

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

**CORPORATE LEADERSHIP TEAM'S
REPORT TO
ECONOMY AND PLACE SCRUTINY COMMITTEE**

11th September 2024

Report Title: Town Deal and Future High Street Funds Update

Submitted by: Deputy Chief Executive

Portfolios: Portfolio Holders - Finance, Town Centres and Growth

Ward(s) affected: All

<u>Purpose of the Report</u>	<u>Key Decision</u> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
To update Scrutiny Committee on the Town Deal and Future High Street Funds projects.	
<u>Recommendation</u> That 1. Scrutiny Committee notes this report on the delivery of the Town Deal and Future High Street Funds projects.	
<u>Reasons</u> To update the Scrutiny Committee on the progress with the various projects that are being funded or part funded through the two Town Deals – Newcastle and Kidsgrove, and the Future High Street Funds for Newcastle Town Centre.	

1. Background

- 1.1 As reported to previous Scrutiny meetings, the Council has secured Future High Street Funding and Town Deal Funds for the redevelopment of several key regeneration sites across the Town Centre and the wider Borough.

2. Updates

2.1 Future High Street Fund

Work has been continuing in the development of the schemes for the past couple of years, and the current position regarding each is as follows:

2.1.1 Market improvements

The contract for public realm works to lower High Street completed in August and the benching and planters are due early September. As previously reported 18 fixed

stalls have been removed, leaving 27 fixed stalls which have had new canopies fitted and some have been relocated into more appropriate areas. New temporary stalls have arrived for markets which require more than the remaining 27 fixed stalls.

2.1.2 York Place

The demolition / strip out contract for the removal of the building fabric, exposing the framework for future development commenced in September 2024, in readiness for the build out stages once planning permission is agreed and construction costs are finalised. Planning permission is due to be submitted in September.



Ryecroft

2.1.3 Castle Car Park

Construction continues on the project with completion due in late November 2024. The ticketing system and highworks to the entrance and former site entrance have been ordered. The EV Charging are being installed (Funding £12m (£3.50m from FSHF)).



2.1.4 McCarthy and Stone Residential Development

McCarthy and Stone signed a land acquisition agreement with the Council in August and are now working on the preparation of a planning application for the new development.

2.1.5 New Hotel

Capital and Centric are continuing their design feasibility works for the whole Ryecroft site which will include the new Hotel build, which is now anticipated to be developed on the corner of Merriel St and Corporation St. A planning application is due to be submitted as part of the wider Ryecroft development submission, due in September 2024.

2.1.6 Aspire Housing

Aspire have agreed with Capital&Centric a site boundary and the works that will be undertaken to develop out residential units.



2.2 Newcastle Town Deal

2.2.1 Midway Car Park

Capital&Centric have been developing 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 and are due to submit a planning application for the works in September 2024.

2.2.2 Astley Performing Arts Centre

The Philip Astley CIC are continuing their investigation for Phase 2 for the circus skills training space, for ariel work etc. It is unlikely to be within the remodelled York Place due to the 6.5m height requirements.

2.2.3 Knutton and Chesterton

Knutton

Aspire Housing are planning to commence construction works in November 2024 for the residential development at the High Street site.

Also, as above, the former community centre site development by Aspire is due to commence in November 2024.

Whilst work on the extension to the Enterprise Centre will be complete in November 2024.

The plans for a village hall at High Street in Knutton will be considered by the planning committee in September 2024. Support Staffs are to be approached to discuss potential operators.

The development of the football changing rooms at the Wammy has commenced and will be complete in February 2025.

Cross Street Chesterton

Aspire Housing are currently undertaking a procurement exercise for a contractor in preparation for a start on site in 2025.

2.2.4 Zanzibar Enterprise Units

These are to be Council owned small enterprise units to rent to small and developing businesses on North Street. Morgan Sindall have been appointed by Aspire for the overall development. A planning application for the development is expected in mid Oct 24, with construction starting in spring / summer 25 and completion of the units by the end of 2025.

2.2.5 Walking and Cycling Provision

Works for these schemes has begun through Staffordshire County Council with cycling improvements implemented along George Street, at Gallowstree Roundabout and works will commence along Barracks Road in summer 2025.

2.2.6 Sustainable Travel

Work continues with the travel information totems as reported last meeting, whilst the team at Keele University are progressing plans for the new bus entrance with the aim of it being opened for the start of the 2024/25 academic year. As a result of plans for the new bus entrance, First Potteries Ltd are working with the University to put on a new X25 service between Newcastle town centre and the University. This is planned to be introduced in September 2024 for the start of the new academic year. Further development work is to be done on proposals for the new circular bus route before it can be commissioned for operation.

2.2.7 Digital Society – 53 Iron Market (Keele in Town)

Works continues with internal fit out works. Keele in Town is due to launch in October 2024.

2.2.8 EV Charging Points

These works now form part of the new Castle Car Park project and will be in place ready for opening of the car park.

