

Date of meeting Tuesday, 18th March, 2025
Time 2.00 pm
Venue Astley Room - Castle
Contact Geoff Durham 742222



**NEWCASTLE
UNDER LYME**

BOROUGH COUNCIL

Castle House
Barracks Road
Newcastle-under-Lyme
Staffordshire
ST5 1BL

Cabinet

AGENDA

OPEN AGENDA

- 1 APOLOGIES**
- 2 DECLARATIONS OF INTEREST**
To receive declarations of interest from Members on items included in the agenda.
- 3 MINUTES OF PREVIOUS MEETINGS** (Pages 5 - 10)
To consider the Minutes of the previous meeting.
- 4 WALLEYS QUARRY - ODOUR ISSUES** (Pages 11 - 32)
- 5 PROPOSED CREATION OF LYME PARK COUNTRYSIDE PARK** (Pages 33 - 38)
- 6 EXPANSION OF RECYCLING MATERIALS COLLECTED TO INCLUDE FLEXIBLE PLASTICS & CARTONS** (Pages 39 - 48)
- 7 CONTRACT AWARD FOR RYECROFT** (Pages 49 - 72)
- 8 CONTRACT AWARD FOR ASTLEY PLACE** (Pages 73 - 92)
- 9 CONTRACT AWARD FOR THE FORMER MIDWAY CAR PARK** (Pages 93 - 112)
- 10 UK SHARED PROSPERITY FUND 2025-26** (Pages 113 - 128)
- 11 FORWARD PLAN** (Pages 129 - 134)
- 12 URGENT BUSINESS**
To consider any business which is urgent within the meaning of Section 100B(4) of the Local Government Act 1972.
- 13 DISCLOSURE OF EXEMPT INFORMATION**

To resolve that the public be excluded from the meeting during consideration of the following reports, because it is likely that there will be disclosure of exempt information as defined in the paragraphs of Part 1 of Schedule 12A (as amended) of the Local Government Act 1972.

14 CCTV IN NEWCASTLE TOWN CENTRE - CONTRACT RENEWAL (Pages 135 - 142)

ATTENDANCE AT CABINET MEETINGS

Councillor attendance at Cabinet meetings:

- (1) The Chair or spokesperson of the Council's scrutiny committees and the mover of any motion referred to Cabinet shall be entitled to attend any formal public meeting of Cabinet to speak.
- (2) Other persons including non-executive members of the Council may speak at such meetings with the permission of the Chair of the Cabinet.

Public attendance at Cabinet meetings:

- (1) If a member of the public wishes to ask a question(s) at a meeting of Cabinet, they should serve two clear days' notice in writing of any such question(s) to the appropriate committee officer.
- (2) The Council Leader as Chair of Cabinet is given the discretion to waive the above deadline and assess the permissibility of the question(s). The Chair's decision will be final.
- (3) The maximum limit is three public questions at any one Cabinet meeting.
- (4) A maximum limit of three minutes is provided for each person to ask an initial question or make an initial statement to the Cabinet.
- (5) Any questions deemed to be repetitious or vexatious will be disallowed at the discretion of the Chair.

Members: Councillors S Tagg (Leader) (Chair), Sweeney (Vice-Chair), Heesom, Fear, Skelding and Hutchison

Members of the Council: If you identify any personal training/development requirements from any of the items included in this agenda or through issues raised during the meeting, please bring them to the attention of the Democratic Services Officer at the close of the meeting.

Meeting Quorums: 16+= 5 Members; 10-15=4 Members; 5-9=3 Members; 5 or less = 2 Members.

NOTE: IF THE FIRE ALARM SOUNDS, PLEASE LEAVE THE BUILDING IMMEDIATELY THROUGH THE FIRE EXIT DOORS.

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CABINET

Tuesday, 4th February, 2025
Time of Commencement: 2.00 pm

[View the agenda here](#)

[Watch the meeting here](#)

Present:	Councillor Simon Tagg (Chair)		
Councillors:	Sweeney Heesom	Fear Skelding	Hutchison
Officers:	Gordon Mole Simon McEneny Anthony Harold Sarah Wilkes Andrew Bird Geoff Durham Paul Dutton Sam Clark Joanne Halliday	Chief Executive Deputy Chief Executive Service Director - Legal & Governance / Monitoring Officer Service Director - Finance / S151 Officer Service Director - Sustainable Environment Civic & Member Support Officer Senior Media Officer Service Director - IT & Digital Service Director - Commercial Delivery	

1. **APOLOGIES**

All members were present.

2. **DECLARATIONS OF INTEREST**

There were no declarations of interest stated.

3. **MINUTES OF PREVIOUS MEETINGS**

The Leader provided a verbal update on the urgent business item 10 of the minutes of the previous meeting pertaining to the Devolution Local Government Reorganization white paper.

A number of recommendations had been put forward and agreed by Cabinet before being referred to Full Council who backed them up by 25 to 15 votes. Actions had come out including a petition that was now approaching almost 2,000 signatories in less than a week.

The Leader had also written to the Local Government Minister to press the case for the existing devolution proposals issued by the Staffordshire Leaders Board in September 2024 as a way of delivering devolution without the unnecessary cost and disruption of local government reorganization.

Resolved: That the minutes of the meeting held on 9th January 2025 be agreed as a true and accurate record.

[Watch the debate here](#)

4. WALLEYS QUARRY ODOUR ISSUES

The Leader introduced the report on Walleys Quarry, advising members that the operator's request to re-open the landfill during the appeal process had been turned down meaning this would remain closed until the hearing which was a victory for local people. The Leader had also contacted the Secretary of States and asked that the appeal be heard sooner rather than later.

The Chief Executive presented the report including latest figures regarding odour complaints which had increased further in January. Members were informed that the Council would have a seat at the appeal hearing and confirmation was provided that the site would remain closed until then further to a judgement from the Royal Court of Justice issued on 30th January.

The Leader commented on the figures and the upcoming capping of the site which would hopefully help reduce the number of odour incidents.

Cllr Fear expressed his despondency at the rise of complaints along with his hope that things were indeed heading in the right direction.

The Deputy Leader while sharing his feeling added that the timetable suggested that a lot of things would be happening in February and the situation with the operator would likely have evolved by the end of the month.

Cllr Skelding seconded Cllr Fear's comments and said being pleased that the request to re-open had been overturned. There seemed to be a correlation between the number of incidents recorded and the weather conditions and it was important for residents to keep logging in complaints.

The Leader concluded that the outcomes of the appeal would be the next step. The Council would have their say and aid the Environment Agency in making the right decision. The Secretary of States would have a role to play in bringing this forward sooner.

Resolved: That the update report be received and noted.

[Watch the debate here](#)

5. REVENUE AND CAPITAL BUDGETS AND STRATEGIES 2025/26

The Deputy Leader introduced the report on the Capital Strategy for 2025-35 as well as the Treasury Management Strategy, Investment Strategy and Commercial Strategy for 2025-26.

The Leader thanked the Deputy Leader and the Finance team for their work in preparing the report and strategies.

The budget and strategies would be submitted to Full Council the following Wednesday including a 1.99% Council Tax increase towards services and programmes such as the Civic Pride which would be enabled through the Civic

Growth Fund, and the Borough Fund. The budget also included a 4% reduction in funding following changes in government.

Resolved: (i) That the Revenue and Capital Budgets as detailed in this report and in the report to Cabinet dated 9 January 2025, be recommended to Full Council for approval.

(ii) That the updated Medium Term Financial Strategy 2025/26 to 2029/30 (Appendix 2) be recommended to Full Council for approval.

(iii) That the strategy for ensuring a balanced revenue outturn position for 2024/25, be approved.

(iv) That the calculation of the Council Tax base and a proposed Council Tax increase for 2025/26 of 1.99% per Band D equivalent property be recommended to Full Council for approval.

(v) That the risk assessment at Appendix 3 and the Section 151 Officer's recommendation on the level of reserves and contingencies provisionally required to be maintained in 2025/26 be recommended to Full Council for approval.

(vi) That the Civic Growth Fund priorities for 2025/26 be approved.

(vii) That the Capital Strategy (Appendix 5) for 2025/35 be recommended to Full Council for approval.

(viii) That the Treasury Management Strategy (Appendix 6) for 2025/26 be recommended to Full Council for approval.

(ix) That the Investment Strategy (Appendix 7) for 2025/26 be recommended to Full Council for approval.

(x) That the Commercial Strategy (Appendix 8) for 2025/26 be recommended to Full Council for approval.

(xi) That the updated Asset Management Strategy (Appendix 9) for 2023/28 be recommended to Full Council for approval.

(xii) That the Local Council Tax Reduction Scheme (Appendix 10) for 2025/26 be recommended to Full Council for approval.

[Watch the debate here](#)

6. FINANCIAL AND PERFORMANCE REVIEW REPORT - THIRD QUARTER 2024/25

The Deputy Leader presented the Financial Performance report.

The Leader invited portfolio holders to comment on performance indicators.

Priority 1 – One Council delivering for Local People

Cllr Hutchison reported that food business inspections had been overall completed on time except for June due to staff unavailability which had affected the yearly figure.

The Leader commented that the percentage of complaints processed in good time was slightly below target for quarter 3 and data was awaited for quarter 4. Staff turnover as for itself was meeting the target and was currently going through scrutiny. Finally the total number of online transactions was below target but this wasn't necessary a bad thing as more information being now available on the website and / or through relevant services meant that people did not need to engage through the process of transactions as often as before.

Priority 2 – A Successful and Sustainable Growing Borough

Cllr Fear thanked the planning section for the hard work put in and reported that in relation to the percentage of complainants informed within the required timescales of actions to be taken about alleged breaches of planning control things were going in the right direction despite having been impacted by work absences and capacity.

Priority 3: Healthy, Active and Safe Communities

Cllr Hutchison reported that the garden waste tonnages were down in December which explained the recycling and composting figures. Work was being done with targeted communications to improve recycling rates.

The Leader asked about street cleanliness and street scene.

Cllr Hutchison responded that a lot of leaves had been blown around in November and December due to the stormy weather which explained the slightly negative trend although the target was still largely met.

Cllr Skelding reported that the number of visitors for the museum collections had also been impacted by the severe weather conditions however it should be noted that these still attracted more than 60,000 people over the course of the year which was an overwhelming achievement. Shows were being put on and the museum was gaining recognition as demonstrated by the Enjoy Staffordshire Tourism Award.

About the Jubilee 2 Customer Satisfaction Net Promotor Score, the national average was 28 which was only just above that of Newcastle. The indicator was currently under review in the view of replacing it with a simpler and more accurate model. The membership growth was well above target.

Cllr Heesom reported on community safety and wellbeing.

Homeless presentation had dropped down for quarter 3 and the Council was working with partners to tackle antisocial behaviour. Crimes were reducing especially in the town centre. Disability grants had reduced to a manageable level and the Vulnerability Hub continued to work with a high number of cases, the current concern being the cold weather.

Priority 4: Town Centres for All

The Leader commented on the healthy figure for footfall and the regeneration projects bringing more people into the town.

The Deputy Leader shared the Leader's enthusiasm.

Resolved: That the contents of the report and appendices be noted and that the Council's service and financial performance for this period continue to be monitored and challenged.

[Watch the debate here](#)

7. TREE RISK MANAGEMENT STRATEGY

The Portfolio Holder for Sustainable Environment introduced the report on the Tree Risk Management Strategy aimed at ensuring that the Council's increasing and maturing tree stock was managed to an acceptable standard to members of the public, property and buildings.

The Leader endorsed the risk management strategy commenting this wasn't something new but needed to be updated on a regular basis to make sure the right processes were in place to ensure the safety around the trees, particularly relevant in the recent context of extreme weather events.

The Deputy Leader mentioned receiving complaints about there being too many trees in Clayton, which was a sign that things were actually going well.

The Leader added that the County Council had mirroring policies in relation to their own trees stock and the rest of the population just wanted for the trees to be well looked after.

Resolved: (i) That the Tree Risk Management Strategy be endorsed.

(ii) That the Tree Risk Management Strategy be adopted as policy.

[Watch the debate here](#)

8. LOCAL DEVELOPMENT SCHEME 2025/28

The Portfolio Holder for Strategic Planning introduced the report on the Local Development Scheme 2025-28 following up on the Deputy Prime Minister request for local planning authorities to produce and publish an updated scheme by 6th March 2025. A timetable was to be agreed for the preparation of a new Local Plan in accordance with the National Planning Policy Framework.

The Leader commented that the previous joint local plan with Stoke-on-Trent hadn't worked and the Borough Local Plan currently going through the inspection process would ensure government requirements were being met.

Resolved: That the update to the Council's Local Development Scheme ("LDS") for the period 2025-28, be approved.

[Watch the debate here](#)

9. FORWARD PLAN

The Leader presented the latest edition of the Cabinet Forward Plan.

Resolved: That the Forward Plan be received and noted.

[Watch the debate here](#)

Cabinet - 04/02/25

10. URGENT BUSINESS

There was no urgent business.

11. DISCLOSURE OF EXEMPT INFORMATION

There were no confidential items discussed.

**Councillor Simon Tagg
Chair**

Meeting concluded at 2.45 pm

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

CORPORATE LEADERSHIP TEAM'S

REPORT TO CABINET

18 March 2025

Report Title: **Walleys Quarry – Odour Issues**

Submitted by: **Chief Executive**

Portfolios: **Sustainable Environment; One Council, People & Partnerships**

Ward(s) affected: **All**

<p><u>Purpose of the Report</u></p> <p>To update Cabinet on the latest position regarding the problematic odours in the Borough associated with Walleys Quarry.</p>	<p><u>Key Decision</u> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>
<p><u>Recommendation</u></p> <p>Cabinet is recommended to:</p> <p>1. Note the contents of this update report.</p>	
<p><u>Reasons</u></p> <p>To ensure Cabinet is kept updated on the ongoing work regarding the problem odours associated with Walleys Quarry landfill.</p>	

1. Background

- 1.1 For a number of years, parts of the borough have suffered from foul odours from the Walleys Quarry Landfill Site in Silverdale operated by Walleys Quarry Ltd. The Environment Agency (EA) is the lead regulator for such sites, testing and enforcing compliance with the permit under which the site operates. The Council also has a role in influencing the operation and performance of such sites, where an operator fails to comply with actions required under an abatement notice issued by the Council in relation to any statutory nuisance caused by the site.
- 1.2 In March 2021, Council held an extraordinary meeting to receive the report of the Economy, Environment and Place Scrutiny Committee review into the Walleys Quarry issues, and to debate a motion demanding the immediate suspension of operations and acceptance of waste at the Walleys Quarry Landfill site.
- 1.3 Following extensive work, officers determined that the odours from the Walleys Quarry site amounted to a Statutory Nuisance and, on 13 August 2021, served an Abatement Notice on Walleys Quarry Ltd. (WQL). Following an appeal by Walleys Quarry Ltd, and a successful mediation process, His Honour District Judge Grego approved the

settlement that the parties had reached and issued a court order upholding the Abatement Notice and dismissing WQL's appeal on 6 October 2022.

- 1.4 Further instances of statutory nuisance identified which amount to a breach of the Abatement Notice, the Council's Enforcement Policy will guide the process to be followed [Reference: [Environmental Health enforcement policy – Newcastle-under-Lyme Borough Council \(newcastle-staffs.gov.uk\)](https://www.newcastle-staffs.gov.uk)]. This would determine what action the Council would take, and whether that would be formal or informal. Enforcement is usually considered sequentially but should the circumstances or nature of the breach be such, escalation direct to prosecution is possible. The Council needs to obtain the consent of the Secretary of State before it is able to prosecute an offence of breaching an abatement notice, as the site is permitted by the Environment Agency. Such consent has been obtained.
- 1.5 Members and Officers have attended Liaison Meetings to maintain contact with Walleys Quarry Ltd, and with other agencies involved with the issue. Cabinet has received monthly updates on the issues relating to the odours, and Council has also been regularly updated.
- 1.6 The Council continues to assess the prevalence of odours off site.

2. Complaint Data

- 2.1 Below is a schedule of complaints received by the Council and by the Environment Agency for the last 3 months, reported on a weekly basis. Historical complaint data is attached to this report as Appendix 1.

	Complaints to NuLBC	Complaints to Environment Agency
December 2024		
02/12/24 - 08/12/24	261	760
09/12/24 - 15/12/24	182	518
16/12/24 - 22/12/24	220	797
23/12/24 - 29/12/24	418	1644
January 2025		
30/12/24 - 05/01/25	303	1315
06/01/25 - 12/01/25	894	3878
13/01/25 - 19/01/25	283	803
20/01/25 - 26/01/25	109	470
27/01/25 - 02/02/25	72	404
February 2025		
03/02/25 - 9/02/25	47	221
10/02/25 - 16/02/25	8	39
17/02/25 - 23/02/25	6	26
24/02/25 - 02/03/25	19	65
March 2025		
03/03/25 - 09/03/25	7	42
10/03/25 - 16/03/25	14*	

*Figure may alter due to backdated complaints received

- 2.2 The number of odour events (where 10 or more complaints have been reported) was 2 odour events in the month of February compared to 24 odour events reported in the month of January.

The 2 odour events were on consecutive days; Wednesday 5 February and Thursday 6 February.

- 2.3 The highest number of odour complaints was reported on 6 February with 25 complaints. This is significantly lower than the highest number of odour complaints reported on 10 January (379 complaints).
- 2.4 The total number of odour complaints in February was 79 complaints which is a significant reduction from those reported in November and December 2024. Complaints at a level of 79 or below have not been seen since September 2023 (63 complaints).

NULBC Odour Assessments

- 2.5 Officers have undertaken odour assessments. The monitoring has been reactive to odour complaints and proactive where low odour dispersion is predicted.

The type of monitoring includes spot assessments (instantaneous assessments) and assessments made over a 5-minute period where the odour intensity is recorded every 10 seconds.

In February 23 spot assessments were undertaken of which 6 detected landfill related odour ranging from an intensity rating of 2 (slight/weak) to 4 (strong).

NULBC Mobile Air Quality Monitoring (using Jerome monitor)

- 2.6 Officers have monitored the levels of hydrogen sulphide within the community using the mobile Jerome monitor. The highest level of hydrogen sulphide [H₂S] recorded in the community was 6.34ppb which is significantly lower than the maximum level recorded in January at 67.91ppb.

Air Quality

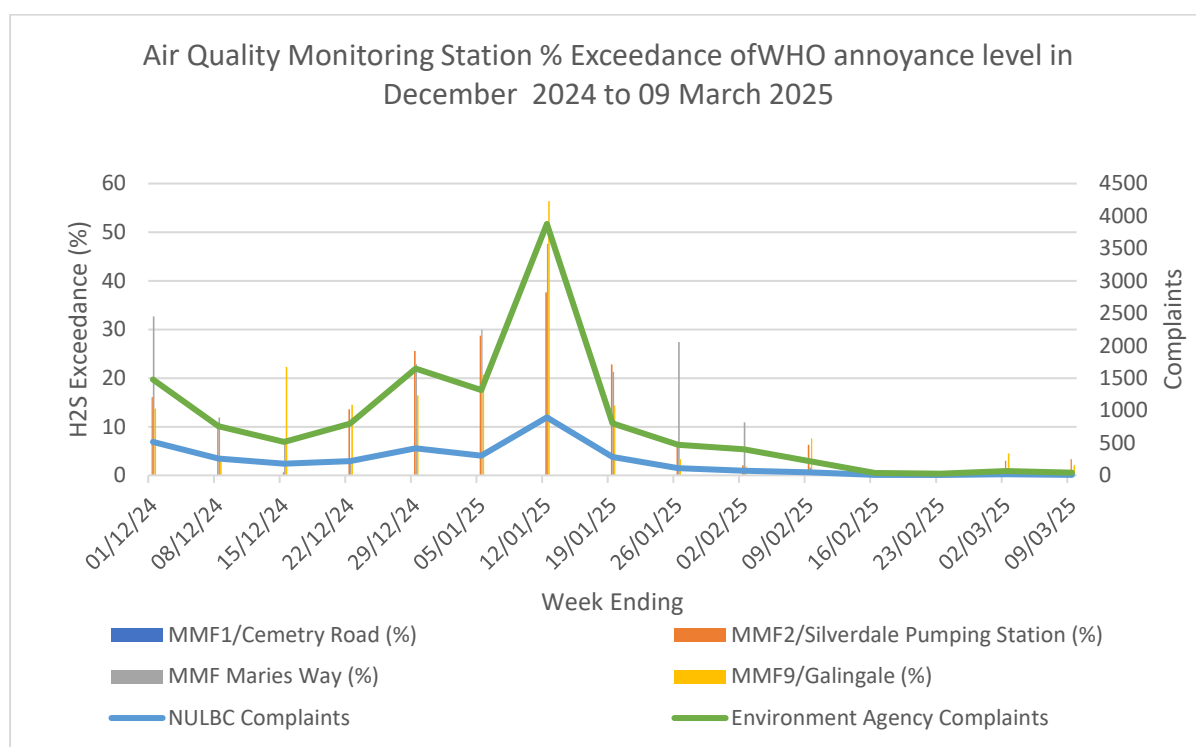
- 2.7 The Council, Staffordshire County Council, and the Environment Agency have jointly funded a campaign of air quality monitoring utilising three static air monitoring stations. The Environment Agency manage and operate these air quality monitoring stations. Data from these stations has been routinely published weekly by the Environment Agency (EA).
- 2.8 The latest H₂S data is set out in the table below, defining the proportion of the time periods where H₂S levels were above the WHO Odour Annoyance guideline of 7ug/m³. Historic data is available in Appendix 2.

Time Period	MMF Maries Way (%)	MMF Silverdale Pumping Station (%)	MMF Galinagle View (%)
2 December - 8 December 2024	11.9	10.3	3.9
9 December - 15 December 2024	7.1	0.6	22.3
16 December - 22 December 2024	3.3	13.6	14.5
23 December - 29 December 2024	22.9	25.6	16.4

30 December - 05 January 2025	30.0	28.7	20.7
06 January - 12 January 2025	47.6	37.6	56.4
13 January - 19 January 2025	21.3	22.8	14.4
20 January - 26 January 2025	27.4	6.3	3.3
27 January - 02 February 2025	10.9	2.1	1.8
03 February - 09 February 2025	1.6	6.3	7.6
10 February - 16 February 2025	0.0	0.0	0.0
17 February - 23 February 2025	0.0	0.3	0.0
24 February - 02 March 2025	0.0	3.0	4.5
03 March - 09 March 2025	0.0	3.3	2.1

2.9 The week 10 February -16 February 2025 reported zero exceedance of the WHO odour annoyance guideline. A weekly exceedance of zero across all three air quality monitoring stations was last reported in August 2024 (week 19 August -25 August).

2.10 The complaint data and weekly % exceedance of the WHO annoyance level have been combined and is shown on the graph below:



Environment Agency Regulatory and Enforcement Action

2.11 The Environment Agency has continued to provide updates on its regulatory activity on the Walleys Quarry Landfill and can be accessed here: <https://engageenvironmentagency.uk.engagementhq.com/hub-page/walleys-quarry-landfill>

2.12 No further Compliance and Assessment Reports have been published on the EA website since the previous Cabinet report.

