

**NEWCASTLE-UNDER-LYME BOROUGH COUNCIL**

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

**13<sup>th</sup> March 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

<b><u>Purpose of the Report</u></b>	<b><u>Key Decision</u></b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
To update Scrutiny Committee on the Town Deal and Future High Street Funds projects.	
<b><u>Recommendation</u></b>	
That:-	
1. <b>Scrutiny Committee notes this report on the delivery of the Town Deal and Future High Street Funds projects.</b>	
<b><u>Reasons</u></b>	
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 at its March 18<sup>th</sup> meeting alongside all Town Centre regeneration schemes. Cabinet will consider the contract award to Capital&Centric at a special meeting in April with a few to works on site commencing in early summer. Completion is expected by the end of 2026.





Merrial Street / Red Lion Square

Part of the new square created within the development will be a new small scale music venue which will be supported by Joules Brewery and a newly created CIC, with the aim of hiring out the facility for new and upcoming music acts, exercise classes, performance activities and art-based functions.



## Ryecroft / Rye Park

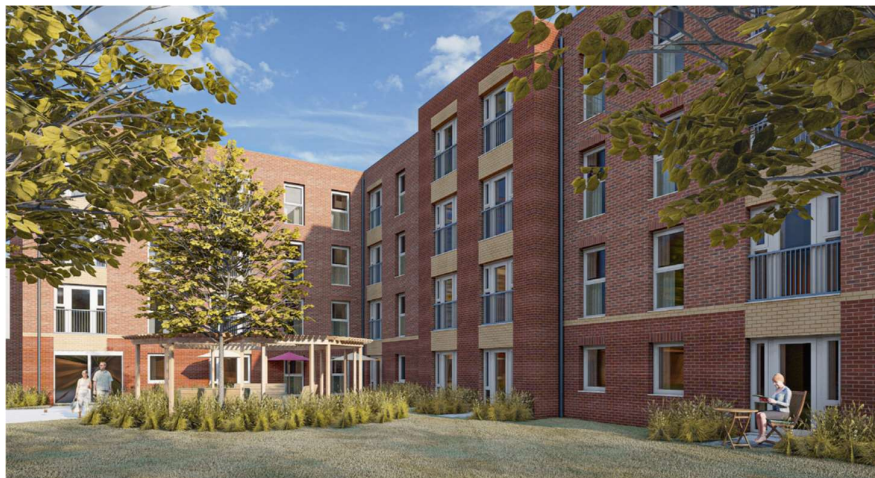
### 2.1.3 Castle Car Park

The new car park has now opened and is fully operational. There were a few teething problems, as with all new developments, but the facility is now being used regularly by visitors to the Town Centre.



### 2.1.4 McCarthy and Stone Residential Development

McCarthy and Stone's planning application will be considered at the upcoming planning committee at its March 18<sup>th</sup> meeting. Works are expected to commence in the summer of 2025 with completion in later 2026.



### 2.1.5 Aparthotel

Capital and Centric's planning application for the Merrial Street end of the Ryecroft development will be considered at the upcoming planning committee at a special meeting in April alongside all Town Centre regeneration schemes. Works are not due to start on this section until later in 2026. The residential element for Aspire will

commence in the summer of 2025 and be complete by late 2026. The remainder of the site works will follow on accordingly.



Aparthotel and apartment layout along Merriel St



Aspire Residential Development





Capital&Centric Residential Development

## 2.2 Newcastle Town Deal

### 2.2.1 Midway Car Park / Carpark

Capital&Centric's planning application will be considered at the upcoming planning committee at a special meeting in April alongside all Town Centre regeneration schemes. Works are expected to start in the summer of 2025 and be completed by the summer of 2027.



### 2.2.2 Astley Performing Arts Centre

The Newcastle Town Deal has now agreed that the second phase of capital works for the Philip Astley CIC will not be allocated and that the funding will be allocated to the new music venue to be created inside the new Astley Place development, where it is anticipated that the CIC will be able to use the space created but not wholly responsible for the running of the venue.

