

**NEWCASTLE-UNDER-LYME BOROUGH COUNCIL**

**EXECUTIVE MANAGEMENT TEAM'S  
REPORT TO**

**Cabinet**  
**18 July 2023**

**Report Title:** Kidsgrove Shared Service Hub

**Submitted by:** Deputy Chief Executive

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

**Ward(s) affected:** Kidsgrove & Ravenscliffe

**Purpose of the Report**

To give an update on progress with the development of the Town Deal funded Shared Service Hub in Kidsgrove and to request Cabinet authority to complete all legal documentation to complete the land transaction with an adjacent landowner to enable the project to commence.

**Recommendation**

1. That progress with delivery of the Kidsgrove Shared Service hub is noted and work continues with Kidsgrove Town Council and other partners to develop this project.
2. That Cabinet authorises the Deputy Chief Executive, in consultation with the Portfolio Holder Finance, Town Centres and Growth to complete all legal documentation to complete the land transaction with the owners of Dales garage to purchase a part of the land in their ownership and build a replacement garage building.
3. That Cabinet continues to receive such updates on the Shared Service Hub as may be required.

**Reasons**

- Delivery of the Kidsgrove Town Investment Plan is a significant opportunity to attract Government funding to the Kidsgrove Town Deal area and support its economic, social and community wellbeing.
- To deliver on the Council Plan Objective 4 - Town Centres for All as it relates to Kidsgrove Town Centre
- To improve access to services and facilities for the residents of Kidsgrove and surrounding areas.

1. **Background**

- 1.1 In September 2019 the Government invited 100 places to develop proposals for a Town Deal as a part of the £3.6 billion Towns Fund. Within the Borough both Newcastle and Kidsgrove were invited to participate in this valuable opportunity to drive significant investment into the borough. This report focuses on the Kidsgrove element of that work.

- 1.2 The Council worked with a Town Deal Board for Kidsgrove to establish robust and sustainable projects to deliver change to the area. These were submitted to Government October 2020 in a Town Investment Plan for Kidsgrove. In March 2021, Government confirmed that the Town Investment Plan had been successful and awarded the Kidsgrove Town Deal Board £16.9 million. It was necessary then to develop the projects in more detail for delivery in the form of Business Cases for each project.
- 1.3 The Kidsgrove Shared Service Hub project fits within the Town Investment Plan Objective 2: to create a connected accessible town centre which links key assets, retains the heritage and uniqueness of Kidsgrove, promotes active travel and diversifies and drives new demand and footfall. A Business Case has been developed and the project approved by Department for Housing Levelling Up and Communities for delivery.
- 1.4 The purpose of the Shared Service Hub is to provide a one stop shop for local services, increase footfall by replacing an identified lack of existing facilities and provide a base for the community to deliver a range of community led services and groups. It will also create a new gateway into the town when accessed from the Railway Station or canal tow path.
- 1.5 A draft design has been prepared for the Shared Service Hub. To progress the project to the next phase it is necessary to consider land assembly to create the development plot for the Shared Service Hub and associated car parking. The details of this are set out further below.

## 2. Issues

- 2.1 Following submission of the Town Investment Plan, a public engagement event was held over two days in February 2022 to discuss the proposals further with local businesses and residents. General feedback was that the location, function, users and management of the Hub needed to be revised due to various challenges. This has been taken on board in developing proposals for the project.
- 2.2 Kidsgrove Town Deal Board has previously considered a number of locations for the Shared Service hub which have either proved not suitable, have been considered to be too far out of town or it has not been possible to come to an acceptable deal with the current landowner. An overview of these options is given in section 5 below. The current proposed location for the Shared Service hub is land at Meadows Road consisting of a Council owned car park and land in the ownership of the proprietors of Dales Garage.
- 2.3 In terms of operating the Shared Service Hub, at its meeting of 19 May 2022 Kidsgrove Town Council resolved to submit an application to Kidsgrove Town Deal Board to become the anchor tenant or owner of the Shared Service Hub. This proposal was accepted by Kidsgrove Town Deal Board and a representative of Kidsgrove Town Council (Cllr Paul Waring) has been a core part of the project group. In line with the Kidsgrove Town Council resolution, Cllr Waring is currently pursuing development of a business plan to ensure the ongoing financial stability of the hub and that an appropriate management structure is put into place to make certain that the maximum benefit is derived from the project for the benefit of the wider community.
- 2.4 In addition to the commitment from Kidsgrove Town Council, two potential tenants that have expressed an interest in occupying a part of the office space that is to be developed as a part of the Shared Service Hub, this would secure an income stream to support the financial sustainability of the hub.
- 2.5 To secure adequate space to build the Shared Service Hub and also to provide associated car parking it is necessary to create a development plot large enough to accommodate it.