Closure Notice

2.13 On 28 November 2024, the Environment Agency issued a Closure Notice to Walleys Quarry Ltd (WQL).

2.14 The Schedule to the Closure Notice requires WQL to comply with steps to initiate closure. The steps specified in the Schedule are summarised in the table below:

Schedule 2	Timescale	Steps
Stage 1 Step 1	From 00:01 on 29 November 2024	Cease accepting waste and do not recommence the acceptance of waste for disposal or recovery at the landfill
Stage 1 Step 2	By 13 December 2024	Construct bench-like horizontal platforms within the waste flanks on the uncapped former active tipping (operational) areas to facilitate access, maintenance and monitoring for the installation of gas control infrastructure (gas wells and connecting pipelines).
Stage 1 Step 3		Any waste left exposed following construction of bench like horizontal platforms in the former active area tipping (operational) areas shall be covered with non-waste material by the end of each working day.
Stage 1 Step 4	By 24 December 2024	Install permanent gas extraction wells as set out in Walleys Next Phase Gas Infrastructure Design 18.11.2024 reference CLP3573 and in those former active tipping (operational) areas without gas extraction, in accordance with the design and specification set out in the LGMP
Stage 1 Step 5		Connect all installed gas extraction infrastructure to the operational gas control system and place it under extraction. This shall occur no later than the end of the day of installation of the specific infrastructure
Stage 1 Step 6	By 31 January 2025	Install temporary geomembrane capping to any uncapped part of the former active tipping area of the landfill. Once installed, the capping shall alleviate gas emissions so that they do not exceed 50 parts per million (ppm) methane.
Stage 1 Step 7		Collect and remove surface water run-off from capped areas in accordance with Temporary Surface Water Management Layout, drawing ECL. 9311.D05.001 Rec C dated 10.07.2024. Any contaminated surface water shall either be removed from site or treated via leachate treatment plant.
Stage 1 Step 8	By 7 February 2025	A surface gas emissions survey shall be undertaken in accordance with LFTGN07 v2 2010 Guidance on monitoring landfill gas surface emissions
Stage 1 Step 9	By 14 February 2025	Submit a report to the EA demonstrating that emissions of methane do not exceed 50 parts per million (ppm) methane.
Stage 1 Step 10	From 14 February 2025	Conduct surface gas emission surveys every four weeks until the permanent cap is installed to ensure that the temporary cap is alleviating methane emissions to below 50ppm.
Stage 1 Step 11	No later than 7 days after each survey carried	Submit a report to the EA demonstrating that emissions of methane do not exceed 50ppm methane

	out in accordance with Step 10 above	
Stage 1 Step 12	Within 24 hours from detection	Repair any defects or leaks in the cap giving rise to methane emissions greater than 50ppm methane
Stage 1 Step 13	By 28 February 2025	Provide the EA with a Landfill Closure and Aftercare Plan [Refer to the Closure Notice for the relevant sector guidance]
Stage 2 Step 1	By 30 May 2025 or such date agreed in writing by the EA	Provide the EA with a closure report which specifies how closure has been achieved and how the activities at the site will be managed, monitored and maintained during the aftercare phase. [Refer to Closure Notice for the relevant sector guidance]

2.15 On 7 February 2025 the EA updated their 'Latest News' webpage regarding the steps in the Closure Notice:

'In the Closure Notice we issued to Walleys Quarry Ltd (WQL) on 28 November 2024 ("the Notice"), we required a number of steps to be completed by 31 January 2025.

We included these steps to contain and capture the excess fugitive landfill gas containing hydrogen sulphide, so that it could be destroyed rather than escape from the site, causing serious odour pollution.

WQL has provided periodic updates on its progress with the Notice [here](#).

Following a site inspection on 03 February 2025 we can confirm that WQL has:

- completed the construction of bench-like horizontal platforms, including covering any waste left exposed with non-waste material by the end of the working day (steps 2 and 3).
- installed and connected additional gas extraction infrastructure (steps 4 and 5), and
- deployed approximately 26,000m² of temporary capping (step 6).

Due to accumulated liquid at the base of the western facing waste flank we have been unable to confirm that all the required capping, which includes this part of the former tipping area, was completed on time.

The effect of the work completed to date is that approximately 600m³ of additional landfill gas is being captured. We recognise that since the Notice was issued, there have been temporary periods when the community has been adversely impacted by odour, and this is unacceptable. However, we anticipate further improvement once all the required capping is fully tied into the existing capping system, any damage or defects are repaired, and extraction rates are increased. Step 8 of the Closure Notice requires a survey of the capping, which will allow an assessment of its overall effectiveness at stopping landfill gas escaping.

We will continue to require WQL to comply with the Notice and the conditions of its permit. We remain committed to robustly regulating the site and requiring WQL to secure a sustained and sustainable resolution of the impacts of the site on the community'.

Walleys Quarry Limited - Application for judicial review and application for interim relief

2.16 Walleys Quarry Ltd were unsuccessful in an application for judicial review and an application for interim relief for a stay in the Closure Notice. The judgement was given on 4 February 2025.

2.17 Walleys Quarry Ltd subsequently published on their information web page:

‘We are disappointed with the Court’s decision and remain clear that keeping the site open delivers greatest benefit and sustainability for the site.

We have made extensive factual and legal submissions to the Environment Agency, which in our view they have not substantively engaged with.

As a business we completely reject the accusations made by the Environment Agency relating to poor management of the landfill site and will review our future options’.

2.18 No appeal against either judgement has been lodged in the Court of Appeal.

Walleys Quarry Limited - Liquidation

2.19 On Friday 28 February 2025 the EA announced that that Walleys Quarry Ltd (WQL), has entered Liquidation.

‘This event has no effect on the existence of WQL or the Environmental Permit. The Liquidators remains bound by the conditions of the permit and any statutory notices in relation to it that may have been issued.

We will engage with the Liquidators about their intentions for the site and plans to comply with the Environmental Permit and the Closure Notice. We will continue to work with partner organisations and carry out air quality monitoring using our Mobile Monitoring Facilities (MMFs)’.

Environmental Permits held by Walleys Quarry Ltd

2.20 On Wednesday 5 March 2025 a further update was provided:

‘The liquidators of Walleys Quarry Ltd (WQL) have informed us that they have disclaimed the environmental permits held by WQL. This means that the environmental permits, for the landfill and the soil treatment activity, no longer exist. The Environment Agency cannot object to a liquidator disclaiming an environmental permit or any other property owned by a company.

The Environment Agency has attended the landfill and assessed it and do not consider that this presents an immediate risk of serious pollution, which includes harm to human health.

CLP Envirogas Limited is continuing to operate the onsite landfill gas management system. The latest data from the Mobile Monitoring Facilities confirms that levels of fugitive landfill gas outside the site are low.

Officers have identified there is still some work to do in respect of the infrastructure steps in the Closure Notice.

The Environment Agency has discretionary powers, to arrange for steps to be taken to remove the risk of serious pollution. We are liaising with specialist contractors who we expect to be onsite to take such steps as appropriate in the near future.

We will provide further updates of any work we expect to be carried out on our Engagement HQ website'.

2.21 The EA reiterated;

'Please continue to report any odour you experience around the site, either using our hotline number 0800 80 70 60 or clicking this link to use our online form: <https://report-walleys-quarry-smell.service.gov.uk/>'

2.22 The update includes a statement from UKHSA:

'The UK Health Security Agency (UKHSA) will continue to work with partners to support residents by analysing air quality data and providing public health risk assessments.'

Frequently Asked Questions

2.23 On 7 March 2025 the EA issued a FAQ document to 'answer some of the questions that community members may have. We will continue to update this document once we are able to share more information'. The Q& A is as follows:

Q: What is liquidation?

A: Liquidation allows a company to be 'wound up' after it stops trading. You can read more about liquidation and insolvency here: [Liquidation and insolvency - GOV.UK](#) and here: [Liquidate your limited company: Arrange liquidation with your creditors - GOV.UK](#).

Q: Who is the liquidator for Walleys Quarry Ltd?

A: You can find details of the Liquidators for Walleys Quarry Ltd, Michael Denny and Jonathan Marston of Alvarez & Marsal Europe LLP, in Notices published online at [Companies House](#) and in the [London Gazette](#).

Q: The permit has been disclaimed. What does this mean?

A: Disclaimer extinguishes all rights and obligations of the company in relation to the environmental permit. There is now no permit in relation to the site.

Q: What effect does disclaimer of the permit have on the Closure Notice?

A: The environmental permit no longer exists. The Closure Notice does not survive the disclaimer of the Permit, as it depends on the existence of the permit.

Q: What will happen to the statutory appeal against the Closure Notice?

A: Decisions on the statutory appeal are a matter for the Planning Inspectorate. The Environment Agency will provide an update on the statutory appeal on Engagement HQ when we have further information.

Q: Is the site safe? Are we at any greater risk?

A: The Environment Agency has attended the landfill and assessed it. We do not consider that it presents an immediate risk of serious pollution, including harm to human health.

CLP Envirogas Limited is continuing to operate the onsite landfill gas management system. The latest data from the Mobile Monitoring Facilities confirms that levels of fugitive landfill gas outside the site are low. Officers have identified there is still some work to do in respect of the infrastructure steps in the Closure Notice.

As our update on 5 March 2025 indicates, the UK Health Security Agency (UKHSA) will continue to work with partners to support residents by analysing air quality data and providing public health risk assessments.

Q: Will there still be odour outside the site?

A: As we have previously explained by reference to the Closure Notice, there will always be some background odour at landfill sites. Stopping further waste entering the site will help reduce the odour potential. Capping the site will also help contain fugitive emissions of odorous landfill gas and increase the volume / rate of landfill gas extraction, preventing its escape.

In our update on 7 February 2025, we confirmed that Walleys Quarry Ltd had carried out certain steps required by the Closure Notice. There is still some work to do in respect of those steps.

When there are periods of cold, still weather leading to poor dispersion conditions, the impact of any landfill gas emissions from the site may be more noticeable

Planned Works onsite

2.24 On 13 March a further update was issued by the EA on 13 March regarding works to be undertaken onsite;

‘We explained that the Environment Agency has discretionary powers to arrange for steps to be taken on site to remove the risk of serious pollution.

Work will be carried out by contractors on the site including:

- Securing the site to prevent access by trespassers, who could damage the infrastructure necessary to manage emissions.
- Installing temporary capping, to a small area of previously deposited waste. This was required by the Closure Notice, but was not completed by Walleys Quarry Ltd. The area is in the same location where bubbling liquid can be seen on recent drone footage. The liquid will be removed by tankers to allow this work to take place. You can expect to see these tankers from today.
- Remedial work to improve the stability of waste near the western flank. There has been some localised slippage, and this work will help protect the integrity of capping in that area.
- A review of current arrangements and, subject to that, possible alterations to ensure that the surface water is managed effectively.
- Actions to manage the groundwater under the site and leachate levels within the capped area, to avoid harm to the integrity of the landfill containment system.

Virtual Public Meeting – 20 March 2025

2.25 The update also confirmed that a virtual public meeting would be held by the EA:

‘We will be holding a virtual public meeting on Thursday 20 March 2025 at 6pm where we will share more information about the works to remove the risk of serious pollution, and answer questions related to this work. You can access the meeting using this link: <https://zoom.us/j/94504470726>

We understand that some members of the public may not be comfortable speaking in a public forum or may not be able to attend the meeting. We have set up an online page where questions can be submitted anonymously prior to the event for this reason. This can be accessed using this link:

<https://app.sli.do/event/e4YCUcSG6eWU8NWvFDQI18>

The meeting will also be recorded, and the transcript will be shared on our Engagement HQ site following the meeting.

We will also continue to update information about the work on our Latest News page'

NuLBC Update

- 2.26** The Abatement Notice requiring the abatement of odour nuisance was served on the operator 'Walleys Quarry Limited'. The company is now in liquidation and when the dissolution process is completed the company will no longer exist as a legal entity. At this stage the Abatement Notice will no longer be enforceable.
- 2.27** The liquidators have disclaimed the environmental permits which are considered to be 'property'. Unlike an environmental permit, an abatement notice issued under the Environmental Protection Act 1990 would not be considered as 'property' and therefore cannot be disclaimed. Unless and until the company is dissolved following the liquidation process, it will remain liable under any such notices.
- 2.28** We will offer both the EA and liquidator any support we can within our powers to keep this landfill under control, as it is currently.
- 2.29** We will continue to monitor the data in relation to the landfill.
- 2.30** We will continue to undertake odour monitoring and assessments in the community.
- 2.31** We would ask that should the community be adversely affected by odour that complaints are logged to the EA or ourselves via [Report a problem or concern about Walleys Quarry – Newcastle-under-Lyme Borough Council](#).

Walleys Quarry Update

- 2.32** On 28 February 2025 Walleys Quarry website was no longer accessible.
- 2.33** No press statement has been issued by Walleys Quarry Limited in response to the liquidation of the company.
- 2.34** On 28 February 2025 the liquidators have disclaimed all Walleys Quarry Ltd's interest in:
(a) the environmental permits; EPR/EB3908ML and EPR/DP3734DC
(b) the freehold land being Rosemary Hill Tileries, Cemetery Lane and Park Row, Silverdale Newcastle under Lyme and registered at HM Land Registry under title number SF139741 (the "Property").
- 2.35** On 5 and 6 March 2025 Companies House webpage has been updated as follows:
- the company status changed to 'liquidation'
 - extraordinary resolution to wind up on 27 February 2025

- statement of affairs
- appointment of a voluntary liquidator
- the registered office address changed to the address of the liquidator
- Notice to Registrar of Companies of Notice of disclaimer – the Environmental Permit EPR/EB3908ML
- Notice to Registrar of Companies of Notice of disclaimer – the Environmental Permit EPR/DP3734DC
- Notice to Registrar of Companies of Notice of disclaimer – the freehold land being Rosemary Hill Tileries Cemetery Lane and Park Row, Silverdale and registered at HM Land Registry under title number SF 139741(the “Property”)
- Insolvency - Creditors voluntary liquidation. The details of the liquidation practitioners can be found [here](#).

Key Performance Data

- 2.36** Through the settlement agreement both Walleys Quarry Ltd and the Council have developed key performance indicators in relation to relevant data from each organisation. The key performance indicator for NuLBC is shown in Appendix 3.
- 2.37** The data from the Council covers the period from December 2024 to February 2025 and provides complaint numbers and officer assessments.

3. Recommendation

3.1 Cabinet is recommended to:

- Note the contents of this update report.

4. Reasons for Proposed Solution

- 4.1** To ensure Cabinet is kept updated of the ongoing work to address the issues associated with the odours from Walleys Quarry landfill.

5. Options Considered

- 5.1** To provide regular updates to Cabinet.

6. Legal and Statutory Implications

- 6.1** Part III of the Environmental Protection Act 1990 is the legislation concerned with statutory nuisances in law. This is the principal piece of legislation covering the Council’s duties and responsibilities in respect of issues relating to odour nuisance:
- The Environmental Protection Act 1990, section 79 sets out the law in relation to statutory nuisance. This is the principal piece of legislation covering the Council’s duties and responsibilities in respect of issues relating to odour nuisance.
 - The relevant part of Section 79 defines a statutory nuisance as any smell or other effluvia arising on industrial, trade or business premises which is prejudicial to health or a nuisance. The Council is responsible for undertaking

inspections and responding to complaints to determine whether a statutory nuisance exists.

- Where a statutory nuisance is identified or considered likely to arise or recur, section 80 of the Act requires that an abatement notice is served on those responsible for the nuisance. The abatement notice can either prohibit or restrict the nuisance and may require works to be undertaken by a specified date(s).
- It is then a criminal offence to breach the terms of the abatement notice. Because the site is regulated by the Environment Agency under an Environmental Permit, the council would need to obtain the consent of the Secretary of State before it is able to prosecute any offence of breaching the abatement notice.
- The Act provides powers in respect of a breach. If a person on whom an abatement notice is served, without reasonable excuse, contravenes or fails to comply with any requirement or prohibition imposed by the notice, they shall be guilty of an offence. If this is on industrial, trade or business premises shall be liable on conviction to an unlimited fine. It is a defence that the best practicable means were used to prevent, or to counteract the effects of, the nuisance.

7. Equality Impact Assessment

- 7.1** The work of the Council in this regard recognises that the problematic odours in the area may impact on some groups more than others. The work is focussed on minimising this impact as soon as possible.

8. Financial and Resource Implications

- 8.1** Dedicated officer resource has been allocated to continue the Council's work regarding Walleys Quarry Landfill.
- 8.2** From April 2024 there is a £300k reserve for works associated with Walleys Quarry Landfill site. Should further funding be required, up to £300k can be made available through the transfer of useable reserves (£100k from the Borough Growth Fund and £200k from the Budget and Borrowing Support Fund). These funds can be transferred without Council approval.
- 8.3** On 20 November 2024 Council approved a further sum of £400k (£250k from the General Fund Reserve, £150k from the Budget and Borrowing Support Fund) for costs associated with action to prosecute, and delegate to the Chief Executive and Section 151 Officer, in consultation with the Portfolio Holders for One Council, People and Performance and Town Centres and Finance, to draw down and remit such funds as and when necessary for this action.
- 8.4** On 25 February 2025 the Council was listed as a creditor in the 'Notice of Statement of Affairs' signed by a Director of Walleys Quarry Ltd. The amount owed to the Council is £132,097.20. This outstanding debt is made up of £102,000 in respect of the legal fees agreed through the mediated settlement in court back in October 2022 relating to the Abatement Notice. The remaining amount relates to outstanding Business Rates.

8.5 The Council is now in correspondence with Walleys Quarry liquidators in order to recover these outstanding monies. Updates on this situation will be provided as and when available.

9. Major Risks

9.1 A GRACE risk assessment has been completed including the following main risks:

- Failure to achieve a reduction in odour levels;
- Community dissatisfaction at odour levels;
- The ability to take enforcement action against abatement notice;
- Failure to evidence a breach of the abatement notice;

9.2 Controls have been identified and implemented in order to control these risks; the main controls include:

- Provisions in settlement agreement ensures greater transparency for public;
- Dedicated officer resource for Walleys Quarry work has been secured;
- Continued air quality monitoring provision;
- Robust procedure for investigating complaints with experienced officers;
- Specialist expert advice maintained;
- Multi-Agency partnership working continues.

10. UN Sustainable Development Goals (UNSDG)



11. One Council

11.1 Please confirm that consideration has been given to the following programmes of work:

One Commercial Council

One Digital Council

The Council will use all available monitoring data and digital tools in making strategic and operational decisions in relation to Walleys Quarry.

One Green Council

The Council is not a user of Walleys Quarry. Within its restricted powers, the Council is committed to ensuring that waste does not cause a nuisance for residents and ultimately wishes to see the end of landfill, with a site that is successful closed, capped off and restored.

12. Key Decision Information

12.1 As an update report, this is not a Key Decision.

13. Earlier Cabinet/Committee Resolutions

13.1 This matter has been variously considered previously by Economy, Environment & Place Scrutiny Committee, Council and Cabinet on 21st April 2021, 9th June 2021, 7th July 2021, 21st July 2021, 8th September 2021, 13th October 2021, 3rd November 2021, 17th November, 1st December 2021, 12th January 2022, 2nd February 2022, 23rd February 2022, 23rd March 2022, 20th April 2022, 7th June 2022, 19th July 2022, 6th September 2022, 18th October 2022, 8th November 2022, 6th December 2022, 10th January 2023, 7th February 2023, 13th March 2023, 5th April 2023, 6th June 2023, 18th July 2023, 19th September 2023, 17th October 2023, 7th November 2023, 5th December 2023, 16th January 2024, 6th February 2024, 14th February 2024, 19th March 2024, 10th April 2024, 4th June 2024, 16th July 2024, 10th September 2024, 25th September 2024, 15th October 2024, 5th November 2024, 25th November 2024. 3rd December 2024, 9th January 2025, 4th February 2025

14. List of Appendices

14.1 Appendix 1. Historical Complaint data

14.2 Appendix 2. Percentage exceedance above WHO odour annoyance guideline

14.3 Appendix 3. NULBC Key Performance Data

Appendix 1 – Historic Complaint Numbers

Week Ending	Complaints to NuLBC	Complaints to Environment Agency	Week Ending	Complaints to NuLBC	Complaints to Environment Agency
2022			25-Sep	14	79
09-Jan	73	352	02-Oct	13	58
16-Jan	258	1045	09-Oct	42	102
23-Jan	134	651	16-Oct	52	165
30-Jan	25	139	23-Oct	73	186
06-Feb	16	64	30-Oct	30	82
13-Feb	31	120	06-Nov	27	116
20-Feb	49	166	13-Nov	23	86
27-Feb	40	264	20-Nov	60	113
06-Mar	118	571	27-Nov	2	70
13-Mar	72	285	04-Dec	19	47
20-Mar	224	1126	11-Dec	43	163
27-Mar	412	1848	18-Dec	22	114
03-Apr	243	1072	25-Dec	12	45
10-Apr	132	895	2023		
17-Apr	156	752	01-Jan	11	39
24-Apr	65	310	08-Jan	12	32
01-May	49	213	15-Jan	13	25
08-May	39	193	22-Jan	47	118
15-May	35	160	29-Jan	51	149
21-May	43	134	05-Feb	13	66
29-May	20	81	12-Feb	26	115
05-Jun	27	169	19-Feb	7	39
12-Jun	42	234	26-Feb	3	15
19-Jun	25	263	05-Mar	7	13
26-Jun	28	208	12-Mar	12	74
02-Jul	9	54	19-Mar	23	63
09-Jul	4	34	26-Mar	19	56
16-Jul	14	72	02-Apr	51	103
23-Jul	21	52	09-Apr	45	152
30-Jul	12	93	16-Apr	11	64
06-Aug	22	124	23-Apr	48	101
13-Aug	32	133	30-Apr	148	278
21-Aug	11	79	07-May	50	150
28-Aug	12	89	14-May	53	164
04-Sep	10	30	21-May	147	320
11-Sep	9	64	28-May	90	210
18-Sep	13	83	04-Jun	24	43

Week Ending	Complaints to NuLBC	Complaints to Environment Agency	Week Ending	Complaints to NuLBC	Complaints to Environment Agency
11-Jun	19	75	24-Mar	120	330
18-Jun	76	154	31-Mar	81	254
25-Jun	80	170	07-Apr	56	220
02-Jul	40	99	14-Apr	17	75
09-Jul	18	46	21-Apr	32	145
16-Jul	20	54	28-Apr	55	196
23-Jul	15	73	05-May	41	167
30-Jul	28	97	12-May	75	311
06-Aug	21	67	19-May	76	192
13-Aug	7	30	26-May	89	240
20-Aug	10	44	02-Jun	75	207
27-Aug	8	38	09-Jun	38	114
03-Sep	11	59	16-Jun	50	147
10-Sept	26	71	23-Jun	67	189
17-Sept	12	72	30-Jun	117	298
24-Sept	8	31	07-Jul	45	103
01-Oct	8	26	14-Jul	52	155
08-Oct	8	37	21-Juy	118	277
15-Oct	29	64	28-Jul	93	189
22-Oct	22	81	04-Aug	61	162
29-Oct	26	115	11-Aug	53	143
05-Nov	5	15	18-Aug	50	160
12 Nov	40	123	25-Aug	35	185
19-Nov	35	119	01-Sept	7	46
26-Nov	36	135	08-Sept	14	42
3-Dec	115	265	15-Sept	25	95
10-Dec	83	151	22-Sept	43	118
17-Dec	48	180	29-Sept	16	53
24-Dec	28	79	06-Oct	52	147
31-Dec	44	129	13-Oct	80	187
2024			20-Oct	37	136
07-Jan	236	627	27-Oct	100	311
14-Jan	76	268	03-Nov	46	163
21-Jan	270	824	10-Nov	41	153
28-Jan	86	261	17-Nov	251	793
04-Feb	133	416	24-Nov	252	842
11-Feb	382	905	1-Dec	518	1478
18-Feb	186	527	8 -Dec	261	760
25-Feb	397	1264	15-Dec	182	518
03-Mar	333	990	22-Dec	220	797
10-Mar	218	694	29-Dec	418	1644
17-Mar	103	374	-	-	-

Week Ending	Complaints to NuLBC	Complaints to Environment Agency	Week Ending	Complaints to NuLBC	Complaints to Environment Agency
2025					
05-Jan	303	1315			
12-Jan	894	3878			
19-Jan	283	803			
26-Jan	109	470			

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Time Period			
	MMF1 (%)	MMF 2 (%)	MMF 9 (%)
02 October – 08 October 2023			0
09 October – 15 October 2023			9.4
16 October – 22 October 2023	0.9	0	7.8
23 October – 29 October 2023	13.7	3.0	10.4
30 October – 5 November 2023	7.8	0.6	NR
6 November – 12 November 2023	8.9	1.5	5.6
13 November – 19 November 2023	6.9	0.6	3
20 November – 26 November 2023	3.3	2.9	14.33
27 November – 3 December 2023	14.9	7.4	26.2
4 December – 10 December 2023	21.4	3.0	10.2
11 December – 17 December 2023	13.4	2.68	8.33
18 December – 24 December 2023	0	0	0.6
25 December- 31 December 2023	23.21	0.3	1.9
01 January – 07 January 2024	16.9	8.7	17.7
08 January – 14 January 2024	0		5.0
15 January – 21 January 2024	17.4		18.4
22 January – 28 January 2024	37.8		11.6
29 January – 04 February 2024	18.6		23.4
05 February – 11 February 2024	20.8		22.6
12 February – 18 February 2024	30.8		9.6
19 February – 25 February 2024	27.4		21.1
26 February – 03 March 2024	33.7		20.1
04 March – 10 March 2024	34		13
11 March – 17 March 2024	17.0		6.0
18 March – 24 March 2024	8	1.8	4.5
25 March – 31 March 2024	37.8	1.8	2.1
01 April - 07 April 2024	15.6	1.2	5.4
08 April – 14 April 2024	10.7	0	4.8
15 April – 21 April 2024	0.9	1.2	7.9
22 April – 28 April 2024	1.8	0	6.7
29 April – 05 May 2024	2.4	0.6	9.0
06 May – 12 May 2024	6.85	0.3	14.3
13 May – 19 May 2024	3.3	0	12.2
20 May – 26 May 2024	1.8	0.6	8.6
27 May – 02 June 2024	5.7	1.2	6.0
03 June – 09 June 2024	0	0	8.1
10 June – 16 June 2024	0.6	0	4.2
17 June – 23 June 2024	0.9	0.6	8.7
24 June – 30 June 2024	0.0	0.3	6.9

