 the Department for Levelling Up, Housing and Communities (DLUHC) announced that Blyth would benefit from a 'Levelling Up Deep Dive'. This process has been undertaken previously in Grimsby and Blackpool.
- 5. This involved the DLUHC Levelling Up Team visiting the town engaging both the County Council and a wide range of partners to identify opportunities to deliver Levelling Up Policy and support the towns 'Town Investment Plan. A range of support asks and potential funding support is then agreed.
- 6. This process is separate and not part of the recent national 'Levelling Up Fund' competitive bid process.
- 7. The DLUHC Levelling Up Deep Dive team worked closely with businesses, communities, institutions and local leaders in Blyth in order to determine priorities for change, to promote opportunity in the town.
- 8. Five key themes were identified from this process with potential interventions emerging: Housing, Regeneration and Community Safety, Transport, Enterprise, Skills and Health.
- 9. The team tested the above with the Town Deal Board and other local partners, including a roundtable and visit to Blyth with DLUHC Permanent Secretary Jeremy Pocklington. The team then worked across Government to bring together a package of support for Blyth and refined the proposals following an initial indication of likely support within Government.
- 10. In February 2023 as part of a visit by Rt Hon Michael Gove MP, Secretary of State for DLUHC the award of £20.71m was announced as a result of the above process.

The award is a mixture of capital and revenue supported activity and also identifies areas of future work with local partners and Government Departments to tackle key issues.

- 11. As part of the announcements DLUHC also announced non funded activity. This included the Government confirming it will strengthen local partnerships between Jobcentre Plus and NHS services in Blyth so more disabled people and those with health conditions are supported to start, stay and succeed in work. The Department of Health and Social Care (DHSC) is also working with Northumberland Council to support more smokers to quit, complementing the £35 million recently allocated to address health inequalities across the whole of the North East and North Cumbria Integrated Care System over the next 3 years.
- 12. As part of the Government visit a roundtable was held with local skills providers and major employers in clean energy, renewables and advanced manufacturing. There was a commitment to continue to work together on this agenda going forward.
- 13. The Levelling Up Deep Dive is seen as a forerunner to new 'Levelling Up Partnerships'. Twenty such partnerships were announced in the Spring budget and the three areas to have undertaken the deep dive process will increasingly be seen as Levelling Up Partnerships in terms of an ongoing partnership approach between local and central government utilising the funds awarded to date.
- 14. The award is made on the basis that the Energising Blyth Levelling Up Deep Dive Programme has a crucial role to play in the successful delivery of the Governments Levelling Up policy and Blyth Town Investment Plan agreed as part of the Town Deal process, providing an important catalyst for future investment and growth in the town.
- 15. The projects identified by UK Government in awarding this funding are based on a co-produced business case agreed by DLUHC and focus on delivering a transformative impact through over £20.71m investment in housing renewal, town centre living, a more welcoming and safe town centre and first class industry led skills facilities.
- 16. The package demonstrates Government's ongoing commitment to tackling spatial inequalities in Blyth as part of the Levelling Up agenda tackling both deep seated inequalities and unlocking the potential of the town addressing poor outcomes in a number of metrics, particularly across housing quality, inclusion, accessibility, health, living standards and skills.

Levelling Up Deep Dive Projects

17. The £20.71m Levelling Up Deep Dive award includes the following project activities which will be added to the programme (see Table 1 programme summary overleaf).

Welcoming and Safe Blyth

• £200k (£180k capital and £20k revenue) is allocated for the 'Safe and Welcoming Blyth' crime reduction initiative.

Housing Renewal and Town Centre Living

- £18m capital funding to support housing regeneration in the town centre including housing renewal and town centre living projects.
- £1.06m revenue funding to support housing regeneration activity and to create
 a multi-faceted Empty Homes Team for Blyth to address its 257 long-term empty
 properties, which currently leads to complaints, ASB and waste. This award
 includes revenue funding allocated for programme management including the
 Senior Programme Officer support post.

Energy Central Campus - Technical Training Kit

• £1.45m capital is allocated for advanced technical training kit adding to the existing Energy Central Campus Phase 1 Learning hub project.

The table below provides a summary of each project.