2.2.9 Digital infrastructure

A procurement exercise for the works is underway with plans to have the works to be installed by the end of 2024.

2.3 Kidsgrove Town Deal

2.3.1 Chatterley Valley

The development plans for the Plot D unit have now ended and the prospective end user has withdrawn from the development. Haworth are continuing to market the site with the first plot being ready later this year.

Works to the highway / entrance works to the new site continue and are now complete and the road is open.

2.3.2 Kidsgrove Train Station works

As reported previously there is currently an issue with the costs of car park underpinning due to mine works underground, which are being worked through. Network Rail are looking into costs and scope of works required and there is a suggestion that the HS2 cancellation will result in funds being transferred to this issue. We are awaiting feedback on several fronts before the scheme can progress.

2.3.3 Canal Pathways

Works by the Canal and Rover Trust are being tendered currently with works anticipated to commence in September in 2024.

2.3.4 Shared Service Hub

The outstanding issues around the mine works licence and insurance have been resolved and survey works are being investigated.

3. Recommendation

- 3.1 Scrutiny Committee notes the progress made to date and continues to receive further reports at subsequent meetings.

4. Reasons

- 4.1 Generating efficiencies and additional income by adopting a more commercial approach is a key in the Council's plans for maintaining financial sustainability in the medium to long term. The Commercial Strategy provides a framework for managing and coordinating commercial activities, it is appropriate that the Council reviews key major projects when they are at an appropriate stage of business planning and contract award.

5. Options Considered

- 5.1 The Council continues to progress a number of strategies and approaches to ensure that it can maintain a financially sustainable future and deliver the key priorities set out in the Council plan.

6. Legal and Statutory Implications

- 6.1 The Local Government Act 2000 - powers to promote the economic, social and environmental wellbeing of the Borough.
- 6.2 The Council will need to make sure that its commercial activities are legally and state aid compliant, including having regard to the Public Sector Duty within the Equality Act 2010, statutory guidance on local authority investments and The Prudential Code for Capital Finance in Local Authorities.
- 6.3 All commercial projects and investment opportunities will be examined to ensure that they are within the Council's powers and legal implications will be identified on a case-by-case basis.

7. Equality Impact Assessment

- 7.1 The development of these projects does not create any specific equality impacts.

8. Financial and Resource Implications

- 8.1 The Council was awarded Future High Streets Fund funding in June 2021 of £11.0m to progress projects to help future economic growth. The full £11.0m has now been received of which £10.183m has been spent at 3rd September 2024, as shown below:

Project	Award (£000's)	Spend/Ordered (£000's)	Remaining (£000's)
Ryecroft / Site Preparation	3,756	3,348	408
Multi Story Car Park	3,500	3,500	0
York Place	3,015	2,768	247
Stones Public Realm	321	112	209
Market Stalls	76	76	0
Project Management	380	379	1
Total	11,048	10,183	865

8.2 £23.6m was awarded to the Council via the Town Deals Fund for Newcastle to enable a vision to improve communications, infrastructure, and connectivity in Newcastle-under-Lyme to become a reality. £15.0m has been received to date of which £3.05m has been spent as shown below:

Project	Award (£000's)	Spend/Ordered (£000's)	Remaining (£000's)
Digital Infrastructure	2,285	29	2,256
Sustainable Public Transport	3,421	65	3,356
Electric Vehicle Charging	400	0	400
Pedestrian Cycle Permeability	950	0	950
Transform Key Gateway Sites	3,810	361	3,449
Astley Centre for Circus	1,810	640	1,170
Digital Society	3,510	662	2,848
Heart into Knutton Village	3,534	682	2,852
Cross Street, Chesterton	2,955	0	2,955
Project Management	925	614	311
Totals	23,600	3,053	20,547

8.3 £16.9m has also been awarded via the Town Deals fund for Kidsgrove to enable real and lasting economic benefits to be realised in Kidsgrove and the surrounding area. To date £10.2m has been received of which £6.9m has been spent as shown below:

Project	Award (£000's)	Spend/Ordered (£000's)	Remaining (£000's)
Kidsgrove Sports Centre	2,328	2,328	0
Chatterley Valley West	3,661	3,661	0
Kidsgrove Station	3,638	212	3,426
Shared Services Hub	6,183	162	6,021
Canal Enhancement	420	0	420
Project Management	670	528	142
Total	16,900	6,891	10,009

9. Major Risks & Mitigation

9.1 Management of risk is central to the Council's commercial approach and all potential activities will be assessed with due regard to the risks being taken. This will be in line with the Council's corporate approach to risk management.

10. UN Sustainable Development Goals (UNSDG)

10.1 These projects support the realisation of the following UNSDG objectives:-



11. Key Decision Information

- 11.1 The plans affect more than 2 wards and any future investments have the potential to have significant financial implications. These will be subject to further reports which may be key decisions.

12. Earlier Cabinet/Committee Resolutions

- 12.1 None.

13. List of Appendices

- 13.1 None.

14. Background Papers

- 14.1 None.