01 July - 7 July 2024	0.6	0.0	4.2
08 July - 14 July 2024	0.3	0.0	8.9
15 July - 21 July 2024	7.2	7.5	16.5
22 July - 28 July 2024	2.7	0	15.2
05 August - 11 August 2024	1.2	2.1	5.4
12 August - 18 August 2024	1.2	0.3	1.8
19 August - 25 August 2024	0	0	0
26 August - 01 September 2024	0	0	0.6
	MMF Maries Way (%)	MMF Silverdale Pumping Station (%)	MMF Galinagle View (%)
02 September - 08 September 2024	0.6	0	1.1
09 September - 15 September 2024	1.8	3.3	5.7
16 September - 22 September 2024	0.3	0.0	10.8
23 September - 29 September 2024	4.8	0.6	0.6
30 September - 06 October 2024	18.7	3.6	7.2
07 October -13 October 2024	14.0	11.3	8.0
14 October - 20 October 2024	22.8	5.09	1.8
21 October - 27 October 2024	13.4	14.0	12.0
28 October - 03 November 2024	13.2	1.5	15.0
04 November -10 November 2024	47.9	2.1	0.3
11 November -17 November 2024	4.80	7.49	20.40
18 November - 24 November 2024	8.0	5.4	6.5
02 December - 8 December 2024	11.9	10.3	3.9
09 December - 15 December 2024	7.1	0.6	22.3
16 December - 22 December 2024	3.3	13.6	14.5
23 December - 29 December 2024	22.9	25.6	16.4
04 November - 10 November 2024	47.9	2.1	0.3
11 November - 17 November 2024	4.8	7.49	20.4
18 November - 24 November 2024	8.0	5.4	6.5
25 November - 1 December 2024	32.7	16.1	13.7

Appendix 3 – NULBC Key Performance Indicators

NULBC		Information	Measurement	December 2024	January 2025	February 2025
KPI 1	COMPLAINTS	Complaints reported to NULBC	Number	1131 * *Data revised to include back dated complaints Number of unique properties reporting complaints= 480 (amended figure) Rating 0 = 1 Rating 1 = 0 Rating 2 = 5 Rating 3 = 90 Rating 4 = 164 complaints (14.5%) Rating 5 = 287 complaints (25.4%) Rating 6 = 584 complaints (51.6%) % of complaints reporting odour entering the property = 918 (81.2%) % of complaints reporting health effects = 785 (69.4%)	1620 *Data revised to include back dated complaints Number of unique properties reporting complaints= 708 Rating 0 = 0 Rating 1 = 0 Rating 2 = 9 Rating 3 = 100 Rating 4 = 193 complaints (11.9%) Rating 5 = 370 complaints (22.8%) Rating 6 = 948 complaints (58.5%) % of complaints reporting odour entering the property =1416 (87.4%) % of complaints reporting health effects = 1283 (79.2%)	79 Number of unique properties reporting complaints= 43 Rating 0 = 0 Rating 1 = 0 Rating 2 = 1 Rating 3 = 4 Rating 4 = 19 complaints (1.3%) Rating 5 = 25 complaints (31.6%) Rating 6 = 30 complaints (38.0%) % of complaints reporting odour entering the property = 59 (74.7%) % of complaints reporting health effects = 62 (78.5%)
KPI 2		Complaints reported (daytime 07:00-23:00)	Number	985	1383	65
KPI 3		Complaints reported (night-time 23:00-07:00)	Number	146	237	14
KPI 4		Highest number of complaints during the period	Date (number of complaints)	03/12/24 (103)	10/01/25 (379)	06/02/2025 (25)

NULBC		Information	Measurement	MMF Location Name	December 2024	January 2025	February 2025
KPI 5	AIR QUALITY	Percentage exceedance Odour Annoyance Guideline (Hydrogen Sulphide 30-minute average)	%	MMF Maries Way	12.4%	33.8%	Awaiting data
				MMF Silverdale Pumping Station	16.5%	17.8%	Awaiting data
				MMF Galingale View	15.0%	22.6%	Awaiting data
KPI 6	AIR QUALITY	Monthly Average H ₂ S	ug/m3 over the month	MMF Maries Way	6.0ug/m3	20.8ug/m3	Awaiting data
				MMF Silverdale Pumping Station	6.8ug/m3	20.5ug/m3	Awaiting data
				MMF Galingale View	5.0ug/m3	26.2ug/m3	Awaiting data
KPI 7	H ₂ S PEAK LEVEL	Level measured over a 5-minute period Date & Time	ug/m3	MMF Maries Way 25/12/24 20:50	585.29ug/m3	776.68ug/m3 11/01/25 09:35	Awaiting data
				MMF Silverdale Pumping Station 25/12/24 18:25	1347.35ug/m3	1863.67ug/m3 09/01/25 20:40	Awaiting data
				MMF Galingale View 25/12/24 07:00	887.30ug/m3	922.93ug/m3 09/01/25 01:20	Awaiting data
KPI 8	OFFICER ASSESSMENTS	Odour Rating - Officer odour assessment (5 minute)	Max Intensity Rating		N/A	3 assessments of which 3 recorded a max intensity rating of 5 on 10/01/25 17/01/25 23/01/25	N/A

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

**CORPORATE LEADERSHIP TEAM'S
REPORT TO CABINET**

18th MARCH 2025

Report Title: Proposed Creation of Lyme Park Countryside Park

Submitted by: Service Director Sustainable Environment

Portfolios: Sustainable Environment / Strategic Planning

Ward(s) affected: Keele / Silverdale

<u>Purpose of the Report</u>	<u>Key Decision</u> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
To outline the opportunity to create a Countryside Park on land at Keele for the benefit of residents and visitors to the Borough.	
<u>Recommendation</u>	
<p>That Cabinet:</p> <ul style="list-style-type: none"> • Approves the development of a Countryside Park on land at Keele, • Implement the action detailed in the report to progress the project. • Delegates to the Portfolio holder for Sustainable Environment to work with Officers on those action and report back to Cabinet. 	
<u>Reasons</u>	
The opportunity to create a new Countryside Park for the Boroughs residents is an exciting piece of work and will help in protecting the Boroughs green spaces and biodiversity infrastructure.	

1. Background

- 1.1** The former golf course at Keele closed in 2012, and since then has been left to effectively grow 'wild'. Some light touch maintenance work has been undertaken by the Council, and a licence has been granted to a local farmer to cut grass for silage a couple of times a year.
- 1.2** This low intervention management of the site has benefitted its biodiversity value and it remains in good overall condition, being popular with residents for walking and enjoying access to nature. Regular inspections take place for the well established mature trees and woodlands on the site, and remediation works are undertaken on any which pose a risk to safety. There have been some localised issues with drainage which caused some local flooding, which might require some further investigation, but the water bodies on site provide an additional habitat and increase its biodiversity.
- 1.3** In the creation of the Council's draft Local Plan, the former golf course site has been allocated in part for housing, a school, and a medical facility with the

remaining land, some 66% of the original golf course, to be retained as a countryside park. The two Parish Councils, Keele and Silverdale are broadly supportive of this approach. The Local Plan has now been submitted to the Secretary of State with an independent Planning Inspector appointed to undertake an examination of its contents this year. In formulating ideas about the nature of the countryside park, it will be important to understand and take account of the potential relationship with adjoining existing and proposed new development.

- 1.4 In celebration of the 850 years since the borough received its Royal Charter in 1173, 850 lime trees were planted on the north boundary of the site in 2023, creating a Lyme Forest. A further 1800 native broadleaf trees were also planted to enhance biodiversity, add to the woodland cover and increase the carbon capture capability of the site.
- 1.5 The Council is now developing proposals for creating a Countryside Park on the land not allocated for built development in the draft Local Plan, utilising the undeveloped open space and woodland areas. A working group has been set up chaired by the Portfolio Holder including relevant officers to undertake this work.
- 1.6 Formal accreditation as a country park requires the following essential criteria to be met:
 - Be at least 10 hectares in size.
 - Has a clearly defined boundary, which is marked on map, whether it is open or fenced in
 - Is accessible, less than 10 miles from a residential area.
 - Is free to enter.
 - Is inclusive and accessible and would meet equality and disability needs.
 - Needs to be predominantly natural or semi natural landscape, for example woodland, grassland, wetland, heathland, or parkland, with no more than 5% of the area built upon (excluding car parks)
 - Is signposted and is easy to navigate, needs to show visitors where they can go, what they can do, and direct them along footpaths, bridleways and cycle routes.
 - Needs to be visibly staffed to carry out tasks such as litter collection and maintenance.
 - Needs to be available for public or educational events.
 - Needs to be near public toilets, either on site or a 2-minute walk away
 - Needs to be informed by the local community, the public should have some influence over the management and development of the site.

Although this site may not meet all such requirements to the threshold for formal designation as a Country Park, it is intended to apply the above principles wherever possible, to create a community asset for Borough residents and visitors to enjoy.

2. Issues

- 2.1 There are several actions the working group will progress. Firstly, a review of the requirements to formally designate an area as a Country Park, through

analysis of guidance provided by UK Government ([Get accreditation for country park you manage in England – GOV.UK \(www.gov.uk\)](https://www.gov.uk)) Work also needs to be undertaken to establish initial improvement costs, ongoing management and maintenance models and costs, and integration with the existing and proposed residential development.

- 2.2** Exploration of the potential appetite and role for community and/or VCSE sector organisations to be involved and engaged in developing plans and scoping future management and maintenance arrangements will be considered. The feasibility of working with the respective Parish Councils, Groundwork Trust and Staffordshire Wildlife Trust (SWT) will also be scoped.
- 2.3** Establish the basis for funding the development of the country park and its ongoing maintenance. As part of this it will be important to understand the relationship between the park and land may be sold to facilitate the housing and associated community infrastructure as proposed in the draft Local Plan.
- 2.4** In addition to Council funding and/or via routes linked to land sales/the planning process, external funding to support the countryside park may be possible from the National Lottery scheme / National Trust /Natural England, who are working together to provide funding for local authorities to increase the number of accessible green spaces for citizens. Further funding could be provided by Woodland Trust schemes. As plans develop there may be costs associated with the need to employ an ecologist to help with, ecological surveys and a subsequent management plan to ensure the site maximises biodiversity value.
- 2.5** Initial set up costs for the park could be relatively low, as it already contains clearings, paths, copses, hedges, and grassland areas. These would be further enhanced over time and align with the Councils Grassland and Tree Management strategies. As detailed proposals are refined, costings can be developed for any features which are required to ensure that the site reaches the standard required for a Country Park, whether or not it is formally designated.
- 2.6** In summary, the vision is to create a community asset which is accessible to Borough residents and visitors and free at the point of entry. It will be a countryside park, where the existing, well-developed semi-natural green space sits alongside areas of residential development which are designed to integrate with the landscape and mature tree cover, and which are interconnected via the existing footpath network on the site. Further tree planting and grassland enhancement will be undertaken to increase the carbon capture capacity of the park, and a management plan will be developed to maximise biodiversity value. A range of bespoke signage will be designed and installed to create a brand for the site, including links to web and social media pages to help promote it to the public. Access improvements will be undertaken at the key public access points, both pedestrian and vehicle, and other appropriate facilities such as car parking will be provided. Maintenance will be designed to remain light touch and to encourage a varied and biodiverse landscape, whilst controlling invasive species and ensuring public safety. Opportunities for public involvement in the site will be developed, including activities such as wildlife surveys, pond dipping, environmental craft (hedge laying, meadow scything etc) and wildlife/tree trails.

3. **Recommendation**

That Cabinet:

- Approves the development of a Countryside Park on land at Keele,
- Implement the action detailed in the report to progress the project.
- Delegates to the Portfolio holder for Sustainable Environment to work with Officers on those action and report back to Cabinet.

4. **Reasons**

- 4.1 The opportunity to create a new Countryside Park for the Boroughs residents is an exciting piece of work and will help in protecting the Boroughs green spaces and biodiversity infrastructure.

5. **Options Considered**

- 5.1 Development of a countryside park for the benefit of residents and visitors and adhering to the principles of the formal designation.

6. **Legal and Statutory Implications**

- 6.1 There are no legal and statutory implications at this stage of the project however as the project moves forward implications around planning and formal accreditation will pay heed to appropriate legislation and guidance.

7. **Equality Impact Assessment**

- 7.1 There are no equality issues identified as part of this initial report. However, in developing detailed proposals for a Countryside Park, a full equality impact assessment will be required.

8. **Financial and Resource Implications**

- 8.1 There are no financial implications with this report at this stage. There are resource implications in officer time with the working group, and any research and development emanating from the workstreams the group agree on.
- 8.2 As the project develops financial and further resource implications will evolve and will be reported through the usual channels.

9. **Major Risks & Mitigation**

- 9.1 No major risks have been identified at this stage.

10. **UN Sustainable Development Goals (UNSDG)**

The protection of this area of open space and potential development of a Country Park supports the Councils Sustainable Environment Strategy, and associated Biodiversity and Adaptation plans.



11. One Council

Please confirm that consideration has been given to the following programmes of work:

One Commercial Council

We will make investment to diversify our income and think entrepreneurially

One Digital Council

We will deliver on our commitments to a net zero future and make all decisions with sustainability as a driving principle

One Green Council

We will develop and implement a digital approach which makes it easy for all residents and businesses to engage with the Council, with our customers at the heart of every interaction.

The creation of a Countryside Park on the former Keele Golf course contributes positively to the Councils open space and green infrastructure strategies, and the ongoing development of the Council's Sustainable Environment Strategy.

12. Key Decision Information

12.1 This is not a key decision at this stage.

13. Earlier Cabinet/Committee Resolutions

13.1 None

14. List of Appendices

14.1 Appendix 1 – Lyme Park – Proposed site plan

15. Background Papers

15.1 None

Appendix 1

Masterplan Strategic Plan



NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

CORPORATE LEADERSHIP TEAM'S
REPORT TO CABINET

18th MARCH 2025

Report Title: **Expansion of Recycling Materials Collected to Include Flexible Plastics & Cartons**

Submitted by: **Service Director Sustainable Environment**

Portfolios: **Sustainable Environment**

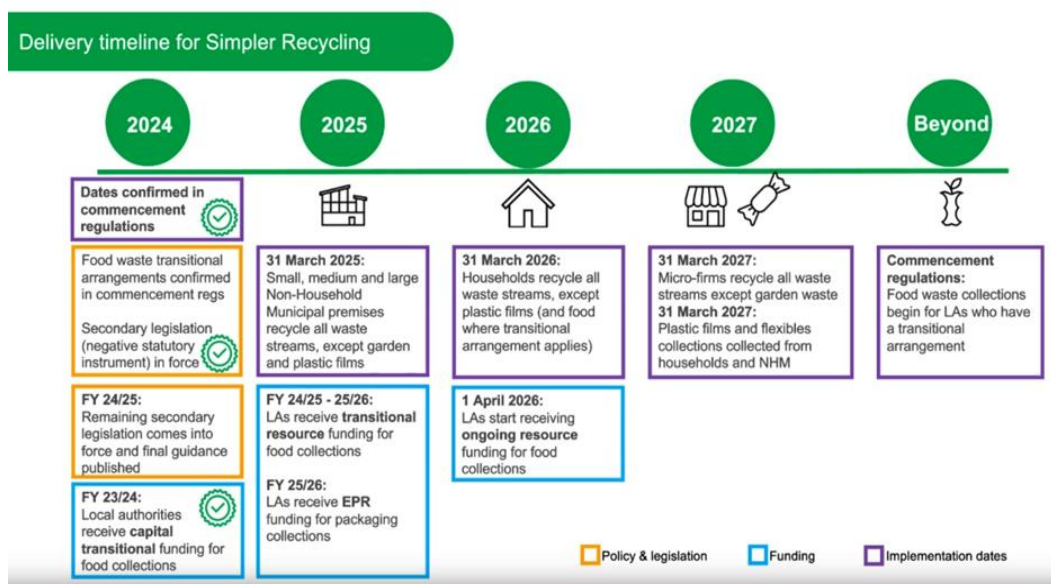
Ward(s) affected: **All**

<u>Purpose of the Report</u>	<u>Key Decision</u>	Yes x	No
To gain Cabinet approval to include the collection of flexible plastics (film, wrappers, bags) and cartons to the Councils existing kerbside recycling collection scheme from April 2025, two years ahead of the government's mandatory requirement under 'Simpler Recycling' for collection of these materials in April 2027.			
<u>Recommendation</u>			
<p>That Cabinet:</p> <ul style="list-style-type: none"> • Agrees to the inclusion of collecting flexible plastics (film wrappers, bags) and cartons into the Councils existing kerbside recycling collection service. • Approves that the Council works in partnership with Stafford Borough Council (subject to its Cabinet approval) and Veolia to communicate to residents on the inclusion of these additional materials with the existing dry recycling collection service. 			
<u>Reasons</u>			
All local Waste Collection Authorities (WCAs) in England are required to comply with the governments 'Simpler Recycling' policy announced in 2023, which aims to ensure a consistent approach across the country in the materials collected for recycling and enhancing Circular Economy principles.			

1. Background

- 1.1** Simpler Recycling is a government policy designed to ensure a consistent set of materials is collected through kerbside recycling schemes across councils in England, avoiding the current variation and aiming to increase recycling rates and quality of material captured.
- 1.2** This policy developed from Consistent Collections, first proposed in 2018. This became Simpler Recycling in 2023 to move away from the costly and impractical implementation of complete source separation of materials at the kerbside, as was proposed initially.

- 1.3** Simpler Recycling will also introduce the widespread collection of food waste, flexible plastic (films), and cartons for recycling from households, and require businesses to have their waste separated and collected for recycling.
- 1.4** These changes are to be introduced starting from April 2025, staggered so that all changes are in place by April 2027.
- 1.5** This long-awaited guidance clarifies several positions and detail on the Simpler Recycling legislation due to begin from April 2025.
- 4 bins as standard and separate paper/card collections
- 1.6** DEFRA has announced that the new default requirement for most households will be to have 4 containers. These will be for:
- Residual (non-recyclable) waste
 - Food waste (weekly / separate)
 - Paper and Card
 - All other dry recyclable materials (plastic, metal, and glass)
- 1.7** **Dry Recycling Collections** - The Councils twin stream recycling collection service introduced in 2020 is fully compliant with the Simpler Recycling regulations. This legal default position on service provision is that authorities separate paper and card collections from glass cans and plastic is a positive decision, particularly in efforts to ensure higher quality of material, helping achieve successful circular economy principles within the material supply chain.
- 1.8** **Separate Food Waste Collections** - The Council has collected food waste separately weekly since 2010 and was one of the first authorities in England to do so. Again, the Council is compliant as it already provides this service, the only requirement being the service needs to be accessible to all households, and up to now the Council has not provided separate food waste collections to flats within the borough. This is being actioned currently, with the rollout of bins to all flat locations which will be completed during 2025.
- 1.9** **Timeline** – In December 2024 secondary legislation implementing the policy updates was laid before government and approved.
- 31 March 2025: Businesses and relevant non-domestic premises in England will need to arrange for the collection of the core recyclable waste streams (glass, metal, plastic, paper and card, and food waste), except for garden waste.
 - 31 March 2026: Local authorities will be required to collect the core recyclable waste streams from all households in England. This includes introducing weekly food waste collections for households unless transitional arrangement has been agreed.
 - 31 March 2027: Kerbside flexible plastics & film collections from households, businesses, and relevant non-domestic premises, will be introduced.
 - 31 March 2027: Micro-firms (businesses with fewer than 10 FTE employees) will become in scope of the requirements for businesses, set out for 31 March 2025.



2. Issues & Proposal

- 2.1** Collecting additional plastics and cartons does not necessarily pose a problem operationally. The Councils twin stream service introduced in 2020 allows flexibility in accommodating additional materials as and when government legislation requires Councils to collect them, and or markets become available for those materials to be effectively recycled. However, the precise effect on vehicle capacity is difficult to calculate at this stage, as the material is quite bulky, but squashes down relatively easily, and is light in terms of tonnage. It is possible vehicles could fill up more quickly, however the service is about to commence a new round of route optimisation work, which this additional material can be built into. Furthermore, the Council will be training staff in use of the route optimisation system, allowing ongoing changes to be made to reflect changing circumstances.
- 2.2** The issue traditionally with flexible plastics and film as well as cartons, is that there are no reliable end markets for the material, and processing plants capable of recycling these materials are limited. Currently there is one in the UK for cartons, and a small number dealing with flexibles. It is for this reason that material recovery facilities (MRF) who we use for initial processing of the dry mixed recycling (DMR) glass cans and plastic, do not currently universally accept these materials.
- 2.3** The Council currently has a contract with Veolia for MRF provision using its facility in Four Ashes in the south of the County. Paper and card is sold directly by the Council into paper and card mills.
- 2.4** The contract for MRF provision was procured as part of a Staffordshire Waste Partnership (SWP) initiative for all waste collection authorities in Staffordshire, (except Stoke and Staffordshire Moorlands) as we all now operate the same twin stream collection service. The contract was awarded to three providers dependent on location. Of all the WCA's in Staffordshire, the Council and Stafford Borough Council use the Veolia MRF. Our contract with Veolia runs to August 2027, but has a potential one-year extension.

- 2.5** Veolia approached both Councils about our plans to collect flexible plastic film and cartons, which was timely, as we as a Council needed to understand what they as a company were proposing to do in having to handle these materials through their MRFs when collections become mandatory in 2027. Their existing MRF at Four Ashes requires investment in its processing infrastructure to be able to separate flexible plastics and films as well as cartons in an effective way which provides clean uncontaminated material which then is capable of being reprocessed back into the supply chain.
- 2.6** To ensure any redesign of their processing arrangements at Four Ashes is effective, Veolia need to understand the quantities and volumes these additional materials will produce in their operation. To facilitate this, discussion has taken place with the Council and Stafford Borough Council as to whether we would be prepared to implement collections of flexible plastic and film as well as cartons ahead of the 2027 mandatory date. Veolia will then use both Councils inputs to design the most effective way to separate flexibles and cartons. Veolia operates a number of its own plastic reprocessing plants in the UK and is actively looking to develop reliable end markets for flexible plastics and film.
- 2.7** The approach has been partly made due to the fact the quality and lack of contamination of the DMR we collect is good, which is a credit to our residents, and the communications the Council continually puts out around its recycling service.
- 2.8** The Council have said, subject to Cabinet approval, that it is willing to collect these additional materials as soon as possible, on the understanding Veolia will accept them on a permanent basis ahead of the 2027 deadline. Veolia have agreed to this. Stafford Borough Council are also proposing the change to include flexible plastics and cartons into their dry recycling collection service, subject to their Cabinet approval.
- 2.9** It is proposed that from April 2025 both Councils add collections of flexible plastics and film, together with cartons to their DMR collections in the blue bins. The Council will work with Stafford Borough council and Veolia in producing joint and consistent communications to residents, which fully fits in with the governments Simpler Recycling ethos and demonstrates effective cross authority and private sector partnership working in building circular economy principles in looking at the materials we collect as a valuable resource and not as waste.
- 2.10** As part of the communication plan for residents, bin stickers will be put onto the lids of the blue bins, advertising the fact that the Council now collects flexible plastic and film as well as cartons, in addition to the existing range of materials. Thought has also been given to putting stickers on to the residual (grey) bins advising residents not to put food waste or recyclable waste into those bins.
- 2.11** It is worth noting that the Council will also be introducing its business waste recycling service to businesses in the borough. This service mirrors the household recycling service and will include flexible plastics and films.
- 2.12** Residents are keen to recycle and have engaged positively with the twin stream system introduced in 2020. With addition of these materials into a

comprehensive recycling collection stream, there will be very little waste requiring residual disposal, therefore further shifting the emphasis on collections away from residual (grey bin) waste to more sustainable recycling and organic processing of material back into valuable commodities. The Council needs to ensure it minimises residual (grey bin waste) by following its agreed policies in the provision of 180ltr bins, which must be presented by residents with the bin lid closed, and no additional side waste.

3. **Recommendation**

- 3.1 That Cabinet agrees to the inclusion of collecting flexible plastics (film wrappers, bags) and cartons into the Councils existing kerbside recycling collection service.
- 3.2 That the Council works in partnership with Stafford Borough Council (subject to their Cabinet approval) and Veolia to produce effective and consistent communications to residents for the inclusion of these additional materials with the existing dry recycling collection service.

4. **Reasons**

- 4.1 Mandatory collection of flexible plastics, films and cartons comes into force in 2027 for English local authorities under the governments Simpler Recycling legislation. The Council has been ahead of most English authorities in collecting separate food waste since 2010, well ahead of this being a mandatory requirement. The opportunity to collect flexible plastics, films, and cartons some two years ahead of the mandatory requirement further strengthens the council's commitment in being a leading authority in sustainability and circular economy principles.

