

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

26 June 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 across this programme is now coming to a completion and the fund is practically spent. The current position regarding each is as follows:

2.1.1 Market improvements

Works to the last remaining project, the digital screen, benching and planters will be complete by the end of the summer as there has been an issue with Severn Trent

issuing a build over permit for the screen. This has now been resolved and works should be commencing shortly.

2.1.2 Astley Place

Cabinet (March 2025) and Council (April 2025) approved the award of the construction contracts / agreements with Capital & Centric and the planning permission was also granted for the scheme in April. Capital & Centric are now procuring the contractor for the works for a commencement later in the 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 and 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 was approved by the planning committee at its April 2025 meeting. It is now anticipated that the works will commence in the autumn of 2025 with completion in later 2026.



2.1.5 Ryepark

Cabinet (March 2025) and Council (April 2025) approved the award of the construction contracts / agreements with Capital & Centric and the planning permission was also granted for the scheme in April. 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.



Aspire Residential Development



Capital & Centric Residential Development

2.2 Newcastle Town Deal

2.2.1 Midway Car Park / Carpark

Cabinet (March 2025) and Council (April 2025) approved the award of the construction contracts / agreements with Capital & Centric and the planning permission was also granted for the scheme in April. 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

As reported previously in March 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

Aspire have commenced works on the residential development at High Street.



Works on the former community centre site development by Aspire are due to commence shortly.

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, which will probably be September.



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 is now complete and Newcastle Town Football Club have hosted an informal open day at the site to try out the facilities. A formal opening ceremony will be held later in the year.

Cross Street Chesterton

The Town Deal funding agreement to support the remediation works for Cross St Phase 2 and Phase 3/4 was entered into in September 2024 - this enabled the Homes England funding bid to progress and a start on site for Phase 2 (43no Affordable Rented units) was achieved in October 2024, with developer Keon Homes. Phased handovers will commence from late 2025 and this Phase is expected to complete fully by June 2026.

Planning permission for Phase 3, which will deliver 39no social rented apartments and bungalows for over 55's, was granted in September 2024. Following a tender exercise, a Homes England bid was submitted and approved earlier this year. The contract with Countryside was entered into in March 2025 and is expected to complete by November 2026.

2.2.4 Zanzibar Enterprise Units

A planning application for the development has been submitted and is under review presently. Construction starting in spring / summer 25 and completion of the units in early 2026.

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

The works to the new bus entrance to Keele University have now commenced with completion later in the summer.

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

ITS Technology Group Ltd are now over half-way through the installation of the new cables through the ductwork. It is anticipated that the cable installation will be complete by the end of August 2025. A procurement exercise for the service provider will be undertaken shortly to deliver the broadband service. All community centres have been contacted for connection and to date all are interested in receiving a funded provision of both a free broadband connection as well as a managed wi-fi solution, a programme which will commence in the latter part of the Summer.

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 have now resulted in the Town Deal Board agreeing to only look at works outside the 'underpinning zone'. Options around this are now being worked up by the train operator, EMR, who will present these back to the Board in late July 2025.

2.3.3 Canal Pathways

Works by the Canal and Rover Trust have now been completed. An extension to the scope has been agreed by the Kidsgrove Town Deal Board as part of the reallocation of funds from the Sharded Service Hub.

2.3.4 Shared Service Hub

The Kidsgrove Town Deal Board has now agreed on project reallocation of funds away from the Shared Service Hub. 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. Submission of the change requests will be submitted to MHCLG for approval prior to works commencing on the revised scopes of works.

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 To continue to update Scrutiny Committee on the progress and issues surrounding the Future High Street Fund and Town Deal Fund projects.

5. Options Considered

- 5.1 Not applicable – all Cabinet reports on each of the above projects details the options that were considered in more detail.

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 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 projects 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 31 March 2025, as shown below:

Project	Award (£000's)	Spend/Ordered (£000's)	Remaining (£000's)
Ryecroft / Site Preparation	3,756	3,756	0
Multi Story Car Park	3,500	3,508	(8)
York Place	3,015	3,015	0
Stones Public Realm	321	317	4
Market Stalls	76	72	4
Project Management	380	380	0
Total	11,048	11,048	0

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 £10.3m has been spent as shown below:

Project	Award (£000's)	Spend/Ordered (£000's)	Remaining (£000's)
Digital Infrastructure	2,285	225	2,060
Sustainable Public Transport	3,421	582	2,839
Electric Vehicle Charging	400	400	-
Pedestrian Cycle Permeability	950	359	591
Transform Key Gateway Sites	3,810	917	2,839
Astley Centre for Circus	1,810	640	1,170
Digital Society	3,510	2,751	759
Heart into Knutton Village	3,534	2,698	836
Cross Street, Chesterton	2,955	987	1,968
Project Management	925	703	222
Total	23,600	10,316	13,284

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	153	6,030
Canal Enhancement	420	0	420
Project Management	835	762	73
Total	16,900	6,975	9,925

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 Not applicable

13. Earlier Cabinet/Committee Resolutions

13.1 None.

14. List of Appendices

14.1 None.

15. Background Papers

15.1 None.