

**Title:** UKSPF Segedunum Refurbishment, Wallsend  
**Report of:** Judith Nunn, Senior Economic Development Officer  
**Portfolio:** Culture, Creative, Tourism and Sport

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## Report Summary

The purpose of this report is to request approval to utilise UKSPF Communities and Place funding to fund capital works at Segedunum Museum in Wallsend, to regulate temperatures, carry out repairs to the building fabric, resulting in an improved visitor offer. This is in line with the intent set out in the UKSPF Investment Plan approved by Government and the Implementation Plan originally agreed by the former North of Tyne Combined Authority (NTCA) Technical Officer Group and Investment Panel.

In 2022, the former NTCA as a designated 'lead authority' was allocated funding of £47.1m for 'core-UKSPF' and £4.1m for the 'Multiply' adult numeracy programme, until March 2025 and covering the areas of Newcastle, North Tyneside and Northumberland. NTCA was also allocated £3,043,546 of Rural England Prosperity Fund. The UKSPF programme is being delivered in line with the Investment Plan agreed by Government.

This report includes one project requesting a total of £499,000 UKSPF Communities and Place funding, to 31<sup>st</sup> March 2025.

## Recommendations

1. The Chief Executive is recommended to approve the following funding award, and authorise entry into required agreements to facilitate approvals, as set out in this report;
2. A total of £499,000 of UKSPF funding to be awarded to North Tyneside Council for the delivery of the project set out in the report.
3. To authorise the Director of Finance and Investment and Monitoring Officer to prepare the necessary documentation and enter into contract with the lead applicant (North Tyneside Council).

### 1. Background Information, Proposals and Timetable for Implementation

- 1.1 In consultation with the Director of Finance and Investment, the Mayor and relevant Cabinet Member (s) and in accordance with the scheme of delegation,

The UK Shared Prosperity Fund (UKSPF) will invest in economic growth and regeneration in the regions of the United Kingdom (UK), replacing the previous European Structural and Investment Funds (ESIF).

The UKSPF Delivery Plan for the Northumberland, North Tyneside and Newcastle area sets out a more inclusive area and is built on three key aims:

- Creating a more social and inclusive economy - one which promotes wellbeing across all communities by ensuring wealth is retained locally and distributed more equitably.
- Addressing inequality and poverty, enabling our residents to access opportunities at every stage of their lives.
- Driving better coordination of education, skills, employment, and health activities to help more people move into good work, and progress in work.

- 1.2 In September 2022, the NTCA Cabinet delegated responsibility to the Chief Executive in consultation with the Director of Finance and relevant Cabinet Members to approve the commissioning approach

and subsequent grant agreements and/or contracts associated with the Shared Prosperity Fund (minute 34 Resolution 5). In May 2024, the North East Combined Authority (North East CA) Cabinet agreed that 'the formal decisions which the former North East Combined Authority and the former North of Tyne Combined Authority made be treated as decisions of the Authority.' (Cabinet meeting 7 May 2024, Minute no C6/5/24 (4)). The North East CA is now the accountable body for the programme.

## 2. Project Outline

### 2.1 Key information

<b>Funding Source</b>	UKSPF Communities and Place
<b>Proposal Name</b>	Segedunum Refurbishment, Wallsend
<b>Lead Organisation</b>	North Tyneside Council
<b>Delivery Areas</b>	North Tyneside
<b>Timescales</b>	Start: November 2024, End: 31 <sup>st</sup> March 2025
<b>Project Value</b>	£1,574,823
<b>Grant / Loan amount requested</b>	£499,000
<b>Budget Implications:</b>	For the Communities and Place, £13,274,388 is currently contracted out of a total of £15,250,560 allocation. The allocation total takes account of the 4% top slice.

2.2 Segedunum Refurbishment, Wallsend will invest in the building fabric and mechanical and electrical services of the Museum, whose adjoining Roman Fort and wall are part of Hadrian's Wall World Heritage Site.

This includes a new roof to replace the roof that has failed and is leaking on the main building of the museum site. It will include new emergency lighting and replacement of the air handling plant which will improve the internal air quality and stabilise internal temperatures and relative humidity.

The investment will ensure that the building is watertight improving conditions for visitors and employees and the new air handling plant will enable the museum to once again be able to accommodate major world class exhibitions, spotlight loans and precious artefacts from national institutions such as the National Gallery and the British Museum. This will result in increased visitor numbers and income, a higher profile, and a boost to the cultural offer of Wallsend, Tyneside and the region in line with the strategic objectives to grow the visitor economy and improve cultural and heritage assets set out in the UKSPF Investment Plan

## 3. Outputs/Outcomes

<b>Outputs</b>	
E11: Number of amenities/facilities created or improved	1
E6: Number of events or local activities supported	6
E6: Number of volunteering opportunities supported	4
<b>Outcomes</b>	
E11: Improved engagement numbers	3,900
E6/E8: Increased visitor numbers	2,500

#### 4. Milestones

Project milestone	Delivery date
Project Start Date	1 <sup>st</sup> November 2024
Works begin on site	1 <sup>st</sup> November 2024
AHU heating works start	16 <sup>th</sup> December 2024
Roof works completed	20 <sup>th</sup> December 2024
AHU electrical works start	27 <sup>th</sup> January 2024
AHU electrical works completed	7 <sup>th</sup> March 2025
AHU heating works completed	21 <sup>st</sup> March 2025
Project Financial Completion Date	31 <sup>st</sup> March 2025

#### 5. Appraisal

5.1 This application has been appraised using the principles of the HM Treasury Five Case model, undertaken via an independent appraiser by the North East Combined Authority's Programme Assurance Team (PAT).