5. **Options Considered**

- 5.1 The Council could wait until it is required to collect flexible plastic, film, and cartons in 2027, however given the opportunity and small cost for implementation two years early, it is recommended that this initiative goes ahead without delay.

6. **Legal and Statutory Implications**

- 6.1 Under the governments Resource and Waste Strategy, and the subsequent conditions under the Environment Act 2021, the Council is required to carry out mandatory collections of a number of materials for recycling as well as separate food waste and garden waste.
- 6.2 The default service for recycling collections is a twin stream system with paper and card separate from the other materials, separate weekly food waste, and garden waste which a collection charge can be made. The Council already satisfies these requirements, and with the addition of flexible plastic, film, and cartons will be fully compliant two years ahead of the mandatory requirement.

7. Equality Impact Assessment

- 7.1** A full and detailed equality impact assessment was undertaken as part of the new twin stream recycling collection service when it became operational in 2020. The addition of flexible plastics, film and cartons has no negative implications on the existing assessment.

8. Financial and Resource Implications

- 8.1** There are no additional resource requirements in terms of vehicles and crews to accommodate the addition of flexible plastic, film, and cartons into the collections. There will be additional activity within the Councils Transfer Station at Knutton Lane in dealing with the additional material, but this can be handled within the existing resources.
- 8.2** Veolia have confirmed there will be no additional cost to the gate fee for them taking the additional material for processing.
- 8.3** Funding will be required for the communication to residents in the form of bin stickers for all the blue recycling bins within the borough. The cost of this is estimated at £4,500 Stickers will be placed on bins by the collection crews, assisted by some additional resource in the form of casual employees. The cost of this is estimated as £8,000.
- 8.4** Flexible plastics film and cartons will be classified as packaging, and therefore fall under Extended Producer Responsibility (EPR) payments and not recycling credits. The Council will therefore not receive any additional funding under EPR at this time but will seek assurances from DEFRA that it is included at the appropriate time.

9. Major Risks & Mitigation

- 9.1** Not complying with government legislation would bring the Council into serious disrepute.
- 9.2** Under EPR the Council is obligated to provide effective and efficient collections of packaging waste. If it does not, then up to 20% of its EPR payment can be withheld in any year.
- 9.3** Collecting flexible plastic, film and cartons early will boost the Councils recycling performance for packaging recovery and show commitment in wanting to support the principles of a circular economy, and helping packaging producers meet their statutory obligations.

10. UN Sustainable Development Goals (UNSDG)



11. One Council

Please confirm that consideration has been given to the following programmes of work:

One Commercial Council

One Digital Council

- The Sustainable Environments service operational and development teams will make full use of the digital resources available and forthcoming to provide effective communications and up to date information to residents.

One Green Council

- Increasing the range of materials collected as part of the recycling collection service, therefore removing them from the residual (grey bin) waste stream puts the focus of the collection service further up the waste hierarchy.
- Recycling waste has a positive impact in lowering carbon emissions for the Council and the wider borough. It also promotes and contributes to the development of circular economy principles.

12. Key Decision Information

12.1 This is a key decision as it affects all wards in the Councils jurisdiction.

13. Earlier Cabinet/Committee Resolutions

13.1 September 2019 cabinet approval for new twin stream recycling collection service

13.2 June 2021 Cabinet approval for award of contract for processing dry mixed recycling to Veolia

14. **List of Appendices**

14.1 Appendix 1 - Sample bin sticker

15. **Background Papers**

15.1 None



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NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

**CORPORATE LEADERSHIP TEAM'S
REPORT TO CABINET**

18 March 2025

Report Title: Contract Award for Ryecroft

Submitted by: Deputy Chief Executive

Portfolios: Finance, Town Centres and Growth, and One Council, People and Partnerships

Ward(s) affected: Town

<u>Purpose of the Report</u>	<u>Key Decision</u>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
<p>To provide Cabinet with an update on the progress made by Capital&Centric on the Ryecroft project in Newcastle Town Centre, and to make recommendations to Council to enable the project to progress through the construction phases of the projects.</p>			
<p><u>Recommendation</u></p> <p>That Cabinet:</p> <ol style="list-style-type: none"> 1. Notes the progress made to date by Capital&Centric on the Ryecroft project in Newcastle Town Centre. 2. Recommend that Council: <ol style="list-style-type: none"> a. Approve expenditure of up to (£34,444,256 or £33,131,668 minus costs already approved) to complete the Ryecroft scheme to practical completion in readiness for occupation; b. Authorise the Deputy Chief Executive, in consultation with the Portfolio Holder for Finance, Town Centres and Growth, and Portfolio Holder for One Council, People and Partnerships to progress legal agreements, subject to planning approval, to enable the appointment of Capital&Centric under a Development Services Agreements (DSA) for the development of the scheme through a direct award under the Pagabo Development Management Framework; c. Authorise the Deputy Chief Executive, in consultation with the Portfolio Holder for Finance, Town Centres and Growth, and Portfolio Holder for One Council, People and Partnerships to progress the legal agreement for the 'buy back' of the schemes by Capital&Centric upon completion of the developments. d. Authorise the Deputy Chief Executive, in consultation with the Portfolio Holder for Finance, Town Centres and Growth to progress legal agreements to enable the sale of a portion of the Ryecroft site to Aspire Housing for their development on the site which they will be undertaking directly with Capital&Centric. e. Authorise the Deputy Chief Executive, in consultation with the Portfolio Holder for Finance, Town Centres and Growth to progress the legal agreements with Homes 			

England to accept a grant as a subsidy for the development and become the accountable body for the grant, subject to Homes England approving the grant.

Reasons

The Council has been developing plans for several key sites across the Town Centre of Newcastle-under-Lyme as part of the Future High Street Fund and Town Deal Fund.

This report enables progress to be made at Ryecroft site.

Each of the individual town centre regeneration projects that have been subject to previous reports and approvals are now being taken through individual approval routes to allow the breakdown of projects into specific approvals / projects with stand-alone approvals as each project will eventually be purchased by a Special Purpose Vehicle company as a stand-alone asset within Capital&Centric, as per their over-riding business model.

In the case of the Aspire element of the scheme, at the point of contract award to Capital&Centric for the build out of the main Council development and subject of a separate Council approval, then Aspire Housing would purchase their element of the site from the Council, reimburse the Council for fees paid up to that date and then contract directly with Capital&Centric for the build out phase.

1. Background

- 1.1 As reported to previous Cabinet meetings, the Council has secured Future High Street Fund and Town Deal Fund for the re-development of several key regeneration sites across the Town Centre. In September 2023 the Council appointed Capital&Centric to undertake feasibility studies for the re-development of the Ryecroft and agreed in February 2024 that they would:-,
- 1.2 Again, as reported previously but repeated for completeness and clarity, the Process being followed with Capital&Centric having completed their initial development proposals (RIBA Stage 2) and subsequently the RIBA Stage 3 works of the scheme design and costs for each of the sites.
- 1.3 If the Council is satisfied with the RIBA Stage 4 works, as summarised in this report, and in the attached Appendix, the Council would then use the Pagabo Framework to appoint Capital&Centric through a development agreement to:
 - Manage the procurement and delivery of the main construction works to Astley Place, the former Midway Car Park and the residential / aparthotel works on the Ryecroft, all subject to individual Council approvals.
 - Agree a 'buy back' agreement with the Council, in that the Council will fund the build of each development but after Practical Completion Capital&Centric will purchase the individual developments for a value that is either the total cost of developing the scheme or the market value of the created asset, whichever is higher.
- 1.4 This incremental approach has been used successfully by the Council on both the Kidsgrove Sports Centre refurbishment and on the construction of the new Castle Car Park. Crucially, it enables the Council to take a phased approach to the developments, with cost certainty secured before progressing to the next stage. We are now at the final stage of development and will be securing construction works with this report.

2. Update

Update on Current Position

- 2.1 In January 2025 the new Castle Car Park, through the construction contract with Morgan Sindall, signed in 2023 opened with the Midway Car Park and the Ryecroft surface level car park are both now closed.
- 2.2 In July 2024 the Council sold a portion of the site to McCarthy and Stone for the development of an over 55-year-old residential apartment block. A planning application will be submitted shortly with works expected to commence in 2025.
- 2.3 Work on the aparthotel continues through the design development of the wider scheme with Capital&Centric and design consultants have fed into developing the design for this element of the site.
- 2.4 Discussions have also been progressing with Aspire Housing and their aspirations for residential units on the site to sit alongside the other elements of the site. It has been agreed that Capital&Centric will be undertaking this work alongside the Council and other works so the designs, public realm and approach will be consistent across the wider site. Capital&Centric will contract with Aspire directly for 15 new houses and 28 apartments and that the land required for this will be sold by the Council to Aspire to allow them to enter into this development / construction agreement. All fees and costs incurred by the Council for this element of the development will be reimbursed by Aspire at the same time as the land sale agreement is completed, to allow a back-to-back contract between Aspire and Capital&Centric for the build out stages of their section of the site.
- 2.5 The design has now been set (See Appendix A) for the provision of modern apartments for young professionals, down sizers and families broken with the following apartment mix: [note this excludes the Aspire Units]
 - 20 studio apartments
 - 71 one bed apartments
 - 41 two bed apartments
 - Extensive shared facilities including a gym, residents lounge and private dining will be provided at the Midway site which the residents at Ryepark will be able to access.
- 2.6 The construction costs for the redevelopment of the former Ryecroft site are estimated at £34,444,256 excluding grant and interest with a project timeline of 38 months to submission. A breakdown of the costs and the funding sources are set out later in this report.
- 2.7 A planning application for the site (including the Aspire section) has been submitted and will be subject to approval by the planning committee, that will consider all Town Centre developments that are subject of this report, at special meeting in April 2025.

Cost and Funding Considerations

- 2.8 A summary of the costs supplied by Capital&Centric to complete the developments is set out below:

Site	Construction Contract	Project Construction Period
Midway Carpark	£37,518,885	26 months
York Place	£18,213,758	22 months
Ryecroft – Housing and aparthotel	£34,444,256	38 months
Total*	£90,176,899**	

**See financial section below for budgetary information*

***Excludes grants and interest costs but includes land value*

- 2.9 The above projects will be funded by external borrowing and potentially a grant from Homes England. Further information is provided in the finance section below.

Cost impact of the Capital&Centric Model

- 2.10 As highlighted in previous Cabinet reports and worth reiterating again here, Capital&Centric are a social impact property developer who pride themselves on the design quality of their developments. Their model of retaining assets beyond completion ensures that they have a vested interest in the long-term success of the development with a focus on the experience of the end user, aspirational placemaking and creating developments which are an asset to the community.
- 2.11 Their approach, whereby they retain ownership and management of the developments once completed has a significant positive impact for the Council in terms of both financial and operational risk.
- 2.12 This model requires only short-term financing by the Council, rather than long term borrowing. This reduces interest costs from c.40 years to 2-3 years; the model also removes the need for the Council to fund Minimum Revenue Provision (MRP), which is in effect the “capital repayment” element of PWLB borrowing as the asset would transfer ownership once complete, and the project is launched, and shifts the ongoing risk of maintaining occupancy of the finished development away from the Council and onto the operator.

Next Steps

- 2.13 The Capital&Centric model that the Council has been working with envisages taking developments through to completion and project launch, then purchasing the completed development and assuming the lead role in managing the operation of the development. There have been a series of gateways controlled by the Council through which the projects have passed to ensure viability. A further and final Cabinet and Council approval will be required to progress to the next stage of the process (procurement of a construction company to complete the works for occupation). At each gateway an updated business plan has been presented for each scheme including updated costs and a delivery programme. The final business plans for the scheme is attached in Appendix A.

- 2.14 At this currently approved stage the commitment to Capital&Centric extends only to developing the schemes up obtaining a full planning approval, the programme of construction and the construction budget. The submitted plans / proposals for the scheme that is being considered by this Cabinet report are the result of this stage and have been assessed and subject to the approval will be accepted and used as the basis of the final award for construction.
- 2.15 Subject to this Cabinet report being approved at Full Council the Council would progress to the construction stages of the scheme.
- 2.16 A critical part of this final stage is the model which involves Capital&Centric purchasing the end development is highly significant in terms of the Council's borrowing for the three schemes. Rather than borrowing over, say, a 40year period, during which the Council would need to both pay interest and capital, the Council's borrowing would only be for, approximately, the duration of the build, as any loan and associated interest would be repaid upon sale of the asset. This minimises the financial impact on the Council's General Fund Revenue Account of the schemes for the Council. This would be covered in a legal 'buy back' agreement and would be signed at the same time as the development agreements for the construction of the schemes. If this 'buy back' agreement is not agreed or signed the construction agreements would not be signed, thus avoiding the risk of agreeing the 'buy back' once the funding commitments are made for the final construction stages.
- 2.17 Presently Capital&Centric are in discussions with Homes England regarding a grant from their BIL Programme to subsidise the costs of the project. This is based upon viability and financial pressures that the development costs versus value are currently presenting. The aim of the development is to drive the value up via increased rental demand, increasing rental values. The grant covers the viability gap between costs and value – it is the aim of the grant to cover these shortfalls. Homes England are progressing their assessment for the grant and are due to finalise their decision in the next few months. Homes England have requested that the grant is assigned to the Council and the Council become the accountable body for the grant, as the Council will be the property / land owner during the construction phases.
- 2.18 The Aspire build out development of the site will not form part of this approval (other than the land sale), as the land will be sold directly to Aspire Housing for them to contract directly with Capital&Centric for the build out stages. Costs to date to develop the scheme on this section of the site will be refunded by Aspire to the Council at the time of the land sale.

3 **Proposal**

3.1 That Cabinet:

- Notes the progress made to date by Capital&Centric on the Ryecroft site project in Newcastle Town Centre.

3.2 Recommend that Council:

- Approve expenditure of up to £34,444,256 excluding interest costs and grant to complete the Ryecroft scheme to practical completion in readiness for occupation;
- Authorise the Deputy Chief Executive, in consultation with the Portfolio Holder for Finance, Town Centres and Growth, and Portfolio Holder for One Council, People

and Partnerships to progress legal agreements, subject to planning approval, to enable the appointment of Capital&Centric under a Development Services Agreements (DSA) for the development of the scheme through a direct award under the Pagabo Development Management Framework;

- Authorise the Deputy Chief Executive, in consultation with the Portfolio Holder for Finance, Town Centres and Growth, and Portfolio Holder for One Council, People and Partnerships to progress the legal agreement for the 'buy back' of the schemes by Capital&Centric upon completion of the developments.
- Authorise the Deputy Chief Executive, in consultation with the Portfolio Holder for Finance, Town Centres and Growth to progress legal agreements to enable the sale of a portion of the Ryecroft site to Aspire Housing for their development on the site which they will be undertaking directly with Capital&Centric.
- Authorise the Deputy Chief Executive, in consultation with the Portfolio Holder for Finance, Town Centres and Growth to progress the legal agreements with Homes England to accept a grant as a subsidy for the development and become the accountable body for the grant, subject to Homes England approving the grant.

4 Reasons for the Proposed Solution

- 4.1 The decision will enable the project to progress as per the programme agreed with Government and the Future High Street Fund awards and commitments and get the Ryecroft project underway.
- 4.2 To use this Government funding opportunity to support delivery of Council Plan objectives.
- 4.3 To uplift the status of Newcastle Town Centre as the heart of economic, social and community life in the Borough.
- 4.4 Bring a national developer to Newcastle to assist in the transformational programme of regeneration that is being undertaken.

5 Options Considered

- 5.1 The report above highlights the options that have been considered in some detail.

6 Legal and Statutory Implications

- 6.1 Section 2(1) of the Local Government Act 2000 permits local authorities to do anything they consider likely to promote or improve the economic, social and environmental well-being of their area. That would include actions to deliver the Future High Street Fund and Town Deal Fund programme for Newcastle Town Centre.
- 6.2 Pre-construction services agreements (PCSA) are used to appoint a design and build contractor to carry out services before entering into a formal building contract. A PCSA is sometimes referred to as a pre-construction agreement (PCA) and is used in two stage tendering to obtain further design input, buildability/technical advice and detailed costs information from a prospective contractor. This is a formal agreement to provide the specified services/works and is not a letter of intent.

7 Equality Impact Assessment

7.1 The nature of the project is intended to seek benefits for all people who use the town centre and to support the economic and social health of Newcastle Town Centre as a destination.

8 Financial and Resource Implications

Cost Summary

Site	Pre-Application Gateway 1 (£)	Planning Submission Gateway 2 (£)	Pre Contract Submission Gateway 3 (£)	Construction Costs £	Total Costs (£)
Ryecroft Aspire – Housing	40,000	326,338	174,920	0	541,258
Ryecroft Aparthotel/Residential	41,500	522,759	748,329	33,131,668	34,444,256
Total Cost	81,500	849,097	923,249	33,131,668	34,985,514

8.1 Approval was given at the Cabinet meeting on 19 September 2023 to spend up to £256,500 with Capital&Centric to develop plans and business cases for the Ryecroft site, York Place and Midway Car Park. The budget in relation to the Midway Car Park is shown in the above table (Pre-application / Gateway 1 £85,000). The actual spend for the Gateway 1 stage amounted to £83,121.

8.2 The Gateway 2 stage was to commission works to take the regeneration projects to the next stage (Planning Submission / Gateway 2). The works covered the development plans up to and including the submission of the planning application for the re-development of the Midway Car Park. The principle around the re-development would be to retain the concrete frames and floors and re-engineer the structure for residential purposes, delivering around 106 modern apartments. The budget for completing this stage was £624,883 with actual spend amounting to £648,726. The overspend of £23,842 was due to an increase in the number of structural surveys that were required over and above that originally envisaged. This overspend still falls within the overall budget allocation for the Gateway 2 stage which was approved at Full Council on 14 February 2024 and is summarised in the table below.

8.3 As of the February 2025 draw down, a total of £669,441 against the Ryecroft Aparthotel/Residential element and £238,540 has been expended against the Ryecroft Aspire- Housing element, a total of £907,981. The remaining balance of £945,865 is currently forecasted to be expended prior to the end of Gateway 3.

8.4 The total development costs for the project excluding grant and interest is £34,444,256 meaning a balance of £33,131,668 is to be approved for Gateway 4. A breakdown of the total costs are included in Appendix A. The approved sum of £541,258 relating to the Aspire site will be repaid to the Council when the build contract is entered.

9 Major Risks & Mitigation

9.1 The potential for multiple re-development and / or construction projects being undertaken in a short period of time in the town centre could impact negatively on the enjoyment of

the town amenities by users and will need careful messaging and monitoring. Each stakeholder will be able to assist with this.

- 9.2 The inflationary pressures and the cost of borrowing is a risk to the delivery of all of the schemes and each needs to be planned carefully to minimise the effects of each prior to the start or award of any contract. Construction inflationary pressures are now easing but are still a consideration.
- 9.3 Each scheme / project will have a dedicated risk register for the potential risks of each scheme from the feasibility stage to the construction phases.

10 UN Sustainable Development Goals (UNSDG)

- 10.1 Newcastle Town Centre is a highly accessible location, encouraging greater use of its land and assets enhances its role as a centre for services, leisure, retail and living and its connection to local residents. Furthermore this project is intended to enable the redevelopment of an underused retail complex that is in a poor state of repair and currently blocks good connectivity between the Ryecroft site and Ironmarket / High Street, bringing with it sustainability improvements, regeneration and economic benefits as well as in that respect, the project supports the realisation of the following UNSDG objectives:-



11. One Council

Please confirm that consideration has been given to the following programmes of work:

One Commercial Council

The development seeks to ensure that the Council is using its assets effectively and that investment is made in the Town Centre that deliver good quality and modern environments for businesses and residents.

One Digital Council

The Council will seek to utilise technological developments in these investment's and that there are options available to customers where possible.

One Green Council

As part of the Council's Sustainability agenda the developments will deliver against the zero carbon standards to support this.

12. Key Decision Information

- 12.1 This is a Key Decision.

13. Earlier Cabinet/Committee Resolutions

- 13.1 October 2019, Cabinet concerning development of the second stage FHSF bid and procurement of consultancy support.
- 13.2 December 2019, Economy Environment & Place Overview and Scrutiny Committee Town Centre Funding Update (information item).
- 13.3 July 2020, Cabinet concerning approval for submission of bid into MHCLG (now DLUHC).
- 13.4 April 2021 Cabinet accepting FHSF Grant monies and grant conditions.
- 13.5 March 2022 Cabinet award of contract for design and build contractor
- 13.6 June 2023 Cabinet approval for procurement of Hotel Brand and Design and Build Contractor
- 13.7 June 2023 Cabinet award of contract for Castle Multi Storey Car Park
- 13.8 September 2023 Cabinet approval for Town Centre Regeneration Feasibility Studies
- 13.9 6 February 2024 Cabinet approval for Town Centre Regeneration Update
- 13.10 14 February 2024 Council approval for Town Centre Regeneration Update
- 13.11 12 November 2024 Cabinet approval for completion of RIBA Stage 4 works.

14. List of Appendices

- 14.1 Capital&Centric Ryecroft Business Case.

15. Background Papers

- 15.1 None

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1. Report title	Project update in conjunction with Councils Cabinet approval to appoint Capital&Centric (Distant World) Limited ('C&C') under a Pagabo Development Agreement.
2. Date/ Revision	05 March 2025
3. The Site	Part of the site previously known as Ryecroft now known as Ryepark
4. Contracting Parties	Capital & Centric (Distant World) Limited and Newcastle-under-Lyme Borough Council ('NuLBC')
5. Action	<p>The aim of this paper is to provide an update on works completed to date and provide NuLBC sufficient information to seek approval to appoint Capital and Centric (Distant World) Limited under a Pagabo Development Agreement to deliver the project. The outcome of the extended process will be the delivered project.</p> <p>The paper provides an update on works completed to date and a summary of costs.</p>
6. Report By	Martin Crews, Development Director

IMPACTS

Finance Summary	<p>The contract is being funded by Newcastle-under-Lyme Borough Council ('NuLBC') under a Pagabo Pre-Development Services Agreement between Capital & Centric (Distant World) Limited ('C&C') and NuLBC.</p> <p>Initially NuLBC instructed £41,500 for part of the design at Ryepark to be developed (excluding those units being sold to Aspire Housing Association). Two further approvals in the amount £522,759 and £748,329 were approved under a Pagabo Pre-Development Agreement (total £1,312,588). Planning is now submitted and due to be determined in April 2025 and the stage 4 design is ongoing.</p> <p>C&C are currently forecasting a further £33,131,668 excluding interest and grant support but including a land receipt to deliver the project.</p>
Development description	A transformational gateway into the town with a verdant park scattered with homes.

EXECUTIVE SUMMARY

A Pagabo PDSA was entered into on 23 April 2024 with Capital&Centric appointed to bring forward a planning application for part of the Ryepark site. The services were extended in November 2024 at a cost of £748,329 to complete the RIBA 4 design and procure a main contractor. The Deliverables set out in the agreement are being progressed and the parties are negotiating the appointment of C&C under a Pagabo Development Agreement to deliver the project.

Subject to agreement of the legal documents, securing a Homes England grant from the BIL Fund, obtaining planning approval and obtaining a satisfactory fixed price build contract, we are looking to commence work on site Q3 2025.

1. Review of Work to date

a. Pagabo PDSA Deliverable Update

A Pagabo PDSA was entered into between Capital & Centric (Distant World) Limited and NuLBC on 23 April 2024 with a clear scope of services and deliverables. Additional deliverables were included in the agreement as part of the extension of services in November 2024. The updated deliverables are detailed below with a commentary on the current status:

Deliverable	Status Update
Develop a design that maximises the viability of the development.	Viability has been carefully considered in the choice of materials, and the overall design of the buildings. The central spine buildings achieve 83% net to gross making the scheme more viable.
An award-winning design that compliments and is sympathetic to the historic market town setting whilst being aspirational and stimulates regeneration.	The design has been developed to work with the town's character but given its key location as a gateway site the landscaping has been a key focus of the project. The ethos of the scheme has been a landscape first approach with homes positioned in the park rather than landscaping around homes. Play on the way and seating has been incorporated into the landscape to encourage dwell time and the enjoyment of the towns residents. Significant work has been undertaken to develop a market leading courtyard building with detailed masonry design taking reference from high quality Scandinavian design.
Options analysis throughout the process resulting in a robust development appraisal.	Development appraisals have been produced throughout the process and influenced the progression of the design. This has led to changes in the design including the increase in units from 130 to 132.
A RIBA stage 3 planning design.	Completed
Appointment of design team and procurement of surveys.	Completed
A public consultation event linked to the planning.	Completed
The submission of a planning application.	Completed
Completion of RIBA Stage 4 design ensuring the scheme is designed to C&C Brand Standards.	Ongoing but due to be completed end of Q2.
Negotiation and appointment of main contractor to deliver the project on a fixed price building contract.	A stage 1 tender has been issued with a view to appointing a contractor under a PCSA.
Work with Homes England to secure grant support to bridge the viability gap.	Discussions are ongoing to secure a grant under the BIL programme
Develop a business plan that allows the commencement of work on site.	Ongoing

b. Pre App

C&C worked in collaboration with the design team to prepare and submit a pre-planning application. A meeting was held on 1 October 2024 with the planning and conservation officers and relevant members of the council's planning committee to review and discuss the proposals. The scheme was well received with no negative comments about the design. Prior to the pre-application a public consultation event was held at Castletown Distillery in Newcastle on 3 May 2024 where the scheme was well received by the public.

