

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

26th March 2026

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 ☐ No ☒
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 has now completed and the fund is spent. The current position regarding the projects that are following on from the funding as stand along projects is as follows:

2.1.1 Astley Place

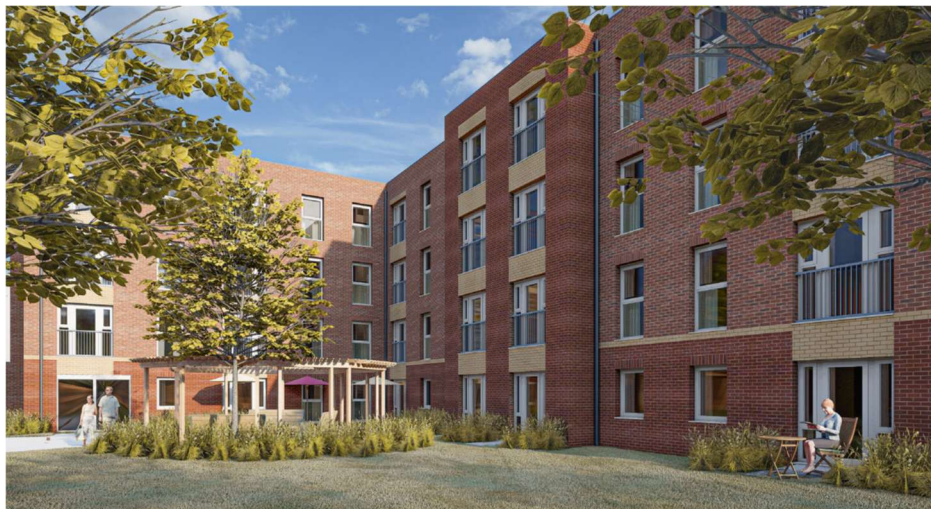
Capital&Centric and their contractor AC1 commenced works (November 2025) with the development due to be completed in January 2027 (13 month build period). Works are ongoing with drainage and concrete frame preparation works currently underway.



RyePark

2.1.2 McCarthy and Stone Residential Development

It is now anticipated that the works will commence in the summer of 2026 with completion in late 2027 to coincide with the adjacent Capital&Centric works.



2.1.3 Capital & Centric Ryepark Development

Capital&Centric have now appointed Henry Boot to undertake the Ryepark constructions works. Site clearance and ground works commenced in November 2025 and completion is expected in early 2028 (27 month build period). Drainage and foundation preparation works are currently underway.



