

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL
CORPORATE LEADERSHIP TEAM'S
REPORT TO
FINANCE, ASSETS AND PERFORMANCE SCRUTINY COMMITTEE

16 January 2025

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

Planning permission has now been received for the large digital screen and the Traffic Regulation Order for the 'Nipper Parking' has been agreed for implementation on the

ground. Works to the project (including benching and planters) will be complete by the end of March 2025 in line with the funding deadline for spend.



2.1.2 Astley Place

The demolition / strip out contract for the removal of the building fabric, exposing the framework for future development has practically completed and the planning application for the new development will be considered at the upcoming planning committee in the Spring (it is currently out for consultation).





Merrial Street / Red Lion Square

Ryecroft / Rye Park

2.1.3_Castle Car Park

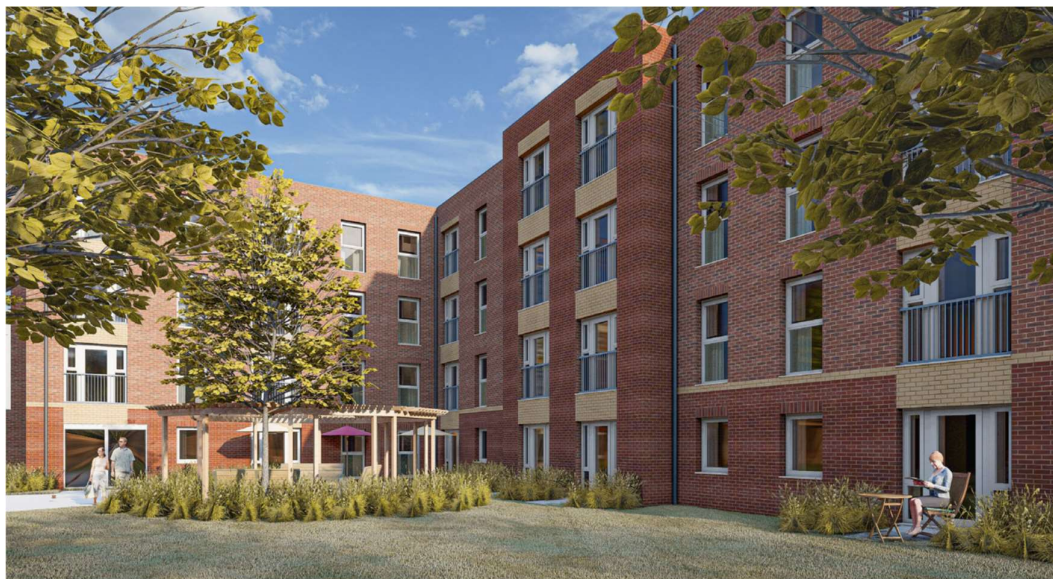
Completion and opening are now imminent. Directional signage, notices of change of car park, permit changes etc have all been organised and the Traffic Regulation Order to close Midway and open Castle Car Park have been approved and actioned.



Classification: NULBC **UNCLASSIFIED**

2.1.4 McCarthy and Stone Residential Development

McCarthy and Stone's planning application for their development is currently out for consultation and will be at a planning committee very shortly.



2.1.5 New Hotel / Aparthotel

Capital and Centric's planning application for the whole of the wider Ryecroft development submission is currently out for consultation and will be considered at a planning committee in early Spring.



