



Delegated Decision Report

30th June 2023

Subject: Northumberland Line Economic Corridor - Energising Blyth (Newsham Bridge)
Report of: Principal Economy and Strategy Manager
Portfolio: **Housing, land and development**

Report Summary

The reopening of the Northumberland Line is a once in a generation investment that delivers a real opportunity to deliver economic benefits both along the economic corridor that will be created by the line, and to the wider region.

In September 2022, Cabinet agreed the Northumberland Line Economic Corridor ten point plan and an allocation of £10m of NTCA investment to catalyse investment and maximise the impact of the line for businesses and communities. Cabinet also authorised the Chief Executive to approve businesses cases and delivery plans in consultation with Investment Panel and the Mayor.

The Energising Blyth – Newsham Bridge project is part of the Northumberland Line Economic Corridor (NLEC) programme and will deliver against the ‘Energising Blyth and Bedlington’ component of the ten point plan. The purpose of this report is to request the approval of £5m funding for the Energising Blyth – Newsham Bridge project.

Recommendations

The Chief Executive is recommended to

- i. Approve £5m Investment Fund funding for the Energising Blyth – Newsham Bridge project, subject to the conditions set out in para 1.7.

1. Background Information, Proposals and Timetable for Implementation:

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| Proposal Name | Energising Blyth – Newsham Bridge |
| Lead Organisation | Northumberland County Council |
| Delivery Areas | Northumberland |
| Timescales | June 2023 - December 2025 |
| Project Value | £30,678,538 |
| Grant amount requested | £5,000,000 |
| NTCA Budget Implications: | NTCA Cabinet have agreed a £10m allocation; if this proposal is approved, £5m remains available to support other proposals. |

- 1.1** As a once in a generation investment, the Northumberland Line delivers a real opportunity to deliver economic benefits both along the economic corridor that will be created by the line, and to the wider region. In September 2022, Cabinet agreed the Northumberland Line Economic Corridor ten point plan and an allocation of £10m of NTCA investment to catalyse investment and maximise the impact of the line for businesses and communities. Cabinet also authorised the Chief Executive to approve businesses cases and delivery plans in consultation with Investment Panel and the Mayor.
- 1.2** The £10m allocation for the Northumberland Line Economic Corridor will be utilised to bring forward place-based interventions focused on anchor nodes including Central Station & Manors; Northumberland Park; Blyth & Bedlington; and Ashington. The 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 our towns and City.
- 1.3** The first project to come forward is the construction of the Newsham road bridge, which will replace the existing level crossing on the A1061 over the line. The A1061 is an important, and busy, route into Blyth, including the Port of Blyth's South Harbour. Without a road bridge, the introduction of passenger rail services would have closed the level crossing up to an additional four times per hour. This would have led to a significant additional congestion, with the standing traffic also causing significant air pollution. This scheme will also increase safety and, by creating a smooth route of vehicle access to the Port, reduce barriers to jobs growth.
- 1.4** The Newsham Road Bridge is an integral element contributing to the success of the wider Northumberland Line scheme, and will specifically contribute to:
- facilitating access to the clean growth assets at Port of Blyth and the Northumberland Energy Park;
 - wider national, regional and local regeneration investment in the town; and
 - reducing congestion and negating increased air pollution with idle traffic at a level crossing.
- 1.5** Opening the bridge to road traffic in early 2024 is a critical success factor for the wider Northumberland Line programme as the train driver training activities commence upon this milestone being achieved. The driver training is required to facilitate train services operating on the Line in summer 2024. Therefore, all bridge construction activities are time critical with respect to the delivery of the wider Northumberland Line scheme.
- 1.6** A full economic appraisal of the Northumberland Line scheme was undertaken in line with DfT guidance for the appraisal of rail schemes and this included the Newsham Bridge component. NTCA has conducted an additional appraisal, alongside the Department for Transport assessment, to consider the bridge project and how it meets the strategic needs of NTCA in line with the Northumberland Line Programme of activity, as well as the key Green Book appraisal cases. The appraisal took account of central government comments from the Rail Investment Board appraisal report and it is acknowledged that there is a strong strategic case, and the value for money for the wider scheme is rated as strong. The overall risk rating of the business case is green with the outstanding queries dealt with through the conditions of funding set out below.

- 1.7 NTCA Investment Panel considered the proposal on the 22nd May 2023 and recommended to the Chief Executive that funding of £5 million is agreed subject to the following conditions:

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| Condition 1 | Applicant to quantify the number of indirect jobs safeguarded and the carbon reductions achieved. These are to be reported as outputs on project completion. |
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2. Potential Impact on Objectives

- 2.1 The Northumberland Line Economic Corridor links directly to NTCA's strategic priorities and is identified as a priority placemaking programme, in both the NTCA Economic Vision and the Devolution Deal.

3. Key Risks

- 3.1 Risks associated with the application have been considered as part of the application and appraisal process. Risk management processes are clearly set out and will be consistently reviewed during project delivery..

4. Financial and Other Resources Implications

- 4.1 All funding provided will be capital. In line with our agreed claim process, grants will be paid at the agreed intervention rate quarterly in arrears and upon verification of costs. All funding is expected to be claimed by December 2025.

5. Legal Implications

- 5.1 The comments of the Interim Monitoring Officer are included in the report.

6. Equalities Implications

- 6.1 As required by Section 149 of the Equality Act 2010, the Combined Authority has considered its obligations regarding the Public Sector Equality Duty and there will be no anticipated negative impact on groups with protected characteristics from these proposals.

7. Inclusive Economy Implications

- 7.1 The Inclusive Economy impact of this project was considered as part of the Appraisal process. The Combined Authority believes that the delivery of the Newsham Road Bridge, as oppose to retaining the current level crossing, will positively contribute to creating a more inclusive economy in the North of Tyne with specific positive impact on the continued safeguarding of closing the unemployment gap and delivering green inclusive growth. It will ensure stability for the regeneration and growth of the both the town and port of Blyth and will ensure sustainability by removing issues around cars idling and congestion.

8. Climate Change Implications:

- 8.1 The Combined Authority has considered the implications relating to climate change in decisions regarding the delivery of the Newsham Road Bridge and believe there will be no negative impact as a result – in fact, the project will specifically address issues of air pollution and carbon reduction by ensuring smooth traffic flow, removing vehicles idling and associated fumes. As such, a condition has been proposed associated with carbon emissions and air pollution monitoring.

- 8.2 In addition, NTCA will work closely with Northumberland to identify ways in which funding provided can be linked to broader measures to reduce carbon emissions.

9. Consultation and Engagement:

9.1 Considerable consultation and engagement has taken place for the planning and implementation of the Northumberland Line, which has incorporated the Newsham Road Bridge. Consultation has additionally taken place with a broad range of regional stakeholders.

10. **Appendices:**

11. **Background Papers:**

Item 7 - Northumberland Line Economic Growth Corridor report to Cabinet in September 2022, <https://www.northoftyne-ca.gov.uk/wp-content/uploads/2022/09/Agenda-public-1.pdf>

Item 6 - Northumberland Line Economic Growth Corridor report to Cabinet in March 2021 <https://www.northoftyne-ca.gov.uk/wp-content/uploads/2021/03/Public-Agenda-Pack-NTCACabinet-23-March-2021.pdf>

12. **Contact Officers**

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13. **Glossary**

14. **Sign-off**

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| 1) Mayor: Yes | 2) Director of P&P/Head of Service: Yes | 3) Director of Finance: Yes | 4) Monitoring Officer: Yes |
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