

Cabinet

Tuesday, 12 March 2024 at 2.00 pm

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SUPPLEMENTAL AGENDA

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10. Investment Fund Update and Funding Approvals	21 - 32

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DELIVERING DEVOLUTION TOGETHER



Final report 2019 to 2024

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NORTH OF TYNE
~~~~~  
**COMBINED AUTHORITY**



# FINAL REPORT OF THE NORTH OF TYNE COMBINED AUTHORITY

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**WHY WE CAME TOGETHER...? TO IMPROVE THE LIVES OF OUR RESIDENTS.**

## OUR TOP ACHIEVEMENTS



**5377+**  
new jobs in the pipeline for growing businesses



**£126m**  
invested in projects to enable growth and innovation



**115 000**  
courses for people to get good jobs



Supported  
**569**  
businesses to go digital



Pledged support to  
**62**  
community projects through North of Tyne Crowdfunding



Unlocking space for  
**2023**  
new homes across the region



Attracted  
**1.8m**  
visitors to events and festivals

# FOREWORD

## WELCOME TO THE NORTH OF TYNE COMBINED AUTHORITY'S FINAL REPORT



**MAYOR  
JAMIE DRISCOLL**  
North of Tyne

In May 2024 the North of Tyne Combined Authority (NTCA) will be absorbed into a new, North East Combined Authority. This will be a historic moment for the region. The new deal is now worth £6.1 billion and gives us the power to develop and control our public transport system. We secured the best funded devolution deal in England because of our excellent track record of delivery at NTCA – the organisation I have been proud to be elected to lead for the last five years.

In those five years we have taken a collaborative approach towards solving the problems our communities face. We have developed strong partnerships and have a focus on co-designing projects and policy. I call this 'open-source democracy', but essentially it means we listen to the people closest to the issues. When you do this, you get better results. Our Citizen's Assembly on climate change has shaped our approach to net-zero policies. Our Equalities Assembly has deepened our understanding of the barriers faced by marginalised groups. We act on these insights and make sure that no one is left behind.

When we set up NTCA we were given one main target from central Government – create 10,000 new jobs in 30 years. Our progress? 5,377 new permanent, full-time jobs, all backed by our Good Work Pledge. An additional 3,277 jobs have been safeguarded by NTCA investments. That's 16 years of progress in under 5 years.

When we talk about an inclusive economy, that means ensuring there is opportunity for everyone – adult skills is a big part of this. When central Government was administering the adult skills budget, they had 21,885 course enrolments a year. We took control of adult skills provision in 2020 and by listening to learners and course providers we increased enrolments to 35,230 a year – on the same budget.

That's a 60% increase in taxpayer value for money and more people getting the skills they need to progress their career.

We've backed our green industries, investing £40m in offshore wind and renewable energy, a Green New Deal fund and retrofitting and engagement programmes, to support a zero-carbon future. We're helping build 2,034 new homes on brownfield sites, with eco and affordable housing. We're running a ground-breaking child poverty prevention programme in 100 schools, because the good green jobs of tomorrow will not be taken by kids who are too hungry to learn today. We've also invested in community hubs and our creative industries – enriching the fabric of our societies whilst boosting our regional economy.

And we've done all of this without charging a penny in council tax. As Mayor, I have the power to put a precept on the council tax, but instead we've funded our projects by negotiating extra investment from central Government and matching it with hundreds of £millions from the private sector. A prime example is the new Northumberland Line – the only new passenger railway to open in England in decades. A true testament to what can be achieved when the North East works together.

The North East is a wonderful place to live, with such friendly and hard-working communities. Our landscape is stunning, and our history and heritage receive global recognition. We still have many challenges to overcome and much work to be done. However, I want to pause at this historic moment and pay tribute to my cabinet colleagues and wonderful, hardworking, North of Tyne Combined Authority team. Together we have shown that devolution can change lives and help to build a greener, more prosperous, fairer, North East for all.



**DAME  
NORMA REDFEARN**  
DEPUTY MAYOR  
North of Tyne

If the North of Tyne Combined Authority has been about anything, it's been about taking those first steps to work together, to collaborate and to create a happier, healthier, better-connected and more prosperous North of Tyne.

It's less than five years since we started on this journey. Newcastle, North Tyneside and Northumberland came together with a powerful goal of improving the lives of our people. No journeys are ever simple, and we soon found ourselves in the middle of the pandemic, and a cost-of-living crisis. Yes these are difficult challenges, but working together as a combined authority we have been able to do what's right for our region.

We can now say that devolution works, and that it delivers. From education to skills, to good jobs, to progression and success – we know our collaboration is making a difference. I'm proud of many things;

from the poverty prevention programme working with over 100 schools to help families where they live, to the thousands of new jobs; from the 61 small projects funded in our communities with their support and contributions, to the millions we invest in skills with ever increasing take up. We are making a difference.

We have proved what can be achieved in just five busy years. As we wrap up NTCA and present this final report, we know that this is not the end, it is in fact another beginning.

It is now time to take the next steps to even deeper collaboration and wider partnership. This year we will come together to start a new journey as a bigger region, creating more jobs for local people and becoming a stronger, more ambitious and confident North East.

**Dame Norma Redfearn is the Elected Mayor of North Tyneside Council**

## AND OUR CABINET MEMBERS



**COUNCILLOR  
NICK KEMP**  
Leader of  
Newcastle City Council



**COUNCILLOR  
GLEN SANDERSON**  
Leader of  
Northumberland  
County Council



**COUNCILLOR  
KAREN KILGOUR**  
Deputy Leader of  
Newcastle City Council



**COUNCILLOR  
RICHARD WEARMOUTH**  
Deputy Leader of  
Northumberland  
County Council



**COUNCILLOR  
CARL JOHNSON**  
Deputy Mayor of  
North Tyneside Council

# FOREWORD



## DELIVERING DEVOLUTION TOGETHER



**HENRY KIPPIN,  
CHIEF EXECUTIVE**

**AS THE FIRST AND ONLY TERM OF THE NORTH OF TYNE COMBINED AUTHORITY COMES TO AN END, IT IS RIGHT THAT WE TAKE A MOMENT TO PAUSE AND REFLECT.**

Five years overseen by a cross-party Mayor and Cabinet have been eventful! A lot has been achieved, and there are lots of lessons we can learn for the future.

I am proud of the work that has been done by our team, partners and stakeholders across the region. We have established and grown a new organisation, adapted through Covid-19 and delivered investments that are already bringing positive change to the region. We have convened and worked closely with our partners to build a platform for wider devolution. We have innovated in delivery – creating new delivery models and innovative financial vehicles that are nationally recognised. And we have done all of this whilst caring about and nurturing a supportive working culture – the North of Tyne Combined Authority is an accredited ‘Great Place to Work’ and home to many creative, driven and empathetic people.

The key to doing this has been collaboration. No-one achieves anything alone. A Combined Authority is as good as its relationships, and on that score we have benefitted from brilliant partnerships for which I am truly grateful. Our Cabinet has provided consistent, collective political leadership and oversight beyond party lines. Our local authority partners have mobilised to deliver during an incredibly difficult financial period. And we have built relationships with businesses, charities,

universities and other public sector organisations that I know will stand the test of time.

At the heart of this has been a team of people that care deeply about the outcomes that we are trying to achieve. Inclusive growth that benefits the whole region and creates new routes into skills, jobs and better lives. Better infrastructure and access to resources which allows our key sectors to grow. And a relentless focus on progressing devolution – so that the structural limitations of the North of Tyne Combined Authority become a stepping stone to something bigger and better. Ultimately, we can point to actual people doing actual jobs that would not have happened without the collaborative work we have been part of – and that is something to be celebrated.

I have always wanted us to be open about what can be learned, and what can be better. As we head into a wider North East region collaboration, we need to be more ambitious, convene more boldly and draw in even more investment from the public, private and social sectors. We need a clear focus on building capability and expertise where the region needs it – for example in closing the investment gap in research and development, and business growth. We also need even more creative ways of supporting people into skills and work – recognising the societal pressures that Covid and a weak economy have reinforced.

The North East has a lot to be confident and hopeful about. Our job now is to make sure the North of Tyne Combined Authority is the prelude to a true regional renaissance.

## INVESTING IN OUR REGION



We put jobs and innovation, creating an inclusive economy, and getting to net zero at the heart of our investment plan.

From 2019 to 2024 we invested **£126m** into our economy from our investment fund.



## A GREAT PLACE TO WORK



We are officially a ‘Great Place To Work’! In 2023 we were awarded the sought-after national kitemark, a first for any Combined Authority. Staff overwhelmingly said they were proud to tell others where they work and how we contribute to our community.

Great Place to Work works uses staff surveys and research methods, in thousands of organisations with millions of employees, across the world to identify what organisations are doing right and how they can continually improve.



## OUR VISION



**OUR VISION IS OF A DYNAMIC AND MORE INCLUSIVE ECONOMY, ONE THAT BRINGS TOGETHER PEOPLE AND OPPORTUNITIES TO CREATE VIBRANT COMMUNITIES AND A HIGH QUALITY OF LIFE, NARROWING INEQUALITIES AND ENSURING THAT ALL RESIDENTS HAVE A STAKE IN OUR REGION'S FUTURE.**

We have worked in partnership, creating connections between programmes and projects, developing an inclusive approach to investing in our region. Devolution has given us the chance to make our own decisions about our future, so we targeted investment where we knew it was most needed, making a strong connection between economic growth and providing people with the skills, education and confidence to benefit from every opportunity.

# SOCIAL ECONOMY AND COMMUNITIES



## CREATING MORE INCLUSIVE AND VIBRANT COMMUNITIES THROUGH INVESTMENT, ENGAGEMENT AND CO-DESIGNED PROJECTS.

We put decision making powers back into the hands of local people and asked for their bright ideas.

Our £566k community fund brought communities together to run projects which celebrated their local area and restored a sense of pride and belonging.

We co-designed new initiatives with residents, asking how money should be spent, listening and responding. We ran

a Poverty Truth Commission to understand the impact of Covid-19 and the cost-of-living crisis, putting the building blocks in place for future growth to make sure no one is left behind.

In 2021 we became the first Combined Authority to run a Citizen's Assembly asking residents to help us agree our climate change priorities and in 2022 we were praised by the Local Government Association for our approach to engaging with communities.



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## INVESTMENT IN COMMUNITY HUBS



***"The hall was almost unusable during the winter months as there was no gas and electric. Heaters were needed to heat the building, which was expensive, and it was impossible to keep warm. Our electricity bill will now drop by £1,500 next year and there is additional income from people using the hall."*** - Volunteer

Community hubs were a lifeline for many communities during lockdown and we invested £1.5m to make sure they could continue to bring people together and play a central role in the recovery of the region.

A 170-year-old village hall in Great Whittington received a £10k grant, which they combined with other funding, to purchase and install a heat pump, solar panels, and a battery backup. The hall is warmer and more pleasant for residents and has resulted in three times as many winter activities and bookings than previous years.

**Pledged support to 62 community projects through North of Tyne Crowdfunding**

## NUCASTLE COMMUNITY HUB



### Education and employment support for children and young adults.

We invested £2.6m to support young people's futures with an amazing new facility in Newcastle's West End, as part of our commitment to improve and expand community hubs across the region.

The incredible innovative, three-storey NUCASTLE Community Hub, was made possible through a collaboration with our partners, Newcastle Building Society, and Football charity Newcastle United Foundation.

The grant provided a huge boost to Newcastle United Foundation's Futures Programme, which works to transform the lives of young people and the new facility near St James' Park, is an accessible and inclusive centre for learning, recreation, exercise, personal development and community work.

Sarah Medcalf, Deputy Head of Newcastle United Foundation, explained: "Together, we aim to equip around 12,000 teenagers and young adults with the skills they need to gain employment through NU Futures – particularly within digital, financial, professional business services and STEM careers and industries."

## COMMUNITIES GET CROWDFUNDING



***"Just to walk down the back alley, which has been greened as part of the project, is a treat. It looks so beautiful now, like you're really proud of it."*** - Volunteer

Our Crowdfund North of Tyne project gave local people the opportunity to celebrate and improve their local area through funding initiatives which had the backing of their community. Grants from between £1k-30k were available to run projects which helped support wellbeing and mental health, reduce the impact of poverty, help people into jobs and promote lifelong learning.

We funded 62 bright ideas, from community beekeeping to the nation's first ever Stottie Cake Week. We helped people with food poverty, funded days out for kids, made beaches accessible for wheelchair users and even saved a choir. All with the aim of creating more vibrant and inclusive communities.



