



Northumberland County Council

Blyth Town Deal Board Meeting

Wednesday 21 July 10.00
(Microsoft Teams video conference)

Present:

Alan Ferguson (AF) Thom Bradley (TB) Robin Earl (RE) Greg Gavin (GG) Jonathan Gilroy (JG) Helen Golightly (HG) Martin Wood (MW) (for Rob Hamilton) John Hildreth (JH) Martin Lawlor (ML) Rt Hon Ian Levy MP (IL) Matthew Murray (MM) Cllr Kath Nisbet (KN) Michael O'Driscoll (MO) Rick O'Farrell (RO) Wojciech Ploszaj (WP) Tony Quinn (TQ) Jane Robinson (JR) Glen Sanderson (GS) Wendy Scott (WS) Rob Strettle (RS) Warren Taylor (WT) Lee Tennant (LT) Andrew Thelwell (AT) Cllr Richard Wearmouth (RW)	Chair: Fergusons Transport Blyth Community Network Advance Northumberland Blyth Town Forum BEIS North East LEP North of Tyne Combined Authority Energy Central Steering Group Port of Blyth Member of Parliament for Blyth Valley constituency Tharsus Northumberland County Council Northumberland Estates Northumberland County Council Northumberland County Council ORE Catapult Newcastle University Northumberland County Council Blyth Cultural Network Northumberland County Council Blyth Town Council Newcastle College Bede Academy (Emmanuel Teaching School Alliance) Northumberland County Council
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In Attendance:

Lara Baker (LB) Karen Donaldson (KD) Elaine Maylin (EM) Neil Quinn (NQ) Helen Swinburn (HS) Peter Graham (PG)	Advance Northumberland NCC NCC NCC NCC New Skills Consulting
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Notes of discussion:

1	<p>Apologies for absence Rob Hamilton (RH), North of Tyne Combined Authority Julia Smith (JS), Jobcentre Plus Mark Warnes (MW), Active Northumberland Carol Johns-McLeod (CJM), NCC</p> <p>Introductions were made as there are new members on the Board: Rick O’Farrell, Robin Earl, Wojciech Ploszaj and Julia Smith.</p>	Action:
2	<p>Declarations of Interest Ian Levy and Martin Lawlor have reaffirmed their declarations of interest.</p>	
3	<p>Minutes of the last meeting These were accepted as a true record.</p>	
4	<p>Town Deal Update PG provided an update:</p> <p><u>Stage 1 Town Deal Announcement</u> Town Deal Heads of Terms have been received by NCC offering £20.9m for Energising Blyth in respect of an ‘ask’ of £25m. All 8 projects have been given the go ahead to progress, however 3 projects have conditions attached to them, related to deliverability. The Board and NCC as Accountable Body will need to resolve how all 8 projects can be progressed and delivered within the reduced funding envelope and consider the impact of options/solutions.</p> <p>Key dates – 5th August, a formal response is required to the offer to say we accept the £20.9m and the Heads of Terms needs to be signed off by the chair of the Town Deal Board (AF) and NCC’s Section 151 Officer / Head of Paid Service.</p> <p>5th October – Project Confirmation must be returned to MHCLG setting out which projects we intend to deliver, the latest information around start and end dates and a financial profile for each. MHCLG will process this and around 5 weeks later will issue the grant offer.</p> <p>By August 2022 - we have 12 months from the Heads of Terms being agreed for the business cases to be developed and a summary of each to be submitted.</p> <p>Budget plan shared as a reminder to the Board. The task now is identifying and agreeing solutions for the £4.1m gap in the funding offered to deliver the projects.</p> <p><u>Stage 1 & 2 process – next steps and support from ARUP</u> Next steps involve a two-stage process. Stage 1 is to review the projects with the project sponsors in the next 2-3 weeks to understand if they can</p>	

still deliver, check if costs, funding or outputs have changed and the latest development and delivery timescales etc, and to establish if it is possible to secure additional match funding to cover the £4.1m. Important to establish what the Board wants to do, and the desire seems to be to secure the required funding to deliver all 8 projects.

