

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

CORPORATE LEADERSHIP TEAM'S **REPORT TO CABINET**

14 October 2025

Report Title: Kidsgrove Train Station Update

Submitted by: Deputy Chief Executive

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

Ward(s) affected: Newchapel & Mow Cop, Kidsgrove & Ravenscliffe, Talke & Butt Lane, Bradwell

<u>Purpose of the Report</u>	<u>Key Decision</u> Yes ☒ No ☐
To update Cabinet on Kidsgrove Train Station improvement works as part of the Kidsgrove Town Deal and also the recent changes to Town Deal Governance, and to seek approval to proceed with the station project.	
<u>Recommendation</u>	
That Cabinet: 1. Notes the current proposals for the Kidsgrove Station Project. 2. Notes the Government funding simplification for Towns Deals and the implications for projects currently in delivery. 3. Recognises the strategic significance of investing in an improved train station facility at Kidsgrove for the delivery of Kidsgrove Town Deal and approves the revised scheme to progress. 4. Authorises the Deputy Chief Executive, in consultation with the Portfolio Holder, for Finance, Town Centres and Growth to vary the current Grant Funding Agreement with East Midlands Railway to enable the project to be delivered.	
<u>Reasons</u>	
To seek approval from Cabinet to progress the revised train station project in Kidsgrove, following a resolution by Kidsgrove Town Deal Board in July 2025 to proceed with the revised proposals for the project. To outline the Government's recent funding simplification for Town Deals, which delegates the decision-making process for Town Deal projects to a local level.	

1. **Background**

- 1.1 As reported to previous Cabinet meetings, the Council has secured Town Deal Funds for the redevelopment of Kidsgrove train station. Since submitting the business case, the Station project has been the subject of several revisions, primarily associated with need for costly ground investigation (GI) and subsequent mitigation. Most recent cost estimates produced in 2025 range from £2m to £13m for remediation. This was based on a number of modelled scenarios for the impact of historic mining works.
- 1.2 Despite initial information that the GI could be carried out in good faith, even if funding for the mitigation was not available, following this updated cost estimate MHCLG confirmed that carrying out GI without secured remediation funding would be regarded as fiscally irresponsible. At its meeting of May 2025, Kidsgrove Town Deal Board therefore agreed to reject all options that required GI and East Midlands Railway (EMR) was tasked with finding a solution that would still deliver a refurbished station building but would not include any elements which triggered GI.
- 1.3 This project change required the submission of a Project Adjustment Request (PAR) to MHCLG. However, because of a reduced scope which removed revenue generating areas, such as the expanded car park, the Benefit Cost Ratio (BCR) dropped from 1.5 to 0.9. At the stage of submission, a BCR below 1.2 would have required ministerial intervention to proceed and the project would need to be assessed as having strategic significance for delivery of Kidsgrove Town Deal. The PAR was approved by the Board in July 2025 and signed off by the Council's S151 officer. It was submitted to MHCLG in August 2025.
- 1.4 In Sept 2025, the Council received formal confirmation of the government's funding simplification for Town Deals and Levelling Up funds, which are being combined into a Local Regeneration Fund. The main differences are:
- Significantly reduced reporting requirements.
 - Reducing the Project Adjustment Request process, giving greater powers and flexibility to local authorities to move funding between schemes (with sign off by S151 officer).
 - Simplified and combined payments at set intervals providing greater certainty for local authorities to plan.
 - An extension to the delivery deadline of March 2028.

Following these changes. The PAR will not be processed by MHCLG and the decision to make this project change has been delegated to a local level.

2. **Update**

- 2.1 The revised scope of the project, whilst not as ambitious as originally anticipated, focuses on modernisation across three key areas:
- Main Station Building
 - Full interior refurbishment: waiting room, unisex and accessible toilets, kitchen.
 - External upgrades: new windows/doors, timber cladding, air source heat pump, solar panels
 - Improved customer information screens and directional signage for clearer navigation.
 - Island Building (Platform 2); (For which there is a potential to attract additional Railway Heritage Trust Funding).

- Renovated waiting room with new doors/windows and information screens
- Creation of a dedicated community space for station adopter group (12+ members)
- Wider Site Enhancements
 - Construction of a new cycle store with access control
 - Pedestrian and cyclist access improvements
 - Revised car park layout with added disabled bays, EV charging, and drop-off points
 - Visual upgrades: fencing and general aesthetics

2.2 These works will address the stakeholder feedback at the time the Town Deal Investment Plan was established and agreed with Government and the Town Deal Board in that the station will be upgraded to a more modern facility which will attract more users of the station and the service, whilst acknowledging the fact that the works have been reduced in scope due to the complex ground conditions with the requisite cost implications

2.3 The Town Deal project capital allocation for the project is £3.45m. The estimated cost of the of the revised scheme is now £2.7m (including risk and optimism bias allowances – normal for these type of infrastructure projects). The initial designs have been presented to the Kidsgrove Town Deal Board and EMR have been asked to proceed to the next design phase, which involves assessment by Network Rail to ensure no GI will be required. EMR is now working closely with Network Rail to agree delivery of the desired works.

3. Next steps

3.1 Subject to Cabinet approval, the Council will agree a variation to the current funding agreement with East Midlands Railway. Progress will continue to be reported to the Council, the Kidsgrove Town Deal Board and MHCLG as required.