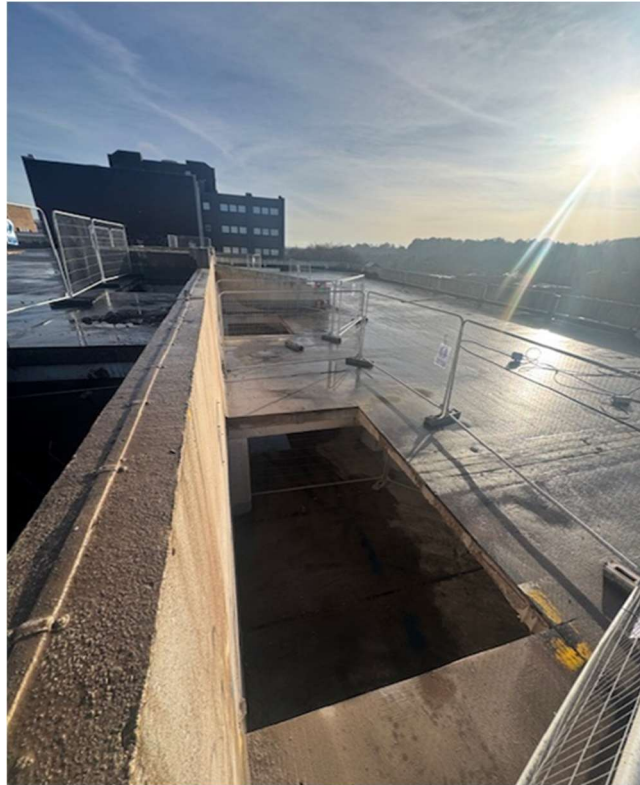


2.2 Newcastle Town Deal

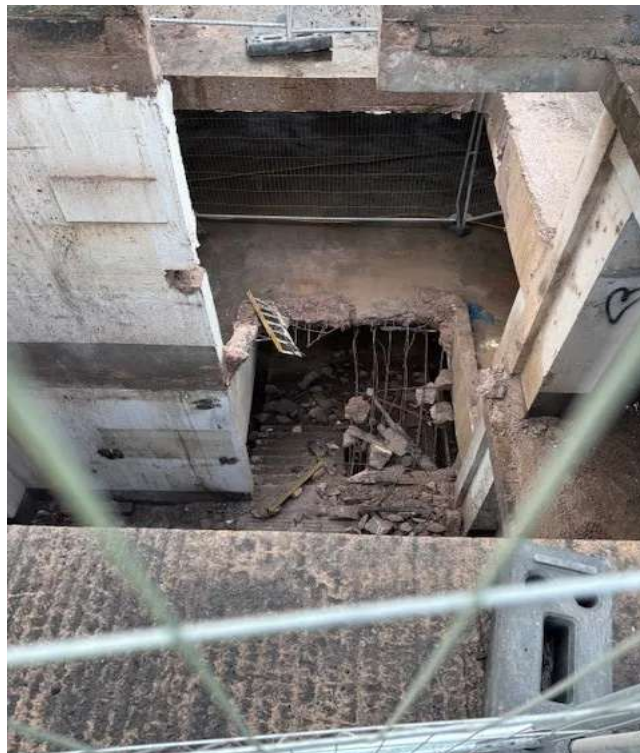
2.2.1 Karparc

As with the previous schemes noted above Capital&Centric have appointed Clegg Construction to undertake the works to this development. Works started in early November and will be completed by the summer of 2027 (18 month build period). Works underway include concrete 'cut-out' works and preparation for new lift and stairwells.





‘Punching’ holes through structure for atrium along centre of the building



New void for new stairwell and lift shaft

2.2.2 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 commenced with ground works in October 2025. Foundations have now been dug on most plots (see below).



The extension to the Enterprise Centre is now complete and has been awaiting the connection to a sub-station before the units can be occupied. This connection is due to take place at the end of March 2026 so the units should be handed over for occupation after this.



The plans for a village hall have been adapted to incorporate new enterprise units with a community facility available for hire within the structure / development. The scope of the works has altered as no community group was identified to operate the new facility. The scheme is being priced up in order to give an indication to the Town Deal Board for its consideration later in the year.

A prospective tenant has been found for the facility and Heads of Terms have been exchanged for legal agreements to be worked up. Planning will need to be sought for the changes to the building as noted above, now that a tenant is being secured.

Cross Street Chesterton

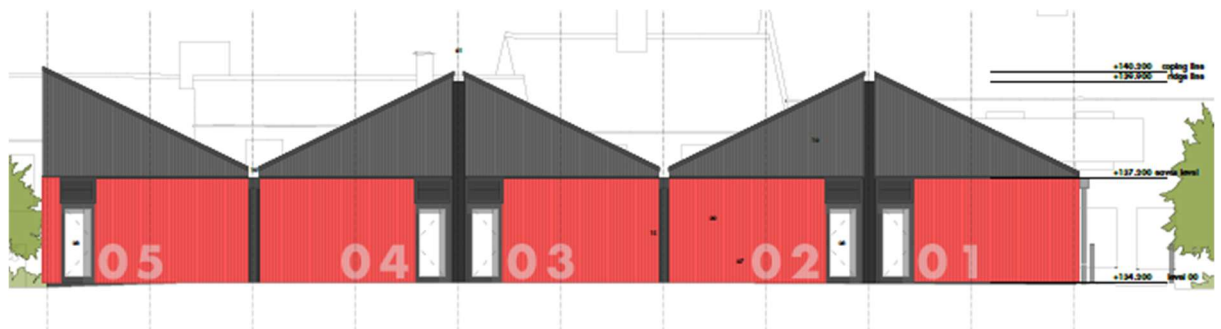
The Town Deal funding agreement was to support the developer Keon Homes to develop homes on the site. Phased handovers will commence from late 2025 and this Phase is expected to be completed fully by June 2026.



