

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

EXECUTIVE MANAGEMENT TEAM'S REPORT TO

Cabinet
21 April 2021

Report Title: Newcastle Town Centre Future High Street Fund Award

Submitted by: Executive Director – Commercial Development and Economic Growth

Portfolios: Corporate & Service Improvement, People & Partnerships

Ward(s) affected: Town

Purpose of the Report

To update Cabinet on the Newcastle Town Centre Future High Street Fund submission and subsequent award of the grant, to seek Cabinet approval to accept the grant and to move projects into the delivery stage by the council.

Recommendation

That

1. That Cabinet accepts the Ministry of Housing Communities and Local Government Future High Street Fund grant of £11,048,260.00.
2. The Cabinet accepts the scheme of projects that this grant amount will fund.
3. The Cabinet approves £3.5m of match funding towards the scheme of projects.
4. That the Executive Director Commercial Development and Economic Growth is authorised to work with the Leader of the Council to deliver the projects as set out within the grant award.

Reasons

To pursue a healthy future for Newcastle town centre as the heart of economic and community life in the Borough whilst ensuring that funding opportunities are maximised in achieving Council Plan objectives.

1. **Background**

- 1.1 In December 2018 the Ministry of Housing Communities and Local Government (MHCLG) announced the Future High Street Fund opportunity, which led to the Council expressing interest and subsequently being invited in August 2019 to make an application for the fund.
- 1.2 The Stage Two bid for the Future High Street Fund was a submission of a Business Case for Newcastle town centre in the summer of 2020 for the amount of £15,983,324.31.
- 1.3 In December 2020 MHCLG confirmed to the Council that its business case submission had been successful but that due to over demand across the programme the grant was to be top sliced and 69% of the application (£11,048,260.00) was therefore approved for Newcastle town centre. There was then a requirement for the Council to reconfirm back to MHCLG that the reduced grant offer was acceptable and how reduced funds would impact on the original application / projects.
- 1.4 In January 2021 the Council submitted confirmation of its acceptance of the reduced grant of £11,048,260.00 and that it would remove the Midway Car Park demolition from the programme of projects and reduce the expenditure on public

realm improvements, whilst maintaining the original allocations for the other programme projects on the Ryecroft and High Street locations.

1.5 Key projects to be delivered through the bid are:

- Demolition of the former Civic Offices building at Ryecroft to start as soon as possible following acceptance of the bid.
- Redevelopment of the Ryecroft site as a key strategic anchor for the town, with a mix of employment and residential uses.
- Development of a new multi-storey car park at Ryecroft paving the way for the demolition of the existing multi-storey car park at the Midway.
- Improvements to the market area to support a more vibrant market and performance space.
- Improving a key area of upper High Street to improve connectivity between the Ryecroft area and core town centre whilst generating activity and footfall in surrounding buildings.
- New pedestrian wayfinding around the town centre to aid navigation between key sites in and around the town centre.

2. **Proposal**

2.1 That Cabinet notes and approves the key elements of the Future High Street Fund Grant Award in the amount of £11,048,260.00.

2.2 That the Executive Director Commercial Development and Economic Growth is authorised to work with the Leader of the Council to deliver the projects as set out within the grant award.

3. **Reasons for Proposed Solution**

3.1 To use this Government funding opportunity to support delivery of Council Plan objectives.

3.2 To uplift the status of Newcastle town centre as the heart of economic, social and community life in the Borough.

4. **Options Considered**

4.1 The Future High Street Fund opportunity is significant for Newcastle town centre. To attract the investment on offer the Council needs to accept the grant funding. If this is refused then an opportunity to use this external funding opportunity to support delivery of Council Plan objectives will be missed.

4.2 Should the Council chose not to pursue this funding opportunity then it would be in a position of needing to attract substantial funding from other sources to deliver the key elements proposed in the funding bid. This would not be in line with Council Plan objectives or the powers given to Local Authorities to promote the economic, social and environmental wellbeing of their areas.

5. **Legal and Statutory Implications**

6.1 The Local Government Act 2000 gives local authorities the powers to promote the economic, social and environmental well-being of their areas.

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**

8.1 The Future High Street Funding bid represents the opportunity to attract in the region of £11m external funding to Newcastle town centre from the Future High Street Fund. It is anticipated that activities proposed in the bid will generate additional funding from other sources such as the private sector.

8.2 In order to complete the scheme of projects within the Future High Street Funding bid, the Council will be required to provide £3.5m match funding. The match funding will be provided through phased payments over a three year period and will initially be funded via capital receipts. The establishment of a Revolving Investment Fund was approved by Cabinet in October 2019 as part of the Commercial Strategy which will be funded by capital receipts and prudential borrowing. This fund will be used to provide the match funding in years two and three.

8.3 It is anticipated that the Council will use some of its land and assets to support delivery of the Future High Street Fund. This may require re-alignment of existing commitments within the Council's capital programme and investment in line with the Council's previously agreed Commercial Investment Strategy.

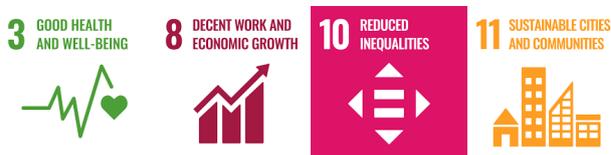
9. **Major Risks**

9.1 A full programme risk assessment is presented in the detail of the bid.

9.2 Should the grant not be accepted then the Council loses an opportunity for significant investment in Newcastle town centre.

10. **UN Sustainable Development Goals and Climate Change Implications**

10.1 This funding is intended to enable the wide scale regeneration of a redundant site and associated areas within the Town Centre bringing with it sustainability improvements, regeneration and economic benefits as well as social and health. In that respect, the project supports the realisation of the following UNSDG objectives:-



11. **Key Decision Information**

11.1 Activities within the Future High Street Fund programme are within the Town Ward although the benefits will be enjoyed by residents from a wider area of the Borough.

11.2 The Council will be re-shaping land within its ownership for a more productive use however this will require some expenditure in line with the Council's previously approved Commercial Investment Strategy.

12. **Earlier Cabinet/Committee Resolutions**

12.1 16 October 2019, Cabinet concerning development of the second stage FHSF bid and procurement of consultancy support.

12.2 December 2019, Economy Environment & Place Overview and Scrutiny Committee
Town Centre Funding Update (information item)

12.3 July 2020, Cabinet concerning approval for submission of bid into MHCLG

13. **List of Appendices**

13.1 None

14. **Background Papers**

14.1 None