As part of the planning process, C&C instructed a design review with Design Midlands Review Panel which was held on 30 September 2024. The proposals for the site were discussed and very well received by the panel and they praised the landscaping and how the design fit into the urban grain.

c. Planning

Following the pre-application process and design review, a planning application was validated on 27 November 2024 to provide 130 residential apartments. Following a design review, the scheme is being changed to provide 132 apartments to improve viability. The scheme forms part of a wider site masterplan to bring forwards 175 residential units and will be determined under one planning permission.

The scheme will be presented to the planning committee on 29 April 2025.

d. The Vision*Homes in a Park.*

We took a landscape first approach when designing the Ryepark site, with a key focus of creating a new gateway into the town with wild greenery for all to enjoy. The landscaping is unrhythmic and unmanicured to create the feeling of a wilder landscape with play on the way for young people to enjoy aswell as a play park and seating opportunities throughout the landscape.

We explored how we could provide a hotel on the site but the commercial viability of hotels is currently poor with soft yields following the devastation of Covid on the sector. However, the courtyard building has been designed so it can operate as an aparthotel.

We have created innovative apartment types with four storey walk up apartment buildings that increases the net to gross and reduces the construction cost to minimise the viability gap.

All residential units are above National Design Space Standards (NDSS) and designed in accordance with the Capital&Centric brand standards. The internal design will be equal to the schemes we bring forward across the UK and will be a market changing offer in the town with exposed soffits and amazing finishes.

Whilst the project is being delivered as one scheme, some of the units are being sold to Aspire Housing Association. The costs associated with this part of the site (circa 30%) are funded through Capital&Centric (Illusion) Limited and dealt with under a separate Pagabo PDSA.

CGIs of the proposed development are included in appendix 1 of this report.

Accommodation Schedule

The current proposal is to deliver the scheme in three phases, linear block, south block and courtyard building. As such, the accommodation schedule is broken down as follows:

Unit Description	Size sqft	Nos
Phase 1- Linear Block		
1 bed standard	475	36
2 bed duplex	948	6
Phase 2- South Block		
1 bed standard	475	16
2 bed standard	753	16
Phase 3- Courtyard		
Studio apartments	323	20
1 bed standard	479	19
2 bed standard	786	19
Total		132

e. Financial Review

Stage 1

A maximum commitment for stage 1 was agreed at £41,500. The works were delivered for £32,810, under budget by £8,690.

Stage 2a

Cabinet approved the instruction of the Stage 2 works (which we are now referring to as stage 2a) with the scope to submit a planning application. The agreed budget was £522,759 and the services were completed for £475,061, £47,698 under budget.

Stage 2b

The Council obtained cabinet approval to extend the Pagabo PDSA Services and Costs to conclude the pre-contract design. An extension to the Pagabo PDSA was completed on 14 November 2024. C&C are currently working through the services with a view to them being concluded by Q3 2025.

The total cost for the stage 1 and 2 works is budgeted at £1,312,588 and the works are currently forecasted to be completed on budget.

Stage 3

C&C are seeking Council approval to enter a development agreement and associated legal documents including a sale agreement and lease subject to the following conditions being satisfied:

- Satisfactory planning approval
- Satisfactory build contract
- Homes England Grant approval
- Agreement of legal documents

The forecasted cost for this stage is £33,131,668 excluding grant and interest but including a land receipt. NuLBC will retain the right to approve C&C moving through Gateway 3 and entering the building contract and committing to these costs.

Financial Review

a. Development Appraisal

A development appraisal is included in appendix 2 of this report but can be summarised as follows:

Development Costs	
Acquisition Costs	524,709
Construction Costs	27,614,085
Other construction costs (including surveys and planning)	219,800
Professional Fees	5,985,662
Letting and marketing	100,000
Gross Total Cost (excluding funding)	34,444,256

A land value of £562,500 has been included in the appraisal and the costs exclude interest costs which are detailed on a separate consolidated cashflow.

b. Forecast Construction Costs

Within the development appraisal, we have included a forecast construction cost of £23,692,006. This is based on the Cushman and Wakefield stage 3 costplan. Within the construction cost there is a further contribution allowance of £1,009,879 towards the Aspire landscaping works which we have made a separate grant application for and included within the revenue section to net off the cost.

We have issued the stage 1 tender to four contractors and will look to update the costs once we have received the tenders back.

c. Value

We have based the forecast value of the development on the following assumptions:

Residential exit yield	5.00%
Annual residential rental increase	3.5%
Purchasers' costs	6.8%
Operational Cost net:gross	25%

The gross residential value upon exit in 2028 is **£28,677,898** including parking.

d. Grant Support

We have made an application for a BIL Grant of £5,263,125 including the land value to bridge the viability gap. There is a separate allowance for additional grant to bring forward the landscaping and external works for the Aspire portion of the site in the amount £1,009,879. We have made a submission to Homes England providing information supporting our grant request on the project and are in detailed discussions with the Grant Infrastructure Team.

4. Legal Update

NuLBC have appointed Mills and Reeve to represent them in taking the project forward beyond the PDSA and C&C have appointed Squires Patton Boggs. Heads of Terms are currently being negotiated between the parties in relation to entering a Pagabo Development Agreement, Sale Agreement and Lease during the Project Launch period.

5. Programme

Design and procurement is currently working towards commencement of works early Q3 2025 subject to securing the grant from Homes England, achieving a satisfactory planning approval, procuring a satisfactory building contract and agreeing the legals with NuLBC.

Appendix 1- CGIs and sketch images









Appendix 2- Development Appraisal

See Attached pdf copy

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Newcastle-under-Lyme
Ryepark

DEVELOPMENT COSTS						
	Title	Units	Cost/Unit	Sum	Phase Totals	Scheme Total
Phase 1 - Acquisition Costs						
	Land (based on 1.5 acre at £500k per acre)			£562,500		
	Stamp Duty			£17,625		
	Legal Fees, DMA Appointment			£20,000		
	Discount DM Fee on Land Purchase (13%)			-£75,416	£524,709	
Phase 1 - Construction Costs						
	Cushman Costplan inc inflation			£23,692,006		
	Upgrade to Merit and Corporation St			£500,000		
	Contingency			£1,184,600		
	New Homes Warranty			£330,000		
	Non recoverable VAT			£39,600		
	Furniture packs			£858,000		
	Aspire Site Works			£1,009,879	£27,614,085	
Phase 2 - Construction Costs						
	Site investigations			£119,800		
	Buried Services and stat quotes			£15,000		
	Topo			£10,000		
	Planning costs			£75,000	£219,800	
Phase 1 - Professional Fees						
	Architect			£980,000		
	Structural Engineer			£78,981		
	M&E Engineer			£80,500		
	Landscape Architect			£36,931		
	PM/ OS			£217,000		
	Clerk of Works and Building Control PD			£177,690		
	Acoustician			£15,000		
	Principal Designer/CDM			£13,608		
	Fee Contingency			£20,000		
	Pagabo Fee			£302,143		
	Fire Engineer			£45,955		
	Build legals			£50,000		
	Building control			£40,000		
	DM Fee			£1,208,570		
	DM Bullet Payment			£2,719,283	£5,985,662	
						£34,344,256

MARKETING & LETTING COSTS						
	Title			Sum	Phase Totals	Scheme Total
Phase 1 - Marketing & Letting						
	Marketing and launch			£100,000	£100,000	
						£100,000

TOTAL COST						£34,444,256
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NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

**CORPORATE LEADERSHIP TEAM'S
REPORT TO CABINET**

18 March 2025

Report Title: Contract Award for Astley Place

Submitted by: Deputy Chief Executive

Portfolios: Finance, Town Centres and Growth, and One Council, People and Partnerships

Ward(s) affected: Town

<u>Purpose of the Report</u>	<u>Key Decision</u>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
<p>To provide Cabinet with an update on the progress made by Capital&Centric on the partially demolished Astley Place project in Newcastle Town Centre, and to make recommendations to Council to enable the project to progress through the construction phases of the projects.</p>			
<u>Recommendation</u>			
<p>That Cabinet:</p> <ol style="list-style-type: none"> 1. Notes the progress made to date by Capital&Centric on the partially demolished Astley Place project in Newcastle Town Centre. 2. Recommend that Council: <ol style="list-style-type: none"> a. Approve expenditure of up to (either £18,213,758 in total or £16,111,895 minus costs already approved) to complete the Astley Place scheme to practical completion in readiness for occupation; b. Authorise the Deputy Chief Executive, in consultation with the Portfolio Holder for Finance, Town Centres and Growth, and Portfolio Holder for One Council, People and Partnerships to progress legal agreements, subject to planning approval, to enable the appointment of Capital&Centric under a Development Services Agreements (DSA) for the development of the scheme through a direct award under the Pagabo Development Management Framework; c. Authorise the Deputy Chief Executive, in consultation with the Portfolio Holder for Finance, Town Centres and Growth, and Portfolio Holder for One Council, People and Partnerships to progress the legal agreement for the 'buy back' of the schemes by Capital&Centric upon completion of the developments. d. Authorise the Deputy Chief Executive, in consultation with the Portfolio Holder for Finance, Town Centres and Growth to progress the legal agreements with Homes England to accept a grant as a subsidy for the development and become the accountable body for the grant, subject to Homes England approving the grant. 			

Reasons

The Council has been developing plans for several key sites across the Town Centre of Newcastle-under-Lyme as part of the Future High Street Fund and Town Deal Fund.

This report enables progress to be made on Astley Place.

Each of the individual town centre regeneration projects that have been subject to previous reports and approvals are now being taken through individual approval routes to allow the breakdown of projects into specific approvals / projects with stand-alone approvals as each project will eventually be purchased by a Special Purpose Vehicle company as a stand-alone asset within Capital&Centric, as per their over-riding business model.

1. Background

- 1.1 As reported to previous Cabinet meetings, the Council has secured Future High Street Funding and Town Deal Funding for the re-development of several key regeneration sites across the Town Centre. In September 2023 the Council appointed Capital&Centric to undertake feasibility studies for the re-development of the former York Place Shopping Centre. This work has now concluded with the scheme being considered at a special meeting in April for planning permission, a contractor priced project budget and a programme for completion of the works.
- 1.2 Again, as reported previously but repeated for completeness and clarity, the process being followed with Capital&Centric having completed their initial development proposals (RIBA Stage 2) and subsequently the RIBA Stage 3 and 4 works of the scheme design and costs for each of the sites.
- 1.3 If the Council is satisfied with the RIBA Stage 4 works, as summarised in this report, and in the attached Appendix, the Council would then use the Pagabo Framework to appoint Capital&Centric through a development agreement to:
 - Manage the procurement and delivery of the main construction works to Astley Place, the former Midway Car Park and the residential / aparthotel works on The Ryecroft, all subject to individual Council approvals.
 - Agree a 'buy back' agreement with the Council, in that the Council will fund the build of each development but after Practical Completion Capital&Centric will purchase the individual developments for a value that is either the total cost of developing the scheme or the market value of the created asset, whichever is higher.
- 1.4 This incremental approach has been used successfully by the Council on both the Kidsgrove Sports Centre refurbishment and on the construction of the new Castle Car Park. Crucially, it enables the Council to take a phased approach to the developments, with cost certainty secured before progressing to the next stage. We are now at the final stage of development and will be securing construction works with this report.

2. Update

Astley Place – Update on Current Position

- 2.1 Partial demolition works to the former shopping centre commenced in October 2024 and were completed in early February 2025. The frame has been exposed and cut back to suit the final design of the new development.

- 2.2 Capital&Centric have managed the partial demolition of the former shopping centre that is based upon the principles of retaining as much of the existing concrete frame as possible and re-engineering the structure for commercial and residential purposes.
- 2.3 Discussions have been continuing with Joules Brewery for the live music venue adjacent to The Bulls Head Pub and Capital&Centric have been investigating how this element of the scheme can be incorporated. It is now anticipated that the new music venue will be incorporated into the ground floor of the new development, alongside the commercial eating and drinking units that will occupy the ground floor of the whole development.
- 2.4 The design has now been set (See Appendix A) for the provision of modern apartments for young professionals, down sizers and families with the following apartment mix:
- 33 one bed apartments
 - 9 two bed apartments
 - 11,148 sq.ft. of commercial space
 - 3,046sqft music venue
 - A 500sqft resident amenity lounge and roof terrace will be provided at the site but further resident amenity space will be provided in the Midway development and will be made available for residents of this building.
- 2.5 The development costs for the redevelopment of the former shopping centre are estimated at £18,213,758 excluding grant and interest but including land value with a project timeline of 22 months to completion of the final scheme. A breakdown of the costs and the funding sources are set out later in this report.
- 2.6 A planning application for the site has been submitted and will be subject to approval at the planning committee, that will consider all Town Centre developments that are subject of this report, at a special meeting in April 2025.

Cost and Funding Considerations

- 2.7 A summary of the costs supplied by Capital&Centric to complete the three town centre developments is set out below for completeness:

Site	Construction Contract	Project Construction Period
Midway Carpark	£37,518,885	26 months
Astley Place	£18,213,758	22 months
Ryecroft – Housing and Aparthotel	£34,444,256	38 months
Total*	£90,176,899**	

*See financial section below for budgetary information

**Excludes grants and interest costs but includes land value

- 2.8 The above projects will be funded by external borrowing and potentially a grant from Homes England. Further information is provided in the finance section below.

Cost impact of the Capital&Centric Model

- 2.9 As highlighted in previous Cabinet reports and worth reiterating again here, Capital&Centric are a social impact property developer who pride themselves on the design quality of their developments. Their model of retaining assets beyond completion ensures that they have a vested interest in the long-term success of the development with a focus on the experience of the end user, aspirational placemaking and creating developments which are an asset to the community.
- 2.10 Their approach, whereby they retain ownership and management of the developments once completed has a significant positive impact for the Council in terms of both financial and operational risk.
- 2.11 This model requires only short-term financing by the Council, rather than long term borrowing. This reduces interest costs from c.40 years to 2-3 years; the model also removes the need for the Council to fund Minimum Revenue Provision (MRP), which is in effect the “capital repayment” element of PWLB borrowing as the asset would transfer ownership once complete (and the project is launched) and shifts the ongoing risk of maintaining occupancy of the finished development away from the Council and onto the operator.

Next Steps

- 2.12 The Capital&Centric model that the Council has been working with envisages taking developments through to completion and (project launch,) then purchasing the completed development and assuming the lead role in managing the operation of the development. There have been a series of gateways controlled by the Council through which the projects have passed to ensure viability. A further and final Cabinet and Council approval will be required to progress to the next stage of the process (procurement of a construction company to complete the works for occupation). At each gateway an updated business plan has been presented for each scheme including updated costs and a delivery programme. The final business plans for the scheme is attached in Appendix A.
- 2.13 At this currently approved stage the commitment to Capital&Centric extends only to developing the schemes up obtaining a full planning approval, the programme of construction and the construction budget. The submitted plans / proposals for the scheme that is being considered by this Cabinet report are the result of this stage and have been assessed and subject to the approval will be accepted and used as the basis of the final award for construction.
- 2.14 Subject to this Cabinet report being approved at Full Council the Council would progress to the construction stages of the scheme.
- 2.15 A critical part of this final stage is the model which involves Capital&Centric purchasing the end development is highly significant in terms of the Council’s borrowing for the three schemes. Rather than borrowing over, say, a 40 year period, during which the Council would need to both pay interest and capital, the Council’s borrowing would only be for, approximately, the duration of the build, as any loan and associated interest would be repaid upon sale of the asset. This minimises the financial impact on the Council’s General Fund Revenue Account of the schemes for the Council. This would be covered in a legal ‘buy back’ agreement and would be signed at the same time as the development agreements for the construction of the schemes. If this ‘buy back’ agreement is not agreed or signed the construction agreements would not be signed, thus avoiding the risk of agreeing the ‘buy back’ once the funding commitments are made for the final construction stages.

- 2.16 Presently Capital&Centric are in discussions with Homes England regarding a grant from their BIL Programme to subsidise some of the costs of the project. This is based upon viability and financial pressures that the development costs versus value are currently presenting. The aim of the development is to drive the value up via increased rental demand, increasing rental values. The grant covers the viability gap between costs and value – it is the aim of the grant to cover these shortfalls. Homes England are progressing their assessment for the grant and are due to finalise their decision in the next few months. Homes England have requested that the grant is assigned to the Council and the Council become the accountable body for the grant, as the Council will be the property / land owner during the construction phases.

3. Proposal

3.1 That Cabinet:

- Notes the progress made to date by Capital&Centric on the partially demolished Astley Place project in Newcastle Town Centre.

3.2 Recommend that Council:

- Approve expenditure of up to £18,213,758 excluding interest costs and grant but including land value to complete the Astley Place scheme to practical completion in readiness for occupation;
- Authorise the Deputy Chief Executive, in consultation with the Portfolio Holder for Finance, Town Centres and Growth, and Portfolio Holder for One Council, People and Partnerships to progress legal agreements, subject to planning approval, to enable the appointment of Capital&Centric under a Development Services Agreements (DSA) for the development of the scheme through a direct award under the Pagabo Development Management Framework;
- Authorise the Deputy Chief Executive, in consultation with the Portfolio Holder for Finance, Town Centres and Growth, and Portfolio Holder for One Council, People and Partnerships to progress the legal agreement for the 'buy back' of the schemes by Capital&Centric upon completion of the developments.
- Authorise the Deputy Chief Executive, in consultation with the Portfolio Holder for Finance, Town Centres and Growth to progress the legal agreements with Homes England to accept a grant as a subsidy for the development and become the accountable body for the grant, subject to Homes England approving the grant.

4. Reasons for the Proposed Solution

- 4.1 The decision will enable the project to progress as per the programme agreed with Government and the Future High Street Fund awards and commitments and get Astley Place (formerly York Place) underway.
- 4.2 To use this Government funding opportunity to support delivery of Council Plan objectives.
- 4.3 To uplift the status of Newcastle Town Centre as the heart of economic, social and community life in the Borough.

4.4 Bring a national developer to Newcastle to assist in the transformational programme of regeneration that is being undertaken.

5. Options Considered

5.1 The report above highlights the options that have been considered in some detail.

6. Legal and Statutory Implications

6.1 Section 2(1) of the Local Government Act 2000 permits local authorities to do anything they consider likely to promote or improve the economic, social and environmental well-being of their area. That would include actions to deliver the Future High Street Fund and Town Deal Fund programme for Newcastle Town Centre.

6.2 Pre-construction services agreements (PCSA) are used to appoint a design and build contractor to carry out services before entering into a formal building contract. A PCSA is sometimes referred to as a pre-construction agreement (PCA) and is used in two stage tendering to obtain further design input, buildability/technical advice and detailed costs information from a prospective contractor. This is a formal agreement to provide the specified services/works and is not a letter of intent.

7. Equality Impact Assessment

7.1 The nature of the project is intended to seek benefits for all people who use the town centre and to support the economic and social health of Newcastle Town Centre as a destination.

8. Financial and Resource Implications

Cost Summary

Site	Pre-Application Gateway 1 (£)	Planning Submission Gateway 2 (£)	Pre Contract Submission Gateway 3 (£)	Construction Costs £	Total Costs (£)
Astley Place	90,000	1,175,020	836,843	16,111,895	18,213,758
Total Cost	90,000	1,175,020	836,843	16,111,895	18,213,758

8.1 Approval was given at the Cabinet meeting on 19 September 2023 to spend up to £256,500 with Capital&Centric to develop plans and business cases for the Ryecroft site, York Place and Midway Car Park. This budget in relation to York Place is shown in the above table (Pre-application / Gateway 1 £90,000). The actual spend for this stage amounted to £86,636.

8.2 The Gateway 2 stage was to commission works to take the regeneration projects to the next stage (Planning Submission / Gateway 2) for which approval was given at Full Council on 14 February 2024. The works covered the development plans up to and including the submission of the planning applications. The budget for completing this stage was £1,175,020 with the actual spend amounting to £1,124,973.

8.3 As of the February 2025 draw down, a total of £1,298,762 has been expended on the project. The remaining balance of £713,101 is currently forecasted to be expended prior to the end of Gateway 3.

8.4 The total development costs for the project excluding grant and interest is £18,213,758 meaning a balance of £16,111,895 is to be approved for Gateway 4. A breakdown of the total costs are included in Appendix A.

9. Major Risks & Mitigation

9.1 The proposed re-development of Astley Place is in a densely occupied town centre location and therefore will require careful management throughout the contract.

9.2 The potential for multiple re-development and / or construction projects being undertaken in a short period of time in the town centre could impact negatively on the enjoyment of the town amenities by users and will need careful messaging and monitoring. Each stakeholder will be able to assist with this.

9.3 The inflationary pressures and the cost of borrowing is a risk to the delivery of all of the schemes and each needs to be planned carefully to minimise the effects of each prior to the start or award of any contract. Construction inflationary pressures are now easing but are still a consideration.

9.4 Each scheme / project will have a dedicated risk register for the potential risks of each scheme from the feasibility stage to the construction phases.

10. UN Sustainable Development Goals (UNSDG)

10.1 Newcastle Town Centre is a highly accessible location, encouraging greater use of its land and assets enhances its role as a centre for services, leisure, retail and living and its connection to local residents. Furthermore this project is intended to enable the redevelopment of an underused retail complex that is in a poor state of repair and currently blocks good connectivity between the Ryecroft site and Ironmarket / High Street, bringing with it sustainability improvements, regeneration and economic benefits as well as in that respect, the project supports the realisation of the following UNSDG objectives:-



11. One Council

Please confirm that consideration has been given to the following programmes of work:

One Commercial Council

We will make investment to diversify our income and think entrepreneurially.

The development seeks to ensure that the Council is using its assets effectively and that investment is made in the Town Centre that deliver good quality and modern environments for businesses and residents.

One Digital Council

We will develop and implement a digital approach which makes it easy for all residents and businesses to engage with the Council, with our customers at the heart of every interaction.

The Council will seek to utilise technological developments in these investment's and that there are options available to customers where possible.

One Green Council

We will deliver on our commitments to a net zero future and make all decisions with sustainability as a driving principle.

As part of the Council's Sustainability agenda the developments will deliver against the zero carbon standards to support this.

12. Key Decision Information

12.1 This is a Key Decision.

13. Earlier Cabinet/Committee Resolutions

- 13.1 October 2019, Cabinet concerning development of the second stage FHSF bid and procurement of consultancy support.
- 13.2 December 2019, Economy Environment & Place Overview and Scrutiny Committee Town Centre Funding Update (information item).
- 13.3 July 2020, Cabinet concerning approval for submission of bid into MHCLG (now DLUHC).
- 13.4 April 2021 Cabinet accepting FHSF Grant monies and grant conditions.
- 13.5 December 2021 Cabinet purchase of York place Newcastle under Lyme.
- 13.6 March 2022 Cabinet award of contract for design and build contractor.
- 13.7 January 2023 Cabinet progress report on the York Place project.
- 13.8 June 2023 Cabinet award of contract for the demolition of York Place.
- 13.9 September 2023 Cabinet approval for Town Centre Regeneration Feasibility Studies.
- 13.10 6 February 2024 Cabinet approval for Town Centre Regeneration Update.
- 13.11 14 February 2024 Council approval for Town Centre Regeneration Update.
- 13.12 12 November 2024 Cabinet approval for completion of RIBA Stage 4 works.