Countryside have begun work on their development of 39 no social rented apartments and bungalows for over 55's, and is expected to be completed by November 2026.

2.2.4 Zanzibar Enterprise Units

A planning application for the development has been approved, and ground works have commenced, and it is hoped that completion will be in late 2026.



2.2.5 Walking and Cycling Provision

All walking and cycle improvement works around the town centre are now complete.

2.2.6 Sustainable Travel

The works to the new bus entrance to Keele University have now commenced but have been paused whilst a legal issue with the University and the utility company is resolved – we are hopeful that the indemnity issue will be resolved shortly so works can recommence.

2.2.7 Digital infrastructure

ITS Technology Group Ltd have now completed the installation of the new cables through the ductwork – over 49,000m of cabling has been laid. A service provider has now been appointed, and they will energise the systems for operations for services to be provided in the summer of 2026.

2.3 Kidsgrove Town Deal

2.3.1 Chatterley Valley

This element of the Town Deal project is complete and Harworth, the developers, are due to commence the construction of the first 'shed' shortly.



2.3.2 Kidsgrove Train Station works

The previously reported issue with the costs of car park underpinning due to mine works underground have now been resolved and the Town Deal Board have agreed a revised scope of works to develop the station with a refurbishment to the existing buildings and car park works outside the area that has been indicated for underground mine remediation or the 'underpinning zone'. Design and costing works for the development are now underway.



2.3.3 Canal Pathways

Works by the Canal and River Trust have now been completed. An extension to the scope, that was agreed by the Kidsgrove Town Deal Board, to enable improvements to a Public Right of Way on a path connecting the canal towpath with a nearby residential area is now complete.

2.3.4 Community Learning Hub on the Kings Academy site

Kidsgrove Town Deal Board has agreed for delivery of a community learning hub on the Kings Academy site. This project is under development.

2.3.5 Enterprise Units on the Meadows

Kidsgrove Town Deal Board has agreed for delivery of small-scale enterprise units on the Meadows. A contractor is due to be appointed very soon for the units with the construction starting as soon as possible.

2.3.6 Highway Improvements

The highway improvements at The Meadows / Station Road, and Market St / The Avenue / Heathcote St, along with public realm improvements by Kings Street parade These projects are in delivery with a first informal consultation having taken place with surrounding properties on the proposed highway changes and detailed designs now being undertaken.

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 detail 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 been received, all of which has been spent at 31 March 2025.
- 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. All £23.6m has been received, of which £14.1m has been spent as shown below:

Project	Award (£000's)	Spend (£000's)	Remaining (£000's)
Digital Infrastructure	2,285	1,588	697
Sustainable Public Transport	3,421	1,215	2,206
Electric Vehicle Charging	400	400	0
Pedestrian Cycle Permeability	950	950	0
Transform Key Gateway Sites	3,810	1,398	2,412
Astley Centre for Circus	1,810	651	1,159
Digital Society	3,510	3,203	307
Heart into Knutton Village	3,534	2,953	581
Cross Street, Chesterton	2,955	987	1,968
Project Management	925	783	142
Total	23,600	14,128	9,472

- 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 £15.7m has been received of which £8.0m has been spent as shown below:

Project	Award (£000's)	Spend (£000's)	Remaining (£000's)
Kidsgrove Sports Centre	2,328	2,328	0
Chatterley Valley West	3,496	3,496	0
Kidsgrove Station	3,658	313	3,345
Shared Services Hub	6,183	662	5,521
Canal Enhancement	400	355	45
Project Management	835	806	29
Total	16,900	7,960	8,940

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 Sustainable 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.