Table 1 - Levelling Up Deep Dive Programme Summary

| Table 1 - Levelling Up Deep Dive Programme Summary | |
|--|-------------------------------------|
| Project/Package Description | Budget |
| Welcoming and Safe Blyth This project will provide funding for an Anti Social Behaviour (ASB) package and would deliver both a Retail Crime Reduction Partnership and 'Safe and Welcoming Blyth' initiative in partnership with key local partners. These would include Police and local partners including through the Heart of Blyth, community safety and neighbourhood partnership, and Operation Aurora ASB partnership initiatives adding value to community health and well-being support. Northumberland County Council and the Northumbria Police envision using this funding to support the below measures, although they are still in the process of working up the detailed specific interventions with key local partners: CCTV and other measures that will help businesses and the police directly reduce crime as well as the fear / perception of crime Measures that provide a boost to the business community to make the town centre and priority neighbourhoods more visually appealing, also increasing a feeling of safety and reducing perception of crime. It is anticipated that this would include 'Business Crime Reduction Partnership' in the town centre working with local businesses, Northumbria Police, Home Office and local partners to enable better collaboration using technology solutions between agencies and business to deal with this issue Measures that will help the Police and youth / community sector to positively address ASB and youth disorder Measures that provide safe spaces to engage with and address substance misuse amongst the adult population in Blyth | £180k Capital £20K Revenue |

| Housing Renewal and Town Centre Living – capital This package includes three projects. | £18m Capital |
|--|---------------|
| Housing Renewal - Two projects target housing renewal in one of the most deprived wards in Blyth and the country. This includes: | |
| Bowes Court – an energy efficiency scheme is planned to improve these NCC properties with delivery planned to start in 2023/24. | |
| Extra Care Facility – a new extra care scheme is planned. Delivery of this project is longer term expected to be delivered in 2024-26 and initial design work is planned as the next step. | |
| The above schemes will be developed and delivered by NCC housing contracting external suppliers for construction of the new projects. | |
| Town Centre Living - Richard Stannard House - The other project introduces high quality town centre living integrated with the town centres regeneration. This project is located at Richard Stannard House as a deliverable town centre living scheme strategically located at the gateway to the town centre on Bridge St. This scheme will be delivered by Advance Northumberland who own the property and will renovate the currently underutilised business premises into new high quality apartments for rent. | |
| Collectively these projects are designed to improve the overall quality and attractiveness of accommodation, address market failure, contribute to net zero goals and deliver placed based environmental improvements. As part of project development, all projects will involve relevant consultations and engagement with any affected tenants and other parties. | |
| Housing Renewal and Town Centre Living – revenue | £1.06m |
| This part of the package involves the creation of a multi-faceted Empty Homes Team, including powers of enforcement, this will enable a greater focus on the ability to tackle the issue of empty homes in Blyth. | Revenue |
| This budget includes overall programme management support costs. | |
| Energy Central Campus – Technical Training Kit | £1.45m |
| This provides for additional technical training kit to support the offer at the new Energy Central Learning Hub on Blyth Quayside. | Capital |
| | Total £20.71m |
| | |

COSTS AND FUNDING

18. Table 2 below shows the current funding profile split on an annual basis.

- 19. At this stage prior to full establishment of the programme the budget is established only at the programme level based on the programme level costs established with DLUHC. Individual project leads are in the process of developing updated business case applications which will be subject to approval by the council confirming updated costs and spend profiles.
- 20. As part of this process early work is needed to de risk project delivery and as such approval of budgets are requested to enable the new empty homes team and programme support officer to be appointed and early design work to be progressed as projects develop and are assured further. This includes the recommendations to:
 - a. Authorise the S151 officer in consultation with the Executive Director of Place and Regeneration to enter into internal grant funding agreement for the empty homes team revenue costs subject to confirmation of funding being in place and local assurance being followed.
 - b. Authorise the S151 officer in consultation with the Executive Director of Place and Regeneration to approve initial design fees up to the value of £1,993,469 capital across the programme.
- 21. Project level budgets will be confirmed as part of future reports to cabinet and project budgets established in the capital plan on this basis.
- 22. The table below overleaf sets out the programme level capital and revenue budget only at this stage.