Therefore, an approach has been made to the owners of Dales Garage, the owners of the adjacent land. They have confirmed their interest in completing a land transaction to enable the Shared Service Hub development to proceed. As the Council wishes to assemble land next to its existing car park this would involve a purchase of part of the site currently occupied by the Dales Garage building. To create the development plot, the existing building would need to be demolished. To allow the business to continue to operate in that location, Town Deal funding would need to be used to provide a replacement garage building for Dales on the remaining plot of land in their ownership. Once this is complete, the existing Dales Garage building would be demolished to create a development plot for the Shared Service Hub. A site plan is included in the Appendix, the red line showing the land for the new hub and the blue indicating the new garage.

- 2.6 As a part of due diligence on this transaction, ground investigation works have been commissioned to give assurance that there are no abnormal land conditions that would prevent the development taking place. Additionally, there is a need to resolve rights of way which pass over the site and ensure unencumbered land ownership before a final layout can be determined. Conclusion of an arrangement with the owners of Dales Garage would be subject to satisfactory results from these two pieces of work.

### 3. **Proposal**

- 3.1 That progress with delivery of the Kidsgrove Shared Service hub is noted and work continues with Kidsgrove Town Council and other partners to develop this project.
- 3.2 That Cabinet authorises the Deputy Chief Executive, in consultation with the Portfolio Holder Finance, Town Centres and Growth to complete all legal documentation to complete the land transaction with the owners of Dales garage to purchase a part of the land in their ownership and build a replacement garage building.
- 3.3 That Cabinet continues to receive such updates on the Shared Service Hub as may be required.

### 4. **Reasons for Proposed Solution**

- 4.1 Delivery of the Kidsgrove Town Investment Plan is a significant opportunity to attract Government funding to the Kidsgrove Town Deal area and support its economic, social and community wellbeing.
- 4.2 To deliver on the Council Plan Objective A Town Centres for All as it relates to Kidsgrove Town Centre.
- 4.3 To improve access to services and facilities for the residents of Kidsgrove and surrounding areas.

### 5. **Options Considered**

- 5.1 The projects presented in the Kidsgrove Town Investment Plan have been agreed by both the Kidsgrove Town Deal Board and the Council as the priorities for Kidsgrove following consideration of other options.
- 5.2 A number of sites for the location of the Shared Service Hub have been considered in detail by Kidsgrove Town Deal Board. In summary:

- a) Kidsgrove Town Hall, considered to be too far away from other services, not in the core of the town centre and less accessible to those without a car.
- b) A development at the King's C of E Academy, considered to be less accessible from the town centre, more heavily focused on training and education which may create barriers for some residents and possible safeguarding issues around shared use of an education building.
- c) Land occupied by Boulton Garage, does not achieve the gateway feature intended to be achieved by development of the Shared Service Hub. Landowner unwilling to sell.
- d) Land at Meadows Road purely in the ownership of the Council. Insufficient land to enable development of a building and also provide surface level car parking to support both the Shared Service Hub and adjacent businesses.

5.3 The preferred option is to combine land at Meadows Road currently in the ownership of the Council with an adjacent parcel of land currently in the ownership of the proprietors of Dales Garage to create a sufficient development plot for the Share Service Hub and associated car parking.

## 6. **Legal and Statutory Implications**

6.1 This proposal requires the acquisition of land to enable the project to proceed.

6.2 This proposal requires the Council to develop a replacement garage building for the use of the owners of Dales garage as a part of the land acquisition deal.

6.3 Subject to further legal advice (which is in the process of being obtained) this proposal may require the formal extinguishment of rights of way adjacent to Meadows Road Car Park and on Land at Dales Garage.

## 7. **Equality Impact Assessment**

7.1 The location of the Shared Service Hub is intended to be accessible for all local residents of Kidsgrove Town Centre.

