

North Tyneside Council

Report to Cabinet

Date: 23 May 2022

Title: North Shields Cultural Quarter – North of Tyne Combined Authority Culture and Creative Zones Acceptance of Grant

Portfolio(s): Deputy Mayor and Cabinet Member responsible for Culture, Sport and Leisure

Cabinet Member(s): Councillor Carl Johnson and Councillor Sarah Day

Report from Service Area:

Regeneration and Economic Development

Responsible Officer: John Sparkes, Director of Regeneration and Economic Development **Tel: (0191)643 6091**

Wards affected: Riverside, Preston and Tynemouth

PART 1

1.1 Executive Summary:

North of Tyne Combined Authority (NTCA) approved investment of £1.7m of Culture and Creative Zones funding for North Tyneside Council at its Cabinet Meeting on 22nd March 2022.

Funding has been approved to support the development of a Cultural and Creative Zone (CCZ) in North Shields which will be known as North Shields Cultural Quarter.

The North Shields Cultural Quarter will be located in and around Howard Street and Saville Street, in the heart of North Shields, creating a 'cultural corridor' and stronger connections between the town centre and the Fish Quay. The heart of the Cultural Quarter will be the cluster of buildings at the crossroads of Howard Street and Saville Street including The Exchange, the Globe Gallery, and the Business Centre, and will include the North Shields Customer First Centre.

Investment in a Cultural and Creative Zone provides the opportunity to stimulate the economy in North Shields town centre, this 'cultural corridor' will play a pivotal role in reinvigorating the place and creating social and economic benefits for the people who live, work and visit there - building social inclusion and helping to create a sense of pride.

The project will fund the internal building works within the Exchange building, to deliver affordable and fit for purpose spaces and installation of digital infrastructure across the CCZ area (in the Exchange, Business Centre, Globe Gallery and the Customer First

Centre). These will be 'quick wins' delivered in the first 18 months and it is anticipated that the majority of the outputs will be delivered from 2023/24 onwards.

The project is broken down into the following 5 work packages;

- WP1: Place
- WP2: Support
- WP3: Skills
- WP4: Promotion
- WP5: Community Engagement

Once the internal works are completed on The Exchange the Authority will undertake an expression of interest (EOI) process to identify an operator to manage the building going forward.

The opportunity to create a place-based approach to investing in the development, sustainability and growth of the culture and creative sector has been articulated in both 'Our North Tyneside Plan' and the Ambition for North Shields and the Fish Quay. The focus of the proposal is predominantly within the music, performance and visual arts sub-sector to meet the following key requirements;

- **Work and performance space** - which is accessible, bespoke, affordable and fit for purpose
- **Shared facilities and resources** – including rehearsal space, making space, social and networking space, exhibition space, digital equipment, green screen and editing facilities, dark room, printing and framing facilities.
- **Skills development opportunities** – skills needs focused particularly on the skills needs of the **music, performance and visual arts** sub sector (e.g musicians, music producers, theatre producers, dance and theatrical studies, painting, sculpting, photography and supporting skilled technicians).
- **Greater Diversity** – of the people working within the sector, of the product, of participants, of audiences. There should be better access and greater cultural democracy.
- **New approach to money** – Including a recognition that artists are professionals and should be treated and rewarded appropriately; would benefit from start-up and pre-start up support, Research and development investment, small grants and commissions; appropriate investment for the expected returns; support to develop their practice; access to finance- including loans.
- **Exemplary communication and promotion** – Develop comprehensive, inclusive networks locally, regionally, nationally and internationally promote key assets and programmes; project a contemporary profile; ensure consultation and co-creation; develop consistent long-term relationships.
- **The environment of the Zone is important** – the streetscape, the signage, the permeability, the navigability, the traffic. The historic buildings need to be turned from liabilities to assets; the street needs creative animation; environmental sustainability is paramount.
- **Professional development opportunities would be welcomed** – including lectures, workshops, talks, seminars, career development and progression guidance, mentoring, critical friends, skills sharing, skill swaps and job shadowing.

1.2 Recommendation(s):

It is recommended that Cabinet:

- (1) Authorise the Director of Regeneration and Economic Development to accept the £1,695,000 grant funding from the North of Tyne Combined Authority in relation to Culture and Creative Zones funding for the North Shields Cultural Quarter;
- (2) Authorise the Director of Regeneration and Economic Development in consultation with the Assistant Chief Executive and Director of Resources to enter into the Grant Funding Agreement and any other documentation as required to facilitate recommendation (1); and
- (3) Authorise the Director of Regeneration and Economic Development to procure any goods, works or services to deliver the outcomes set out in paragraph 1.1. above.