| Table 2 - Energising Blyth Levelling Up Deep Dive Funding - Financial Profile | | | | | | | | | |
|---|-----------|-----------|-----------|---------|---------------|--|--|--|--|
| | 2023/24 | 2024/25 | 2025/2026 | 2026/27 | Total Funding | | | | |
| Capital Funding Summary | | | | | | | | | |
| Welcoming and Safe Blyth | 35,000 | 145,000 | 0 | 0 | 180,000 | | | | |
| Housing Renewal and Town Centre Living | 2,674,000 | 6,626,000 | 8,700,000 | 0 | 18,000,000 | | | | |
| Energy Central Campus Training Kit | 1,450,000 | 0 | 0 | 0 | 1,450,000 | | | | |
| Total Capital* | 4,159,000 | 6,771,000 | 8,700,000 | | 19,630,000 | | | | |
| Revenue Funding | Summary | | | | | | | | |
| Revenue – Empty Homes Team and Programme Management Staffing and other costs e.g. legal and consultancy fees | 353,333 | 530,000 | 176,667 | 0 | 1,060,000 | | | | |
| Revenue – Welcoming and Safe Blyth | 10,000 | 10,000 | 0 | 0 | 20,000 | | | | |

| Total Revenue | 363,333 | 540,000 | 176,667 | 0 | 1,080,000 |
|---|-----------|-----------|-----------|---|------------|
| LEVELLING UP DEEP DIVE TOTAL FUNDING | 4,522,333 | 7,311,000 | 8,876,667 | 0 | 20,710,000 |

^{*}This budget includes up to £1,993,469 allowance for fees including design costs. Included in the recommendations in this report is a request to Authorise the S151 officer in consultation with the Executive Director of Place and Regeneration to approve initial design fees up to this value to de risk delivery subject to assurance processes and final approval of project business cases.

LEVELLING UP DEEP DIVE PROGRAMME MANAGEMENT AND ASSURANCE ARRANGEMENTS

23. The governance structure will provide the mechanisms through which decisions will be made to support the development and delivery of the programme, including the defrayal of public funds, and the monitoring and reporting of activity, outputs, risks and issues. See Appendix 1 for the programme governance overview.

Key roles and responsibilities

- 24. The Energising Blyth Town Board will continue to provide the strategic direction, local insight and a collaborative stakeholder approach to shaping regeneration investments in Blyth and is the main means through which external partner organisations will influence project development and delivery. The Blyth Town Forum also continues to the be an important mechanism to engage with and drive collaboration with the involvement of Town Council representatives and County Councillors alongside other public, private and community partners.
- 25. The Levelling Up Deep Dive assurance arrangements agreed by Government do not require formal sign off by the Town Deal Board, as is the case with the existing arrangements for the other Energising Blyth projects. As such the Town Deal Board plays an advisory only role and will receive regular updates.
- 26. The Council is the 'lead council' for the Levelling Up Deep Dive and will act as the Accountable Body for the Levelling Up Deep Dive external funding and as such will have overall responsibility for the effective management and defrayal of funding. The Council will regularly report on programme performance, progress, expenditure and outputs, in line with funder requirements. It will also put in place a grant funding agreement with Advance Northumberland Ltd, project lead for the Richard Stannard House scheme.
- 27. The Levelling up Deep Dive part of the Energising Blyth Programme is 100% funded by DLUHC. Funding will be provided to NCC in the form of a Section 31 grant paid in two instalments in 2023-24 and 2024-25.

- 28. DLUHC expect to have regular review meetings with the council and receive a regular delivery update including progress against project milestones. The second payment will be released upon satisfactory progress against milestones.
- 29. The Council will continue to report on progress with the Energising Blyth Programme via an internal Programme Board and will include reports on progress with the LUDD allocation as part of these arrangements. This Board will have overall responsibility for effective delivery of the Programme, ensuring sufficient project management resources are in place to oversee each scheme. The project leads will submit regular progress reports on each project to the Board.
- 30. The Board will provide oversight and strategic direction, make decisions e.g., on contractor appointments, and make recommendations on the approval of project business cases and funding allocations. Membership will include Executive Directors and Heads of Service of relevant departments (regeneration, planning, technical services, transport, and education) as well as support services (finance, legal and procurement).
- 31. The Council's advisory internal Housing Delivery Board will also maintain an overview and received regular progress updates regarding the housing renewal and town centre package in the wider context of the councils housing improvement programme.
- 32. The Council's Capital Strategy Group will make recommendations to Cabinet on the allocation of funding from the Council's capital programme to support the capital projects in the programme. The Cabinet will be the final decision-making authority, approving the Council match funding contribution to projects, as well as the individual project applications once they have been assured internally or where applicable externally through independent specialist appraisal.
- 33. Subject to Cabinet decision, approval will be delegated to the Executive Director for Place and Regeneration to execute all contracts relating to individual projects, with confirmation being in place of associated funding and the appropriate procurement processes being followed.
- 34. This will initially include the award of relevant contracts for the supply of a multidisciplinary design team and spatial planning service to capital project development.
- 35. Rules 2.3 and 2.4 of the Council's Finance and Contract Procedure set out why this delegation is required, as the potential contract values will exceed those allowed. The initial contracts to be awarded will be for design work and project development that will commit expenditure to low-risk activities not normally required to be the subject of examination under the Council's Business Case and Risk Appraisal Processes.