#### 5.2 RAG Assessment

Overall RAG assessment		
Risk Rating	Strategic case	GREEN
	Commercial case	GREEN
	Economic case	GREEN
	Financial case	GREEN
	Management case	GREEN
	<b>Overall rating</b>	<b>GREEN</b>

5.3 Strategic Case – The UKSPF investment would enable the programme to carry out essential works to improve the fabric and infrastructure of Segedunum museum in Wallsend. The work includes a new roof, new emergency lighting and replacement of the air handling plant. The proposal is a clear strategic fit with the North of Tyne and North East CA priorities and ambition to deliver a vibrant and inclusive regional economy that has the visitor economy at its heart.

5.4 Economic Case – The application offers value for money via the outputs, BCR calculation and the wider and longer-term economic impact of a strong visitor economy in Wallsend and North Tyneside. A good case for the social value impact is included.

5.5 Commercial Case – Procurement has been undertaken and there is assurance that the contractors have the capacity and expertise to deliver the programme to schedule. In addressing demand, the applicant has cited that the updates are an essential requirement from a maintenance perspective and will provide a platform to drive up visitor numbers and enable future funded improvements to the visitor offer. The demand case would be strengthened by statistics to evidence the decline in visitor numbers.

5.6 Financial Case – The project request is £499,000. The overall project cost of £1,574,823 is also made up with £419,000 from Arts Council England and £656,823 North Tyneside Council funding contribution. The application is supported by finance tables which confirm that costs are attributed to contracted works and design fees. The applicant has outlined a sustainable plan for the museum to operate going forward.

5.7 Management Case – The applicant has given an overview of the project management structure and described how North Tyneside Council have overall accountability for delivery and management.

North Tyneside Council Investment Programme Board will provide scrutiny and governance. There is confidence that the structure is well established to support delivery.

## 6. Recommended Conditions of Funding

The award of funding would be subject to the following proposed funding conditions:

No.	Condition
1	<p>Subsidy control advice to be provided prior to the project commencement and reviewed by North East CA Legal AND</p> <p>The Recipient confirms that it will not receive any economic advantage for its role in the Project. Any such advantage will flow through to the Project beneficiaries i.e. the individuals receiving support under the Project. The Recipient shall operate the Project on a not-for-profit basis.</p> <ul style="list-style-type: none"> <li>a. To ensure compliance with this condition, the Recipient confirms that any of its costs claimed from NECA (as accountable body for UKSPF funding for the former North of Tyne area) for delivery of the Project (whether attributable to management, delivery, labour costs or otherwise) shall be remunerated strictly in accordance with market conditions. At the end of delivering the Project, the Recipient will be required to account to NECA for any residual advantage it has obtained through the Funding.</li> <li>b. Pursuant to this condition, the Recipient agrees that it shall collect appropriate information to demonstrate that it has received no such economic advantage from the Funding (which shall be supplied to the NECA upon request).</li> </ul>
2	A copy of the logic model to be provided prior to project commencement
3	Applicant to provide match funding confirmation
4	Funding is eligible to be claimed in line with UKSPF guidance and relating to activity delivered prior to the end of the UKSPF funding eligibility period.

## 7. Potential Impact on Objectives

7.1 All activity outlined in the report will contribute to the delivery of the outcomes of UKSPF Investment Plan which has been approved by Cabinet and by UK Government.

## 8. Key Risks

8.1 The risks associated with the delivery of the project outlined in the report are actively managed at several levels. Strategic risks associated with the delivery of the UKSPF programme are managed through the maintenance of a Risk Register and monitoring by the North East CA's UKSPF Programme Board. Risks at a project level are managed by the project sponsor and as a part of the regular claims and monitoring activity undertaken by the Programme Assurance Team. Capital project risk management is embedded in the applicant's project management system.

## 9. Financial and Other Resources Implications

9.1 As a result of this report £499,000 UKSPF funding will be awarded to North Tyneside Council. UKSPF Funding will be allocated to the appropriate investment priority and intervention within the UKSPF Investment Plan and monitored in delivery in the usual manner; funding will be defrayed against the following profile:

<b>Funding Profile</b>	<b>2024/25</b>	<b>Total</b>
UKSPF Revenue	£499,000	£499,000
Arts Council England	£419,000	£419,000
North Tyneside Council	£656,823	£656,823
<b>Total</b>	<b>£1,574,823</b>	<b>£1,574,823</b>

## 10. Legal Implications

10.1 The comments of the Monitoring Officer have been incorporated into the body of the report.

## 11. Equalities Implication

11.1 An Equalities Impact Assessment has been undertaken for UKSPF and the implications of this will be considered in the project mobilisation and delivery stage.

## 12. Inclusive Economy Implications

12.1 The inclusive economy did not form part of the business case, however the project included in this paper clearly contributes to the delivery of the inclusive economy objectives of the North East CA.

## 13. Climate Change Implications

13.1 The project included in this paper contributes to the delivery of the climate change objectives of the North East CA. The applicant has submitted information within their proposals and has been appraised.

## 14. Consultation and Engagement

14.1 Significant consultation was undertaken in the original development of the NTCA UKSPF Investment Plan, which included several stakeholder events.

## 15. Appendices

15.1 None

## 16. Background Papers

16.1 None

## 17. Contact Officers

17.1 Judith Nunn Senior Economic Development Officer  
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## 18. Glossary

UKSPF	United Kingdom Shared Prosperity Fund
UK	United Kingdom
North East CA	North East Combined Authority
NTCA	North of Tyne Combined Authority
NoT	North of Tyne
NE	North East

MFA	Minimum Financial Assistance
REPF	Rural England Prosperity Fund