If it isn't possible to cover the deficit, we will move to Stage 2 which is project reprioritisation. This will mean going back to each project, rescoring them against objective criteria then rating them from strongest to weakest around how they deliver on the TIP objectives, deliverability, etc, and taking a view on whether to deselect maybe one or two projects. This stage is theoretical as we are hoping we can secure the funding.

At the next Board on 5th August, for Stage 1 we will come back with the initial view and whether we can secure the additional match funding we need. If yes, the process of confirmation should be straight forward. If not, we move to Stage 2 which will need further discussion and agreement.

Because NCC are financially the legal accountable body, the decisions will be made in tandem with the Town Deal Board and NCC – Programme Board has been established internally including key NCC Directors and Heads of Service overseeing the programme to ensure the projects are deliverable and affordable.

On the basis of the presentation RS requested approval from the Town Deal Board to accept the Heads of Terms offer and delegate sign off to the Chair of the Board in liaison with the Section 151 Officer and Head of Paid Service to secure £20.9m at today's meeting.

JG – congratulations on the award. The assessment was done in conjunction with the Central Towns Fund Team MHCLG and also incorporated comments from other Government departments like Education, etc. It was a strong TIP and easy to follow. It was assessed and scored against 7 criteria and almost scored full marks. The only area not to receive full marks was the evidence of need as it relied too much on cross referencing. Each project was RAG rated against 3 categories, no projects were given a red RAG, 5 were highly scored with no conditions and 3 were given conditions. £25m was the ask and you were awarded £20.9m. The allocation is based on the highest scoring projects then a portion of the amber projects. You can choose which projects you want to take forward or remove and you don't have to stick to the funding identified against each project you can move it around within the £20.9m envelope. You have the next 2 months between signing the Heads of Terms and the project confirmation stage to decide.

IL – this is a fantastic announcement for Blyth. I am fine with Stage 1 but have concerns around Stage 2 as time is of the essence and I can't

emphasise enough how much we need to keep to the schedule to deliver this as it is a big project at £33m plus match funding. AF – I agree we have to deliver.

AT – is there anything to be mindful of in the conditions? Nothing going to slow us down or delay us progressing? JG – there is nothing to worry too much about. At the project confirmation stage, we need to see what's happening with those conditions, not a detailed plan, just an outline of how you are going to address and work through any issues that arise. AF- essentially it is down to us to make things happen. PG – the mechanism to resolve the conditions is through project and business case development in the next 8-9 months. The establishment of new arrangements to support the establishment of Energy Campus is one of the elements to work through but this work is already underway and there are plans to get the legal structure in place. The other conditions are standard items that we have to engage in, like planning permission, that we just need to be worked through.

JR – congratulations, fantastic to have this investment into Blyth which has a strong partnership behind it. I am supportive of us moving forward and delivering on all 8 projects. There is scope to developing and building on the recent announcement from British Volt and the work Newcastle University are doing around driving the electric revolution. I am mindful there are potential opportunities to bring in additional match funding linked to the wider renewable energy agenda and there is scope for us to think about these things, and, build on the wider skills agenda discussed previously.

GS – I share the delight of this announcement as the Council and County want to see this money come to Blyth. The process of money, getting on with the work and keeping pace and grip on the delivery, who does that sit with? Is it this Board or NCC and if it is NCC what oversight of the processes is there by Members? RS – confirmed we have taken this through Cabinet to give an update and explained that NCC are the accountable body who will manage the programme overall. The majority of the projects are NCC projects and others are either partnership projects or led by a partner, ie: Port of Blyth or OREC. The integrated programme team will manage within NCC so we can assure as the County Council that we meet all the regulations and requirements. From a leadership, governance and energy point of view the Town Deal Board is a fundamental link to Blyth to lead and oversee the programme. The Energising Blyth governance framework combines the two - Town Deal Board and the internal Council mechanism, for ultimate sign off.