## NATIONAL STOTTIE CAKE WEEK



The Big River Bakery used funding to show how food can bring communities together to tackle food poverty.

They taught families how to cook from scratch, delivered free stottie making kits and gave out 1,000 breakfast bags to school children. They also established the UK's first ever national Stottie Cake Week in February 2024, a week-long celebration of free events and food across the region in celebration of the origin of the North East staple.

## NORTHUMBERLAND'S OUTDOOR KITCHEN



Volunteers in Amble received £9,871 to create a new women-focused community garden, to help reduce social isolation during the cost-of-living crisis.

Women's Workshop brought local women together to improve their confidence and knowledge by running workshops teaching how to grow and cook through the seasons, DIY, woodwork and crafting.

The funding was also used to transform an outdoor space with flowers, recycled planters and an outdoor seating area, providing a quiet space for new connections and friendships.



## PEOPLE POWER – CITIZENS’ ASSEMBLY



**“We now see that climate change is a credible, urgent and real threat. It threatens all we value: our families, our communities and our planet.”** – Assembly member

In 2021 we were the first Combined Authority in the country to commission a Citizens’ Assembly on climate change. The question the Assembly considered was:

**“What should we do in the region to address climate change and its causes, fairly, effectively and quickly?”**

The Assembly consisted of a group of randomly-selected but representative group of residents. They spent 30 hours considering the issue including learning about the topic, hearing evidence from expert witnesses, weighing policy options and making actionable recommendations.

It was overseen by a panel of experts from local authorities, trade unions, businesses, the voluntary sector, environmental groups, scientists, and academics to ensure that the Citizens’ Assembly was fair and balanced and took into account a range of ideas and opinions.

The Assembly produced 30 recommendations on housing, transport, energy, financing carbon reduction and raising awareness of the climate emergency.

As a result we expanded funding for its existing programmes in offshore wind and agreed an additional £1m in funding to support small businesses to decarbonise and make a start on retrofitting the North East’s housing stock.

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**“We now see that climate change is a credible, urgent and real threat. It threatens all we value: our families, our communities and our planet. We must all be involved in tackling the climate emergency, putting Climate Change at the forefront and heart of every single decision.”**

**“In deciding our action, we must place fairness at the centre ensuring that those of us who are vulnerable and marginalised are not further disadvantaged.”**

**“We have a responsibility to act urgently and leave a fair legacy to conserve what we have and value now. If we don’t act it will be too late. It is imperative that we speak on behalf of future generations as they have no voice. It is through our community spirit and resilience that we will tackle this crisis together.”**



## OPEN THE DOOR A LITTLE WIDER THE MAYOR’S EQUALITIES ASSEMBLIES



**“Recruitment processes should be less competitive and more equitable. Just open the door a little wider.”** - Participant.

Using people’s lived experience when designing policies, results in more effective outcomes and in 2022 we held the first Mayor’s Equalities Assemblies with 46 residents who had experienced challenges finding good work. The aim was to understand the real barriers people face when finding a job and to support employers to be better able to recruit and retain a diverse workforce.

Working with Voluntary Organisations’ Network North East (VONNE), we were able to reach specific groups who often felt excluded and designed the forum so that their voices could be heard. A further Equalities Assembly for employers was held in 2023 to understand their challenges.

**“The groups seemed to take strength from each other and over the course of the day the room got louder and louder.”** - Facilitator

**3,276 residents engaged through our events**



### VOLUNTEERS TAKE THE REINS



Established 25 years ago, Ouseburn based Stepney Bank Stables received £6,400 to teach almost 50 children and young people how to care for and ride horses.

Many of the children who volunteered at the sanctuary struggled to remain in mainstream education and the funding helped the stables to provide a much needed safe and welcoming space where volunteers could be themselves and improve their confidence, as well as learn important life-skills such as time management.



### TACKLING FOOD WASTE



Zero-waste shop ‘Buy the Kilo’ in North Tyneside had been on a mission to support people to make greener choices.

They used community grant funding to hire out the local community centre and run a free environmental day for families.

Ethical businesses and local artists ran crafting workshops, a clothes swap, a kid’s treasure hunt and screened films to share ideas and help people understand how they could do their bit to save the planet.





# HOUSING, LAND AND DEVELOPMENT



## ACCELERATING THE DELIVERY OF NEW HOMES, REGENERATING OUR PLACES AND MAXIMISING THE OPPORTUNITY OF NEW INFRASTRUCTURE INVESTMENT.

From dementia friendly homes in Blyth, ground works in Northumberland and giving old developments a new lease of life in Newcastle, our £32m brownfield land fund helped to unlock previously developed and unused sites across the region, paving the way for new and community-led homes.

In 2024 we announced almost £1m to deliver an at-scale retrofit programme, providing advice to 1,200 households to support them to make their homes more affordable and energy efficient.

It's not just new homes we have focused on; towns and high streets are being revitalised in Newcastle East End, Ashington and Wallsend, thanks to an £7.7m investment to develop long-term plans, helping local traders and bring empty buildings back into use.



### LIFETIME HOMES IN LYNDON WALK



£400k of our Brownfield Housing Fund has been invested into the Lyndon Walk site in Blyth to bring back into active use, an area of land which has sat vacant for a long time. This will provide much needed affordable housing for the local area and will unlock the development of 13 two-bed bungalows, providing accommodation specifically for adults diagnosed with dementia. The site will benefit from air source heat pumps as part of our ongoing commitment to reduce the carbon impact of new housing.

### PARTNERING WITH HOMES ENGLAND



We signed an ambitious agreement with Homes England in 2023 to accelerate the construction of homes as part of the region's bold plan for growth.

With a focus on strategic economic corridors, such as the Northumberland Line and the North Bank of the River Tyne, the agreement set out plans to work together to unlock resources and accelerate development on some of the region's most important housing sites.

The partnership is working and in 2024, working alongside us, Homes England acquired Quayside West one of the most significant brownfield regeneration sites in Newcastle with capacity for around 1,100 homes and potential to transform the area.



Unlocking space for 2023 new homes across North of Tyne

### NEW HOMES IN NEWBIGGIN



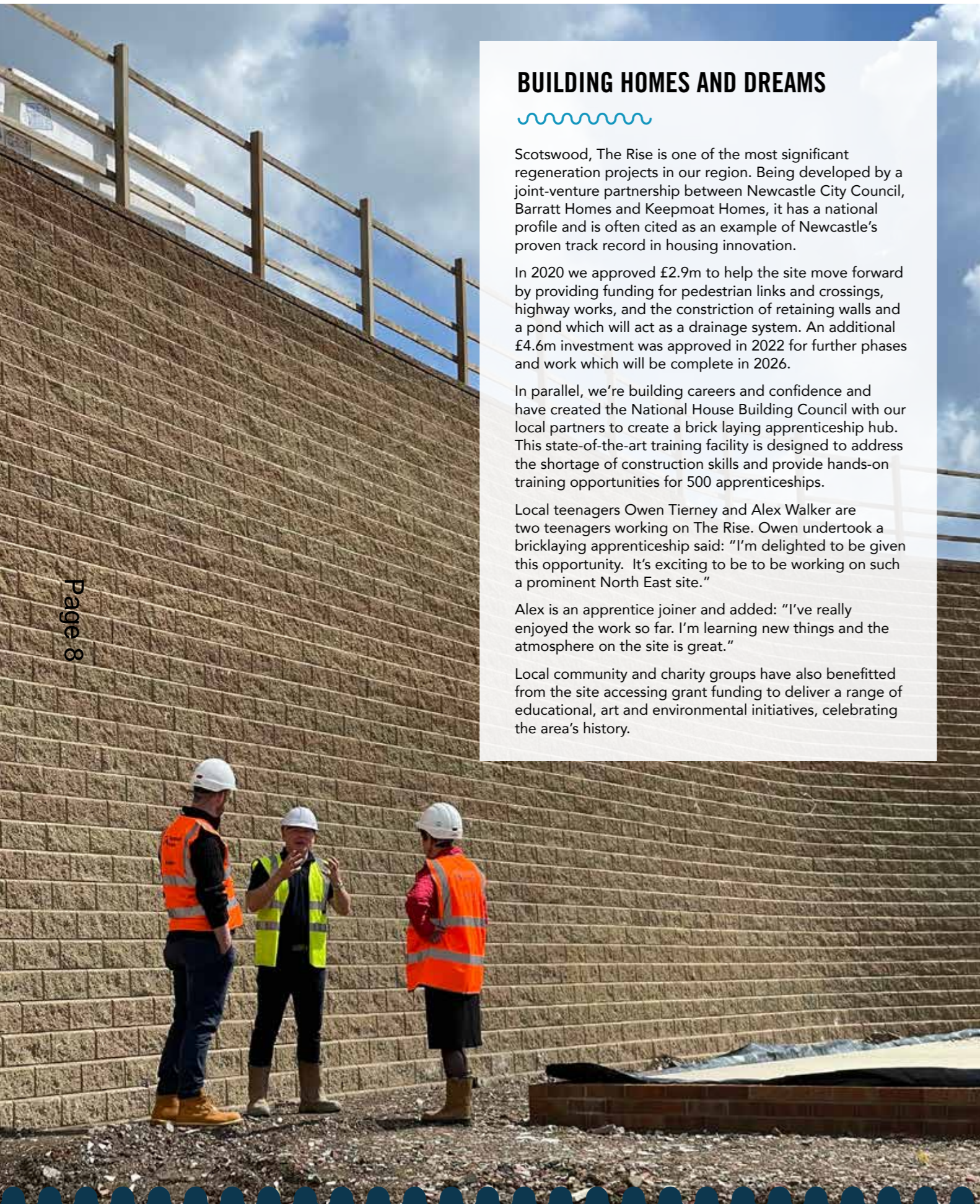
With support from our investment new affordable homes are being built on derelict land in Newcastle at Newbiggin Hall. We have invested £500k to enable the construction of 43 new homes on the estate, as part of a wider £6m investment.

Our investment paid for the demolition and clearing of the old shopping centre, which was in disrepair and had become a magnet for antisocial behaviour.

The new homes are being built by Newcastle City Council for Your Homes Newcastle and will be available as affordable housing with shared ownership, rent to buy options and some council housing. The homes will have solar panels on the roofs and air-sourced heat pumps helping future residents tackle the cost-of-living crisis.

Due to be completed in 2024, the development has been designed to be within easy walking distance of a new doctors' surgery for the residents and the local shops.





## BUILDING HOMES AND DREAMS



Scotswood, The Rise is one of the most significant regeneration projects in our region. Being developed by a joint-venture partnership between Newcastle City Council, Barratt Homes and Keepmoat Homes, it has a national profile and is often cited as an example of Newcastle’s proven track record in housing innovation.

In 2020 we approved £2.9m to help the site move forward by providing funding for pedestrian links and crossings, highway works, and the construction of retaining walls and a pond which will act as a drainage system. An additional £4.6m investment was approved in 2022 for further phases and work which will be complete in 2026.

In parallel, we’re building careers and confidence and have created the National House Building Council with our local partners to create a brick laying apprenticeship hub. This state-of-the-art training facility is designed to address the shortage of construction skills and provide hands-on training opportunities for 500 apprenticeships.

Local teenagers Owen Tierney and Alex Walker are two teenagers working on The Rise. Owen undertook a bricklaying apprenticeship said: “I’m delighted to be given this opportunity. It’s exciting to be to be working on such a prominent North East site.”

Alex is an apprentice joiner and added: “I’ve really enjoyed the work so far. I’m learning new things and the atmosphere on the site is great.”

Local community and charity groups have also benefitted from the site accessing grant funding to deliver a range of educational, art and environmental initiatives, celebrating the area’s history.

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## NORTHUMBERLAND LINE



Construction of the new Northumberland Line railway is well under way between Ashington in Northumberland and Newcastle Central Station. We supported this major development with an economic investment plan that will leverage in £130m of investment to transform towns and communities along the route.

Restoration of passenger services on the route between Ashington and Newcastle Central Station will create a new “economic corridor” sparking a regeneration of the towns it runs through.

Our £10m investment goes beyond the engineering work. Our economic plan will help bring forward new development sites, look at opportunities to accelerate growth and ensure that new line provides people with easier access to jobs and training opportunities in key sectors such as the region’s thriving clean energy sector.

So far, we have invested in capital works around stations and along the route of the line. Large investments have been made of £2.5m for Newcastle Central Station improvements and £5m for a new road bridge at Blyth, this will replace a level crossing and ensuring the town and port remain easily accessible.

We have also funded projects focused on local transport links around the new stations, for example ensuring it is easy to cycle from the line to the Energy Central Campus in Blyth.