1.3 Forward Plan:

Twenty eight days notice of this report has been given and it first appeared on the Forward Plan that was published on 25th March 2022.

1.4 Council Plan and Policy Framework

This report relates to the following priority in the 2021-2025 Our North Tyneside Plan:

A thriving North Tyneside

We will support the regeneration of North Shields town centre, developing a Cultural Quarter as set out in the North Shields Masterplan which clearly identifies the opportunities creating a cultural zone will have on the local area. This will not only support the local economy and the visitor offer in the town centre, encouraging people to stay longer and spend more, but also the health and wellbeing of residents.

North Tyneside's Cultural Quarter will use the Exchange building and surrounding areas to develop a critical mass of cultural and creative space as a focal point for sector development. The Exchange Building is already an established music, arts and leisure venue and will act as an anchor for the re-alignment of the area and several other complementary units including the former Globe Gallery.

This area will play a pivotal role in reinvigorating the place and creating social and economic benefits for the people who live, work and visit there - building social inclusion and helping to create a sense of pride.

1.5 Information:

1.5.1 Background

1.5.2 NTCA issued its **Culture and Creative Zones prospectus** on 11th August 2021, taking inspiration from other UK and international cities 'Culture and Creative Zones'. These zones aim to bring together the right mix of advice, guidance and expertise to work alongside the region's creative and cultural businesses and organisations.

1.5.3 Each Zone will be developed to reflect the challenges and opportunities of its locality – with Local Authorities and the culture and creative sector working together.

1.5.4 North Tyneside Council was invited to develop and co-produce a designated Zone which seeks to deliver services to support the growth of the cultural and creative industries in the North of Tyne area.

1.5.5 The bid for funding was developed by colleagues in Regeneration and Economic Development in partnership with the Head of Culture and cultural and creative stakeholders. The activity proposed meets the key objectives, outcomes and criteria set out in the bid document.

1.5.6 The project is broken down into 5 work packages as set out below:

WP1: Place - The aim is to support the provision of permanent, affordable and accessible creative work and collaborative space. The catalytic investment in the CCZ is the renovation of the Exchange (internal works) which is an already established music, arts and leisure venue that will act as an anchor for the re-alignment of the area and several other complementary units including the former Globe Gallery, and the Business Centre that sit within the Howard Street/ Saville Street intersection. The CCZ will also complement existing activity and investment at the Fish Quay and Northumberland Square Conservation Area.

WP2: Support - Building upon the North of Tyne Culture and Creative Investment Programme, delivered by Creative England, the focus will be split between the development and delivery of business support activity that is best delivered from within the zone. This work package will include bespoke business support for Cultural and Creative businesses aligned with specific sector requirements; incubator courses; a Cultural Quarter Grant scheme to support cultural and creative businesses to grow and leverage additional funding; and also networking and peer to peer support for businesses in the sector.

WP3: Skills - the zone will foster relationships with key skills providers based locally and nationally, including the successful bidders for the North of Tyne Skills for Growth programme. Through the zone, there will be an opportunity to highlight specific skills challenges within the industry, and help facilitate appropriate skills delivery, talent development and create clear pathways into the sector. Specific skills interventions will include:

- a Cultural Quarter Bursary Scheme to provide access to training for those facing financial barriers to accessing skills courses or talent development;
- targeted, bespoke interventions with TyneMet college to develop pathways to employment to help young and vulnerable people into jobs within the cultural and creative sector;
- and community engagement activity to support adults to learn new skills, build confidence and engage in the sector which will lead to new employment opportunities.

WP4: Promotion- the goal is to establish the North Shields Cultural Quarter as a destination, visitor attraction and great place to work, visit and learn. A programme of activity to promote the zone will be developed which will link into the overarching promotion of the North of Tyne CCZs. The development and delivery of events and festivals will also be a key role for the CCZ, helping to attract new visitors to the town and region, and growing the cultural engagement with the Authority's local audiences.

WP5: Community Engagement - The CCZ will engage with the community by welcoming them into the Cultural quarter but also by delivering within local community settings to achieve the greatest level of engagement. The aim is to develop and deliver activities that directly link into local schools and communities; raising inclusion, participation, and aspirations.