14. List of Appendices

14.1 Capital&Centric Astley Place Business Case.

15. Background Papers

15.1 None.

1. Report title	Project update in conjunction with Councils Cabinet approval to appoint Capital&Centric (Devosa) Limited ('C&C') under a Pagabo Development Agreement.
2. Date/ Revision	05 March 2025
3. The Site	Former Astley Shopping Centre, previously known as York Place and now named Astley Place.
4. Contracting Parties	Capital & Centric (Devosa) Limited and Newcastle-under-Lyme Borough Council ('NuLBC').
5. Action	<p>The aim of this paper is to provide an update on works completed to date and provide NuLBC sufficient information to seek approval to appoint Capital & Centric (Devosa) Limited under a Pagabo Development Agreement to deliver the project. The outturn of the extended process will be the delivered project.</p> <p>The paper provides an update on works completed to date and a summary of costs.</p>
6. Report By	Martin Crews, Development Director

IMPACTS

Finance Summary	<p>The contract is being funded by Newcastle-under-Lyme Borough Council ('NuLBC') under a Pagabo Pre-Development Services Agreement between Capital & Centric (Devosa) Limited ('C&C') and NuLBC.</p> <p>Initially NuLBC instructed £90,000 for the design at Astley Place to be developed. Two further approvals in the amount £1,175,020 and £836,843 was approved under a Pagabo Pre-Development Agreement (total £2,101,863) which included the cost for demolition and enabling works. Planning is now submitted and due to be determined in April 2025 and the stage 4 design is ongoing.</p> <p>C&C are currently forecasting a further £16,111,895 excluding interest and grant support but including a land receipt to deliver the project.</p>
Development description	The scope of works includes the partial demolition and retention of the existing concrete frame, rooftop extension and development to provide 42 apartments, c.11,000 sqft of commercial space and a 3,000sqft community music venue.

EXECUTIVE SUMMARY

A Pagabo PDA was entered into on 23 April 2024 with Capital&Centric appointed to bring forward a planning application and commence the enabling works at York Place. The services were extended in November 2024 at a cost of £836,843 to complete the RIBA 4 design and procure a main contractor. The Deliverables set out in the agreement are being progressed and C&C are now entering negotiations with NuLBC to appoint C&C under a Pagabo Development Agreement to deliver the project.

Subject to agreement of the legal documents, securing a Homes England grant from the BIL Fund, obtaining planning approval and obtaining a satisfactory fixed price build contract, we are looking to commence work on site Q3 2025.

1. Review of Work to date

a. Pagabo PDA Deliverable Update

A Pagabo PDA was entered into between Capital & Centric (Devosa) Limited and Newcastle-under-Lyme Borough Council on 23 April 2024 with a clear scope of services and deliverables. These services were extended on 14 November 2024 to progress the RIBA Stage 4 design and procure a fixed price building contract. The updated deliverables are detailed below with a commentary of the current status.

Deliverable	Status Update
Develop a design that maximises the viability of the development.	Viability has been carefully considered when developing the design whilst ensuring the vision remains aspirational. During this phase we have undertaken a significant review of the design which has led to the exclusion of balconies, reduced from 52 to 42 units and incorporated the community music venue within the existing building.
An award-winning design that compliments and is sympathetic to the historic market town setting whilst being aspirational and stimulates regeneration.	The design has been developed through this phase to consider not only how we re-position NuL in the market, but also how we create commercial units and apartments that form a new market. We have reviewed how the commercial units will look and feel to ensure they enhance the town and act as a catalyst for the wider regeneration of NuL.
Work with Joules Brewery on bringing forward the Freespace concept where viable.	As part of the design review, we have developed a solution to accommodate the Freespace concept within the existing building, but there is currently a funding gap that would need to be bridged. This forms part of our Homes England BIL application.
Options analysis throughout the process resulting in a robust development appraisal.	Development appraisals have been produced throughout the process and influenced the progression of the design and led to the design changes, reducing the number of units and creating a community roof terrace.
Public realm proposals which tie the sites together and knit them into the existing urban grain, but also create public spaces which are a benefit to the wider town centre.	The public realm design has been developed to act as a central pocket park in the town and encourage greater footfall, and enhanced dwell time.
A RIBA stage 3 planning design.	Completed
Appointment of design team and procurement of surveys.	Completed
A public consultation event linked to the planning.	Completed
The submission of a planning application.	Completed
Enabling works design and commencement.	Completed
Completion of RIBA Stage 4 design ensuring the scheme is designed to C&C Brand Standards.	Ongoing but due to be completed end of Q2.
Negotiation and appointment of main contractor to deliver the project on a fixed price building contract.	A stage 1 tender has been issued with a view to appointing a contractor under a PCSA.
Work with Homes England to secure grant support to bridge the viability gap.	Discussions are ongoing to secure a grant under the BIL programme
Develop a business plan that allows the commencement of work on site.	Ongoing

b. Pre App

C&C worked in collaboration with the design team to prepare and submit a pre-planning application. A meeting was held on 2 April 2024 with the planning and conservation officers and relevant members of the council's planning committee to review and discuss the proposals. The scheme was well received with no negative comments about the design. Following the pre-application a public consultation event was held at Castletown Distillery in Newcastle on 3 May 2024 where the scheme was well received by the public.

As part of the planning process, C&C instructed a design review with the Design Review Panel which was held on 24 July 2024. The proposals for York Place were discussed and there were some constructive comments about the bookends to the building, an issue that C&C had already highlighted and were considering several solutions for. Following the review C&C and the architect held an internal review which has led to the development of the current design and omission of the bookends as detailed in the CGIs in appendix 1.

c. Planning

Following the pre-application process and design review panel, a planning application was submitted on 6 November 2024 to provide 52 residential apartments and circa 14,000sqft of commercial space. Following a design review, the scheme is being changed to provide 42 apartments, 11,000sqft of commercial space and a 3,000sqft music venue. This will form part of the scheme that is determined at planning committee.

A separate planning application will be submitted to convert one of the commercial units into a music venue.

The scheme will be presented to the planning committee on 29 April 2025.

d. The Vision

To create a new place where independent bars, cafes and restaurants can cluster around a verdant pocket park and accelerate the renaissance of the town.

York Place is a key focal point of Newcastle's regeneration. The project will act as new hub for independent bars, cafes and restaurants and act a catalyst for the wider regeneration of the town, bringing new people with additional discretionary spend and retaining those already living there. To the ground floor there will be up to ten commercial units ranging in size from 500-2,300 sqft all spilling out onto the pavement or the verdant pocket park to the rear.

The site is ideally located on the edge of the main high street and opposite the Rycroft development, and will compliment the amazing cluster of existing independent operators who have positioned themselves along Merrial Street. The development will provide a draw for the 13,000 students at Keele and encourage them to come into town and increase their discretionary spend along with other local residents, something which is currently lacking. The scheme will have a multiplier effect whereby other operators gain confidence to open up shop in the town and grow the offer, revitalising the town centre and nighttime economy.

The proposal is to convert the existing ground floor commercial units into appropriately sized, exceptional suites for local independent operators to take on which will be fitted out and ready to occupy. To the central courtyard is a pocket park which will be open for the whole town to enjoy.

As part of the design review, a residents lounge will be provided on the first floor along with a landscaped roof terrace. The residents of the development will also be able to enjoy the shared facilities at the Carpark development including residents lounge, gym, mini-cini and private dining.

The residential units are all double aspect with external walkways providing amazing natural light to the apartments. The units are all above National Design Space Standards (NDSS) and are designed in accordance with the Capital&Centric brand standards. The internal design will be equal to the schemes we bring forward across the UK and will be a market changing offer in the town.

CGIs of the proposed development are included in appendix 1 of this report but the internal courtyard images are currently being updated to accommodate the updated design proposals.

Accommodation Schedule

Unit Description	Size sqft	Nos
1 bed standard	495	14
1 bed premium	550	19
2 bed standard	730	3
2 bed premium	790	6
Total		42
Commercial	11,148sqft	10

e. Financial Review

Stage 1

A maximum commitment for stage 1 was agreed at £90,000. The works were delivered for £86,636, under budget by £3,364.

Stage 2a

Cabinet approved the instruction of the Stage 2 works (which we are now referring to as stage 2a) with the scope to include the submission of a planning application and the demolition and enabling works. The agreed budget was £1,175,020 and the works were completed within the agreed cost envelope.

Enabling Works

As part of the stage 2 works, AW Demolition were appointed to undertake the demolition and enabling works on the site. Capital & Centric (Devosa) Limited entered a building contract in the amount £500,000 to undertake the works. The scope included the partial demolition of the building, removal of the façade and strip out of the building. Works commenced on Monday 7 October 2024 and were completed mid February 2025.

The works detailed in the contract have been completed and we have utilised unspent provisional sums to grub up foundations in the new pocket park which did not form part of the original contract. These works are ongoing and will be completed before the end of March 2025. A final account of £500,000 has been agreed within the approved budget.

Stage 2b

The Council obtained cabinet approval to extend the Pagabo PDA Services and Costs to conclude the pre-contract design and an extension to the Pagabo PDA was completed on 14 November 2024. C&C are currently working through the services with a view to them being concluded by Q3 2025.

The total cost for the stages 1,2 and 3 works is budgeted at £2,101,863 minus the previously approved £1,175,020 leaving a balance of £836,843. The works are currently forecasted to be completed on budget.

Stage 3

C&C are seeking Council approval to enter a development agreement and associated legal documents including a sale agreement and lease subject to the following conditions being satisfied:

- Satisfactory planning approval
- Satisfactory build contract
- Homes England Grant approval
- Agreement of legal documents

The forecasted cost for this stage is £16,111,895 excluding grant and interest but including a land receipt. NuLBC will retain the right to approve C&C moving through Gateway 3 and entering the building contract and committing to these costs.

2. Financial Review

a. Development Appraisal

A development appraisal is included in appendix 2 of this report but can be summarised as follows:

Development Costs	
Acquisition Costs (including surveys and planning)	599,910
Construction Costs	13,712,277
Professional Fees	3,742,407
Letting and marketing	159,164
Gross Total Cost (excluding funding)	18,213,758

A land value of £378,000 has been included in the appraisal and the costs exclude interest costs.

b. Forecast Construction Costs

Within the development appraisal, we have included a forecast construction cost of £11,180,000 excluding the enabling works. This is based on Arcadis’ stage 3 costplan which incorporates cost data from a contractor.

The costs differ to those previously issued as the scheme has been significantly changed since the last business case report.

We have issued the stage 1 tender to three contractors and will look to update the costs once we have received the tenders back.

c. Value

We have based the forecast value of the development on the following assumptions:

Residential exit yield	5.00%
Commercial yield	8%
Annual residential rental increase	3.5%
Purchasers’ costs	6.8%
Commercial rent psf (fitted out)	£18.50
Operational Cost net:gross	25%

The gross residential value upon exit in 2027 is £9,515,576 and the commercial value is £2,402,732 giving a Gross Development Value of **£11,918,308**.

d. Grant Support

We have currently assumed the existing grant of £1,678,127 is utilised along with a further BIL Grant of £5,866,400 to bridge the viability gap which includes the land value. We have made a submission to Homes England providing information supporting our grant request on the project and are in detailed discussions with the Grant Infrastructure Team.

4. Legal Update

NuLBC have appointed Mills and Reeve to represent them in taking the project forward beyond the PDSA and C&C have appointed Squires Patton Boggs. Heads of Terms are currently being negotiated between the parties in relation to entering a Pagabo Development Agreement, Sale Agreement and Lease during the Project Launch period.

5. Programme

Design and procurement is currently working towards commencement of works early Q3 2025 subject to securing the grant from Hoems England, achieving a satisfactory planning approval, procuring a satisfactory building contract and agreeing the legals with NuLBC.

Appendix 1- CGIs







Appendix 2- Development Appraisal

See Attached pdf copy

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

**CORPORATE LEADERSHIP TEAM'S
REPORT TO CABINET**

18 March 2025

Report Title: Contract Award for the former Midway Car Park

Submitted by: Deputy Chief Executive

Portfolios: Finance, Town Centres and Growth, and One Council, People and Partnerships

Ward(s) affected: Town

<u>Purpose of the Report</u>	<u>Key Decision</u>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
<p>To provide Cabinet with an update on the progress made by Capital&Centric on the now closed Midway Car Park project in Newcastle Town Centre, and to make recommendations to Council to enable the project to progress through the construction phases of the projects.</p>			
<p><u>Recommendation</u></p> <p>That Cabinet:</p> <ol style="list-style-type: none"> 1. Notes the progress made to date by Capital&Centric on the now closed Midway Car Park project in Newcastle Town Centre. 2. Recommend that Council: <ol style="list-style-type: none"> a. Approve expenditure of up to (either £37,518,885 or £35,954,885 minus costs already approved) to complete the Midway scheme to practical completion in readiness for occupation; b. Authorise the Deputy Chief Executive, in consultation with the Portfolio Holder for Finance, Town Centres and Growth, and Portfolio Holder for One Council, People and Partnerships to progress legal agreements, subject to planning approval, to enable the appointment of Capital&Centric under a Development Services Agreements (DSA) for the development of the scheme through a direct award under the Pagabo Development Management Framework; c. Authorise the Deputy Chief Executive, in consultation with the Portfolio Holder for Finance, Town Centres and Growth, and Portfolio Holder for One Council, People and Partnerships to progress the legal agreement for the 'buy back' of the schemes by Capital&Centric upon completion of the developments. d. Authorise the Deputy Chief Executive, in consultation with the Portfolio Holder for Finance, Town Centres and Growth to progress the legal agreements with Homes England to accept a grant as a subsidy for the development and become the accountable body for the grant, subject to Homes England approving the grant. 			

Reasons

The Council has been developing plans for several key sites across the Town Centre of Newcastle-under-Lyme as part of the Future High Street Fund and Town Deal Fund.

This report enables progress to be made across the Midway site.

Each of the individual town centre regeneration projects that have been subject to previous reports and approvals are now being taken through individual approval routes to allow the breakdown of projects into specific approvals / projects with stand-alone approvals as each project will eventually be purchased by a Special Purpose Vehicle company as a stand-alone asset within Capital&Centric, as per their over-riding business model.

1. Background

- 1.1 As reported to previous Cabinet meetings, the Council has secured Future High Street Funding and Town Deal Funding for the re-development of several key regeneration sites across the Town Centre. In September 2023 the Council appointed Capital&Centric to undertake feasibility studies for the re-development of the former Midway Car Park. This work has now concluded with the scheme being considered at a special meeting in April for a planning permission, a contractor priced project budget and a programme for completion of the works.
- 1.2 Again, as reported previously but repeated for completeness and clarity, the process being followed with Capital&Centric having completed their initial development proposals (RIBA Stage 2) and subsequently the RIBA Stage 3 works of the scheme design and costs for each of the sites.
- 1.3 If the Council is satisfied with the RIBA Stage 3 works, as summarised in this report, and in the attached Appendix, the Council would then use the Pagabo Framework to appoint Capital&Centric through a development agreement to:
 - Manage the procurement and delivery of the main construction works to Astley Place, the former Midway Car Park and the residential / aparthotel works on the Ryecroft, all subject to individual Council approvals.
 - Agree a 'buy back' agreement with the Council, in that the Council will fund the build of each development but after Practical Completion Capital&Centric will purchase the individual developments for a value that is either the total cost of developing the scheme or the market value of the created asset, whichever is higher.
- 1.4 This incremental approach has been used successfully by the Council on both the Kidsgrove Sports Centre refurbishment and on the construction of the new Castle Car Park. Crucially, it enables the Council to take a phased approach to the developments, with cost certainty secured before progressing to the next stage. We are now at the final stage of development and will be securing construction works with this report.

2. Update

Midway – Update on Current Position

- 2.1 The Midway Car park closed in January 2025 upon completion of the new Castle Car Park on the Ryecroft site. All accesses (vehicular and pedestrian) have been boarded

up and works are underway to remove the business rate liability as the facility is now out of operation.

- 2.2 As with Astley Place Capital&Centric have developed plans for the re-development of the Midway structure, based around the principle of retaining the concrete frame and floors and re-engineering the structure for residential purposes.
- 2.3 The design has now been set (See Appendix A) for the provision of modern apartments for young professionals, down sizers and families broken with the following apartment mix:
- 78 one bed apartments
 - 33 two bed apartments
 - Over 4,500sqft of shared facilities including a gym, mini-cine residents lounge and private dining. It is expected that the facilities at Midway will be used by residents on the other projects being delivered by Capital&Centric in the town.
- 2.4 The development costs for the redevelopment of the former car park are estimated at £37,518,885 excluding grant and interest with a project timeline of 26 months to submission. A breakdown of the costs and the funding sources are set out later in this report.
- 2.5 A planning application for the site has been submitted and will be subject to approval a special planning committee, that will consider all Town Centre developments that are subject of this report, in April 2025.

Cost and Funding Considerations

- 2.6 A summary of the costs supplied by Capital&Centric to complete the developments is set out below:

Site	Construction Contract	Project Construction Period
Midway Carpark	£37,518,885	26 months
York Place	£18,213,758	22 months
Ryecroft – Housing	£34,444,256	38 months
Total*	£90,176,899**	

**See financial section below for budgetary information*

***Excludes grants and interest costs but includes land value*

- 2.7 The above projects will be funded by external borrowing and potentially a grant from Homes England. Further information is provided in the finance section below.

Cost impact of the Capital&Centric Model

- 2.8 As highlighted in previous Cabinet reports and worth reiterating again here, Capital&Centric are a social impact property developer who pride themselves on the design quality of their developments. Their model of retaining assets beyond

completion ensures that they have a vested interest in the long-term success of the development with a focus on the experience of the end user, aspirational placemaking and creating developments which are an asset to the community.

- 2.9 Their approach, whereby they retain ownership and management of the developments once completed has a significant positive impact for the Council in terms of both financial and operational risk.
- 2.10 This model requires only short-term financing by the Council, rather than long term borrowing. This reduces interest costs from c.40 years to 2-3 years; the model also removes the need for the Council to fund Minimum Revenue Provision (MRP), which is in effect the “capital repayment” element of PWLB borrowing as the asset would transfer ownership once complete, and the project is launched, and shifts the ongoing risk of maintaining occupancy of the finished development away from the Council and onto the operator.

Next Steps

- 2.11 The Capital&Centric model that the Council has been working with envisages taking developments through to completion and project launch, then purchasing the completed development and assuming the lead role in managing the operation of the development. There have been a series of gateways controlled by the Council through which the projects have passed to ensure viability. A further and final Cabinet and Council approval will be required to progress to the next stage of the process (procurement of a construction company to complete the works for occupation). At each gateway an updated business plan has been presented for each scheme including updated costs and a delivery programme. The final business plans for the scheme is attached in Appendix A.
- 2.12 At this currently approved stage the commitment to Capital&Centric extends only to developing the schemes up to obtaining a full planning approval, the programme of construction and the construction budget. The submitted plans / proposals for the scheme that is being considered by this Cabinet report are the result of this stage and have been assessed and subject to the approval will be accepted and used as the basis of the final award for construction.
- 2.13 Subject to this Cabinet report being approved at Full Council the Council would progress to the construction stages of the scheme.
- 2.14 A critical part of this final stage is the model which involves Capital&Centric purchasing the end development is highly significant in terms of the Council’s borrowing for the three schemes. Rather than borrowing over, say, a 40year period, during which the Council would need to both pay interest and capital, the Council’s borrowing would only be for, approximately, the duration of the build, as any loan and associated interest would be repaid upon sale of the asset. This minimises the financial impact on the Council’s General Fund Revenue Account of the schemes for the Council. This would be covered in a legal ‘buy back’ agreement and would be signed at the same time as the development agreements for the construction of the schemes. If this ‘buy back’ agreement is not agreed or signed the construction agreements would not be signed, thus avoiding the risk of agreeing the ‘buy back’ once the funding commitments are made for the final construction stages.
- 2.15 Presently Capital&Centric are in discussions with Homes England regarding a grant from their BIL Programme to subsidise the costs of the project. This is based upon viability and financial pressures that the development costs versus value are currently presenting. The aim of the development is to drive the value up via increased rental demand, increasing rental values. The grant covers the viability gap between costs

and value – it is the aim of the grant to cover these shortfalls. Homes England are progressing their assessment for the grant and are due to finalise their decision in the next few months Homes England have requested that the grant is assigned to the Council and the Council become the accountable body for the grant, as the Council will be the property / land owner during the construction phases.

3. Proposal

3.1 That Cabinet:

- Notes the progress made to date by Capital&Centric on the now closed Midway Car Park project in Newcastle Town Centre.

3.2 Recommend that Council:

- Approve expenditure of up to £37,518,885 excluding interest costs and grant to complete the Midway scheme to practical completion in readiness for occupation;
- Authorise the Deputy Chief Executive, in consultation with the Portfolio Holder for Finance, Town Centres and Growth, and Portfolio Holder for One Council, People and Partnerships to progress legal agreements, subject to planning approval, to enable the appointment of Capital&Centric under a Development Services Agreements (DSA) for the development of the scheme through a direct award under the Pagabo Development Management Framework;
- Authorise the Deputy Chief Executive, in consultation with the Portfolio Holder for Finance, Town Centres and Growth, and Portfolio Holder for One Council, People and Partnerships to progress the legal agreement for the 'buy back' of the schemes by Capital&Centric upon completion of the developments.
- Authorise the Deputy Chief Executive, in consultation with the Portfolio Holder for Finance, Town Centres and Growth to progress the legal agreements with Homes England to accept a grant as a subsidy for the development and become the accountable body for the grant, subject to Homes England approving the grant.

4. Reasons for the Proposed Solution

- 4.1 The decision will enable the project to progress as per the programme agreed with Government and the Future High Street Fund awards and commitments and get the former Midway Car Park underway.
- 4.2 To use this Government funding opportunity to support delivery of Council Plan objectives.
- 4.3 To uplift the status of Newcastle Town Centre as the heart of economic, social and community life in the Borough.
- 4.4 Bring a national developer to Newcastle to assist in the transformational programme of regeneration that is being undertaken.

5. Options Considered

- 5.1 The report above highlights the options that have been considered in some detail.

6. Legal and Statutory Implications

- 6.1 Section 2(1) of the Local Government Act 2000 permits local authorities to do anything they consider likely to promote or improve the economic, social and environmental well-being of their area. That would include actions to deliver the Future High Street Fund and Town Deal Fund programme for Newcastle Town Centre.
- 6.2 Pre-construction services agreements (PCSA) are used to appoint a design and build contractor to carry out services before entering into a formal building contract. A PCSA is sometimes referred to as a pre-construction agreement (PCA) and is used in two stage tendering to obtain further design input, buildability/technical advice and detailed costs information from a prospective contractor. This is a formal agreement to provide the specified services/works and is not a letter of intent.

7. Equality Impact Assessment

- 7.1 The nature of the project is intended to seek benefits for all people who use the town centre and to support the economic and social health of Newcastle Town Centre as a destination.

8. Financial and Resource Implications

Cost Summary

Site	Pre-Application Gateway 1 (£)	Planning Submission Gateway 2 (£)	Pre Contract Submission Gateway 3 (£)	Construction Costs £	Total Costs (£)
Former Midway Car Park	85,000	624,883	854,117	35,954,885	37,518,885
Total Cost	85,000	624,883	854,117	35,954,885	37,518,885

- 8.1 Approval was given at the Cabinet meeting on 19 September 2023 to spend up to £256,500 with Capital&Centric to develop plans and business cases for the Ryecroft site, York Place and Midway Car Park. The budget in relation to the Midway Car Park is shown in the above table (Pre-application / Gateway 1 £85,000). The actual spend for the Gateway 1 stage amounted to £83,121.
- 8.2 The Gateway 2 stage was to commission works to take the regeneration projects to the next stage (Planning Submission / Gateway 2). The works covered the development plans up to and including the submission of the planning application for the re-development of the Midway Car Park. The principle around the re-development would be to retain the concrete frames and floors and re-engineer the structure for residential purposes, delivering around 106 modern apartments. The budget for completing this stage was £624,883 with actual spend amounting to £648,726. The overspend of £23,842 was due to an increase in the number of structural surveys that were required over and above that originally envisaged. This overspend still falls within the overall budget allocation for the Gateway 2 stage which was approved at Full Council on 14 February 2024 and is summarised in the table below.

- 8.3 As of the February 2025 draw down, a total of £968,720 has been expended on the project. The remaining balance of £595,280 is currently forecasted to be expended prior to the end of Gateway 3.
- 8.4 The total development costs for the project excluding grant and interest is £37,518,885 meaning a balance of £35,954,885 is to be approved for Gateway 4. A breakdown of the total costs are included in Appendix A.

9 Major Risks & Mitigation

- 9.1 The proposed re-development of the Midway Car Park is in a densely occupied town centre location and therefore will require careful management throughout the contract.
- 9.2 The potential for multiple re-development and / or construction projects being undertaken in a short period of time in the town centre could impact negatively on the enjoyment of the town amenities by users and will need careful messaging and monitoring. Each stakeholder will be able to assist with this.
- 9.3 The scheme for Midway is based on retaining the existing structure which saves on demolition costs and the construction of a new frame in addition to saving the embodied carbon. Whilst initial assessments have been undertaken on the scheme, intrusive structural surveys are required to ensure the building can be reused. If the structure is unusable then these benefits won't be achieved, however, this is currently not believed to be the case.
- 9.4 The inflationary pressures and the cost of borrowing is a risk to the delivery of all of the schemes and each needs to be planned carefully to minimise the effects of each prior to the start or award of any contract. Construction inflationary pressures are now easing but are still a consideration.
- 9.5 Each scheme / project will have a dedicated risk register for the potential risks of each scheme from the feasibility stage to the construction phases.