- 36. It should be noted that, in order to meet grant funding timescales, the council will need to commence the procurement of design and development work on major capital projects to inform final business cases. This will inform final costs which will be included in the final project approvals presented to Cabinet.
- 37. The Council's s151 Officer will independently assess the sustainability, viability, and value for money of each project business case, to ensure compliance with all necessary financial regulations. This will include scrutinising and signing off business cases, financial returns, and monitoring and evaluation reports for submission to DLUHC. The Council's Audit Committee will, as required, provide a further level of assurance in the management of public finances, compliance with legal and regulatory responsibilities, and risk management.

Programme Assurance

- 38. The Council has a robust assurance process in place, to ensure sign-off at various stages of projects. This includes:
 - A business case (designed specifically for the LUDD funding requirements) will be developed for each DLUHC (LUDD) project appropriate to the scale and complexity of the project (projects in LUDD range from £200k to over £12m), compliant with HMT Green Book five case model, which will be assessed by the Regeneration Programmes and Investment Team and where appropriate independently appraised. An appraisal report, with key findings and recommendations will be presented to the Programme Board and Cabinet to secure approval for the business case and funding. It should be noted that the business case for the Richard Stannard House will need to be simultaneously approved by the Board of Advance Northumberland Ltd (ANL), as well as NCC Cabinet, in order to proceed.
 - Formal agreement between NCC (as accountable body) and ANL, as the Council's delivery partner setting out key project management requirements, including submission of quarterly progress reports on progress, spend, and outputs, and monthly cost reports with actual and forecast expenditure.
 - An internal grant agreement with NCC housing and grant agreement between NCC and ANL, as project sponsor/developer for the Richard Stannard House project.
 - All projects will ensure and evidence compliance with public procurement and financial regulations, as well as statutory obligations.
 - During project design, costs will be presented at the end of each RIBA stage and agreed (via gateway points) before progressing.
 - Project variances will be considered by each Project Board and escalated to the wider Programme Board as required.

- Production of regular project monitoring reports, with supporting evidence of defrayal and output achievement, to ensure each project is on schedule, and to identify any delivery issues or challenges.
- Regular budget monitoring will be undertaken with all claims validated by senior finance and performance management staff

Programme Staffing and Capacity

- 39. The management and resourcing of this support will be co-ordinated through the NCC Programme Board and includes:
 - Strategic and delivery teams (e.g., technical services, highways, planning) who will be involved in the development, design, assurance, statutory approval, and delivery of projects.
 - Finance, legal, and procurement teams, who will provide corporate support services.
- 40. The Economy and Regeneration Service will provide overall programme management support, including existing resources and an additional Senior Programme Officer (band 9) post funded by LUDD for 2 years from appointment in 2023. This additional capacity will focus on bringing forward the housing projects in the package providing support and working closely with NCC housing and Advance. The service will project manage the LUDD programme workstreams and provide capacity to support:
 - Commissioning and management of the consultancy teams to support site
 master planning in relation to housing renewal activity in conjunction with the
 housing team. There may be opportunities to work with other partners in Blyth
 to lever in other funding opportunities to deliver housing improvements linked to
 the LUDD package.
 - Developing a community grants approach to the £200k Welcoming and Safe Blyth initiative. It may be possible to promote this funding as part of the existing Heart of Blyth project in the town and this will be developed further in coming months to support both business and community led activities in the town.
- 41. The Regeneration Programmes Investment Team will ensure the projects developed are robust, represent value for money, and are compliant with any funding agreement. The team will be responsible for maintaining the Council's accountable body role for externally funded regeneration projects and programmes. The team will also co-ordinate the assurance and approval of robust business cases for the projects. This includes co-ordination of independent appraisal for project business cases and preparation and issuing of a sub-grant funding agreement to ANL where applicable.
- 42. The Regeneration Finance and Performance Team will ensure that arrangements

are in place to monitor budget, spend and outputs and prepare reports and claims to all funders. Outputs, as specified in each grant funding agreement, will be fully checked to ensure there is the required supporting evidence.