More investment is being planned, for example we are looking at ways to connect to ‘Waggonways’ in North Tyneside, develop a masterplan for the Manors area of Newcastle, and making investment into improving Ashington Wansbeck Square.



Investing **£7.7m** in revitalising our towns and highstreets



## NEW STATION AT BLYTH



On the Northumberland line a new station at Newsham in Blyth is under construction – with anticipated journey times of just 25 minutes from Blyth to Newcastle.



## RETROFITTING HOMES



While getting to net zero is a priority, spiralling energy costs are also a major factor in the cost-of-living crisis. To help tackle these joint issues we commissioned a report from the Energy Saving Trust, to build a robust evidence base for a future large-scale housing and building retrofit programme, to make them more energy efficient. The report looked at our regions’ housing stock, the best ways to achieve net zero and the potential impact on local employment. It shows that up to 3,500 jobs could be created, but that the scale of investment needed for this work is vast and we will continue to talk to government to unlock funding.

# JOBS, INNOVATION AND GROWTH

## BUILDING OUR CAPACITY TO INNOVATE AND CREATE FUTURE JOBS, THROUGH MAJOR INVESTMENT IN OUR TRANSITION TO CLEAN GROWTH, GREEN JOBS AND A MODERN, DIGITALLY CONNECTED ECONOMY.

4,334 more people in the North of Tyne are in good work today thanks to an investment in innovation and growth and a further 5,377 jobs are in the pipeline.

In 2020 we created our Good Work Pledge setting the standard for good work in the region. Today, 150

employers have committed to providing good work to 80,500 employees with 150 more employers in talks to join us soon.

We also launched a £3.5m fund to support more businesses to expand and create jobs and hire more people in the region.

We also supported 569 small and medium sized businesses across the North of Tyne become more successful and resilient by adopting digital technology, providing one to one support to help them understand and make best use of their data.

## 150 COMPANIES AWARDED OUR GOOD WORK PLEDGE

One of the ways we are helping our region bounce back from Covid-19 is through the provision of better work.

We created The Good Work Pledge in 2021, a simple and free framework, to recognise and celebrate good employers and to ensure more people have access to work that is reliable, pays a decent wage and supports their health and wellbeing.

150 businesses employing more than 80k people in the North of Tyne have been awarded the accreditation to date, with 150 more companies in talks to join the programme soon.

Rothwell Plumbing Services, a family run business which has been established for over 35 years, became the 150th business to be awarded the Good Work Pledge.

Recognised for their commitment to creating local employment opportunities, the plumbing company has created 180 apprenticeships, provided valuable work experience and demonstrated a commitment to developing their workforce through training, volunteering and inclusive recruitment practices.



**Attracted businesses to the region, bringing 1739 new jobs**

## INWARD INVESTMENT FUND

We championed North of Tyne as a place to do business on a national and international stage. In 2019 we launched a £10m fund to generate inward investment from the Electrification, Offshore Renewables, Corporate Services and Health and Life Sciences sectors and, to help companies relocate to the region, expand and grow.

Working closely with our partners to complement the existing investment support available across Newcastle, North Tyneside and Northumberland, our investment enabled a package of support including: relocation advice, tours, sector research, recruitment advice as well as connections and introductions to make the move to the region as smooth as possible. The fund has been particularly successful at attracting digital, commerce and cloud-based technology businesses to the region including Credera and its parent company Omnicom media group, Monstarlabs, Thoughtworks, Xplor and Version 1 who are all experts in digital products and consulting. Through the fund we have supported the creation of 1,739 high quality jobs.



## VERISURE CONTINUES TO GROW

With our support, global security firm Verisure established a base in North Tyneside on the Quorum Business Park in 2020 and since then, they have expanded rapidly twice as fast as expected. They have recruited over 650 people and in 2022 relocated into an even bigger building on the park, which could eventually house 1,200 employees.

The firm has roles in customer services, sales, operations, data analysts and technical advisors on site. It is also looking to expand into services offering 'first responders' who can handle emergency situations. Managing Director Gabino Sanchez endorsed the region: "The North East has proven to be the perfect place to have a major arm of our business. The city, the culture and the people. Our aim is to continue to grow."

## GRID FINDER

Our innovative equity investment model has reaped rewards with Grid Finder, a Tyneside based gaming startup company. After successfully taking part in our digital start-up programme, Ignite Accelerator, Grid Finder received an additional £100k in 2023 to continue their growth. Working with Creative UK our investment helped Grid Finder to create more jobs in the region. The start-up and has now been acquired by US based RAFA racing club.

Grid Finder Founder, Thomas Stapley-Bunten, said:

"I am so grateful for the tech and start up support eco system that is being championed in the North East of England. It's been great to feel part of a growing movement of creative thinkers in Newcastle and I'm so glad that we're able to continue to hire from our local talent pool."

## GROWING MERIT HOLDINGS, CRAMLINGTON

Headquartered in Northumberland, with further offices in Glasgow and London, Merit is the UK's leading industrialised construction and digital manufacturing specialist.

The company produces bespoke modular industrial units at its manufacturing facility in Cramlington which are then transported for final assembly on location. Merit specialises in sectors requiring clinical or clean room grade facilities such as health and life sciences, electrification, aerospace and semiconductor manufacturers and have delivered the design and build of Berwick's £35m community hospital, Moderna's new £25m laboratory in Oxfordshire and the UK's first CAR-T cell lab - a complex and specialist cancer fighting manufacturing facility in Stevenage.

The benefit of this style of construction is that the time taken from design to finished product is much less than using traditional construction methods and Merit's proven successful track record has seen them grow significantly in recent years.

In 2019, we invested £500k to enable Merit to continue their growth and expand further, acquiring a 100,000 sq ft facility in Cramlington which had stood empty and derelict for some time. The company moved quickly to re-develop the site and bring it back to use creating over 200 new jobs to support its expansion plans.

Despite Covid-19, the company delivered on its growth targets and exceeding the requirements for grant funding, which was part funded by the European Regional Development Fund. Over the last four years Merit has seen an increase in turnover of over 100% and increase in staff of over 200. They are now building on their successes and exploring the opportunity to expand overseas which could see the creation of 1,500 new jobs if successful.

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Supported **569** businesses to go digital



## £10M INVESTED TO SUPPORT THE REGION'S DIGITAL SECTOR

As part of our £10m commitment to support the growth of the digital sector we invested in six programmes in the North of Tyne area.

With our partners we delivered support across the digital sector to break down barriers for start-ups, grow the talent pipeline, support scaling businesses and attract companies to the area. We also provided support pathways for non-digital businesses to access expertise from digital specialists so they could adopt new technology, improve efficiency and create new jobs.

Small and medium sized businesses had free access to six programmes:

- 01 NATIONAL INNOVATION CENTRE FOR DATA**  
 Academics and industry experts helping businesses understand the value of their data, find efficiencies, create new products and helping businesses to grow.
- 02 DIGITAL PATHFINDERS**  
 Informative events and expert one-to-one support to adopt digital technologies.
- 03 DIGITAL INWARD INVESTMENT**  
 Attracting new businesses and tech investors to the area to support the growth of the digital sector and creation of new jobs,
- 04 DIGITAL CLUSTER**  
 Bringing clusters of businesses together to collaborate and innovate. Connecting businesses to market opportunities and bespoke support such as market access and finance.
- 05 IGNITE NORTH EAST**  
 Increasing the number of digital and tech start-up businesses in the region and helping entrepreneurs and new business founders turn ideas into viable businesses through workshops.
- 06 TALENT ENGINE**  
 Driving collaboration between employers and training and education providers to support the creation of meaningful digital roles and training people in industry relevant skills.

# CREATIVE, CULTURE AND RURAL

**DELIVERING YEAR-ROUND EVENTS, TOURISM AND INNOVATION ACTIVITIES WHICH CREATE JOBS, SUPPORT SECTOR GROWTH AND BOOST THE ECONOMIC POTENTIAL OF OUR CREATIVE, EVENTS, TOURISM AND RURAL INDUSTRIES IN A POST-COVID WORLD.**

We helped to build the profile of the region, investing £2.3m in a festivals and events programme to increase access to arts and culture. From a film and media festival in Berwick to 1900 years of Hadrian's Wall, Illuminated Sheep and even a North Sea Weekender, we attracted 1.8m visitors.


We provided £8m of business support, training and small grants to rural businesses, helping them to scale their existing businesses, launch new products and services, and build sustainability and innovation into their future business plans.

Our support for the National Innovation Centre for Rural Enterprise and the Rural Design Centre will provide a focal point for future business resilience, innovation and strategy to unlock the potential of the rural economy.

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**Investing 8m to support rural businesses communities and environments to thrive**



**Celebrating our area by bringing over 1.8m visitors to local events**



**207 cultural and creative businesses supported to thrive**



## CULTURE AND CREATIVE ZONES

We boosted the recovery of the culture and creative sector post-pandemic, through investing £5.1m in three Culture and Creative Zones (CCZ), helping writers, artists, actors, film makers, creatives of all kinds to grow their businesses, access low-cost and free workspaces, fund new ideas and projects and develop new skills.

We have set up designated areas across the region to support people and grow businesses working in the cultural and creative industries. We have invested in supportive environments for the creative sector to locate, start-up, grow, and flourish and ensure that no matter where in our region an independent artist, creative professional or business is located, they have access to the networks and support to enable them to grow further.

We have connected creatives with business skills. Each CCZ zone typically provided an availability of creative workspaces, business training and skill development, and engagement planning to connect their work to local communities.

Working in partnership with our local authorities we have invested £1.7m in each CCZ zone over five years. Each CCZ zone is developed at a different pace and took a different approach unique to its area and community. The overall programme brings all the CCZ zones together so opportunity and knowledge-sharing can take place across the region.



### CREATE BERWICK, NORTHUMBERLAND

Create Berwick started with a fund offering up to £5,000 to bring cultural organisations, creatives, artists and residents together to run creative projects which develop skills, grow businesses, and engage people in creative activity; making Berwick a beacon for culture and creativity. Projects in the pipeline include creative hubs, a community radio station and plans to celebrate the 400th anniversary of The Old Bridge. This comes on top of our £170,000 investment in the Berwick Film and Media Festival.



### CREATIVE CENTRAL, NEWCASTLE

In Newcastle we are supporting Creative Central run by Newcastle City Council. The zone is working around Clayton Street to develop a vibrant hub of creativity, directing funding and support to artists and creative businesses to help them set up shop. With our £1.7m investment so far, Creative Central has awarded £350,000 to projects aiming to develop creative skills and support artists to make a living without taking on second or third jobs. Future plans include an art residency project with the homeless and a creative hub on the Scotswood Road.



### CULTURAL QUARTER, NORTH SHIELDS

Launched in 2024 at the newly-refurbished Exchange Theatre, the Cultural Quarter in North Shields forms a focal point for creative industries in the area. It works with artists, creative practitioners and cultural businesses to co-produce a programme of projects and events that give residents and visitors the chance to enjoy high-quality artistic experiences. We are proud to have invested in this important cultural renewal.



- 1 We supported Northern Pride in July 2023 by investing in the Community Village at Newcastle's Town Moor, making it free to all. Adding to the Pride parade, the village had a stage of singers, drag artists and DJs, plus many other activities to take part including an alcohol-free space.
- 2 Inspired by the Gospels' themes of light, sheep and pilgrimage, our Illuminated Sheep arts trail encouraged locals and thousands of visitors to find their inner shepherd in preparation for the arrival of the Lindisfarne Gospels to the region in 2022.
- 3 Over 56,000 visitors attended The Laing Art Gallery's landmark 2022 exhibition. 'The Lindisfarne Gospels' celebrated the most spectacular surviving manuscript from early medieval Britain as it returned to the North East.



- 4 We celebrated the 1900th anniversary of the Hadrian's Wall, our UNESCO World Heritage Site, throughout 2022. Over 3,000 events took place driven by communities and local arts organisations bringing visitors to the region. Apertura was an interactive sonic sculpture featuring wind chimes at Walltown Country Park as part of the festival.
- 5 Under the Stars was a series of free, spellbinding outdoor events telling stories through building projections, sound installations and fire commissioned by us. It was held in March 2022, attracting over 44,000 visitors to the region.
- 6 The Rugby League World Cup Cultural Festival took place in Newcastle in October 2022 to support the tournament. This ambitious free festival on the streets of Newcastle brought together audiences for sport and art featuring dance, music and aerial performance.



- 7 The world's first ever Morph art trail - Morph's Epic Art Adventure - hit the streets of North Tyneside from January to April 2022, attracting over 60,000 visitors.
- 8 Everyone knows the Great North Run and we supported it in 2022 to help mark its 40th celebrations in style. Particularly important as our communities emerged from the pandemic. That day the BBC TV audience was 5 million and the event was distributed to 127 countries.
