

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

**EXECUTIVE MANAGEMENT TEAM'S
REPORT TO**

Cabinet
10 January 2023

Report Title: Progress report on the York Place project

Submitted by: Executive Director Development Growth

Portfolios: Finance, Town Centres and Growth

Ward(s) affected: Town

Purpose of the Report

To provide an update on progress made on the York Place project and support further review options for delivery.

Recommendation

That Cabinet

- 1. Notes the progress made on the York Place project, including the submission of the planning application and the timescales for demolition.**
- 2. Authorises the Executive Director – Development and Growth, in consultation with the Portfolio Holder, Finance, Town Centres and Growth to further review options for the delivery for York Place.**
- 3. Note that a further Cabinet Report will be presented prior to any contracts being let for the delivery phase of the York Place project once planning permission is granted and financial aspects of the project have been finalised.**

Reasons

The Council has secured £11m from DLUHC (Department of Levelling up and Housing Communities) from the Future High Street Fund for the redevelopment of the Council owned Ryecroft site and further improvements to the Town Centre, including York Place.

The Council acquired York Place in March 2021 and appointed Willmott Dixon as Design and Build Contractor and it is appropriate to update Cabinet on progress to date and to further review options and plan for the next stage of investment in this project.

This project is a key step in the key Town Centre developments that are planned through the Future High Street Fund and Town Deal grant monies.

1. Background

- 1.1** In December 2020 MHCLG (now DLUHC) confirmed to the Council that its Future High Street Fund business case submission had been successful and that £11,048,260.00 was approved for Newcastle town centre. In January 2021 the Council submitted confirmation of its

acceptance of the grant and detailed that the funding would be used to secure the demolition of the former Civic Offices, design and build a new multi storey car park, procure York Place and undertake public realm works.

- 1.2 In April 2021 the Council agreed to accept the grant offer and funding agreements were signed. A total of £3,015,218 was allocated to York Place to fund the acquisition of the existing complex, relocation of existing tenants and subsequent demolition works.
- 1.3 As York Place is within a Conservation Area a full planning application for a replacement development needs to be submitted and approved before demolition of the existing complex can take place.
- 1.4 The York Place complex was purchased by the Council March 2022 and in April 2022 Willmott Dixon were appointed as Design and Build Contractors following a procurement exercise to develop a new scheme, submit a planning application and provide a cost plan for the development.

2. **Update**

- 2.1 Since April 2022 the Council have been working closely with Willmott Dixon and their design team to develop proposals for the site.
- 2.2 A RIBA Stage 2 report was issued in September 2022 with a RIBA Stage 3 report following in November 2022. Throughout this period pre-application discussions have been held with NuLBC Planners and SCC Highways. The scheme has been presented to Design Midlands review panel and SPCG and was displayed in Newcastle Library during the last week in November 2022 with feedback/comments forms available to complete or submit via e-mail. The application for planning was submitted on 9th December 2022 and it is anticipated that a decision will be made by mid April 2023.
- 2.3 The proposed scheme for York Place envisages two blocks of development rising to four storeys with public open space and a permanently open link between Ironmarket and Merrial Street. The ground floors are made up of units available for food and beverage and retail uses with office units to the upper floors. (see Appendix 1 for images of the new development).
- 2.4 Since May 2022 the Property Team have been working to ensure that existing tenants in York Place are relocated where possible to suitable alternative locations in the town to ensure that the complex is entirely vacated prior to demolition works which are anticipated to commence in June 2023.
- 2.5 The next steps for York Place is to secure planning consent, relocate the final tenants and commence demolition works which is expected to commence in late June 2023 and will be completed in December 2023.
- 2.6 Delivery options for the subsequent construction of the new buildings are being reviewed and a further report to Cabinet will be presented recommending the preferred option

3. **Proposal**

- 3.1 Assuming planning consent is given and existing tenants are successfully relocated it is proposed that the existing site is demolished in accordance with the Future High Street Fund Programme and that a further report is brought to Cabinet once delivery options have been assessed.

4. **Reasons for Proposed Solution**

- 4.1 The decision to will enable the project to progress as per the programme agreed with Government and the Future High Street Fund awards and commitments.
- 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.

5. **Options Considered**

- 5.1 Delivery options for the construction of the new scheme at York Place are continuing to be explored.
- 5.2 York Place was chosen for inclusion in the Future High Street Fund programme as it occupies a strategically important location between the Ryecroft site and the wider town centre and it presented challenges in terms of its overall appearance, level of occupancy and state of repair.

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 programme for Newcastle town centre

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 relocation of tenants and demolition of the existing York Place complex is funded through the Future High Street Fund funding which has confirmed and allocated.
- 8.2 New scheme designs are currently being developed, therefore full costings and funding options will be provided for review once they have been complete.

9. **Major Risks**

- 9.1 The main risks around the delivery of York Place post demolition are material cost inflation and increased borrowing rates affecting the viability of the scheme.

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. Further this project is intended to enable the redevelopment of a 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. **Key Decision Information**

11.1 This is not a Key Decision

12. **Earlier Cabinet/Committee Resolutions**

12.1 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 (now DLUHC)

12.4 April 2021 Cabinet accepting FHSF Grant monies and grant conditions

12.5 December 2021 Cabinet purchase of York place Newcastle under Lyme.

12.6 March 2022 Contract award to Willmott Dixon

13. **List of Appendices**

13.1 Images of Proposed Development

14. **Background Papers**

14.1 Future High Street Fund Submission July 2020.