Project Management arrangements

- 43. The capital schemes have identified project leads in place as set out below:
 - Welcoming and Safe Blyth this project will be developed by a Senior Programme Officer in the Economic Growth and Regeneration Team with specialist knowledge of community grants.
 - Housing Renewal capital and revenue projects these projects will be client managed by senior officers in NCC Housing.
 - Town Centre Living Richard Stannard House Advance Northumberland Limited will provide a full PM Service and lead on delivery via a PID contract.
 - Energy Central Campus technical training kit this project will be led by the Energy Central Campus Ltd Project Manager, on behalf of the ECC Company Ltd.
- 44. It is important to note that the speed of the delivery requirements and scale of this programme are significant, and resourcing will be kept under regular review. The council may need to consider additional resourcing to match the scale of ambition to deliver this transformative programme and meet funder requirements.

EXPANDING THE ENERGISING BLYTH PROGRAMME

Current £70m Energising Blyth Programme

- 45. The existing Energising Blyth Programme was developed when Northumberland County Council and its partners were successful in attracting Future High Streets Fund (£11.1m) and Town Deal (£20.9m) funding between 2022-2026 from UK Government to deliver the Blyth Town Investment Plan (TIP) which aims to grow, renew and connect the town. This includes a focus on transforming Blyth town centre given the significant market failure evident in the area.
- 46. The existing £70m Energising Blyth regeneration programme is well underway with the delivery of 11 major projects in the town between 2022-2026 and is matched with identified NCC budgets in the capital programme and contributions from other funding partners including the North of Tyne Combined Authority. See Appendix 1 for the Energising Blyth Project Map.
- 47. The establishment of the Energising Blyth Programme was originally agreed by Cabinet in July 2021 and the Future High Streets Fund bid was agreed by Cabinet in June 2020. The Future High Streets Funded element of the Programme has a particular focus on rejuvenating the town centre and addressing market failure.

- 48. This substantial funding will stimulate confidence and further investment, create new jobs, bolster economic growth and transform the town ensuring it realises its full potential. This significant programme of renewal is underpinned by creative engagement with the community of Blyth demonstrating demand and support for positive change.
- 49. 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 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.
- 49. Major flagship schemes are getting underway this year including:
 - Construction of the new Energy Central Campus Learning Hub Phase 1 is underway and set to open in Winter 2024 creating a major new facility for training and skills connecting local people to jobs in future industry. The first education partner Bede Academy has recently announced bringing new industry focused 'T Levels' to the town for the first time.
 - The first major project in the town centre is set to begin in Summer 2023 with the development of a new Culture Hub and improvements to Market Place to stimulate renewed confidence in the area also set to open in Winter 2024.
 - Further improvements to public realm and connectivity will also get underway on Bridge St in Autumn 2023 connecting the town centre to the quayside.
- 50. The delivery of the investment and change in the area through the Energising Blyth programme is sequential and to make a real impact on market failure evident in the town is predicated on the early success of the above major interventions.
- 51. Further major development in the town centre is planned through the existing programme in the longer term including additional improvements to the public realm and connectivity and new hotel, restaurant, education and innovation uses which will add to this new and exciting offer.
- 52. This cumulative impact will be to reposition the town centre as a place which is able to fully contribute and benefit from the wider growth and success of Blyth as a clean energy port and as a major part of the Northumberland and North East economy connected by the investment in the Northumberland Line including two stations in Blyth.