10 UN Sustainable Development Goals (UNSDG)

- 10.1 Newcastle Town Centre is a highly accessible location, encouraging greater use of its land and assets enhances its role as a centre for services, leisure, retail and living and its connection to local residents. Furthermore this project is intended to enable the redevelopment of an underused retail complex that is in a poor state of repair and currently blocks good connectivity between the Ryecroft site and Ironmarket / High Street, bringing with it sustainability improvements, regeneration and economic benefits as well as in that respect, the project supports the realisation of the following UNSDG objectives:-



11. One Council

Please confirm that consideration has been given to the following programmes of work:

One Commercial Council

The development seeks to ensure that the Council is using its assets effectively and that investment is made in the Town Centre that deliver good quality and modern environments for businesses and residents.

One Digital Council

The Council will seek to utilise technological developments in these investment's and that there are options available to customers where possible.

One Green Council

As part of the Council's Sustainability agenda the developments will deliver against the zero carbon standards to support this.

12. Key Decision Information

12.1 This is a Key Decision.

13. Earlier Cabinet/Committee Resolutions

- 13.1 October 2019, Cabinet concerning development of the second stage FHSF bid and procurement of consultancy support.
- 13.2 December 2019, Economy Environment & Place Overview and Scrutiny Committee Town Centre Funding Update (information item).
- 13.3 July 2020, Cabinet concerning approval for submission of bid into MHCLG (now DLUHC).
- 13.4 April 2021 Cabinet accepting FHSF Grant monies and grant conditions.
- 13.5 March 2022 Cabinet award of contract for design and build contractor.
- 13.6 June 2023 Cabinet award of contract for Castle Multi Storey Car Park.
- 13.7 September 2023 Cabinet approval for Town Centre Regeneration Feasibility Studies.
- 13.8 6 February 2024 Cabinet approval for Town Centre Regeneration Update.
- 13.9 14 February 2024 Council approval for Town Centre Regeneration Update.
- 13.10 12 November 2024 Cabinet approval for completion of RIBA Stage 4 works.

14. List of Appendices

14.1 Capital&Centric Midway Business Case.

15. Background Papers

15.1 None.

1. Report title	Project update in conjunction with Councils Cabinet approval to appoint Capital&Centric (Cascade) Limited ('C&C') under a Pagabo Development Agreement.
2. Date/ Revision	05 March 2025
3. The Site	The Midway Car Park now known as Carpark
4. Contracting Parties	Capital & Centric (Cascade) Limited and Newcastle-under-Lyme Borough Council ('NuLBC')
5. Action	<p>The aim of this paper is to provide an update on works completed to date and provide NuLBC sufficient information to seek approval to appoint Capital and Centric (Cascade) Limited under a Pagabo Development Agreement to deliver the project. The outturn of the extended process will be the delivered project.</p> <p>The paper provides an update on works completed to date and a summary of costs.</p>
6. Report By	Martin Crews, Development Director

IMPACTS

Finance Summary	<p>The contract is being funded by Newcastle-under-Lyme Borough Council ('NuLBC') under a Pagabo Pre-Development Services Agreement between Capital & Centric (Cascade) Limited ('C&C') and NuLBC.</p> <p>Initially NuLBC instructed £85,000 for the design at Midway to be developed. Two further approvals in the amount £624,884 and £854,117 were approved under a Pagabo Pre-Development Agreement (total £1,564,001). Planning is now submitted and due to be determined in April 2025 and the stage 4 design is ongoing.</p> <p>C&C are currently forecasting a further £35,954,884 excluding interest and grant support but including a land receipt to deliver the project.</p>
Development description	The retention of the existing concrete frame and conversion of the multi storey car park into residential accomodation and tenant amenity space.

EXECUTIVE SUMMARY

A Pagabo PDA was entered into on 23 April 2024 with Capital&Centric appointed to bring forward a planning application at the Midway carpark. The services were extended in November 2024 at a cost of £854,117 to complete the RIBA 4 design and procure a main contractor. The Deliverables set out in the agreement are being progressed and the parties are negotiating the appointment of C&C under a Pagabo Development Agreement to deliver the project.

Subject to agreement of the legal documents, securing a Homes England grant from the BIL Fund, obtaining planning approval and obtaining a satisfactory fixed price build contract, we are looking to commence work on site Q3 2025.

1. Review of Work to date

a. Pagabo PDSA Deliverable Update

A Pagabo PDSA was entered into between Capital & Centric (Cascade) Limited and NuLBC on 23 April 2024 with a clear scope of services and deliverables. Additional deliverables were included in the agreement as part of the extension of services in November 2024. The updated deliverables are detailed below with a commentary of the current status.

Deliverable	Status Update
Develop a design that maximises the viability of the development.	Viability has been carefully considered in the choice of materials, the façade and overall design. As part of the stage 3 viability assessment we amended the design to remove 11 new build rooftop units and open up the atrium and reduce overall costs. This has led to a reduction in the total number of units from 114 to 111 but improved the viability.
An award-winning design that compliments and is sympathetic to the historic market town setting whilst being aspirational and stimulates regeneration.	The design has been developed to work with the town's character but given its location on Lower Street, the architectural approach has been more modernist than that taken on the other sites C&C are developing in the town.
Options analysis throughout the process resulting in a robust development appraisal.	Development appraisals have been produced throughout the process which influenced the progression of the design and the changes detailed above.
A RIBA stage 3 planning design.	Completed
Appointment of design team and procurement of surveys.	Completed
A public consultation event linked to the planning.	Completed
The submission of a planning application.	Completed
Completion of RIBA Stage 4 design ensuring the scheme is designed to C&C Brand Standards.	Ongoing but due to be completed end of Q2.
Negotiation and appointment of main contractor to deliver the project on a fixed price building contract.	A stage 1 tender has been issued with a view to appointing a contractor under a PCSA.
Work with Homes England to secure grant support to bridge the viability gap.	Discussions are ongoing to secure a grant under the BIL programme
Develop a business plan that allows the commencement of work on site.	Ongoing

b. Pre App

C&C worked in collaboration with the design team to prepare and submit a pre-planning application. A meeting was held on 2 April 2024 with the planning and conservation officers and relevant members of the council's planning committee to review and discuss the proposals. The scheme was well received with no negative comments about the design. Following the pre-application a public consultation event was held at Castletown Distillery in Newcastle on 3 May 2024 where the scheme was well received by the public.

As part of the planning process, C&C instructed a design review with the Design Review Panel which was held on 24 July 2024. The proposals for Midway were discussed and very well received by the panel and they praised bringing forward such an aspirational and innovative project.

c. Planning

Following the pre-application process and design review, a planning application was validated on 28 October 2024 to provide 114 residential apartments and circa 5,000sqft of tenant amenity space. Following a design review, the scheme is being changed to provide 111 apartments and a newly open atrium which will flood light into the public entrance.

The scheme will be presented to the planning committee on 29 April 2025.

d. The Vision

The best place to live in the North!

Midway will be a groundbreaking, aspirational place to live. The existing structure and design has led to all apartments having a double aspect view with amazing large inset balconies which will be accessed from a ground breaking aspirational internal courtyard with exposed brutalist concrete and verdant planting.

When we explored how to tackle the entrance, we realised it was more cost effective to remove three levels of structure and create a triple height atrium which will be a phenomenal statement about the amazing place it is to live. This has been developed further, and we are now removing the roof of the atrium allowing light to flood in, extensive planting and the atrium now being open to the public. There is limited space in the curtilage of the building to provide greenery, so we have maximised the opportunities on the façade with lots of planters to the elevations with sprawling plants over the balconies. We also plan to undertake landscaping works to Midway and Lower Street.

All residential units are above National Design Space Standards (NDSS) and are designed in accordance with the Capital&Centric brand standards. The internal design will be equal to the schemes we bring forward across the UK and will be a market changing offer in the town.

CGIs of the proposed development and sketch models are included in appendix 1 of this report.

Accommodation Schedule

Unit Description	Size sqft	Nos
1 bed standard	501	72
1 bed premium	565	6
2 bed standard	764	28
2 bed premium	791	5
Total		111
Secure Parking		67

e. Financial Review

Stage 1

A maximum commitment for stage 1 was agreed at £85,000. The works were delivered for £83,121, under budget by £1,879.

Stage 2a

Cabinet approved the instruction of the Stage 2 works (which we are now referring to as stage 2a), with the scope to submit a planning application. These services have been completed.

The agreed budget was £624,884 and the cost to complete the services was £648,726, £23,842 over budget. However, we agreed to include these costs in the approved stage 2b cost schedule.

Stage 2b

The Council obtained cabinet approval to extend the Pagabo PDA Services and Costs to conclude the pre-contract design. An extension to the Pagabo PDA was completed on 14 November 2024. C&C are currently working through the services with a view to them being concluded by Q3 2025.

The total cost for the stage 1 and 2 works is budgeted at £1,564,001 and the works are currently forecasted to be completed on budget.

Stage 3

C&C are seeking Council approval to enter a development agreement and associated legal documents including a sale agreement and lease subject to the following conditions being satisfied:

- Satisfactory planning approval
- Satisfactory build contract
- Homes England Grant approval
- Agreement of legal documents

The forecasted cost for this stage is £35,954,884 excluding grant and interest but including a land receipt. NuLBC will retain the right to approve C&C moving through Gateway 3 and entering the building contract and committing to these costs.

Financial Review

a. Development Appraisal

A development appraisal is included in appendix 2 of this report but can be summarised as follows:

Development Costs	
Acquisition Costs (including surveys and planning)	1,243,250
Construction Costs	29,822,050
Professional Fees	6,353,585
Letting and marketing	100,000
Gross Total Cost (excluding funding)	37,518,885

A land value of £1m has been included in the appraisal and the costs exclude interest costs which are detailed on a separate consolidated cashflow.

b. Forecast Construction Costs

Within the development appraisal, we have included a forecast construction cost of £26,745,000. This is based on Arcadis' stage 3 costplan which incorporates cost data from a contractor.

The costs differ to those previously issued as the scheme has been significantly changed since the last business case report.

We have issued the stage 1 tender to three contractors and will look to update the costs once we have received the tenders back.

c. Value

We have based the forecast value of the development on the following assumptions:

Residential and car park exit yield	5.00%
Annual residential rental increase	3.5%
Purchasers' costs	6.8%
Operational Cost net:gross	25%
Car park rent per space	£85 pcm

The gross residential value upon exit in 2028 is £25,923,542 and the 67 parking spaces value is £1,273,858 giving a Gross Development Value of **£27,197,400**.

d. Grant Support

We have currently assumed the existing grant of £1,393,000 is utilised along with a further BIL Grant of £8,809,959 to bridge the viability gap which includes the land value. We have made a submission to Homes England providing information supporting our grant request on the project and are in detailed discussions with the Grant Infrastructure Team.

The potential national importance of re-purposing a multistorey car park into residential accommodation has been discussed with a number of senior executives at Homes England and they want to make the scheme a case study for future potential re-purposing.

4. Legal Update

NuLBC have appointed Mills and Reeve to represent them in taking the project forward beyond the PDSA and C&C have appointed Squires Patton Boggs. Heads of Terms are currently being negotiated between the parties in relation to entering a Pagabo Development Agreement, Sale Agreement and Lease during the Project Launch period.

5. Programme

Design and procurement is currently working towards commencement of works early Q3 2025 subject to securing the grant from Homes England, achieving a satisfactory planning approval, procuring a satisfactory building contract and agreeing the legals with NuLBC.

Appendix 1- CGIs and sketch images





11475 - C&C- MIDWAY CAR PARK - VIEW 03 - 11/12/2024 - DRAFT REV C © ourstudio 2024





Appendix 2- Development Appraisal

See Attached pdf copy

Newcastle-under-Lyme
Carpark

DEVELOPMENT COSTS						
	Title	Units	Cost/Unit	Sum	Phase Totals	Scheme Total
Phase 1 - Acquisition Costs						
	Land			£1,000,000		
	Stamp Duty			£39,500		
	Legal Fees			£20,000		
	Planning Costs			£60,000		
	Structural Investigations			£109,100		
	Surveys			£30,000		
	CGIs			£20,000		
	Party Wall			£20,000		
	SI			£14,390		
	Measured Survey			£15,395		
	Discount DM Fee on Land (13%)			-£135,135		
	Build Legals			£50,000	£1,243,250	
Phase 1 - Construction Costs						
	Construction Costs			£26,745,000		
	Contingency			£1,337,250		
	New Homes Warranty			£277,500		
	Non-recoverable VAT			£33,300		
	Furniture Packs			£721,500		
	Incoming Services			£307,500		
	Amenity fit out			£400,000	£29,822,050	
Phase 1 - Professional Fees						
	Architect			£900,000		
	Structural Engineer			£134,550		
	M&E Engineer			£91,500		
	Landscape Architect			£29,212		
	Quantity Surveyor			£199,100		
	Project Manager			£115,180		
	Acoustician			£16,326		
	Principal Designer/CDM			£20,800		
	Sustainability			£36,600		
	Clerk of works			£80,235		
	Fire Engineer			£72,500		
	Building control			£50,000		
	Pagabo Fee			£329,113		
	DM Fee			£1,316,452		
	DM Bullet Payment			£2,962,017	£6,353,585	
						£37,418,885

MARKETING & LETTING COSTS						
	Title			Sum	Phase Totals	Scheme Total
Phase 1 - Marketing & Letting						
	Marketing			£100,000	£100,000	
						£100,000

TOTAL COST						£37,518,885
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NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

CORPORATE LEADERSHIP TEAM'S REPORT TO

18th March 2025

Report Title: UK Shared Prosperity Fund 2025/26

Submitted by: Deputy Chief Executive

Portfolios: One Council, People and Partnerships, and Finance, Town Centres and Growth

Ward(s) affected: All

<u>Purpose of the Report</u>	<u>Key Decision</u> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<p>To provide Cabinet with an overview of the successful delivery of the Shared Prosperity Fund (SPF) which runs until the end of March, to demonstrate the positive impact that the interventions have had and outline the proposed programme for 2025/26 as endorsed by the Newcastle SPF Board.</p>	
<p><u>Recommendation</u></p> <p>That Cabinet:</p> <ul style="list-style-type: none"> • Notes the delivery of the SPF programme and that the Deputy Chief Executive in conjunction with the Deputy Leader of the Council and Portfolio Holder - Finance, Town Centres and Growth is authorised to approve any under spend within the funding available. • Accepts any funding allocated as part of the UK Shared Prosperity Fund 2025/26 as the accountable body. • Continues to support the Newcastle SPF Board and supports the delivery of interventions in line with the national SPF programme and investment plan. • Authorises the Deputy Chief Executive in conjunction with the Deputy Leader of the Council and Portfolio Holder - Finance, Town Centres and Growth to: <ol style="list-style-type: none"> 1. Enter into any Grant Funding Agreements with the Government as required for the programme 2. Delivers with any amendments as necessary, the projects as required to meet the interventions; 3. To award contracts or Funding Agreements to deliver the range of projects to meet the interventions required • Receive further updates on the availability of future SPF or future investment programmes as announced by Government. 	

Reasons

The Council is the accountable body for the SPF programme and as such it is appropriate that the Cabinet reviews the progress of the current programme which ends on 31st March 2025 and endorses the programme for 2025/26 in line with the SPF Board recommendations.

1. Background

- 1.1** In April 2022 the Government launched the SPF programme for which Newcastle was allocated £4,836,174 to be spend by 31st March 2025. This funding included both revenue and capital elements and the payment of the year 3 funding was subject to successful implementation in the earlier period. Newcastle has been able to meet these financial requirements and met all the intervention requirements set out in the regular monitoring.
- 1.2** An effective Newcastle SPF Board has enabled the programme to deliver local priorities set out in the Investment Plan, to provide overview of delivery and decisions on changes and investment in new initiatives. Thus ensuring the grant funding available can deliver the maximum benefits.
- 1.3** The Appendix to this report outlines the progress and financial spend of the projects in the current SPF programme and those recommended for 2025/26 as considered and agreed by the Newcastle SPF Board.

2. Issues

2.1 2025/26 UKSPF Transition Year

- 2.1.1** On 13th December 2024 the UK government confirmed that Newcastle under Lyme will receive an additional year of SPF funding of £1,582,136 in 2025/26. £292,112 of this allocation must be used as capital.
- 2.1.2** The aim of this additional SPF ‘transition’ year is to provide a smooth transition from the existing SPF programme to a new, yet to be confirmed, future funding framework.
- 2.1.3** In the 2025/26 transition year Newcastle will continue to have some flexibility to invest across a range of activities that represent the right solutions for our area under the same three Investment Priorities. The number of SPF intervention types allowable within those priority areas have been refreshed and simplified in line with government’s missions. In scope for 2025/26 are interventions to: develop the visitor economy; improve high streets and town centres; provide advice and support to business, enterprise culture and start-ups; support for business sites and premises; supporting people to progress towards and into sustained employment; providing support for young people who are at risk of becoming NEET; and providing for essential skills and employment related skills.

2.1.4 As with previous years the transition year SPF allocation can be used for supporting interventions via grants to public or private organisations; commissioning third party organisations; procurement of service provision; or in-house provision. Also, as with previous years, no match funding is required to unlock an area’s allocation.

2.2 2025/26 Board Intervention Selection

2.2.1 Given lessons learnt managing the programme to date, it is critical in this transition year that interventions to be supported are agreed as quickly as possible to enable contracts to be extended or put in place and spend to commence immediately in the new financial year with confidence that all projects supported will be delivered in a single financial year.

2.2.2 To ensure broad alignment with the priorities set in the existing approved SPF Investment Plan, the Newcastle SPF Board recommended split of the allocation is set out below.

Investment Priority	Allocation for UKSPF £
Management and Administration	63,286
Communities and Place	137,643
Supporting Local Business	596,974
People and Skills	267,000
Total	1,064,903

2.2.3 The details of the individual projects are outlined in the Appendix to this report and shows the information presented to the Newcastle SPF Board.

In summary the **Interventions** are delivered through several projects. In the Communities and Place investment priority it follows two interlinked goals: supporting place, tourism and heritage; and supporting voluntary and community groups. Interventions along the Supporting Local Businesses investment priority have been primarily related to investment into growth and recruitment as well as building and improving technology and innovation with support for entrepreneurship activities and business startups. Finally, the People and Skills investment priority has focused on reducing the skills gap in the area and supporting people to move towards the labour market.

Across all the interventions delivered in Newcastle, a prominent activity is regular learning and development through bi-annual intervention forums which brings together all UKSPF interventions to discuss and reflect on developments, helping each other learn and adapt their offering.

Interventions within the **Communities and Place** investment priority are focussed on: Highlighting culture, heritage and arts. Creating capacity within local businesses and the Voluntary and Community and Social Enterprise

sector (VCSE) for delivery, specifically support for the homeless community and volunteer uptake.

Creating a suite of activities which build both civic pride and positivity about the borough, increasing the perception of NUL and encouraging visitors. Marketing of events and festivals on social media and other platforms. Refurbishment of community and neighbourhood buildings. Improvements to local green spaces enhances the aesthetic to the borough in the rural regions, including parks, upgrading the infrastructure for improvements in environment and sustainability.

Some specific examples of these activities include:

Honey Box – supports local musicians through free workshops and panel discussions led by industry professionals. It also offers training in sound engineering, lighting, and other technical roles through live-streamed performances and workshops.

The Community Connector programme – support individuals facing social isolation, mental health issues, or difficulties accessing services. It links residents with local resources, community groups, and support services, aiming to improve well-being and enhance social inclusion.

Homeless Hub – focuses on providing essential services and support to individuals facing homelessness. The hub offers a centralised location where individuals can access shelter, healthcare, and job training services, aiming to reintegrate them into society and reduce homelessness.

The **Supporting Local Businesses** priority is focused on bespoke support for the businesses in the visitor economy, digital and marketplace sectors within Newcastle under Lyme, The support provides:

Entrepreneurial support such as providing workshops and coaching, especially for sole traders. Providing support to match local skills to employment opportunities. Sustainability projects.

Examples of these interventions include:

The Enterprise Support Coaching: Provides tailored business coaching to local entrepreneurs and small businesses, helping them develop skills, access funding, and grow sustainably.

Flourish: Led by Keele University, this project supports small businesses, community groups, and nonprofits by connecting them with students and graduates who offer expertise in areas like sustainability, digital innovation, and business growth.

Moving Ahead: Focuses on fostering innovation by supporting businesses ready to engage in research and development. It encourages collaboration through an Innovation Network, driving local economic growth.

Technical Innovation Upskilling Support: This project helps businesses and individuals gain advanced technical skills, particularly in areas like digital innovation, to enhance competitiveness and employment opportunities.

Growth Hub: A resource hub providing support to local businesses, offering guidance on growth strategies, funding, and collaboration opportunities, aligning with the UKSPF's goal of fostering local economic development.

The **People and Skills** interventions aim to support people to move towards employment, especially those that are economically inactive. The package of interventions also covers employment experience and training to address local

skills gaps. Interventions also include skills and training aimed at reducing worklessness, and improving digital skills in the population, and developing green skills.

Newcastle College Technical Innovation - Through consultation with employers, design and deliver a series of short, non-qualification technical training programmes focussed on innovation and new & emerging technologies. Priority sectors will focus on advanced manufacturing, technical construction and digital. Programmes will be focussed at notionally higher levels to drive productivity and innovation.

Staffordshire County Council Growth Hub- Providing training on Marketing, social media and accountancy including support grant advice for Businesses.

3 Recommendation

3.1 That Cabinet:

Notes the delivery of the SPF programme and that the Deputy Chief Executive in conjunction with the Deputy Leader of the Council and Portfolio Holder - Finance, Town Centres and Growth is authorised to approve any under spend within the funding available .

3.2 Accepts any funding allocated as part of the UK Shared Prosperity Fund 2025/26 as the accountable body.

3.3 Continues to support the Newcastle SPF Board and supports the delivery of interventions in line with the national SPF programme and investment plan.

3.4 Authorises the Deputy Chief Executive in conjunction with the Deputy Leader of the Council and Portfolio Holder - Finance, Town Centres and Growth to:

- Enter into any Grant Funding Agreements with the Government as required for the programme
- Delivers with any amendments as necessary, the projects as required to meet the interventions;
- To award contracts or Funding Agreements to deliver the range of projects to meet the interventions required

3.5 Receive further updates on the availability of future SPF or future investment programmes as announced by Government.

4 Reasons

4.1 The delivery of the SPF programme to date has been very successful and has enabled a wide range of projects to be completed helping a diverse range of residents and businesses. The allocations for 2025/26 were considered by the Newcastle SPF Board on 19th February, they reviewed the previously delivered projects and those proposed going forward. As the Accountable Body it is appropriate to support the Board and their recommendations.

- 4.2 If Cabinet did not wish to support the Board then the Council would have to call another Board meeting stating the reasons and what aspects needed to be considered further.
- 4.3 Authorisation to the Deputy Chief Executive in consultation with the portfolio holder enables the Council and Board to deliver an efficient and effective programme.

5 Options Considered

- 5.1 Dividing the transition year allocation between the three in-scope Investment Priorities in different proportions to those in the approved Investment Plan has been considered but given that the Investment Plan was developed with input from the Newcastle SPF board this is considered unwise without further extensive stakeholder engagement which would take time and delay spend.
- 5.2 Not agreeing any interventions to be supported at this stage has been considered but many of the interventions identified for receipt of funds at this stage need certainty whether they can continue into the next financial year. Contracts need to be extended to allow this to happen, and any delay could result in loss of continuity with ongoing initiatives, with likely reputational risk to the Council.
- 5.3 Not seeking delegated authority has been considered but experience gained in managing the first three years of UKSPF has highlighted that effective officer delegation is vital to effective management of this kind of fund. Without this delegation, there is a significantly increased risk of underspend and funds having to be passed back to UK government with reduced outputs and outcomes for residents and business in Newcastle under Lyme.
- 5.4 The option of launching an external call out for projects for all or remaining funding has been considered as occurred for the original three-year fund. This process took several months and involved the appointment of external specialist resource, development of proformas, launch of call out, period for project formulation and submission and assessment of submissions, together with further delegated decisions. Given that the newly confirmed funding is only available for a single year, to embark on a similar route would significantly reduce the period for delivery and significantly increase the risk of underspend.