1.5.7 The support available through the CCZ will not be exclusive only to people and businesses physically located within the zone geography. As well as providing workspace in a defined geographic area of North Shields, the zone will also provide an 'access point' through which people and businesses working in the culture and creative sector anywhere in the North of Tyne area can access collaboration opportunities, business support, skills development, and other advice and support as required. The CCZ will:

- Provide an access point to business support and skills programmes that exist already
- Work with NTCA and existing programme deliverers to refine and shape the content of existing programmes
- Provide a focal point for the development and delivery of new collaborative projects to address business support and skills needs in the longer-term

1.6 Decision options:

The following decision options are available for consideration by Cabinet:

Option 1

To approve the recommendation set out in paragraph 1.2 of this report

Option 2

To approve and/or reject some or all of the recommendations set out at paragraphs 1.2 (1) (2) of this report.

Option 1 is the recommended option.

1.7 Reasons for recommended option:

Option 1 is recommended for the following reasons:

Accepting this funding will enable the establishment of North Shields Cultural Quarter, in line with the North Shields Masterplan aspiration and Our North Tyneside Plan.

1.8 Appendices:

None.

1.9 Contact officers:

Paul Dowling, Head of Regeneration & Transport Service Manager, Tel: 643 6428

Graham Sword, Senior Manager - Regeneration, Tel: 643 6421

Steve Bishop, Head of Culture, Tel: 643 7410

Amar Hassan, Principal Accountant, Investment (Capital) and Revenue, Tel: 643 5747

1.10 Background information:

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

(1) North Shields Town Centre and Fish Quay Masterplan; Cabinet, 25th January 2021

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

As stated in section 1.2 above, £1.7m of funding has been secured from the North of Tyne Combined Authority Culture and Creative Zones Fund to support the development of North Shields Cultural Quarter. Once the Grant Funding Agreement is signed work will begin on the work packages set out in paragraph 1.1 above.

Funding is a mixture of Capital and Revenue as set out below;

Project	Grant Funding	Match funding	Total Project Cost
The Exchange External Costs (CAP)	0	0	
The Exchange Internal Costs (CAP)	300,000	216,000	516,000
Digital Infrastructure (CAP)	500,000	0	500,000
CAP Total	800,000	216,000	1,016,000
Business Support – Incubators (REV)	250,000	0	250,000
Mentoring (REV)	15,000	0	15,000
Skills Support (REV)	85,000	0	85,000
Grant scheme (REV)	200,000	0	200,000
Branding and Marketing (REV)	145,000	0	145,000
Events Programme (REV)	200,000	0	200,000
REV Total	895,000	0	895,000
Total	1,695,000	216,000	1,911,000

Capital match funding is made up of £120,000 from Our Ambition and £96,000 from Heritage Action Zone (Total £216,000 match) which has been secured through the Gateway process with a Gateway 0, 1 and 2 approved through IPB.

2.2 Legal

2.2.1 Procurement

Internal work on The Exchange Building has already been procured through NTC procurement processes.

Once the project Grant Funding Agreement is signed the revenue elements of the project will be procured through NTC procurement processes in order to ensure best value and avoid the provision of any unlawful subsidy.

2.2.2 Third Party Grant Funding

Funding will only be provided to third party applicants who can declare that the funding constitutes part of their special drawing rights for the preceding three year period and, accordingly, is exempt from being considered an unlawful subsidy.

2.3 Consultation/community engagement

2.3.1 Internal Consultation

Lead Cabinet Members have been briefed and finance, legal and procurement have provided advice on this project and the background to this report.

2.3.2 External Consultation/Engagement

Key cultural and creative stakeholders have been engaged in the development of the business case submitted to NTCA for appraisal. Further engagement will take place over the next six months as work packages are refined.

2.4 Human rights

2.4.1 There are no Human Rights issues arising from this report.

2.5 Equalities and diversity

2.5.1 There are no direct equality and diversity issues arising from this report. As the North Shields Cultural Quarter work progresses inclusive design principles will be central to the development of the proposals. In practical terms this will mean taking into consideration the needs of all protected characteristics, addressing physical access where feasible but also ensuring appropriate hearing assistance systems and signage are in place, taking into account recommendations from the AccessABLE report.

2.6 Risk management

2.6.1 A risk register will be developed for each of the work packages and will be reviewed monthly by the relevant delivery teams.

2.7 Crime and disorder

2.7.1 There are no crime and disorder issues arising from this report. As the North Shields Cultural Quarter work progresses, consideration of crime, fear of crime and anti-social behaviour will be incorporated into the development of the proposals.

2.8 Environment and sustainability

2.8.1 An Environmental Impact Assessment is underway and will be shared with NTCA in due course.

PART 3 - SIGN OFF

- Chief Executive ☐
- Director(s) of Service ☐
- Mayor/Cabinet Member(s) ☐
- Chief Finance Officer ☐
- Monitoring Officer ☐
- Assistant Chief Executive ☐