- 9 Thousands of people attended the second North Sea Weekender in 2022 on the North Tyneside coast over September and October, funded by through our festivals and events programme and designed to extend the visitor season. Activities included surfing, kayaking, food and music events.



# EDUCATION, INCLUSION AND SKILLS

## SHAPING THE SKILLS OF THE FUTURE AND WORKING TOWARDS A MORE INCLUSIVE ECONOMY, BY WORKING WITH EMPLOYERS, COLLEGES AND PROVIDERS TO SUPPORT SCHOOLS, CHILDREN AND THEIR FAMILIES.

Since 2020, we've invested over £95m from the devolved Adult Education Budget which has created over 115,000 opportunities for adults to gain the skills and confidence to get into good work and further learning.

A further £5m has been invested in employer-led skills provision in growing sectors such as construction, green

skills and health and social care, among others, to create a workforce fit for the future.

And over £14m has been invested in Skills Bootcamps which has, so far, helped over 2,200 adults to train and gain skills quickly to improve their job prospects. Over 340 employers are engaged in Skills Bootcamps across the region either designing or co-delivering courses, offering job vacancies or co-funding existing employees.

Through our Employability Plan and programmes, we've helped 10,495 people to get work-ready, find employment, change careers, or get the skills they need to move into good jobs, including helping 296 carers return to work.

## OPPORTUNITY FOR ALL

We put skills at the centre of our economic ambitions to create an inclusive economy for all our residents. To succeed we believe there needs to be a collaborative approach to planning, with providers and employers working together to make the most of their specialist strengths and sharing resources where appropriate.

From 2020 to 2024 we invested **£125m** into skills and training.

**£95.2m** for adult education - to upskill residents in basic skills and access to Level 2 and Level 3 vocational training

**£4.1m** for the Multiply numeracy programme - to strengthen peoples' capability and confidence at dealing with numbers

**£14.7m** for Skills Bootcamps - targeted training, focused on economic growth areas where current job vacancies exist

**£5m** for specific industry training - for work in the green, digital and creative sectors training, focused on economic growth areas where current job vacancies exist

**£5.6m** for a range of Level 3 Free Courses for Jobs



I lost my business in lockdown, but I've built back better since Skills Bootcamp.

Andy, 35.

## FREE SKILLS BOOTCAMPS

A successful self-employed landscape gardener of 10 years, Andy found his business on the brink of collapse during Covid-19 when he could no longer visit people's homes during lockdown.

Struggling to survive on benefits, feeling lost and relying on foodbanks, Andy spoke to his local job centre who suggested he try a free Skills Bootcamp funded by the North of Tyne Combined Authority.

Having previously worked in construction Andy was able to complete a free four-week course with construction training academy RMF in Northumberland to renew his Construction Skills Certification Scheme (CSCS) card and get back into work. This course would usually cost around £2,000.

There was no cost for Andy to complete the training and it even included a free minibus to take him to and from the site each day. Once completed he was offered a role as a Trainee Heavy Plant Operations Instructor with RMF.

Andy said: "I'd never been on benefits before, and it was probably the lowest point in my life but it [the Skills Bootcamp] gave me a reason to get up in the morning. I live on my own and I'd been skint for months, so I hadn't been out much or seen my friends for ages. I used to have a good social life, and I'm a real people person, so being able to sit with a group of lads every day and have a bit of craic was great. And I got on straight away with the instructors, too. They started me on a good wage - £30k as a trainee - and I'm now training on all the other machines as well and being taught how to deliver the courses. It's going well. I'm loving it."



## INVESTMENT IN MATHS ADDS UP FOR EVERYONE



**"I'm here because I want to learn and grow as a person and grow my knowledge within health and social care."**  
Kerianne, Multiply Programme Learner.

We received £4.1m in 2022 from the Government's UK Shared Prosperity Fund to teach practical maths skills to adults, to boost their chances of succeeding in employment.

The Multiply Programme in Byker, focused on building confidence through teaching practical and real-world maths skills such as managing household finances, helping children with homework, understanding maths in cooking and making more sense of the facts in the media.

Open to anyone who needed to improve their numeracy, many of the learners on the programme were either not in work or in roles which maths had become a stumbling block.

Delivered by Winnovation, a local training provider, the programme also specialised in improving numeracy skills in the Early Years and Health and Social Care Sectors helping learners understand how to use data, the figures on their payslip, and calculate medications.

Billy Doherty, Winnovation Managing Director said: "It's been refreshing working with the North of Tyne Combined Authority as it feels very much like a joint partnership, and out of our first cohort of learners, we've already seen five go on to employment and one into further education."

"Using maths is an everyday task, especially in employment, and the programme benefits employers because it creates a workforce that understands how to use maths to support their clients to have a better quality of life."



**£4.1m to improve adult numeracy skills**



## INCLUSIVE TRAINING FOR YOUNG PEOPLE IN CREATIVE AND FILM INDUSTRIES



We have always known the North East's story is a powerful one, and now we are training our young people to tell it through creative film and writing skills.

Making Creativity Works was a free skills training course to equip young people for a career in film, television or video production.

The course covered an introduction to video and editing, storyboarding and working together as a production team before progressing on to specialist skills training and career advice, including help and support to apply for further film and media training.

Delivered in partnership with Signpost Productions and Beacon Films, two North-East production companies who are committed to improving diversity in the screen sector, the course was particularly aimed at students, unemployed young people who identify as deaf or disabled.

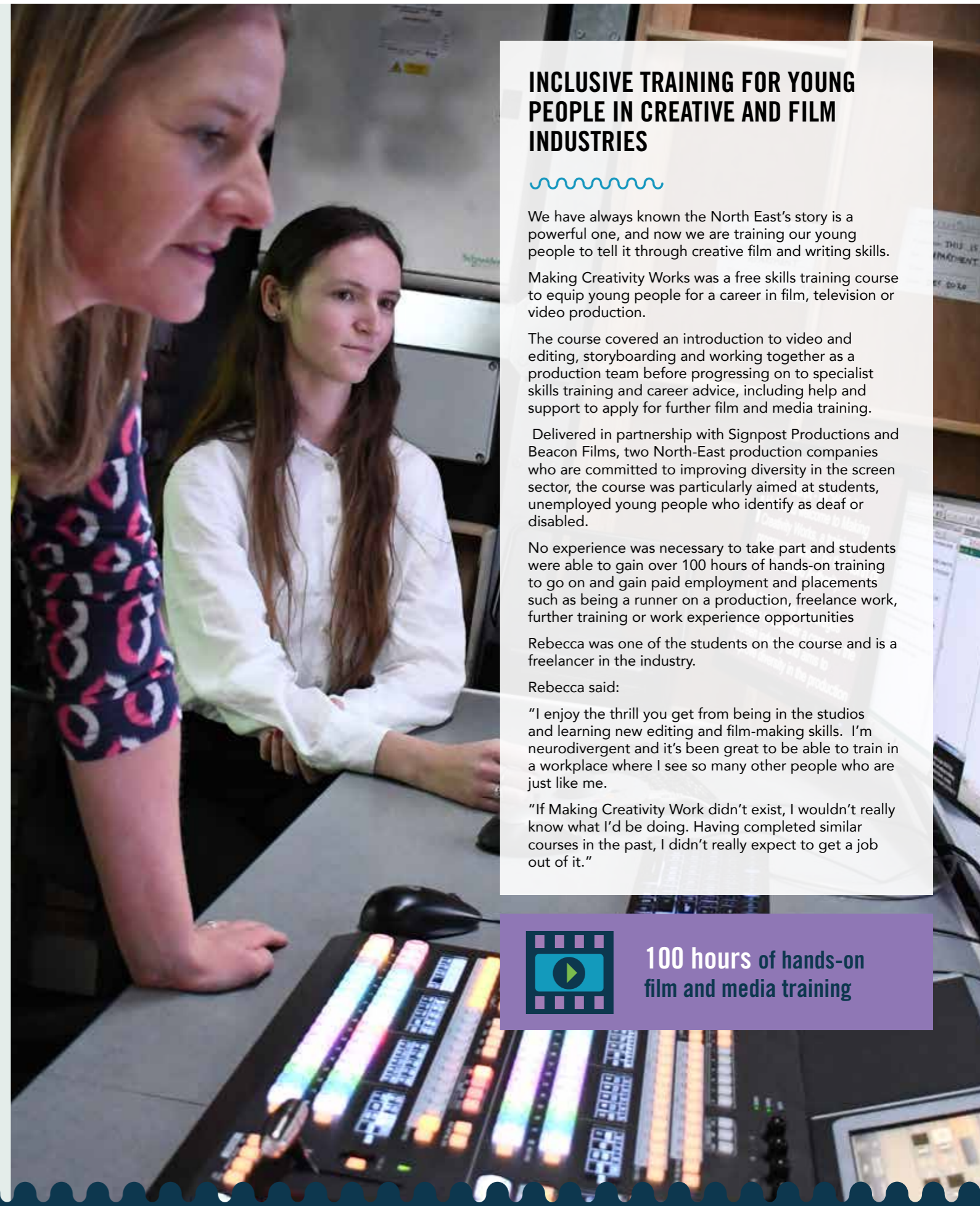
No experience was necessary to take part and students were able to gain over 100 hours of hands-on training to go on and gain paid employment and placements such as being a runner on a production, freelance work, further training or work experience opportunities

Rebecca was one of the students on the course and is a freelancer in the industry.

Rebecca said:

"I enjoy the thrill you get from being in the studios and learning new editing and film-making skills. I'm neurodivergent and it's been great to be able to train in a workplace where I see so many other people who are just like me.

"If Making Creativity Work didn't exist, I wouldn't really know what I'd be doing. Having completed similar courses in the past, I didn't really expect to get a job out of it."



**100 hours of hands-on film and media training**



# CHILD POVERTY PREVENTION AND SCHOOL IMPROVEMENT PROGRAMME



**BUILDING AN INCLUSIVE ECONOMY, WHERE OUR CHILDREN AND YOUNG PEOPLE HAVE EQUAL OPPORTUNITIES TO REALISE THEIR POTENTIAL AND BE PART OF THE REGION'S FUTURE SUCCESS.**

We invested £4.3m to support this vision. We convened cross-sector partners to identify challenges, agree priorities and co-design innovative solutions.

Our Child Poverty Prevention programme delivered practical interventions in over 100 schools and brought welfare and benefits advice into 50 schools, resulting in

over £1.2m in unclaimed benefits for families. We also supported employers to better support over 23,041 employees and funded baby essentials for 750 vulnerable new families.

Our Education Improvement Programme supported 266 schools, getting pupils back on track after Covid-19, providing teachers

with access to high quality professional development opportunities, launching a School Mental Health Award as well as delivering literacy and oracy projects, employer engagement in careers, transition support and climate change education.

## SUPPORTING SCHOOLS TO TACKLE POVERTY



**"Poverty is all-consuming and unless there is someone to help at the right time, in the right place, there just isn't the space to pursue it. This programme addresses all those issues and enables access to a service that would not otherwise be accessed - even in crisis."**  
Children's Community Centre Lead

From family learning to welfare and benefits advice, after school clubs to poverty proofing audits, 100 schools across the North of Tyne area had access to a range of options and support to choose from. The adaptable design of our programme allowed school staff to create a tailored support package which best supported their pupils and their families.

This included:

- Family learning courses to help get families and schools back on track post-pandemic.
- Poverty Proofing® audits to help schools to understand the unique barriers poverty can present for their pupils and families.
- Specialist welfare advisors to help struggling families make ends meet. We funded specialist advisors to work 1:1 with 50 schools and families, providing drop-in sessions and appointments to help with benefit entitlement, crisis support and debt advice.
- Fully funded afterschool clubs to ensure every pupil has access to high quality extra-curricular opportunities.

All of this, alongside our School Mental Health Award, an oracy education programme 'Voice North of Tyne', and professional development opportunities for teachers.

**"I really appreciate the help and can see the difference it makes having input from someone who knows what type of questions to ask."** Parent

**"I loved how we learned what our children were learning and how we can assist this."** Parent



## 750 BABY BOXES FOR FIRST-TIME PARENTS



The fourth pillar of our Child Poverty Prevention Programme focused on the first 1,001 days of a child's life, which are the days from conception to their second birthday.

Working with the Children's Foundation, we funded a pilot to provide 750 new parents in the North of Tyne region a box of baby essentials to support them during the first few critical weeks and months.

Packed full of stimulating toys and books, the boxes have been designed by healthcare professionals to encourage brain development through playing, laughing, reading, singing and counting. They also contain essentials such as a blanket, changing mat, bath towel and thermometer to help reduce some of the financial pressures associated with starting a new family, giving our youngest residents a chance to thrive.