Updated £90m Energising Blyth Programme

- 53. The additional Levelling Up Deep Dive funding set out in this report means that the Programme can be expanded to be communicated as a £90m (rounded) Regeneration Programme to transform Blyth. The Programme continues to be funded by UK Government (now including Future High Streets Fund, Town Deal and Levelling Up Deep Dive), Northumberland County Council, North of Tyne Combined Authority and other partners.
- 54. The Programme continues to sit alongside a wider programme of investment including the Northumberland Line, Blyth Relief Road, Northumberland Energy Park and Heart of Blyth which whilst not part of the Programme are closely linked and contribute to the delivery of the Town Investment Plan.
- 55. The levelling up deep dive funding allows delivery up to 2027, as such the overall Programme timescale will now be from 2021 to 2027 rather than the current 2026 timescale.
- 56. The new projects all fit well within the Town Investment Plan (TIP) themes which continue to be focused on helping to deliver a:
 - **Vibrant Town:** Renew the town centre with new cultural, education, leisure and residential projects around a revitalised Market Place.
 - **Growing Town**: Boost the growth of Blyth's major renewable energy industry at the Quayside, Port of Blyth and industrial sites.
 - **Inclusive Town:** Provide skills, culture and leisure activities for the benefit of local people, communities and businesses.
 - Connected Town: Improve walking and cycling routes and connections to public transport networks, making it easier to travel into / out of Blyth.
 - Clean Growth Town: All the above supported by being a leading place for delivering net zero and a just transition.
- 57. The updated project list set out overleaf for the Energising Blyth Programme now include 13 major projects including the new Deep Dive funded projects and packages.
- 58. The Energy Central Campus Learning Hub Phase 1 is already a project on the existing Energising Blyth Programme list so the LUDD funded element of this project is not added separately to the appendices overleaf. The additional funding from LUDD will be added to that project once a separate project application has been submitted, assured and approved by NCC for the additional funding awarded.
- 59. The expanded Energising Blyth Project List and Project Maps are set out overleaf in Appendix 2 and 3 including the new LUDD funded activities. Appendix 2 also summarises the overall development and delivery timescales for the programme going forward.

IMPLICATIONS

| Policy | The project fully supports the Council's Corporate Plan, the Northumberland Economic Strategy and the Energising Blyth Town Investment Plan. |
|-----------------------------|--|
| Finance and value for money | This report recommends the council accepts the award of £20.71m Levelling Up Deep Dive capital and revenue funding from the Department for Levelling Up, Housing and Communities (DLUHC) as follows: |
| | Add £19,630,000 to the Capital Programme as an identified budget allocation for the capital projects identified in this report. |
| | Add £1,080,000 as an identified revenue budget for the revenue funded projects and programme management arrangements outlined in this report. |
| | The financial implications of these proposals are outlined in the main body of the report including the recommendation to note the staffing arrangements and potential need for Cabinet to review this at a later date. Business Cases for individual projects will be brought back to Cabinet as they are developed for a final decision to proceed. |
| Legal | Legal advice including external subsidy control advice will be sought and confirmed as part of project development and business case approval as projects move forward. |
| | The Local Authorities (Functions and Responsibilities) (England) Regulations 2000 confirm that the matters within this report are not functions reserved to Full Council. |
| Procurement | In line with all other expenditure, project spend will be subject to the Council's recognised procurement procedures. Project spend will be subject to the Council's recognised procurement procedures. Rule 4.9.1(e) of the Council's Finance and Contract Procedure Rules requires Executive approval before commencing procurement of goods or services where the value is over £2 million. |
| Human Resources | The programme is being managed by NCC's Economy and Regeneration Service in conjunction with internal, Advance Northumberland and Energy Central Company Ltd leads as outlined in the report. The LUDD funding includes a revenue contribution to programme management. |
| Property | Specific implications for NCC property will be included in project business cases for approval. |
| Equalities | (Impact Assessment attached) |
| | |