The proposed timescale for activities is:

- Discussions with Network Rail on proposed designs and further update to Kidsgrove Town Deal Board Sept 2025
- Council Cabinet consideration of the revised project October 2025
- Joint development of detailed design completed by May 2026
- Tendering of works completed by October 2026
- Station refurbishment works commence late 2026
- Completion – Late 2027

4. Recommendation

That Cabinet:

- 5.1 Notes the current proposals for the Kidsgrove Station Project.
- 5.2 Notes the Government funding simplification for Towns Deals and the implications for projects currently in delivery.
- 5.3 Recognises the strategic significance of investing in an improved train station facility at Kidsgrove for the delivery of Kidsgrove Town Deal and approves the revised scheme to progress.

- 5.4 Authorises the Deputy Chief Executive, in consultation with the Portfolio Holder, for Finance, Town Centres and Growth to vary the current Grant Funding Agreement with East Midlands Railway to enable the project to be delivered.



6. Reasons

- 6.1** Refurbishment of Kidsgrove Station was a key project in the Town Investment Plan for Kidsgrove. It is considered to be a strategically important project that ties together associated projects in the Kidsgrove Town Deal Investment Plan and delivers on objective 2 of the Town Investment Plan 'to create a connected and accessible town centre'.
- 6.2** Delivery of the current project proposal achieves many of the aspirations for improvement at Kidsgrove Station without the need for costly ground investigation and land remediation that are beyond the scope of Town Deal funding.
- 6.3** Recent simplification changes to the funding landscape have removed the requirement for MHCLG sign off of these project proposals and delegates the project approval process to the local authority. The Council's Section 151 officer has signed off the project changes through the previous PAR process.

7. Options Considered

- 7.1** Previous project proposals for Kidsgrove Station included a proposal for a larger car park, which, following technical guidance from Network Rail Mining Engineers required extensive remediation of land to deal with historic mining issues. Having investigated this option, it is clear that there is no funding option available that will enable this degree of work to take place. Kidsgrove Town Deal Board therefore voted to reject this option.
- 7.2** The Board could have chosen not to pursue improvements to the Station and instead deliver alternative projects. However, an upgrade to Kidsgrove Station is considered to be a strategically important project in the Kidsgrove Town Deal Investment Plan. No alternative sources of funding are likely to be available to make these upgrades to the station so if this option was taken, users of Kidsgrove station would be left with an out dated facility which is not in line with current standards of service.

8. Legal and Statutory Implications

- 8.1** The Local Government Act 2000 - powers to promote the economic, social and environmental wellbeing of the Borough.
- 8.2** 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.
- 8.3** 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.

9. Equality Impact Assessment

- 9.1** Refurbishment of Kidsgrove Station is intended to improve facilities for all users of the facilities.

10. Financial and Resource Implications

- 10.1** Kidsgrove Train Station Project is funded from the Kidsgrove Town Deal funding allocation.
- 10.2** The current proposals require a grant funding agreement variation with East Midlands Railway to amend the scope of works. It will also be necessary to amend the grant funding agreement amount from £2,614 million to £2.7 million in line with the current cost estimate for the project. This is within the Town Deal allocation for the project.

11. Major Risks & Mitigation

- 11.1** The project as currently proposed is a risk response to the project as originally proposed which would have required ground investigation and remediation works.
- 11.2** Successful project delivery relies on approval by Network Rail that the proposed works do not represent a significant change to ground loading levels at the Station and surrounding areas. EMR and their appointed design team are working cooperatively and positively with Network Rail to mitigate against this risk.

12. UN Sustainable Development Goals (UNSDG)



13. 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.

This project is to be delivered by external partners for the wider benefit of people using Kidsgrove Station.

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.

Whilst not related directly to delivery of Council services, passengers will benefit from installation of information screens at the station with information relevant to train services.

One Sustainable Council

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

The planned works include installation of air source heat pumps and solar panels at the station building alongside installation of EV charging points on the station car park and improved cycle storage facilities.

14. Key Decision Information

14.1 This is a key decision due to the value of funding being granted to the Council.

15. Earlier Cabinet/Committee Resolutions

- a. Cabinet Report September 2025 – Kidsgrove Town Deal Update and Contract Awards
- b. Cabinet Report June 2025 – Town Deal Update
- c. Cabinet Report March 2021 – Town Deal Update
- d. Cabinet Report March 2016 – Chatterley Valley
- e. Cabinet Report January 2022 – Chatterley Valley
- f. Cabinet Reports related to Kidsgrove Sports Centre
 - Cabinet 12 October 2022
 - Cabinet 9 June 2021
 - Cabinet 17 March 2021
 - Cabinet 9 September 2020
 - Cabinet 22 April 2020
 - Cabinet 18 March 2020
 - Cabinet 15 January 2020
 - Cabinet 6 November 2019
 - Cabinet 16 October 2019

16. List of Appendices

16.1 None

17. Background Papers

17.1 MHCLG letter to Local Authority Chief Executives, 2 September 2025, Funding Simplification: Levelling Up Fund, Town Deals and Simplification Pathfinders Pilot.

17.2 Kidsgrove Town Deal Investment Plan