## HELPING PUPILS BE HEARD



According to the Department for Education, over a third of pupils starting primary school across our area, achieved below expectations in early language and communication. But not for long.

Since November 2023 we have been working with the national oracy education charity, Voice 21. Together we have launched a fully-funded 'oracy programme' for 100 schools – the largest of its kind in the UK. Being able to express yourself, engage with others, listen and speak is fundamental to being human. This oracy work increases confidence and enables children to better understand and hear other people's points of view.

Teachers and leaders are receiving professional development and support to equip them with the knowledge and skills to embed oracy into their classrooms, ensuring young people across the region benefit from the confidence to speak well.

An estimated 21,000 students will benefit from this programme, putting the deliberate and explicit teaching of spoken language at the heart of teaching.

**"Unlike other approaches to improving outcomes, the North of Tyne Combined Authority acknowledges the multiple barriers that children, young people and their families can face. I am delighted to be part of these initiatives and I am proud to be a Headteacher in a region with such unparalleled vision and ambition."** Headteacher



## CLEAN ENERGY

### BOOSTING THE INVESTMENT READINESS AND INNOVATION POTENTIAL OF OUR WORLD-LEADING CLEAN ENERGY SECTOR.

We used our powers from central Government to work more closely with partners to accelerate plans for clean energy growth.

We made major investments to support river and port infrastructure and developed a £20m pipeline of projects in supply chain innovation, demonstration and research assets; bringing new and exciting products to a global market.

In 2021 we accelerated the development of low carbon energy in our region, making £18m available to small businesses to help them implement low carbon initiatives and go green. From electric vehicle charging solutions, building retrofits, and low carbon heating systems, small changes made a big difference in our drive towards net zero.

We also championed research into batteries, heat networks and geothermal energy projects and offshore wind manufacturing, servicing and innovation.



## INNOVATION IN ENGINEERING

The offshore wind sector is a major strength in our region, offering huge potential to create good green jobs.

We partnered with Offshore Renewables Energy (ORE) Catapult in 2020 to deliver a £6.1m programme to boost supply chain growth and productivity in the North of Tyne and wider North East England region's offshore wind and subsea sectors

Large scale grant funding was provided to nine companies to develop and test new products to help them bring innovative technology to market and accelerate projects that could deliver significant cost savings; improved operational performance; safer working environments as well as create jobs and drive growth in the sector

Transmission Dynamics in Cramlington, Kinewell Energy in North Shields, SMD in Wallsend, Trident Dynamics and Unasys, both in Newcastle all took part in the programme, receiving advice, support and access to testing and demonstration facilities at ORE's National Renewable Energy Centre in Blyth.

The project was a huge success, bringing 10 new technologies to market such as subsea and remote robots, creating 22 jobs and safeguarding many others. The programme generated £4.41m for the economy and is forecast to create an additional 118 jobs over the next five years as companies continue to reap the benefits of the programme.

All five companies will now take part in phase two of the project which launched in 2024 and will build on the success of the first phase.

Jenny Hudson, Business Development Director of Transmission Dynamics said: "The funding has not only enabled the research to take place but will also lead to our growth as a business and the creation of new jobs. We would not be able to commit to this ambitious industrial research project without funding support."

## TECHNOLOGY THAT LEADS WORLD ENERGY SECTOR

Kinewell are an award-winning company which uses AI and advanced mathematics to create software solutions that accelerate and reduce the cost of the transition to net-zero. Based in North Shields and exporting their products globally, they are a success story of our investment into offshore renewables using funding to develop three new products with a fourth in the pipeline and on-track to doubling their growth each year.

Kinewell works with our universities including Newcastle and Northumbria - strengthening the region's reputation in the renewables sector and their rapid growth is securing good green jobs and increasing traineeships for local people.

## TRAINING PEOPLE TO LEAD THE GREEN ENERGY REVOLUTION

In 2022 we backed plans for the development of brand-new state-of-the-art training centre at the Port of Blyth, moving one step closer to leading the UK 's clean energy revolution from the North East.

The £13.6m Energy Central Learning Hub is set to open its doors later in 2024 and will deliver science, technology, engineering and mathematics related T-Levels and, courses in advanced manufacturing and renewable energy, powering the next generation of engineers and technicians.

Energy is a major sectoral strength of the North of Tyne region, with the existing offshore energy, subsea and marine technologies supporting thousands of jobs. As well as providing a clear pathway for young people embarking on a career in the clean energy sector, the hub will support those wanting to retrain and upskill, bridging the gap between employers, education institutions and residents.

The Energy Central Learning Hub will also build on the success of the existing Energy Campus and play a key role in developing a workforce that can meet the current and future needs of the industry around the Blyth estuary.

The combination of the Port of Blyth's sector experience and a mature on-site supply chain, alongside world leading test facilities and conferencing spaces, has been instrumental in attracting new investment from clean energy related companies and will help to provide a route for local people to gain the skills needed to land a job in the rapidly growing, clean energy sector.



## PORTS, QUAYS AND INFRASTRUCTURE

We are investing in our ports and quays' infrastructure to harness the power of the offshore wind and subsea supply chain in the region.

We have committed over £14.5m and with our partners, we have set out a shared ambition to be a world leader in the offshore and renewable energy sectors. So far we have invested in the following companies: Bates Clean Energy Terminal, Battleship Wharf, Swans Energy Park and the Offshore Renewable Energy Technology Development Centre all in Blyth.

# CONNECTIVITY



## INCREASED SOCIAL INCLUSION THROUGH BETTER-CONNECTED COMMUNITIES AND IMPROVED ACCESS TO EDUCATION AND JOBS.

Devolution gave us the opportunity to make decisions about our future and target investment where we needed it most. We focused on improving digital connectivity for all our residents, leading the way in 5G and digital inclusion.

During the COVID-19 pandemic, we worked with our Local Authorities to help 2,751 residents continue to access education, employment and key services who otherwise would have been digital excluded.

We used a further £7m investment to drive digital innovation, talent and inward investment, leveraging over £16m of additional funding for our region.

These projects included a share of £4m from the Government's Digital Connectivity Infrastructure Accelerator programme and £12m to connect 271 rural properties to full fibre broadband in Northumberland; paving the way for onward connection to thousands of other homes.

## ACCELERATING THE ROLL OUT OF 4G/5G IN THE NORTH EAST

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In 2022 we were chosen to lead on a Government trial to boost 4G/5G connectivity in the region, creating a new partnership to deliver a joined-up approach to streamlining access and processes, creating simple standard commercial agreements across the region that will help accelerate the transformative roll-out of 4G / 5G capability to people and businesses.

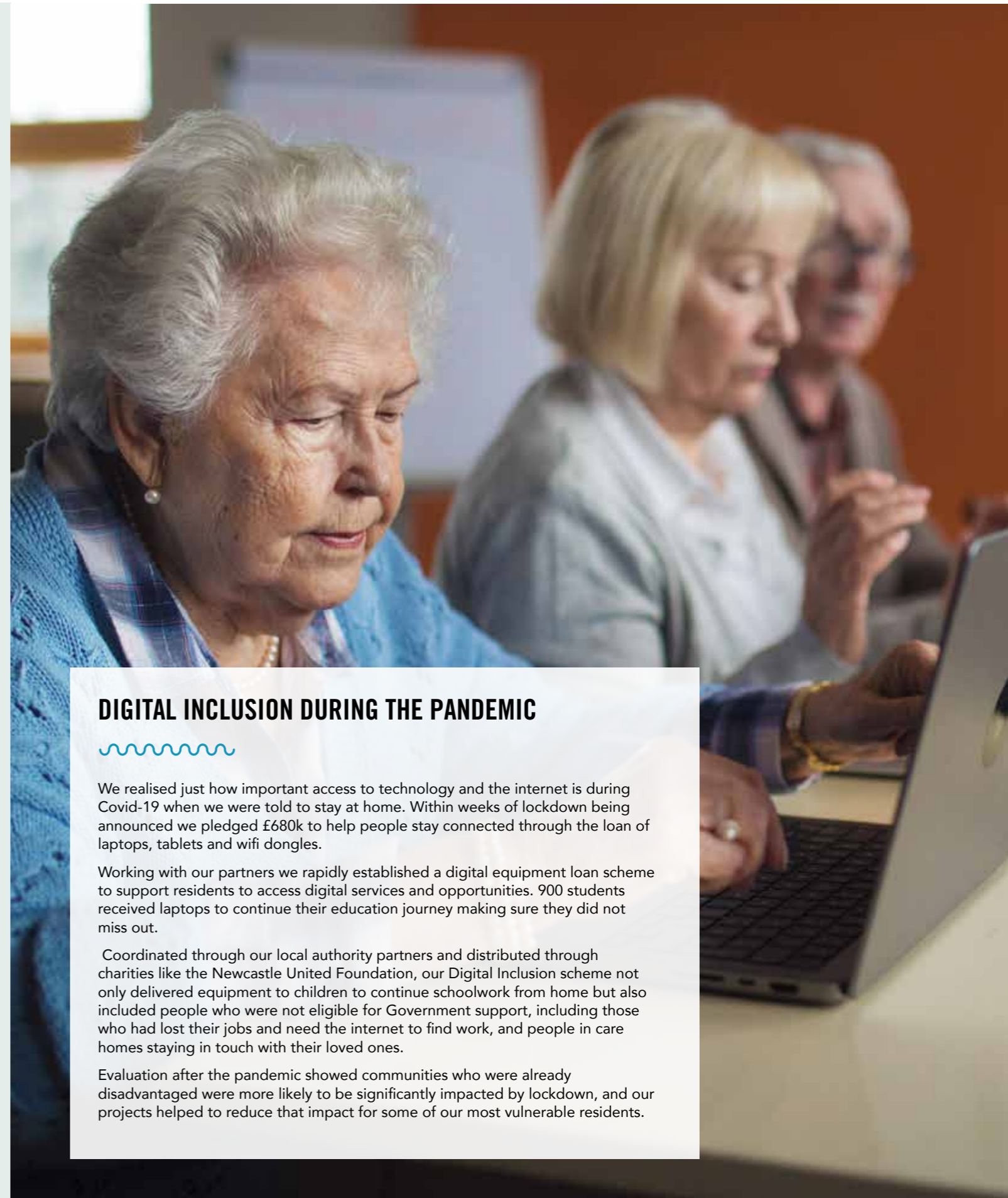
This acceleration and standardisation will make it cheaper for operators and communities to deploy digital infrastructure, meaning communities in the North of Tyne region can expect to benefit from faster and more reliable mobile coverage sooner than would be expected and it could mean there is less need for new masts which can often take longer to build and set up.




**£12m to connect 271 rural properties to broadband**



**£680k to support communities during Covid-19**



## DIGITAL INCLUSION DURING THE PANDEMIC



We realised just how important access to technology and the internet is during Covid-19 when we were told to stay at home. Within weeks of lockdown being announced we pledged £680k to help people stay connected through the loan of laptops, tablets and wifi dongles.

Working with our partners we rapidly established a digital equipment loan scheme to support residents to access digital services and opportunities. 900 students received laptops to continue their education journey making sure they did not miss out.

Coordinated through our local authority partners and distributed through charities like the Newcastle United Foundation, our Digital Inclusion scheme not only delivered equipment to children to continue schoolwork from home but also included people who were not eligible for Government support, including those who had lost their jobs and need the internet to find work, and people in care homes staying in touch with their loved ones.

Evaluation after the pandemic showed communities who were already disadvantaged were more likely to be significantly impacted by lockdown, and our projects helped to reduce that impact for some of our most vulnerable residents.

## GOVERNMENT GATEWAY REVIEW



### 'THUMBS UP' FROM WHITEHALL AS NORTH OF TYNE COMBINED AUTHORITY PASSES THE FIRST OF ITS 'GATEWAY REVIEWS'

In 2023 we had to demonstrate to Government that in the five years since the North of Tyne Combined Authority was created, we were delivering what we had been tasked with - to pursue a distinctive economic growth mission.

Our original Devolution Deal with Government set out our ambitions and targets. From a standing start in 2018, as a new organisation working across a new administrative footprint, with no legacy projects or pre-existing investment pipeline in place, we have worked collaboratively with our constituent local authorities and other stakeholders to design and deliver our North of Tyne Investment Fund (NTIF).

We used the fund to kickstart and scale-up investment in established regional priorities, maintaining momentum and delivering on long-term regional ambitions, such as continuing and ramping up investment in our growing renewable energy sector.

The period since our initial devolution deal in 2018 has been a turbulent one with major external events shaping our local economy and operating context, including the transition from EU exit, the economic and social impact of the COVID-19 pandemic, and the current cost of living and inflation challenges.