GS – to RO, given the size and importance can we have a monthly update to Informal Cabinet to keep them appraised. Thanks to everyone involved, brilliant news.

	<p>RO – the service within the Council is the glue that pulls together partners and central Government, etc, and manages the money. This Board and Cabinet will help to ensure there is oversight of delivery of the programme and confirmed that there will be regular updates to Informal Cabinet.</p> <p>AF – presumably the money comes through NCC? RS – yes, it is a CC Section 31 grant so the NCC Section 151 Officer is involved and mechanisms are in place as part of the assurance framework. We can share the approach we are taking and the report for Cabinet that was shared covers this. PG - – work has progressed whilst waiting for the decision, we have been developing processes and procedures to manage the projects. We will add to a future agenda to go through the mechanics of how it will all work and clarify and the role of the Town Deal Board.</p> <p>AT – what is the process for the project group to look at other investment like British Volt and build those into the plans? RS – the next section around project development and work coming forward will answer this question.</p> <p>TQ – the freedom to move money between the schemes, does that get locked down at the business case or does it continue throughout the programme? JG – there is an opportunity between the Heads of Terms signing and project confirmation regarding how the money is assigned which needs to be completed by 05 October. There is a MHCLG project adjustment process beyond that point where you can make adjustments if necessary. TQ – congratulations, we have a positive evaluation which I am delighted with and it’s up to us now to grasp the opportunity and deliver.</p> <p>AF – we are at the point now where we can ask for the authority to get the Heads of Terms signed.</p> <p>The Town Deal Board endorsed the acceptance of the Heads of Terms offer and agreed at its meeting on 21st July 2021 that signing of the Head of Terms offer would be delegated to the Chair of the Board, Alan Ferguson MBE, in liaison with the Head of Paid Service at Northumberland County Council. RS to progress sign off on this basis</p>	<p>RS</p>
<p>5</p>	<p>Energising Blyth Programme & Workstream Update RS provided an update:</p> <p>We will cover programme and workstream updates in more detail at upcoming Board meetings to highlight how the programme is shaping up to deliver the TIP. Work has been going on behind the scenes in NCC and with other partners such as Town Forum, cultural networks, Energy Central, etc to get ready for delivery.</p>	

Programme established and integrated approach – there are 3 sources of funding from Government so it was logical to bring it together as Energising Blyth which allows us to keep an overview of everything, report together, have an integrated programme team to support the Board, partners, NCC processes and to deliver the programme in a cohesive and coherent way.

Workstream development and governance – 4 workstreams: Culture, Energy Central, Transport and Infrastructure and Strategic Sites which are starting to mobilise to support project development tasks such as scoping out briefs, procurement, etc. We will bring a more detailed report back to the Board on this.

Commissioning and procurement – the Culture Centre feasibility study is a critical piece of work underway and consultants DCA have been commissioned to undertake the study and prepare a business plan for the project. They have been speaking to partners in the town over the last two months and will be reporting over the summer on options. There will be further work and discussion with partners including the Town Deal Board. We have let the design tender for the Culture Centre so by October we will have support in place to start designing it.

Other things to mention are that we have procured programme wide support for business case development, contracting a panel of consultants who will be available to projects sponsors from the Autumn.

Aspinall Verdi have been appointed for strategic sites work and are talking to oners around site aspirations and how we bring the sites together in an acquisition strategy with the output of this work expected in September. This work will help to resolve some of the questions around the Town Deal conditions mentioned earlier.

Recruitment – we have appointed a Programme Manager who will be starting in October and we have agreed a team structure for other staff to be appointed into roles. Interim cover is in place and other teams have mobilised to support the programme across the council given the corporate nature of this work.