| Risk | Yes No N/A X The promotion of inclusive growth is a core aspiration and expectation of the delivery of the Energising Blyth Town Investment Plan, the Energising Blyth Regeneration Programme and DLUHC Levelling up missions with specific metrics included in the monitoring and evaluation framework to establish performance. High level risks were established as part of the programme |
|---------------------------|---|
| Assessment | funding application. A risk register will be developed as part of Programme establishment and for each project as part of business case development. This will include regular updates and monitoring in place to effectively manage risk. The governance structure once embedded will increase risk management. |
| Crime & Disorder | It is anticipated that this programme will impact positively to reduce anti-social behaviour (ASB). The Welcoming and Safe Blyth project will develop strong community relations particularly with businesses, young people and families including from marginalised groups and target locations. Capital improvements will specifically build in the need to reduce ASB, which is an identified issue in this part of the town, including through a range of design features such as better lighting and a more open and visible public space. Each component project will seek to design out crime, increase perceptions of safety through improved lighting, footways and increased animation. |
| Customer Consideration | There has been extensive partner and community consultation as part of the development of the Energising Blyth Town Investment Plan and through the LUDD engagement process. The proposals that have emerged in the expanded programme respond to the feedback received about the communities and stakeholders concerns. Further engagement is planned as each project develops in conjunction with Energising Blyth Town Board and stakeholders in the town. Detailed engagement and consultation will be undertaken including with any tenants potentially affected by any project. |
| Carbon reduction | The projects outlined in this report include significant capital improvements to public space and greening of the High Street and also other locations where possible, which will have a positive environmental benefit. Designs for new buildings include a focus on energy efficiency and public realm works will incorporate sustainability benefits, where applicable and encourage active travel. |
| Health & Wellbeing | Energising Blyth Town Investment Plan includes an objective to support the development of an 'Inclusive Town' enabling positive |

| | health and wellbeing outcomes through successful town centre regeneration. A major focus of the programme is designing a better town centre which is well equipped to support recovery from Covid-19 and be more resilient in the future, offering new destinations and potentially facilities for residents that support wellbeing. |
|-------|--|
| Wards | All wards in the town of Blyth |

Appendices

Appendix 1: Levelling Up Deep Dive: Programme Governance

Appendix 2: Energising Blyth Programme – Project List

Appendix 3: Energising Blyth Project Maps – Town Centre and Town Wide Project Maps

Background Papers

None

Report sign off

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

| | Full Name of Officer |
|---|-------------------------|
| Interim Director of Law and Governance and Monitoring Officer | Stephen Gerrard |
| Executive Director of Resources and Transformation (S151 Officer) | Jan Willis |
| Executive Director of Place and Regeneration | Simon Neilson |
| Chief Executive | Helen Paterson |
| Portfolio Holder for Business | Wojciech Ploszaj |

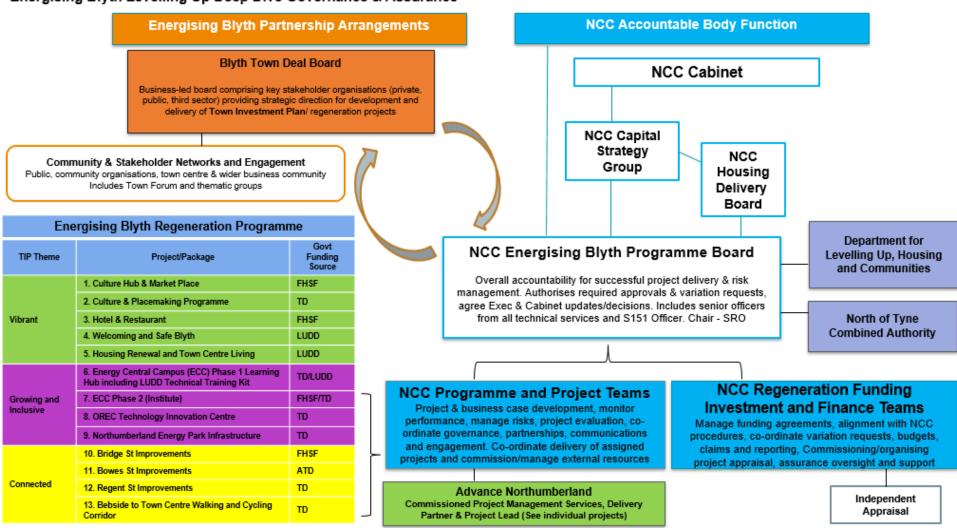
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Appendix 1: Levelling Up Deep Dive: Programme Governance Overview