### 2.2.3 Knutton and Chesterton

#### Knutton

The sale of land to Aspire Housing is now complete and a Section 106 agreement is complete. This allows Aspire to commence works on the residential development at High Street.

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 Is now substantially complete it is awaiting connection to a sub station before the units can be occupied.

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. Procurement of a contractor for build of the village hall will be commencing shortly.

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

#### Cross Street Chesterton

The groundworks for phase 2 are now complete.

### 2.2.4 Zanzibar Enterprise Units

A planning application for the development is expected by the end of February 2025, through Aspire's development partner Capital&Centric, 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. Agreements with SCC Highways have now been agreed and the contractor is working on final pricing of works for a start of site date as soon as possible with completion estimated for July 2025.

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

Works to Keele in now fully open and operational.



### 2.2.8 EV Charging Points

These works form part of the new Castle Car Park project and are now fully operational.

### 2.2.9 Digital infrastructure

A procurement exercise has completed and an infrastructure provider, ITS Technology Group Ltd, has been appointed. ITS is developing a delivery programme for installation of the fibre. Initial contact has been made with community centres in the Newcastle Town Deal area and so far the response back has been positive. Next steps are to commence installation of the fibre and procurement of an internet service provider.

## 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. Survey works have been costed and are due to be discussed / agreed at an upcoming Kidsgrove Town Deal Board.

Classification: NULBC **UNCLASSIFIED**



### 2.3.3 Canal Pathways

Works by the Canal and Rover Trust have now commenced and will be completed in late Spring 2025. An extension to the scope are currently been looked into as part of the revised scope for the Sharded Service Hub. These will be considered by the Kidsgrove Town Deal Board shortly.

### 2.3.4 Shared Service Hub

The Kidsgrove Town Deal Board considered various options for a revised scope of works for this funding allocation, due to the original scheme not being deliverable. It was agreed that business cases would be worked up for future consideration and agreement by the Board for various substitute schemes / scopes of work. The new scopes include a community learning hub on the Kings Academy site, some small scale enterprise units on the Meadows, canal pathway and access improvements (see above), highway improvements at The Meadows / Station Road, and Market St / The Avenue / Heathcote St, along with public realm improvements by Kings Street parade. This work is currently underway and will be considered by the Kidsgrove Town Deal Board shortly.

## 3. Recommendation

- 3.1 Scrutiny Committee notes the progress made to date and continues to receives 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 £11.0m has been spent at 27 February 2025, as shown below:

Project	Award (£000's)	Spend/Ordered (£000's)	Remaining (£000's)
Ryecroft / Site Preparation	3,756	3,776	(20)
Multi Story Car Park	3,500	3,495	5
York Place	3,015	3,015	0
Stones Public Realm	321	266	55
Market Stalls	76	71	5
Project Management	380	380	0
<b>Total</b>	<b>11,048</b>	<b>11,003</b>	<b>45</b>

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 £9.0m has been spent as shown below:

Project	Award (£000's)	Spend/Ordered (£000's)	Remaining (£000's)
Digital Infrastructure	2,285	1,547	738
Sustainable Public Transport	3,421	287	3,134
Electric Vehicle Charging	400	400	-
Pedestrian Cycle Permeability	950	359	591
Transform Key Gateway Sites	3,810	906	2,904
Astley Centre for Circus	1,810	640	1,170
Digital Society	3,510	1,369	2,141
Heart into Knutton Village	3,534	2,226	1,308
Cross Street, Chesterton	2,955	583	2,372
Project Management	925	688	237
<b>Total</b>	<b>23,600</b>	<b>9,005</b>	<b>14,595</b>

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 £7.1m 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	3,496	3,496	0
Kidsgrove Station	3,638	236	3,402

Shared Services Hub	6,183	264	5,919
Canal Enhancement	420	0	420
Project Management	835	761	74
<b>Total</b>	<b>16,900</b>	<b>7,085</b>	<b>9,815</b>

**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.