Communications and engagement – this is critical and we have developed a draft plan which we can talk to the Board about. Given we are in the developmental phase this sets out about how to engage with partners and stakeholders and talking to people about what's to come as the projects develop. We will have a plan in place around how we communicate and engage people and keep everyone involved. We have spent time in the last two months briefing partners including the Town Forum network, sub groups and the wider Town Council on the Programme and this approach will continue going forward with regular updates.

An indicative delivery plan slide was shared showing projects and timescales which are all subject to change given the review that now needs to be undertaken (for Town Deal projects). Business case development is within 12 months of the Heads of Terms (Town Deal only as FHSF is already an active programme) moving as soon as possible to the setup and delivery phases after that. Sequencing the activity in the town and managing it carefully is critical and we will build delivery plans at both programme and project level.

IL – Northern Gateway Phase 1, delivery is now April 2022, but I thought it was due to be finished by end of the year - why has it been pushed back?
RS – explained that this project is now in delivery having commenced on site in the town with Utilities work. The project concept was originally approved as part of the Accelerated Towns Fund in Autumn 2020 and NCC funding then approved in December 2020 where we had the opportunity to attract early funding. We have worked to build the project up to be ready for delivery as soon as possible but this has been delayed due to Covid related lead-in times including responses from utility providers. We also took extra time to think about the project in the wider sense from a cultural and design perspective which is of great value in terms of alignment and synergy with the wider town's regeneration. Important to note that work to date has been in advance of the Energising Blyth programme's establishment.

The programme management arrangements that we are now putting in place will ensure that the lag in getting to delivery on this project is not symptomatic of this wider programme as it was developed in isolation and was not part of the initial programme structures and controls. We have kept MHCLG updated so they are aware of where we are and the reasons for the delay and the projected delivery timescales. The timescales on the plan for this project are what we are now advised represent worst case scenario. This also includes an allowance for considering phasing and progress with the scheme over the Xmas period, this is something we will be talking to affected business about later this year so it could be delivered earlier too.

IL – could we start on other parts so as not to impact on trading constrictions? RS – confirmed the scheme will be delivered in phases gradually working through the streets in the scheme so yes, we may be able to pause and restart. The project team have this in mind.
IL - thanks to the team they are doing a great job, keep up the good work.

AT – how confident are we that the workstreams have the right people involved locally and regionally in developing the business cases as I understand the Energy Central Campus scope has increased but I haven't been involved? RS – it is early days in terms of that work being done as the next stage is to work with key partners. Technical work has been

	<p>done behind the scenes, ie: how we setup the legal body arrangements and how we get the resources in place to work with and coordinate input, which colleagues in Education Services are developing now in terms of stakeholder mapping.</p> <p>AF – can we ensure Andrew is involved. RS – confirmed he is on the list to be contacted. PG – the business case process provides some discipline around this. Stakeholders in Energy Central Campus include AT, JR, TQ, ML and others will be involved in the initial stage then again in future stages as we go through so we can assure they will be heavily involved. AT – we could also help in finding the £4m to plug gaps, happy to discuss outside this meeting.</p> <p>TQ - if we satisfy the conditions between now and October to de-risk them, is there any scope to increase the amount awarded? JG – unfortunately not.</p> <p>AF – JG’s comments on how well the TIP was received is indicative of the strength of this Board and how we can ensure the bid is successful in delivery and benefits out to the people of the town. RS – Blyth as a town has a strong programme and a solid set of projects to deliver which will help attract funding and support to the town. AF – we are also running alongside the Northumberland Line and British Volt which gives a critical mass that will make a difference. These are exciting times for the town.</p>	
6	<p>Any Other Business</p> <p>AF – thanks to everyone for their input today and patience with the technical issues at the start of the meeting. The team have done a tremendous job, now the hard work starts!</p>	
7	<p>Date and time of next meeting: Thursday 5th August 2021, 14.30 via Teams</p>	