Our approach to delivering inclusive economic growth was based on evidence, we focused investment on our economic strengths such as renewable energy, digital, tourism, culture, our world leading innovation assets, and our natural rural capital to accelerate the transition to Net Zero, unlock the benefits of innovation, and deliver inclusive economic growth for the benefit of our residents and businesses.

The fund has been a crucial resource in delivering our vision and priorities. The annual £20m of investment funding it provided, enabled us to deliver transformational change in the North of Tyne and has been a key driver in building regional capacity to deliver critical investment projects. Our investment fund complements our other significant devolved funds which also played an important role in delivering our priorities, including the Adult Education Budget, Skills Bootcamps, Brownfield Housing Fund, Community Renewal Fund, and the UK Shared Prosperity Fund.

We have worked hard to strike a balance between investing funds in our long-term inclusive economic growth vision, alongside making responsive investments to support our businesses, people, and communities through the pandemic and short-term inflation pressures.




**OUR APPROACH TO DELIVERING INCLUSIVE ECONOMIC GROWTH WAS BASED ON EVIDENCE, WE FOCUSED INVESTMENT ON OUR ECONOMIC STRENGTHS SUCH AS RENEWABLE ENERGY, DIGITAL, TOURISM, CULTURE, OUR WORLD LEADING INNOVATION ASSETS...**

Following the Gateway Review we were given the green light for £100m of investment over the next five years, unlocking £20m of central government funding per year until 2027-28. This will be folded into the new devolution deal which the new North East Mayoral Combined Authority will deliver from May 2024 and will play a crucial role in enabling strategic investment to continue to achieve our vision and deliver on devolution deal commitments.



# WHAT WE'VE ACHIEVED

Supported  
**62**  
community projects  
through North of Tyne  
Crowdfund



Engaged with  
**3,276**  
residents through Mayor's  
Question Time, Equalities  
Forum and Commonplace



Investing  
**£8m**  
to support rural  
businesses communities  
and environments

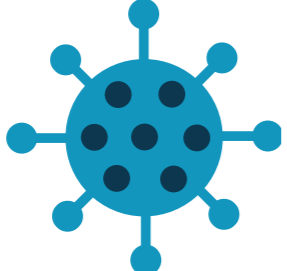


Investing  
**£10m**  
in communities along the  
Northumberland Line Economic  
Corridor to support digital  
infrastructure, housing, skills  
and business growth



**115,000**  
courses delivered to  
help people get good jobs

**£5m**  
invested to support  
businesses recover  
from COVID-19




**£304.3m**  
private sector  
leverage



Attracted businesses  
to the region, bringing  
**1,739**  
new jobs



Investing  
**£7.7m**  
in revitalising our towns  
and highstreets



Celebrating our area  
by bringing over  
**1.8m**  
visitors to local events



**£20m**  
invested in offshore  
renewable energy

Unlocking space for  
**2,023**  
new homes, including a  
strong mix of affordable and  
community-led homes, across  
North and South of the Tyne




Supported  
**569**  
businesses to go digital

**£5m**  
invested in training for our  
growing sectors, helping  
create a workforce fit for  
the future of work




Helped  
**10,495**  
get work-ready



**£16m**  
additional investment to  
bring enhanced connectivity  
to businesses and residents



**207**  
cultural and creative  
businesses supported  
to thrive




**5,377**  
Jobs in the pipeline

**GOOD WORK  
PLEDGE** ✓  
**80,500**  
employees working in  
organisations recognised  
for providing Good Work



**279**  
schools supported  
to improve the lives of  
children



Investing up to  
**£500,000**  
to unblock barriers to jobs,  
skills and productivity along  
the river Tyne through the  
Tyne Taskforce



**£32m**  
Brownfield  
Land Fund

# AND SO MUCH MORE...

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Title: Investment Fund and Funding Approvals Update  
 Report of: Head of Strategy and Innovation  
 Portfolio: Investment and Resources

## Report Summary

The purpose of this report is to set out progress delivering North of Tyne Investment, Brownfield Housing, and Business Case Development Fund programmes and to update Cabinet on work undertaken within the region and with Government to facilitate the release of early investment across the NEMCA area.

Good progress is being made with the NTCA's Investment Fund; £131m is committed to projects that are expected to create 5,377 jobs, with the first 2,348 people now in post and a further 1,959 jobs safeguarded – meaning there are 4,307 people today in employment as a direct result of NTCA investment. This paper reports on the following funding approvals, delivering on previously agreed strategic priorities:

- **£2.5m** of Investment Fund towards enabling works that will transform Ashington Wansbeck Square into an attractive and modern new gateway, as a core part of our Northumberland Line programme whilst also catalysing regeneration of the town. Together with an additional **£0.3m** for feasibility studies to enhance first and last mile connectivity to stations along the Northumberland Line Economic Corridor.
- **£1.5m** of resources to implement the first phase of a Flexible Social Finance Fund, widening access to affordable finance for SMEs, social enterprises, charities, and community businesses to grow the size and impact of the North East social economy.
- **£0.25m** towards site development at the Northumberland Energy Park in Blyth, creating additional capacity to stimulate investment and growth of the offshore sector.
- **£4.4m** North of Tyne Brownfield Housing Fund investment to unlock development of 67 new homes in North Tyneside and 146 in Benwell Dene, Newcastle. In addition, **£0.15m** of Business Case Development funding to commission an urban planning framework for Forth Yards, Newcastle.
- **£7.2m** of the additional Brownfield Housing Fund negotiated as part of the NEMCA devolution deal to unlock development at Kelly's Yard in South Tyneside, and Clasper Village and Chandless in Gateshead, bringing forward a total of 427 new homes.
- **£6.85m** of investment in capital regeneration projects, using additional funding secured as part of the NEMCA devolution deal, to support regeneration and cultural renewal in Blyth, North Shields, and Newcastle city centre.

## Recommendations

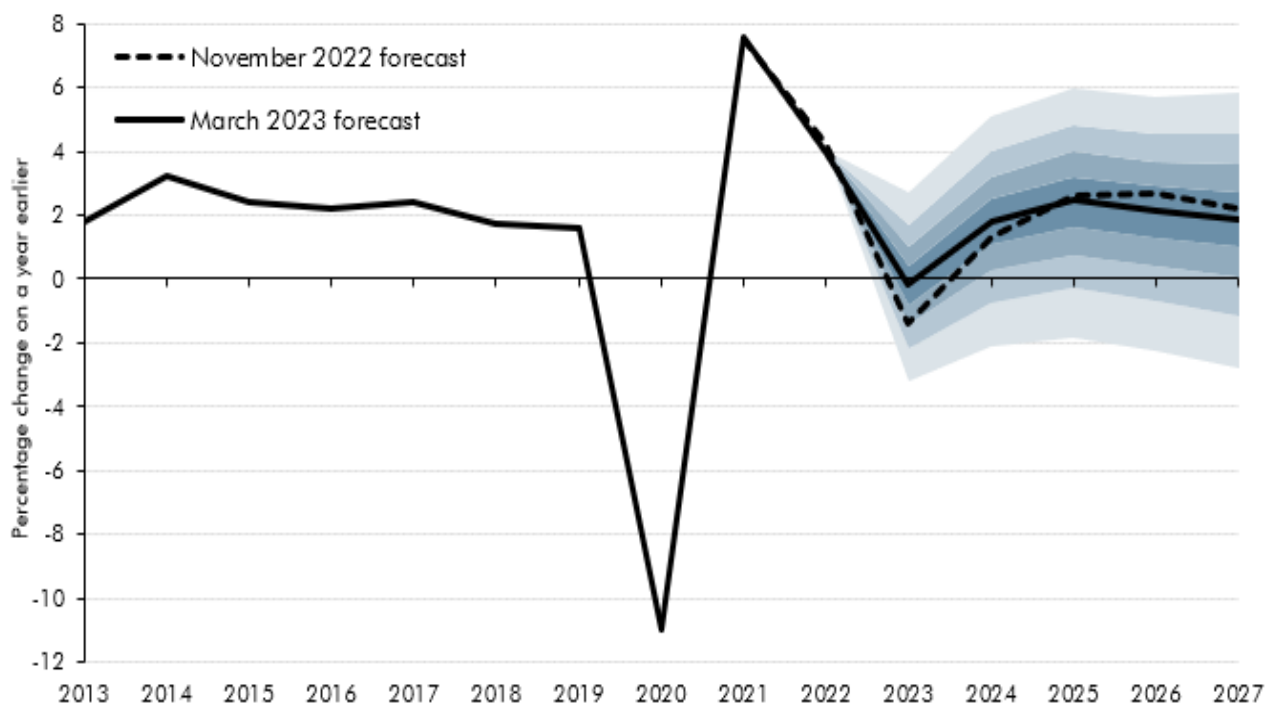
Cabinet is recommended to:

1. Note progress to date on the NTCA Investment Fund, BHF programmes and the ongoing project development work to deliver objectives previously agreed by Cabinet, particularly in respect of new job creation for residents as a direct result of our investments.

2. Note that the Chief Executive will in accordance with existing delegations, make final approvals and associated decisions relating to implementation and funding awards, including procurement implications, for the £36.7m of project funding described in this report.
3. Approve additional funding allocations for existing projects, and the commencement of a procurement exercise, as set out in paragraph 9 and delegate authority to the Chief Executive and Chief Finance Officer to finalise arrangements, including where appropriate agreement of a revised Delivery Plan.
4. Note for information the additional capital and revenue funding provided through the North East Deeper Devolution Deal to accelerate delivery of regional priorities.

## 1. Background and Economic Context

- 1.0. The UK has officially entered a technical recession, after two consecutive quarters of negative growth. But the latest forecasts from the Office for Budgetary Responsibility (OBR) are for a modest return to growth of 0.8% in 2024 and 1.9% the following year. Pressure on UK living standards continues. Rents continue rising and mortgage rates remain high, reflecting the effect of recent interest rate hikes. Household budgets continue to be squeezed by increased living costs.



Note: Successive pairs of lighter-shaded areas around our baseline forecast (black line) represent 20 per cent probability bands.  
Source: ONS, OBR

- 1.1. Labour market indicators also reveal a mixed picture. Recent estimates suggest a gradual return to work, although economic inactivity rates remain high in the North of Tyne area. Job vacancies are above pre-pandemic levels; however, numbers are falling. Despite ongoing staffing difficulties, more North East businesses are expecting to grow their workforce. There are renewed signs of optimism as concerns over inflation and interest rates ease amongst employers, particularly as headline inflation and CIPH plateaued over the last 12 months.
- 1.2. Against this backdrop, NTCA continues to invest to support inclusive economic growth, and this report provides updates on:

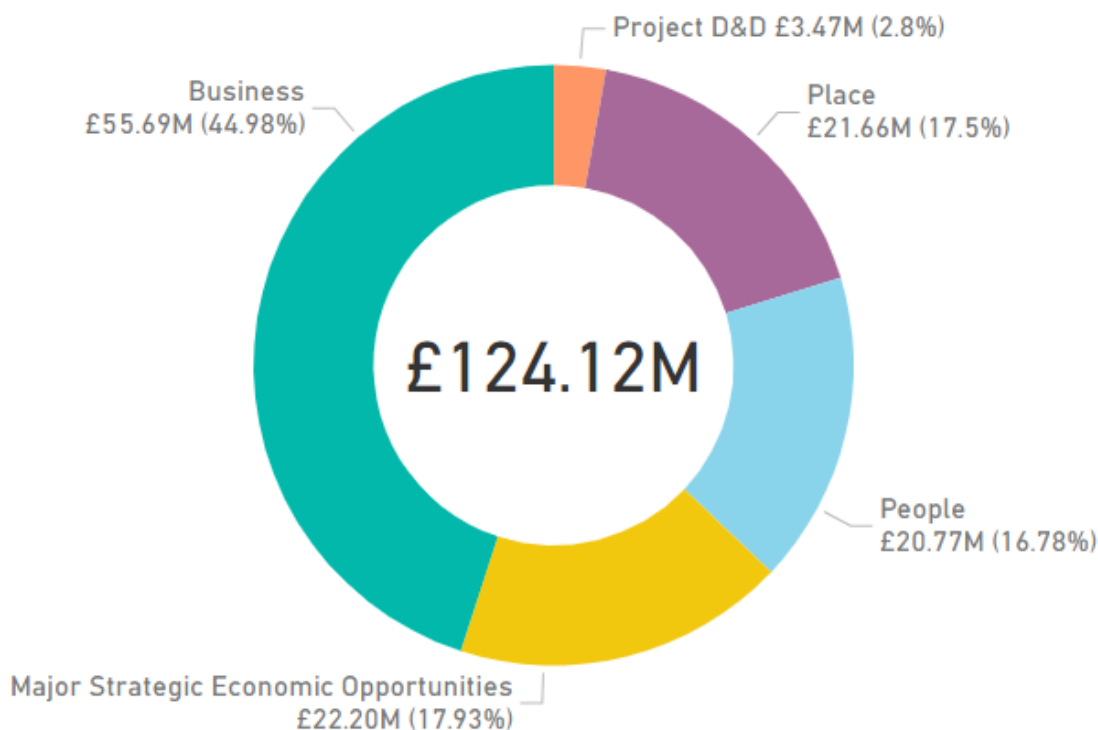


- delivery of the Investment Fund, including substantial progress towards our 30-year 10,000 new jobs target;
- project approvals in relation to the NEMCA Capital Regeneration Fund; Brownfield Housing Fund; NTCA Investment and Business Case Development Funds, the Northumberland Line Economic Corridor and Technical Capacity Fund, and creation of a Flexible Social Finance Fund;
- a small number of NTCA project extensions for a time limited period only, to maintain continuity and ensure the opportunity to deliver wider regional outcomes can be properly considered by NEMCA;
- an NTCA access to finance fund to support innovation driven business growth, and
- a North East Deeper Devolution Deal to accelerate delivery of key regional investment, growth, and regeneration priorities.