Aparthotel and apartment layout along Merriel St

Classification: NULBC **UNCLASSIFIED**



Aspire Residential Development

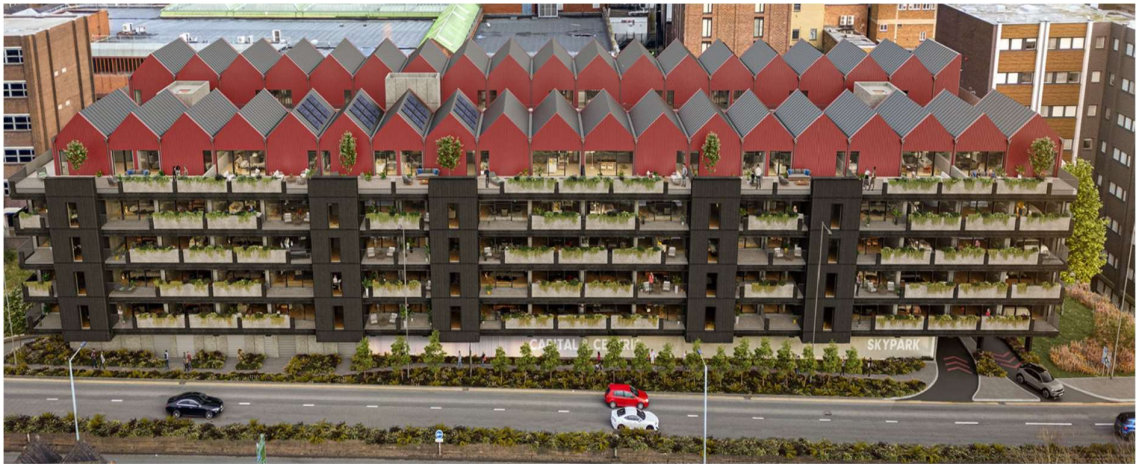


Capital&Centric Residential Development

2.2 Newcastle Town Deal

2.2.1 Midway Car Park / Carpark

Capital&Centric's planning application for the new development is currently out for consultation and will be considered by a planning committee in early spring.



2.2.2 Astley Performing Arts Centre

The Philip Astley CIC and the Council are continuing their investigation for Phase 2 for the circus skills training space, for ariel work etc.

2.2.3 Knutton and Chesterton

Knutton

Aspire Housing are planning to commence construction works in early 2025 for the residential development at the High Street site. Planning permission has been granted and the land transfer documentation has been signed, allowing development to begin.

Also, as above, the former community centre site development by Aspire is due to commence at the same time.

Whilst work on the extension to the Enterprise Centre will be complete in January 2025.

The plans for a village hall at High Street in Knutton were considered by the planning committee in September 2024 and approved. Support Staffs are currently sourcing a group to act as tenant / operators – there are several interests being considered and once selected and agreements signed, the construction of the Hall can be tendered.

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

Cross Street Chesterton

Aspire Housing has appointed a contractor to deliver the next phase, and the contractor is mobilising on site.

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2.2.4 Zanzibar Enterprise Units

A planning application for the development is expected by the end of January 2025, 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

We are awaiting confirmation of the commencement date of the works to the new bus entrance to Keele University.

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

Works to Keele in Town have now completed and a soft launch is expected mid-January 2025



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 imminently.

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2.2.9 Digital infrastructure

A procurement exercise has completed and a contractor has been selected, ITS, and they are now working up the business case and proposals for the fibre network and the community hubs.

2.3 Kidsgrove Town Deal

2.3.1 Chatterley Valley

This element of the Town Deal project is complete.

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 January 2025.

2.3.4 Shared Service Hub

An options appraisal is being undertaken on various new options for the hub on The Meadows, with some enterprise units, landscaping to the highway and an upgrade of space at The Kings Academy. This work is being presented to the Town Deal Board in January 2025 for approval.

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 £10.9m has been spent at 6 January 2025, as shown below:

Project	Award (£000's)	Spend/Ordered (£000's)	Remaining (£000's)
Ryecroft / Site Preparation	3,756	3,675	81
Multi Story Car Park	3,500	3,500	0
York Place	3,015	3,015	0
Stones Public Realm	321	266	55
Market Stalls	76	76	0
Project Management	380	380	0
Total	11,048	10,912	136

- 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. £16.0m has been received to date of which £7.9m has been spent as shown below:

Project	Award (£000's)	Spend/Ordered (£000's)	Remaining (£000's)
Digital Infrastructure	2,285	1,528	757
Sustainable Public Transport	3,421	279	3,142
Electric Vehicle Charging	400	0	400
Pedestrian Cycle Permeability	950	359	591
Transform Key Gateway Sites	3,810	755	3,055
Astley Centre for Circus	1,810	637	1,173
Digital Society	3,510	1,369	2,141
Heart into Knutton Village	3,534	1,721	1,813
Cross Street, Chesterton	2,955	583	2,372

Project Management	925	668	257
Total	23,600	7,899	15,701

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 £14.5m has been received of which £7.0m 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	225	3,413
Shared Services Hub	6,183	174	6,009
Canal Enhancement	420	0	420
Project Management	670	566	104
Total	16,900	6,954	9,946

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. 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 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.

One Green Council

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

12. Key Decision Information

12.1 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.

13. Earlier Cabinet/Committee Resolutions

13.1 None.

14. List of Appendices

14.1 None.

15. Background Papers

15.1 None.