6 Legal and Statutory Implications

- 6.1 Legal Services will continue to support in terms of addressing any issues arising out of management the Newcastle SPF programme and more particularly reviewing the terms and conditions of any funding allocated to third parties. It should be noted that when the Council allocates UKSPF funding to third parties, it will act as the “accountable body” in relation to any given project. In addition to reporting and monitoring responsibilities, a detailed assessment will need to be made about whether any intended activity constitutes a subsidy to potential recipients of the funding, and any specific measures that will be taken to make sure the subsidy is permitted in accordance with Government guidance on subsidy control.

7 Equality Impact Assessment

- 7.1 The UKSPF Programme does not have an Equality Impact Assessment (EIA). Some interventions already will have or will need individual EIAs, which will be picked up as funds are awarded to individual projects.

8 Financial and Resource Implications

- 8.1 The 2025/26 allocation has been confirmed by MHCLG as £1,582,136 with a maximum £292,112 to be utilised as capital. The allocations have been calculated centrally using set formula.
- 8.2 Up to 4% of the allocation can be used to cover the management and administration of the fund. This will allow the Authority to recover the costs incurred to manage and administer what can be a complex and time-consuming fund.
- 8.3 As this is a one-year transition allocation, all spend needs to be completed in the 2025/26 financial year. Therefore, it is imperative that the projects are identified and mobilised in advance to allow spend to commence on 1 April 2025. As this point, we do not envisage being able to carry forward unspent funding into 2026/27 and beyond. This is consistent with the 2022/25 programme where any underspend by March 2025 would need to be returned to government.
- 8.4 The management of the fund necessitates a level of agility and flexibility to make swift decisions and reallocate underspends in a timely manner so as to maximise the benefit to Newcastle under Lyme and its residents. Further allocations to successful projects would be determined by the Service Director - Commercial Delivery.
- 8.5 There is no requirement for match funding.
- 8.6 It has not yet been confirmed how the funding will be drawn down. An updated Memorandum of Understanding, and grant determination letter, including a payment schedule is due to be received at the start of the 2025/26 financial year.

9 Major Risks & Mitigation

- 9.1 A detailed risk register exists for the current SPF Programme. This will be maintained into the transition year of the fund and will be reviewed regularly as a key aspect of governance controls.
- 9.2 Risk of non-delivery and underspend will be heavily weighted in selecting interventions. Requested delegations are essential to enable swift decision making and mitigate risk of underspend.

10 UN Sustainable Development Goals (UNSDG)



10.1 There are opportunities to help tackle the climate change emergency through a range of interventions recommended and this will be considered a key priority informing how interventions are designed and delivered.

11 One Council

11.1 Please confirm that consideration has been given to the following programmes of work:

One Commercial Council

SPF funding has been used to support the commercialisation of our services at the museum and J2. By supporting the development of new services in these facilities it enables more residents to benefit and enjoy our Borough.

One Digital Council

SPF funding has not been used to directly support this programme.

One Green Council

The SPF programme has supported a range of green projects including improvements to parks and planting of trees to support our Corporate objectives and sustainability goals.

12 Key Decision Information

12.1 This is a key decision as it affects more than 2 wards and the allocation of funding.

13 Earlier Cabinet/Committee Resolutions

13.1 Cabinet 18 October 2022 UK Shared Prosperity Fund Contract Award [Agenda for Cabinet on Tuesday, 18th October, 2022, 2.00 pm – Newcastle-under-Lyme Borough Council](#)

14 List of Appendices

14.1 Appendix – SPF Board 19th February 2025.

15 Background Papers

15.1 None

SPF Appendix – SPF Board report 19th February 2025

History

Newcastle-under-Lyme has received just over £4.8 million of core UKSPF budget, which has been allocated across the three investment priorities: Communities and Place (£2.3m), Supporting Local Business (£1.9m), and People and Skills (£0.4m). Since commencement of the programme there has been a slight amendment in that the priorities for People & Skills moved from year 3 only to Year 2 & 3 if money not allocated. The basis of the grant funding has not changed and at local level we have delivered on the outcomes and outputs requested and, in some areas, exceeded expectations as per previous board updates.

The first phase has seen the following investments through our original grant offer:

Project code	Projects Names	Total allocated Grant
Communities and Place		
SP01	CML Community Hubs	£ 6,000.00
SP02	Newcastle 850 Anniversary	£ 15,766.94
SP03	Nature and Wellbeing	£ 20,417.16
SP04	Canal Connectivity	£ 106,233.84
SP05	Clough Hall Park enhancements	£ 234,110.00
SP07	Outreach Mental Health Worker	£ 88,000.00
SP08	Nature Recovery in Urban spaces	£ 250,000.00
SP09	Epicentre for Circus - Philip Astley Project (PAP)	£ 99,997.00
SP10	Homelessness Hub	£ 1,225,510.00
SP22	Beat The Street	£ 20,047.50
SP24	New Vic Theatre - 850 Event	£ 10,000.00
SP25	Kidsgrove Workshop	£ 108,469.18
SP26	Community Connector	£ 67,000.00
SP27	Promotional Videos & Photos	£ 25,000.00
SP29	Honeybox	£ 55,000.06
		£ 2,331,551.68
Supporting local business		
SP11	Volunteering for all in Newcastle	£ 72,450.60
SP12	Discharge Officer	£ 88,000.00
SP13	BES Enterprise Coaching	£ 82,220.23
SP14	Kidsgrove Town Hall repurposing	£ 259,990.58
SP15	Security Marshalls	£ 32,615.75
SP16	Flourishing Keele (KU)	£ 466,320.00
SP17	Moving Ahead (KU)	£ 277,111.90

SP18	Advanced Digital Technologies innovation accelerator (SU)	£ 408,830.00
SP20	Chamber Growth Hub	£ 27,653.00
SP23	Brampton Wedding Venue	£ 43,561.40
SP30	Work innovation conference	£ 21,000.00
SP31	Newcastle Community Connects	£ 54,999.95
SP32	Feasted	£ 44,990.00
SP33	Newcastle Borough Business Connects	£ 8,920.00
SP35	Brampton Business Development	£ 10,500.00
		£ 1,899,163.41
People and skills		
SP21	NSCG Technical Innovation upskilling support	£ 159,153.00
SP28	EEE4 Disadvantaged Upskill Project	£ 28,000.00
SP34	NULBC Green Projects	£ 166,500.74
		£ 353,653.74
Project Management		
SPPM	NULBC Administration and costs	£ 193,755.00
	Subtotal	
	Contingency	£ 58,050.17
	Total UKSPF Grant	£ 4,836,174

*See appendix A for monitoring.

Going forward into 25/26 financial year:

The Borough Council has been allocated a total sum off £1,582,136 which is made up of capital £292,112 & Revenue £1,290,024 this means that the grant funding has seen an approximate reduction of 60% on the year 3 entitlement which the figure was based on. This means that the decision for the next interim year needs to take this into account when allocating grants.

Themes

The programme continues with the previously set priorities and but has streamlined the list of outcomes and outputs for UKSPF delivery in 2025-26.

- The **Communities and Place** investment priority focuses on supporting place and aiding voluntary and community groups.
- Under the Supporting **Local Businesses** investment priority, interventions have primarily focussed on innovation and startup advice for local businesses, as well as support for entrepreneurship activities and business startups.

- The **People and Skills** investment priority has to concentrate on reducing the skills gap in the area and helping individuals move towards the labour market.

The aim of this additional UKSPF ‘transition’ year is to provide a smooth transition from the existing UKSPF programme to a new, yet to be confirmed, future funding framework.



Proposed projects 2025/26.

Reasoning for approval.

Funding 2025/26 - MHCLG statement:

As announced at Autumn Budget on 30 October, the UK Shared Prosperity Fund will be extended for 2025-26 at a reduced level of £900 million. This equates to a 60% reduction on current year 3 grant allocations. The initial three-year UKSPF allocation has been challenging to manage with multiple uncertainties around annual allocations, treatment of underspend and involvement of multiple agencies. With a single year to allocate and spend the additional funding, there is a need to swiftly agree how the funding should be utilised and to put in place arrangement to allow effective fund management to continue.

To undertake an external call out for projects and then fairly and transparently assess those on a competitive basis takes considerable resource and time. It is considered impractical to repeat the kind of external call out for intervention proposals which occurred for the initial three-year programme, assess submissions on a competitive basis and then allocate funds and expect delivery, all within a twelve-month period. A more streamlined approach is necessary to mitigate risk of underspend.

Due to these circumstances, we would ask the board to accept that as part of the development of the initial UKSPF Investment Plan Stakeholders were engaged to capture ideas and suggestions of

where support could provide most impact. Interventions to be supported would be aligned to the Investment priorities agreed in the approved Investment Plan. New project ideas have been designed on needs throughout the initial funding and through learning of need with partners. It is also recommended that these move forward due to the limited timeframe for spend in the transition year.

The projects proposed below are recommended due to the current delivery outcomes being achieved and with the enhanced partnerships created through regular interactions and reviews. The ongoing projects listed are managed through current governance and review which includes monthly project leads meetings.

Throughout the 3 years our project forum group which has consisted of 35 project leads has shown great collaboration and shared knowledge which again is a driver to continue these relationships within the projects listed below.

Capital

1. Homeless Hub £292,112

Further development of the building is required to make it accessible for the customers.

Revenue

1. Volunteering for All in Newcastle - Proposed grant £16,000

The original project suffered with a volunteer lead being off sick so temporary cover has meant limited delivery. The new project is looking at utilising 2 new staff members and looking to attend several partnership meetings. The ambition is to drive volunteering placement and create work experiences and confidence. The post holder will show empathy and knowledgeable with access to a wide range of volunteering opportunities as well as showing an interest in their aspirations. This project will enable and facilitate recruitment, policy and placement.

2. Discharge Officer – proposed grant £45,343

Hospital discharge or prison release and often-present significant challenges due to accessibility or exclusions meaning quick solutions are not available. A dedicated officer was appointed in April 23 and given a 3 year contract so commitment required. The project has seen case load remain steady with consistent positive support and recognition.

3. Outreach Mental Health Worker: Proposed grant £45,343

This post has been operational since the 1st April 23 with an outcome of engaging with Individuals who are rough sleeping or at risk of it, often have complex presentations, including serious mental illness, substance misuse, learning disabilities, adverse traumatic experiences, and they are often suspicious of formality and offers of support. The project continues to work with challenging clients and has some successes in terms of small steps to normality.

4. Business Enterprise Coaching in Newcastle: proposed grant £32,898

The Enterprise Coach project started in January 2023 with self-starters being encouraged to advance their “side hustle” service. The coach will look at self-employment career establishment and needs. The SFEDI accredited Enterprise Coach will work in conjunction with the newly established Start up Hub information points which are located at each library in the Borough. The information point will make available current information on all aspects of starting a business including information on other

general support in the area. This project is supporting the many residents in the deprived communities through their business plans helping them to start viable businesses.

5. Philip Astley Project: proposed grant £29,999

This project remains a presence on the high street but has struggled to utilise the business development plan and instead engaged in a marketing consultant which has included funding for equipment and activities. The forthcoming year will need to focus on growth and sustainability and would recommend it is a business development role now the marketing consultant has received over 12 months pump prime funding.

6. Newcastle College Technical Innovation: proposed grant £36,000

This project has not progressed as expected and struggled to meet full consultation with employers. Meaning the design and deliver a series of short, non-qualification technical training programmes focussed on innovation and new & emerging technologies only. Priority sectors going forward needs to look at advanced manufacturing, technical construction and digital along with retail and health & wellbeing.

7. SSLEP Growth Hub: £15,194

The Growth Hub now under Staffordshire County Council leadership acts as the core of a wider network of business support through its relationship with all other Staffordshire networks across public and private sector business support providers. This focal point role allows the Growth Hub to facilitate sharing of best practice and alignment of individual programmes and will also provide a means of gathering intelligence on future business support needs to influence future programme design, and bidding for future funding. Since the launch of the UKSPF the Growth Hub has undergone several discussions with regards its direction of support but with a year under new management then a recommendation to support the business help and growth would be welcomed.

8. Staffordshire University advanced digital technology & innovation £123,140

This project wishes to stimulate development of the adoption of the digital and advanced technologies in business. The university will support companies over the period of 12-weeks through dedicated innovation advisors, academics, innovation consultants from the university. The main focus is on diffusion of innovation, stimulating R&D and innovation and move towards digital and advanced technologies such as AI, VR, robotics, 3D print and overall Industry, including the manufacturing, digital, services, transport and logistics and others; alignment with MADE Smarter. The past 2 years has seen over 20 businesses develop their technology and workforce due to this project and will continue to deliver these services.

9. Moving Ahead Keele University: £81,618

The project's primary interventions are look at increasing investment in research and development at the local level. Investment to support the diffusion of innovation knowledge and activities. Support the commercialisation of ideas, encouraging collaboration and accelerating the path to market so that more ideas translate into industrial and commercial practices. Strengthening local entrepreneurial ecosystems and supporting businesses at all stages of their development to start, sustain, grow and innovate, including through local networks. The project has provided elements of the evidence-base essential to Intervention.

10. Flourishing Keele: £140,984

This project has enabled Keele students and graduates to work with businesses, not-for-profits and communities in Newcastle-under-Lyme, creating new jobs, encouraging graduates to stay in the area and delivering social and economic benefits through its projects. The project will contribute to the revitalisation of Newcastle-under-Lyme town centre with much of this activity due in the new Digital

Society Centre in the town centre, existing premises to be converted with support from the Town Deal Fund.

The project delivers over these key areas:

- Digital Society and Economy
- Sustainability
- SME innovation
- Access to Justice
- Culture and Creativity
- Entrepreneurship

The project is very successful with continued development based on learning from delivery.

11. Brampton Business Development: £6,300

The Museum has seen previous investment with regards internal art exhibitions structures and space for community usage. The facility has had external decoration to support the preservation of the Borough's heritage and tourist venue. It has also had investment in equipment internally ensuring a central venue for community led arts and creative programmes. Equally, the venue has the potential to be used for business and other family events creating growth in business and employment. The project will be enhanced with further business development funding.

12. Community Connector: £19,800

The post holder has delivered from the Workshop in Newcastle Town and recently been delivering from Kildgrove Customer service Hub (recently refurbished through UKSPF). They act as a key employment and skills specialist within the community for residents. The current claimant rates are particularly high so the use of referrals to this service helps employability and digital skills teams, or other partners, to support them in moving forward. This role will ensure that participants are better skilled, more confident, ready for employment, and meet the needs of local businesses. The continuation of this post ensures utilisation of the Workshop as a venue and increases support for the employment and skills group.

13. HoneyBox: £27,500

This project has gone from strength to strength with many artists benefiting from the time and advice provided. It has developed relationships within the local creative industries and allowed trends to be tracked. This project has evolved as information and intelligence has been gathered. Recent developments have seen an outdoor session and the project has been taken out of the area so artists get to travel and promote NUL. The continued funding will enable a more detailed outlook on the music scene and the needs of the artists including the development of a platform for networking.

14. Promotional work: £15,000

The delivery of marketing and promotional videos has been really important, as the portfolio of work undertaken has managed to be captured and with limited internal mechanisms the external options allow for greater publicity and evaluation processes. They have managed to capture the work being undertaken and it has been progression through press releases and marketing materials which help to promote these events. This dedicated resource helps us to work with partners to enable positives messages.

15. Work innovation Festival: £20,000

This year we see the opportunity to celebrate and acknowledge the economic opportunities within the Borough, we are also using the festival to promote the businesses we have supported and more

importantly express the needs for skills and job recruitment. Each year we will learn and evolve this project to ensure we achieve the overall outcomes.

16. Business Community Connects: £16,500

This project has seen over 24 business sessions which have had guest speakers talking about start-ups through to town deal regeneration and many more topics. The data that is captured enables us to register the small businesses who cannot afford more member led organisations and allows us to show support for those with limited people resource. The project helps to build up a local community network and hub for knowledge transfer and peer to peer support.

17. Cultural Offer: £85,000

This is a new proposal which involves the employment of a Cultural resource enhancing the activity around the Borough with special events and activities and create a mechanism for engagement within departmental teams internal and externally. The Business infrastructure will see the benefit from engagement and promotion to increased long term economic investment.

18. Beauhurst Database: £10,000

The database has been used to establish a business baseline and also to investigate registered business integrity when applying or showing an interest in grant funding. The database gives us multiple information datasets for use across the area including cross referencing business registrations.

19. Training Academy: £60,000

A **new** project which has been designed on the basis of Business engagement which has referenced the need for help with bespoke training and with the potential of developing a supported apprenticeships programme. This will enable growth and the upskilling of a workforce especially in the different sectors where recruitment has been harder.

20. Digital initiative and artificial intelligence: £50,000

A **new** project which will link with the full fibre roll out within the Town deal funding as we see the opportunity to grow the proposed community hub model by upskilling and digital cohesion a priority for the residents and employees in localities.

21. Health initiative: £50,000

A **new** project which is looking at working with J2 and the DWP as we bring in a programme which enhances physical activity for those registered as economical inactive and those on long term sickness within the local business industry. The project will engage with employers and DWP to design and recruit and retain programme of physical activity.

22. Homecoming: £15,000

The homecoming is a traditional event now led by the BID team delivering a thrilling day of outdoor circus taking place right in the Newcastle Town promoting the modern circus. The Homecoming was born from a desire to bring the circus back to Astley's home town with a day of outdoor performance by artists from the UK and around the world springing up throughout the town centre. From traditional and contemporary circus to dance, theatre and more, a joy-filled celebration of a local legend.

23. Natural Environment Project: £50,000

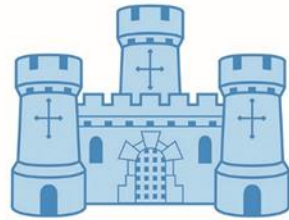
This **new** project wishes to work with the Brilliant Bamboo Project CiC ([Brilliant Bamboo](#)) this project is about developing a teaching and learning window for the use of Bamboo a very sustainable

building material which can be utilised in many ways. The key to this successful project is the working relationship with grounds maintenance and sustainable teams.

Summary:

The proposed revenue projects total is £1,058,900.99 with a revenue contingency of £231,123.01.

Recommendation that the board accepts the projects above and UKSPF lead is allowed to progress. The next phase being that project leads are asked to submit a projects continuation plan and the UKSPF lead is given permission to progress to grant stage if meets Government themes.



NEWCASTLE·UNDER·LYME
BOROUGH COUNCIL

Cabinet Forward Plan: Newcastle under Lyme Borough Council

Notice of Key Decisions to be taken under the Local Authorities (Executive Arrangements) (Meetings & Access to Information) (England) Regulations 2012 between 1 March 2025 and 30 June 2025

This plan gives notice of decisions that [Cabinet](#) is expecting to take over the next few months. It also gives, except in cases of urgency, at least 28 days notice of all “Key Decisions” that will be taken “Key Decisions” are decisions about “executive” functions that will:-

- A) result in the Council incurring expenditure or making savings of an amount which is significant having regard to the Council’s budget for the service or the function to which the decision relates. (NB: The financial threshold above which expenditure or savings become significant has been set by the Council at £100,000 Revenue and £250,000 Capital Expenditure); and/or
- B) be significant in terms of its effects on communities living or working in an area comprising two or more wards of the Borough.

We have to take some Cabinet decisions in private because they deal with confidential or “exempt” information. That is information described in one or more of the following categories set out in Schedule 12A of the Local Government Act 1972.

1. Information relating to any individual
2. Information which is likely to reveal the identity of an individual
3. Information relating to the financial or business affairs of any particular person (including the authority holding that information).
4. Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under the authority
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
6. Information which reveals an authority proposes;

- a. to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or
 b. to make an order or direction under any enactment
7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of a crime

If we intend to take a decision in private, we will tell you why in the plan below. If you disagree with our reasons, you can tell us why using the contact details below. We will respond to you directly and will publish our response in the meeting agenda. If we have published the meeting agenda before we can respond, we will respond verbally at the meeting and record the response in the minutes.

You can find more information about Cabinet, Cabinet Members and their portfolios, agendas, reports and minutes [here](#).

More information on Cabinet procedures, executive functions, Key Decisions, urgent decisions and access to information is available in our [Constitution](#).

For all enquiries, please contact Democratic Services, Castle House, Barracks Road, Newcastle-under-Lyme, Staffordshire ST5 1BL.
 Telephone – 01782 742222 / Email – DemocraticServices@newcastle-staffs.gov.uk

Report Title	Description	Portfolio	Intended Decision Taker and Date	Overview & Scrutiny Committee	Wards Affected	Reason for Determining in Private Session (if Applicable)	Key Decision
Walleys Quarry Odour Update	To consider a report on odour issues at Walleys Quarry	Cabinet Portfolio Holder - One Council, People and Partnerships	Cabinet 18 March 2025	Health, Wellbeing and Environment	All Wards	N/A	No
CCTV in Newcastle Town Centre - Contract Renewal	To consider a report on CCTV in Newcastle Town Centre - Contract Renewal	Cabinet Portfolio Holder - Community Safety and Wellbeing	Cabinet 18 March 2025	Health, Wellbeing and Environment	Town	3 Information relating to the financial or business affairs of any particular person (including the authority)	Yes

Report Title	Description	Portfolio	Intended Decision Taker and Date	Overview & Scrutiny Committee	Wards Affected	Reason for Determining in Private Session (if Applicable)	
						holding that information)	
Contract Award for Astley Place	To consider a report on the Contract Award for Astley Place	Cabinet Portfolio Holder - Finance, Town Centres and Growth	Cabinet 18 March 2025	Finance, Assets and Performance, Economy and Place	Town	N/A	Yes
Contract Award for Ryecroft	To consider a report on the Contract Award for Ryecroft	Cabinet Portfolio Holder - Finance, Town Centres and Growth	Cabinet 18 March 2025	Finance, Assets and Performance, Economy and Place	Town	N/A	Yes
Contract Award for Midway Car Park	To consider a report on the Contract Award for Midway Car Park	Cabinet Portfolio Holder - Finance, Town Centres and Growth	Cabinet 18 March 2025	Finance, Assets and Performance, Economy and Place	Town	N/A	Yes
UK Shared Prosperity Fund 2025/26	To consider a report on the UK Shared Prosperity Fund 2025/26	Cabinet Portfolio Holder - Finance, Town Centres and Growth	Cabinet 18 March 2025	Economy and Place	All Wards	N/A	Yes
Expansion of Recycling Materials collected to include Flexible Plastics and Cartons	To consider a report on the expansion of recycling materials collected to include flexible plastics and cartons	Cabinet Portfolio Holder - Sustainable Environment	Cabinet 18 March 2025	Health, Wellbeing and Environment	All Wards	N/A	Yes

Report Title	Description	Portfolio	Intended Decision Taker and Date	Overview & Scrutiny Committee	Wards Affected	Reason for Determining in Private Session (if Applicable)	
Creation of a Countryside Park on the Former Keele Golf Course	To consider a report on the Creation of a Countryside Park on the Former Keele Golf Course	Cabinet Portfolio Holder - Sustainable Environment, Cabinet Portfolio Holder - Strategic Planning	Cabinet 18 March 2025	Health, Wellbeing and Environment	Keele	N/A	No
Football Foundation Home Advantage Programme	To consider a report on the Football Foundation Home Advantage Programme	Cabinet Portfolio Holder - Leisure, Culture & Heritage	Cabinet 6 May 2025	Health, Wellbeing and Environment	All Wards	N/A	Yes
Walleys Quarry Odour Update	To consider a report on the Walleys Quarry Odour Update	Cabinet Portfolio Holder - One Council, People and Partnerships	Cabinet 6 May 2025	Health, Wellbeing and Environment	All Wards	N/A	Yes
Carbon Capture Sites Update	To consider a report on the Carbon Capture Sites update	Cabinet Portfolio Holder - Sustainable Environment	Cabinet 6 May 2025	Health, Wellbeing and Environment	All Wards	N/A	Yes
Irrecoverable Items 2024/25	To consider a report on Irrecoverable Items 2024/25	Cabinet Portfolio Holder - Finance, Town Centres and Growth	Cabinet 6 May 2025	Finance, Assets and Performance	All Wards	3 Information relating to the financial or business affairs of any particular person (including the authority	Yes

Report Title	Description	Portfolio	Intended Decision Taker and Date	Overview & Scrutiny Committee	Wards Affected	Reason for Determining in Private Session (if Applicable)	
						holding that information)	
Walleys Quarry Odour Update	To consider a report on the Walleys Quarry Odour issues	Cabinet Portfolio Holder - One Council, People and Partnerships	Cabinet 3 June 2025	Health, Wellbeing and Environment	All Wards	N/A	Yes
Kidsgrove Town Board Award award for the Shared Service Hub Development	To consider a report on the Kidsgrove Town Board Award award for the Shared Service Hub Development	Cabinet Portfolio Holder - Finance, Town Centres and Growth	Cabinet 3 June 2025	Economy and Place	Kidsgrove & Ravenscliffe	3 Information relating to the financial or business affairs of any particular person (including the authority holding that information)	Yes

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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