## 2. Progress with the Investment Fund

2.0. Delivery of the NTCA Investment Fund Programme continues with 163 projects approved since the launch of the North of Tyne Combined Authority, providing direct support to residents, promoting business growth, and investing in our communities. These projects are expected to create 5,377 jobs, more than half of our thirty-year target. The first 2,348 new jobs have been created and verified, with North East residents employed as a direct result of NTCA investment. In addition, 1,959 roles have been confirmed as safeguarded.

2.1. Excluding the projects discussed in this report, the Combined Authority has put in place contracted Investment Fund spend of around £124.12m (see chart below), covering commitments and expenditure to 2029-30. Investments by the NTCA are expected to bring in more than £304m of private sector leverage.



## 3. NEMCA Capital Regeneration Fund

3.0. Last year, NTCA Cabinet agreed the Combined Authority would act as the Accountable Body for a programme of capital investment in regeneration secured as part of North East devolution negotiations. The programme addresses early priorities identified by the forthcoming North East Mayoral Combined Authority (NEMCA). Following a call process and confirmation of an investment pipeline, £23.4m of projects were reported to Cabinet at its last meeting. This report brings forward a further £6,850,000 for Blyth Culture Hub and Market Place, North Shields Public Realm, and Creative Central in Newcastle.

#### **a. Blyth Cultural Hub**

3.1. The Culture Centre will enhance Blyth's culture, leisure and evening economy offer, creating a new 'anchor' development in the Market Place to attract more people into the town centre. Greater patronage throughout the day and into the evening will increase footfall, dwell time and spend. The development will offer a range of culture and leisure opportunities, providing residents and visitors with new reasons to visit Blyth:

- a three-screen cinema offer,
- multi-use indoor performance space, exhibition space, café, and hospitality venue, creative play, and arts / health / and wellbeing space.

3.2. Public realm improvements to the Market Place, including the development of a new outdoor performance space is the first step to tackle town centre decline. Part of the £70m Energising Blyth Programme (NCC, HM Government and NTCA funded), early NEMCA capital will provide a £2.5m Investment Fund contribution to grow, renew and connect the town, capitalising on Blyth's position along the Northumberland Line Economic Corridor and potential to deliver a 'bold rural economy.'

3.3. The Blyth Cultural Hub and Market Place will create 8 direct jobs, deliver 8,250 sqm of new and improved public realm, as well as unlocking additional benefits on completion, including 75 jobs supported in the visitor economy, a further 70,000 visitors to the Cultural Hub, an extra £4.0m visitor spend, and 50 learners engaged in cultural education.

#### **b. North Shields Public Realm**

3.4. This project supports development of cultural, creative and visitor amenities to drive inclusive and sustainable growth. Investment will connect assets along the North Shields riverside and seafront promenade to North Shields town centre, improving the local visitor economy offer. As a result, visitor numbers, dwell time, and local spend in the town are all forecast to increase, aligned to the ambitions of Culture and Creative Zone. The additional upgraded public realm is expected to increase annual footfall and expenditure by 369,000 and £13,500,000 respectively.

3.5. NEMCA funding of £3,300,000 completes the remaining public realm improvements to link North Shields Town Centre and the Coastal/Riverside Promenade route via the planned relocated Ferry terminus on Western Quay. Works will upgrade a further 14,000 sqm of streetscape, creating a pedestrianised loop that joins up the retail core of the town with the buoyant hospitality and visitor offer along the Fish Quay and wider coastline. The cumulative investment in the public realm across the town square will enhance pride in place and provide an extended 'destination' for visitors, many of whom already visit North Tyneside's Coast and Fish Quay area. The works are proposed to be concluded ready for the celebration of North Shields' 800th anniversary in 2025, during which a programme of events is being planned.

#### **c. Creative Central in Newcastle (Boho Arts and Tyne Theatre)**

*Newcastle Boho Arts*

- 3.6. Currently, there is a gap in the market for a new arts and cultural facility that serves the grassroots creative community and the public. Newcastle is seeking to capitalise on high demand for creative, inclusive, and accessible spaces that are centrally located, affordable and available, designed by and for the local arts community.
- 3.7. Funding of £523,000 from NEMCA capital regeneration fund, matched with national programme contributions will deliver a £1.69m refurbishment scheme and 619sqm of renewed floorspace. Transformation of a disused property into an eco-friendly, inclusive creative arts venue will bring diverse artists, communities, and individuals of all ages together under one roof to connect, collaborate and be creative for wider public benefit. The renovated facility will act as an accessible and inclusive arts hub with flexi-theatre expo space, workshop rooms, café bar and coworking, creating 16 direct jobs and safeguarding a further 23 within the cultural and creative sector.

#### *Newcastle Tyne Theatre*

- 3.8. Tyne Theatre and Opera House is a significant historical and cultural asset in Newcastle, located in the heart of Creative Central NCL within the conservation area of the city. The project will restore the Grand Saloon within the footprint of the Tyne Theatre and Opera House, returning an important historical cultural venue to its former glory. Works will enable a major programme of community engagement to take place in accessible exhibition, event, and performance space, enriching the Creative Central Culture and Creative Zone. NEMCA regeneration funding of £527,252 will deliver 1463sqm of refurbished floorspace, create 4 direct jobs, safeguarding another 3 and 32 indirect jobs.
- 3.9. The project will enable the region to better harness the cultural, economic, social, and educational capital of the North East for the benefit of local communities and visitors, building on Culture and Creative Zones, funded by North of Tyne, which are helping to promote economic growth in the arts, culture, heritage and sports sector.

#### **4. Brownfield Housing Fund (BHF)**

- 4.0. Good progress is also being made in respect of the Brownfield Housing Fund programme. The five schemes described in this report total £11,672,818. Cumulatively, these projects, coupled with previous investment decisions, mean that £36.86m of the NEMCA £49.2m Brownfield Housing Fund has been now allocated.
- 4.1. These projects are expected to create 2543 homes with the extended pipeline accounting for at least 787 more, ensuring we are well on track towards achieving our target of 3154 homes. Furthermore, approved projects will remediate over 75ha of Brownfield land which will be either reclaimed, redeveloped, or reassembled.

##### **a. Kelly's Yard (South Tyneside)**

- 4.2. Formerly home to the Hawthorn Leslie Shipyard and Rathbone Community Industry, Kelly's Yard is situated on the Tyne waterfront in Hebburn. Once a thriving shipbuilding and locomotive manufacturing hub, the relocation of these industries left a heavily contaminated Brownfield site in need of regeneration. Without public sector intervention, redevelopment of the site would be unviable due to significant demolition of derelict and dangerous structures and large-scale remediation works required.
- 4.3. BHF funding of £1,945,211 will unlock new residential development, providing 57 new dwellings, a new convenience store and nursery. The scheme proposes to adopt low carbon technologies, which will assist the development to be Net Zero by 2030. This includes Air Source Heat Pumps (ASHPs) and Solar Photovoltaic panels (PV) to all properties. The developer has also made a commitment to install Electric Vehicle (EV) infrastructure across 100% of the development with 20a fifth of properties having EV charging points from handover. Enabling the first phase of

development will play a crucial role in realising the potential of the wider site - a further 389 homes - by remediating the land and installing key infrastructure in readiness for future housing growth.

#### **b. Clasper Village (Gateshead)**

- 4.4. Clasper Village is an 8ha Brownfield housing site which occupies a prominent position on the banks of the Tyne and benefits from excellent transport links between Gateshead and Newcastle City Centre via the Quayside. Previously a 1970s social housing scheme, the estate acquired a poor reputation due to residential decay and antisocial behaviour. It was decommissioned and demolished several years ago leaving a cleared site for redevelopment. Persistent viability gaps prevented new housing from coming forward due to high abnormal costs arising from heavy contamination, buried services and ground conditions. Public intervention is needed to deliver good quality housing in the Teams area of Gateshead.
- 4.5. A BHF grant of £3,122,037 will address market failure by funding remediation of the site, enabling high-quality family housing stock to be built without further public financial support. Gateshead Council propose to develop 250 new dwellings, including 38 affordable homes. The scheme will also:
- create green open space,
  - generate £200,000 towards education spending,
  - supply 95 classroom spaces,
  - support 775 construction jobs, and 8 apprenticeships, and transfer additional land to Eslington Primary School to cater for the needs of vulnerable children.

#### **c. Chandless (Gateshead)**

- 4.6. Chandless is a 4.15 ha Brownfield site near Gateshead town centre. The former housing estate was demolished in 2015 because of low demand caused by residential and neighbourhood decline. However, high abnormal costs inhibited redevelopment, preventing new homes from coming forward.
- 4.7. The site sits within a future Exemplar Neighbourhood (ExNe) that will create a sustainable, distinctive, intergenerational housing offer; however, a funding gap requires £2,160,000 from the BHF to make the scheme viable. This will enable remediation of the land and delivery of 120 new homes, leveraging £22,181,000 private sector investment, and generating on site employment opportunities for 310 people during construction of the development.
- 4.8. In respect of both housing developments in Gateshead, high quality, energy efficient homes will comply with low carbon build requirements, including the installation of Air Source Heat Pumps (ASHP) in affordable homes, consistent with the Future Homes Standard (2025). New homes will produce 30% less CO<sub>2</sub> emissions than current standards and have access to parking spaces with EV charging points. The ExE development will feature cycle parking and storage, providing active travel options for residents. Moreover, the nearby Gateshead District Energy Scheme – forecast to be Net Zero by 2030 - currently supplies zero carbon heat and low carbon electricity to local neighbourhoods and will be promoted within this scheme.

#### **d. Social Housing Schemes in North Tyneside**

- 4.9. North Tyneside Council Social Housing Sites is the next scheme to be brought forward and considered within the North of Tyne Brownfield Housing Fund pipeline. Funding will regenerate three sites across North Tyneside that have remained empty for between 8-10 years and will deliver 67 affordable homes available for social rent. The schemes will deliver affordable, energy efficient, modern housing. Funding will enable demolition, remediation and infrastructure work needed on each site and the appointment of a contractor to oversee construction of the homes and let the new properties.
- 4.10. Furthermore, North Tyneside Council has committed to include solar panels and air source heat pumps on all the properties. All three schemes will contribute towards achieving Net Zero – a key

ambition of the Combined Authority. These sites have a clear viability gap and BHF funding of £1,445,570 is needed to unlock development.

4.11. The programme includes:

- The Parkside House site, a former office building (opposite the Forum Shopping Centre in Wallsend) that has stood empty for eight years. This scheme will build 10 apartments for social rent. BHF funding is necessary to demolish the existing structure, carry out land remediation, and prepare the site for redevelopment.
- The former Rosehill Social Club which, since closing its doors in 2014, has become derelict and a target for vandalism and anti-social behaviour. BHF will enable demolition works and prepare the land for housing development, creating 9 homes for social rent (a mix of 3 bed homes and 1 / 2 bed apartments).
- A disused, derelict church and presbytery, St Peter and St Paul, is a 1.5 ha site comprising 0.311 ha of Brownfield land that will be a catalyst for wider housing development in council ownership. BHF funding will be used to acquire the site, demolish the decommissioned church, undertake wider site clearance, land remediation and infrastructure works. Approximately 10 homes can be located on the remediated Brownfield site.

#### **e. Benwell Dene in Newcastle**

4.12. Benwell Dene is a longstanding regeneration priority for Newcastle and the chief aim of this development is to deliver a high-quality residential offer that meets housing need and supports a programme of wider regeneration and place-making ambitions in Benwell and Scotswood.