7.2 The Shared Service Hub is intended to provide the opportunity to increase the range of services provided to residents of Kidsgrove and also provide opportunities for community groups to have a bookable space.

7.3 The building will be designed to be fully accessible to all and will comply with current building standard requirements.

7.4 An Equality Impact Assessment was submitted to Government as a part of the approval process for this project. This identified a positive impact due to the project providing improved accessibility to services and potentially that opportunity to access a wider range of services in the local area.

## 8. **Financial and Resource Implications**

8.1 The project requires expenditure of Kidsgrove Town Deal funding for which the Council is the accountable body.

8.2 The project requires the procurement of legal advice on the rights of way issues, the land purchase and deal with the owners of Dales Garage. This is being competitively procured.

- 8.3 This project will require the building of a replacement building for Dales Garage for which tenders will be invited in a compliant way.
- 8.4 The Council's Property Team commissioned an independent valuation of the Dales garage site which has informed the terms of the proposed deal with the owners of Dales Garage. Further information on this is included in the confidential appendix.
- 8.5 There is funding allocated within the Kidsgrove Town Deal to purchase the land, build a replacement garage and build a Shared Services Hub.

## 9. **Major Risks**

- 9.1 The principal risks for the project are as follows:
- 9.2 Unable to deliver Town Deal objectives – consequences are loss of investment for Kidsgrove and no improvement of facilities for local people. Control measures include project governance processes, project approval processes and the actions of the project sub group in managing delivery of the project and associated risks and issues.
- 9.3 Unable to assemble a suitable plot for delivery of the Shared Service Hub – consequences unable to deliver the project, loss of investment in Kidsgrove, no improvement in facilities for local people. Control measures include project governance processes, project subgroup in place to manage delivery, site investigations being undertaken, legal advice on land assembly and issues, Negotiation with landowner on term of acquisition.
- 9.4 Cost inflation – consequences, unable to deliver the full scope of actions as set out in the Town Investment Plan, lesser outcome for the people of Kidsgrove. Control measures, cost control within project specification, prioritisation of actions, project governance processes, project subgroup in place.
- 9.5 Financial sustainability of the Shared Service Hub – consequences, unable to deliver services to Kidsgrove residents as planned, failure to deliver full objectives of the Town Investment Plan, partial or full closure of the centre. Control measures, early engagement with potential occupiers and stakeholders, business plan to set out how the Centre is to be run, attraction of anchor tenant, and promotion of the centre as a new facility in Kidsgrove.

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

- 10.1 Delivery of the Shared Service fits within sustainable development goals Specifically, Goal 11 Sustainable cities and communities, by consolidating services in an existing town centre to support both the provision of existing services and also the introduction of new services for local residents. Goal 10 reduced inequalities by providing opportunities for service delivery and community cohesion events in an area which has some areas of deprivation as measured by the Indices of Multiple Deprivation. Goal 3 Good health and wellbeing. Supporting the mental and physical wellbeing of Kidsgrove residents by providing facilities for social and well-being activities alongside more formal delivery of services to the local community.



## 11. **Key Decision Information**

11.1 This is a key decision as it involves expenditure of more than £100,000.

11.2 Whilst located in the Kidsgrove and Ravenscliffe Ward the Shared Service hub is intended to deliver services to residents from a wider catchment of the Kidsgrove Town Deal area.

## 12. **Earlier Cabinet/Committee Resolutions**

12.1 17 March 2021 Concerning acceptance of the £16.9 million Kidsgrove Town Deal award and progression of project delivery.

<http://svmma/ieListDocuments.aspx?CId=118&MId=3425>

12.2 3 November 2020 Concerning authorisation of the Kidsgrove Town Deal Investment Plan and progression of project development.

<http://svmma/ieListDocuments.aspx?CId=118&MId=3421>

12.3 4 December 2019 concerning establishment of a Town Deal Board and development of the Town Investment Plan <http://svmma/ieListDocuments.aspx?CId=118&MId=3412>

## 13. **List of Appendices**

13.1 Appendix - site plan of land to be purchased and new garage site.

13.2 Confidential appendix on the financial aspects.

## 14.

### **Background Papers**

14.1 Kidsgrove Town Investment Plan <https://www.newcastle-staffs.gov.uk/kidsgrove-town-deal-3/kidsgrove-town-deal>

14.2 Business Case for the Shared Service Hub.