Energising Blyth Levelling Up Deep Dive Governance & Assurance



Appendix 2 – Energising Blyth Programme – Project List updated May 2023

| | Project Development & Approvals | |
|-----|--|--|
| | Project Delivery | |
| Key | Project Completed | |

| TIP Theme | Project/Package | UK Govt Funding Source | Summer 2023 | Autumn 2023 | Winter 2023 | 2024 | 2025 | 2026 |
|------------------|---|------------------------------------|-------------|-------------|-------------|------|------|------|
| | 1. Culture Hub & Market Place | Future High Streets Fund (FHSF) | | | | | | |
| | 2. Culture & Placemaking Programme | Town Deal (TD) | | | | | | |
| Vibrant | 3. Hotel | FHSF | | | | | | |
| | 4. Welcoming and Safe Blyth | Levelling Up Deep Dive (LUDD) | | | | | | |
| | 5. Housing Renewal and Town Centre Living | LUDD | | | | ì | | |
| | 6. Energy Central Campus (ECC) Phase 1 Learning Hub | TD / LUDD | | | | | | |
| Growing | 7. ECC Phase 2 (Institute) | FHSF / TD | | | | | | |
| and Inclusive | 8. OREC Technology Development Centre | TD | | | | | | |
| | 9. Northumberland Energy Park Infrastructure | TD | | | | | | |
| | 10. Bridge St Improvements | FHSF | | | | | | |
| Connected | 11. Bowes St Improvements | Accelerated Town Deal (ATD) | | | | | | |
| | 12. Regent St Improvements | TD | | | | | | |
| | 13. Bebside to Town Centre Walking and Cycling Corridor | TD | | | | | | |

Energising Blyth Project Map Energising Blyth Projects Culture Hub and Market Place Culture and Placemaking Programme (across town) Hotel and Restaurant, Town Centre (locations TBC) Welcoming and Safe Blyth (across town) Housing Renewal and Town Centre Living (locations TBC) Energy Central Campus (ECC) Phase 1 (Learning Hub) Culture Hub Visual ECC2 Phase 2 (institute) Town Centre (location TBC) Offshore Renewable Energy Catabult (OREC) Technology Innovation Centre (TIC) Northumberland Energy Park Infrastructure Bridge Street Improvements (The Link) Bowes St, Church St, and Wanley St Improvements (Northern Gateway Phase 1) Regent Street Improvements (Northern Gateway Phase 2) Bebside to Town Centre Walking and Cycling Route **Project Pipeline** High Street Car Park and Thoroton St Improvements Blyth Bus Station Quay Road and Roundabout Imporvments **Key Locations** Keel Row Shopping Centre Keel Row Car Park 0 NCC Land Gasometer Site Arriva Bus Depot Dun Cow Quay Energy Central Campus Visual Town Centre Projects Blyth Town Centre Boundary

Appendix 3 - Energising Blyth Project Maps - Town wide Project Map updated May 2023

Energising Blyth Project Map

Location of Projects Diagram Key

Byth Town Deal Boundary

Byth Town Centre

Energy Central - Blyth Estuary Sites

Cycling and Walking Corridors

Northumberland Line Railway

Location of Proposed Northumberland Line Railway Stations

Conservation Areas

Energising Blyth Projects

Culture Hub and Market Pace

Culture and Placemaking Programme (across town)

Hotel and Restaurant Town Centre Location TBC

Welcoming and Safe Blyth (across town)

Housing Renewal and Town Centre Living (locations TBC)

Energy Central Campus (ECC) Phase I (Learning Hub)

7 ECC Phase 2 (Institute) Town Centre Location TBC

Offshore Renewable Energy Catapult (OREC) Technology Innovation Centre (TIC)

Northumberland Energy Park Infrastructure

Bridge Street Improvements (The Link)

 Bowes St, Church St and Wanley St improvements (Northern Gateway Phase)

Regent Street Improvements (Northern Gateway Phase 2)

Bebside to Town Centre Cycling and Walking Corridor

Other Projects

Northumberland Energy Park

15 B yth Clean Energy Terminal

16 Minewater District Heating Network (locations TBC)

17 Byth Bus Station

18 High Street Car Park and Thoroton Street Improvements

19 Headway Artspace

20 Commissioners Building - Maritime and Heritage Museum

21 Quay Road and Roundabout Improvements

22 Dun Cow Quay

Commissioners Quay Development

24 Byth Welding and Fabrication Centre

25 Cycling and Walking Prior ty Corridors (routes TBC)

26 Byth Relief Road (preferred route TBC)

27 Moor Farm Roundabout: Located south of Blyth at A189/A19 junction