4.13. A range of physical and market factors have impeded delivery; principally a viability gap due to abnormal costs which include foundation treatments, sustainability enhancements, inflation, and risk. However, a PlaceFirst social housing development now has planning permission to deliver 146 Build-to-Rent (BTR) homes, including 119 two-to-four bed family homes and 27 apartments, on a 2.74ha Brownfield site, which will support 57 construction jobs. The scheme will deliver high quality, energy efficient homes; all properties will be fitted with electric charging points and comply with low carbon build requirements, contributing to NTCA's Net Zero aims, including the installation of Air Source Heat Pumps (ASHP) and PV Solar Panels in all homes.

4.14. BHF funding of £3,000,000 will be used with a secured Brownfield Land Release Fund (BLRF2) grant of £1.819m to bridge the viability gap and unlock development.

#### **f. North of Tyne Business Case Development Fund: Forth Yards**

4.15. Forth Yards will regenerate a 51-acre Brownfield site in the heart of Newcastle, enabling up to 2,500 new homes, public realm and a flourishing neighbourhood to the west of Central Station on the banks of the River Tyne. As a major gateway by road, rail, and metro, Forth Yards has the potential to transform the urban landscape of Newcastle and connect west end communities and neighbourhoods with the city centre.

4.16. A comprehensive urban planning framework is therefore essential to guide the development of Forth Yards, demonstrating the type of balanced and resilient residential-led scheme that can be achieved through substantial public and private sector investment. Funding of £149,999 will be used to commission a robust urban planning framework to inform and underpin future business cases for investment.

### **5. Northumberland Line Economic Corridor**

#### **a. Ashington Wansbeck Square**

5.0. The Northumberland Line affords a real opportunity to deliver economic benefits along the economic corridor that will be created by the line, and to the wider region. Cabinet approval of the

Northumberland Line Economic Corridor ten-point plan and a £10m NTCA funding allocation is catalysing investment that will maximise the impact of the line for businesses and communities. The funding is helping to bring forward place-based investment focused on anchor nodes along the line including Newcastle Central Station; Northumberland Park; Blyth, Bedlington; and Ashington. Interventions build on existing investments and assets, and will improve accessibility for residents, connect key employment, housing, health, and community assets and support the regeneration of towns and the city.

5.1. Ashington Wansbeck Square will create an attractive and modern new gateway to the town centre, befitting a place with significant growth potential that is closely aligned to investment in the Northumberland Line Economic Corridor and the new rail passenger service. The project is pivotal to the regeneration of Ashington. As a prominent strategic location for the new Northumberland Line rail station, the square constitutes the main transport gateway into the town. Investment is urgently needed to create a modern, accessible, and vibrant destination that welcomes visitors and gives a positive first impression. Wansbeck Square will deliver:

- New public space, with high-quality public realm, providing an attractive and welcoming point of arrival adjacent to the new train station in the heart of the town centre.
- A new Creative Community Hub, offering an inviting town centre 'destination' where young people can take part in training, cultural and leisure activities, and residents and visitors will enjoy cultural performances and events.

5.2. An NTCA grant of £2.5m will contribute towards the initial enabling works needed to prepare the site for development. Overall, the project will deliver £18.3m cumulative GVA to Ashington's economy and raise wider commercial and residential land values by £26.5m.

#### **b. Technical Capacity Fund**

5.3. To deliver the Northumberland Line Economic Corridor Strategy (NLEC), NTCA designated a Technical Capacity Fund (TCF), allocating £500,000 to undertake feasibility studies and develop propositions capable of generating long-term investment along the railway line. Projects marshalled to implement the NLEC Ten Point Plan (totalling £335,600 of the TCF) will maximise the reach and patronage of the new rail line by expanding the range of active travel options for residents and visitors frequenting stations on the route. This will fund:

- The design and mapping of a visitor trail, encouraging visitors to explore existing cultural, heritage and natural assets along the former Waggonways network in Northumberland and North Tyneside.
- The viability of improving [5-G] digital connectivity at stations along the Northumberland Line in Ashington, Blyth, Bebside, Bedlington, Newsham, Seaton Delaval and Northumberland Park.
- Improvements to user journeys, including physical infrastructure, service integration, digital and modal connectivity.
- The identification of improvements at Manors station to accommodate additional passenger rail services on the Northumberland Line and enhance connectivity between East Newcastle, the city centre and Newcastle Quayside.
- A feasibility study of an active travel corridor through Choppington to provide improved connections to new stations at Ashington and Bedlington.

5.4. Outputs from these Technical Capacity Fund proposals are primarily to deliver key strategic feasibility studies, area mapping and masterplans in relation to first and last mile connectivity. They will enable realisation of the Ten Point Plan, support the development of investment propositions, and shape future funding bids.

#### **6. Flexible Social Finance Fund**

6.0. Socially Trading Organisations, such as Community Interest Companies, mutual societies, co-operatives, community businesses, social enterprises and charities, deliver activities that provide

significant societal benefit but can struggle to access finance on affordable, repayable terms in the commercial marketplace, often because of their size, scale, funding model and evolving needs of the communities they serve. Common barriers to social finance lending include repayment terms, investor appetite for risk, and high administrative costs relative to the amounts invested.

- 6.1. Cabinet has previously approved an allocation of £4m to establish a Social Finance Fund to close gaps in the finance market, including loan and equity, for socially trading and or employee-owned businesses operating in North of Tyne local communities and key sectors. NTCA partnered with Big Issue Invest (BII), Power to Change (P2C) and Esmée Fairbairn Foundation to undertake a sector and market needs analysis and establish a Flexible Social Finance Fund.
- 6.2. We are now in a position to bring forward the first phase of the programme – involving a contribution of £1.5m from the NTCA Investment Fund. Key beneficiaries of the fund will be based across the North of Tyne initially, and potentially the wider region, subject to consultation with NEMCA once established. The remaining £2.5m will support future delivery in phase 2 which is expected to include external investment on proof of concept.

## **7. Northumberland Energy Park: Dock Connectivity Project**

- 7.0. The Northumberland Energy Park Phase 1 (NEP1) Dock connectivity project will design and construct a new internal heavy haul road within the 2.5ha NEP1 operational dock site in Cambois, Northumberland. Enhanced connectivity will support investment, growth, and job creation in low carbon industries, particularly the offshore wind sector by creating additional port capacity to handle, move and transport industry cargo (including components, cranes and international exports) more efficiently. Linking two strategic assets – the new NEP1 quayside apron with 5 deep water berths on the Battleship Wharf Site – will also reduce the movement of some HGVs from the public highway, which is currently used to transport wind turbine components. An Investment Fund contribution of £250,000 towards the new heavy haul road link is forecast to create 25 indirect jobs and reclaim 2.5ha of land.

## **8. Update on access to finance for SME innovation**

- 8.0. Cabinet has previously agreed to invest £10m of funding to fill gaps in early-stage equity funding for innovating companies, including those spinning out from North East regional universities and catapults. After having initially sought a fund manager through an unsuccessful open procurement process, we are now in a position to progress alternative proposals for a new co-investment fund which will also provide a vehicle for other partners within the region to co-invest. Subject to final agreement between partners the regional universities and other key innovation anchors will be invited to co-invest alongside the Combined Authority in a new fund. This will build on a strong record of collaboration and co-investment to unlock economic benefit from commercialisation of research to date, such as the Northern Accelerator. The fund will be created within the existing NE Fund Limited holding company, co-investing in seed and growth stage IP intensive companies, alongside a wide range of regional and national fund managers to lever significant additional investment on a deal-by-deal basis. This is subject to full business case(s) and existing delegations to the Chief Executive to award the necessary funding.

## **9. Maintaining continuity during the transition to the North East Mayoral Combined Authority**

- 9.0. Approximately 70 projects funded through NTCA Investment Fund resources have funding agreed beyond the timescale for dissolving NTCA and establishing NEMCA on 7 May 2024. To maintain continuity, responsibility for the oversight and management of these projects will transfer to NEMCA upon its creation. It is anticipated these projects will continue until their legally contracted completion date, in line with continuity provisions included in the statutory order.
- 9.1. Regarding the projects set out below, NTCA Cabinet is asked to approve extensions to a small

number of successful projects that are due to end shortly but can demonstrate ongoing demand. All projects have been previously appraised and considered by NTCA Cabinet for approval and the extensions are based on securing further outputs in line with the original project approvals. These projects will be extended on a North of Tyne only footprint for a time limited period. This is to ensure the potential outcomes they may bring to the wider region can be properly considered by NEMCA. The funding arising from these projects is consistent with current NTCA programme commitments included within the NEMCA 2025-2029 Initial Draft Budget and Medium-Term Financial Plan Proposals agreed in January 2024.

- 9.2. Cabinet is recommended to approve the following additional funding allocations and delegate authority to the Chief Executive and Chief Finance Officer to finalise arrangements, including where appropriate agreement of a revised Delivery Plan with project sponsors:
- Child poverty programme – approving an additional £1.36m to ensure continued availability of interventions to schools for the academic year 2024/25.
  - Education Improvement Programme – approving an additional £1.1m to ensure continued availability of interventions to schools for the academic year 2024/25.
  - Inward Investment Capacity Fund – approving an additional £0.4m to be allocated in line with an updated delivery plan to implement a proposal supported by LA7 Economic Directors.
  - SME Digital Adoption Programme Advanced – approving an additional £0.3m to be allocated subject to a revised delivery plan being agreed.
  - Dynamo Talent Engine – approving an additional £0.12m to allow project continuation to March 2025 and achievement of all contracted outcomes.
  - Tyne Task Force – approving an additional £150k to support the ongoing stakeholder coordination and marketing campaigns underway.
  - NU Futures – approving an additional £100k to be allocated to ensure continuation of employment readiness programme, supporting at least 11,000 11- to 16-year-olds.
- 9.3. The widening of the current Child Poverty Prevention and Education Improvement programmes to cover the NEMCA area is part of the North East Devolution Deal. The decision to expand these programmes is for NEMCA but, if agreed, to enable the award of additional funding for these programmes to appropriate delivery organisations at an appropriate time in the academic year, some work needs to begin now. Cabinet is asked to approve a procurement exercise to appoint providers to a Children and Young People's Provider Framework, and to authorise the Chief Executive, in consultation with the appropriate Cabinet Member to approve subsequent Call-off contracts and associated funding awards.
- 9.4. Where projects and schemes are forecast to continue for a considerable period beyond the creation of NEMCA, the Cabinet of the new Combined Authority will be asked to take an early decision on the future of these projects, including opportunities to deliver the benefits of these on a broader regional footprint by widening eligibility where appropriate.

## **10. North East Deeper Devolution Deal**

- 10.0. Government has agreed to provide NEMCA with new tools to unlock key growth opportunities in the region. Through the North East Devolution Deal, the region is benefiting from £20m capital to drive place-based economic regeneration across a range of priority sites. A second Deeper Devolution Deal, announced in the Spring Budget, will deliver around £100m investment, including an additional £35m capital and £2m revenue for NEMCA to fund local economic priorities. The capital will be used to remediate Brownfield sites, paving the way for new investment, whilst the revenue will accelerate regional projects with a focus on regeneration and economic innovation.
- 10.1. Subject to agreement of business cases with Government, NEMCA's intention is to use the Growth Zone and £25 million capital to support early development of the Sunderland Riverside site, and £10m to accelerate a Health Innovation Zone - including the Health Innovation Neighbourhood and Forth Yards sites in Newcastle. Revenue support will help to develop regional projects such as the Green Superport, the Culture and Creative Sector Catalyst, and an Inclusive Innovation Deal.



## **B. Impact on NTCA Objectives**

Programme delivery as described in the report is consistent with the priorities set out in NTCA's corporate plan.

## **C. Key risks**

Programme risks are managed in line with agreed processes and individual project risks have been considered as part of the application and appraisal process.

## **D. Financial and other resources implications**

All the proposed project approvals set out in this report will be funded from the Investment fund, Brownfield Housing or devolved NEMCA funding.

## **E. Legal implications**

The Monitoring Officer's comments have been included in this report.

## **F. Equalities implications**

The NTCA seeks to actively narrow inequality under the terms of the Equality Act 2010.

## **G. Inclusive Economy and Wellbeing implications**

The inclusive economy case is assessed on an individual project basis as part of the assessment process and is embedded within the Investment Fund criteria. The activity described within this report is considered to positively support the Inclusive economy priorities of the Combined Authority, particularly by supporting the development of jobs and through skills interventions to support access to employment.

## **H. Climate Change implications**

The activity described within this report is considered to positively support the climate change priorities of the Combined Authority, given the inclusion of renewable energy and active travel measures in the housing, towns, and high street regeneration projects.

## **I. Consultation and engagement**

Stakeholders have been engaged in the development of project proposals.

## **J. Appendices**

None

## **K. Background papers**

None

## **L. Contact officer(s)**

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## **M. Glossary**

NTCA      North of Tyne Combined Authority  
NEMCA    North East Mayoral Combined Authority

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