

Newcastle-under-Lyme and Kidsgrove Urban Capacity and Town Centre Regeneration Study

June 2023



Turley

Contents

1.	Introduction and scope of the study	1
2.	Study methodology	2
3.	Market context	5
4.	Site Assessment Outputs	14
5.	Summary of findings	30
Appendix 1: Council defined town centre boundaries		32
Appendix 2: Deriving capacity estimates		34
Appendix 3: Office and Retail Properties available within the town centres (June 2023)		38
Appendix 4: Assessment of site achievability		40
Appendix 5: Town Centre Housing Market		48

Client

Newcastle-under-Lyme Borough Council

Our reference

NEWP3008

June 2023

1. Introduction and scope of the study

- 1.1 Turley and Aspinall Verdi were commissioned by Newcastle-under-Lyme Borough Council ('the Council') to prepare an assessment and analysis of the potential for additional urban capacity, beyond that identified by the Council within its Strategic Housing Land Availability Assessment 2022 (SHELAA), within the town centres of Newcastle-under-Lyme and Kidsgrove.
- 1.2 The Council defined a tight geographic boundary for each of the two town centres. These boundaries are shown at **Appendix 1**. Only sites or buildings fully within these boundaries were considered through this study.
- 1.3 The study considered the Council's ongoing programme of regeneration and investment in its town centres. This investment is understood to be primarily focused on improving public realm / committed projects, and it has not been assumed that any additional funding is available to support the redevelopment of other sites in the town centres, including those in Council ownership.
- 1.4 The outputs of this study will be considered by the Council as it progresses the development of its emerging draft Local Plan. The identification of sites within this assessment does not suggest that these sites will come forward for development or have a bearing on the Council's subsequent consideration of planning permission. Similarly, their identification does not necessarily mean they will be taken forward for more detailed assessment through subsequent iterations of the SHELAA.

Structure of the report

- 1.5 The report is structured as follows:
 - **Section 2: Study Methodology** – a full description is provided of the methodology used within the study. Further detail on specific elements is included as appendices.
 - **Section 3: Market context** – a concise overview of the current market context influencing potential development in both town centres.
 - **Section 4: Site Assessment Outputs** – the analysis of each of the sites identified through the research process as being potentially suitable for development is presented alongside a summary of the sites the Council has previously identified within the SHELAA. Further supporting evidence and analysis are included as appendices.
 - **Section 5: Summary of findings** – a concise summary of the key findings from the analysis.

2. Study methodology

2.1 The assessment followed a prescriptive methodological process agreed with the Council. This is explained within this section through the presentation of a set of tasks which were undertaken by the study team.

Task 1: Review of Council site information and mapping

2.2 The study team reviewed information collated by the Council including a series of mapping layers. Information considered included:

- SHELAA site information
- Planning permissions and completions
- Council land ownerships
- Funding and regeneration strategy information
- Previous evidence-based studies of relevance¹

Task 2: Officer workshop

2.3 The outputs of the above review were assimilated using GIS and used to facilitate a workshop with officers from the Council's Planning and Economic Development teams.

2.4 Through this workshop the Council discounted specific sites which were considered to be unsuitable for development, including a number of sites in their ownership which were in active use and not considered to be available within a reasonable timeframe. These sites were not considered further in this study and are not presented in this report.

2.5 A group of sites / areas within the town centres were agreed to be the focus of further analysis, with these identified in Figures 4.2 and 4.3 of this report. This included specific sites, primarily in Council ownership, as well as existing buildings where upper floors could reasonably have potential for redevelopment / conversion into residential uses.

Task 3: Site visits

2.6 Site visits were undertaken by members of the study team in both town centres in March 2023. Visits were undertaken to the areas identified by the Council as well as a wider consideration of other reasonable prospects for development / redevelopment. The identification of such sites / buildings was based solely on an external visual assessment and has not been informed by expressions of interest from those in ownership of the sites / buildings or other commercial market insight.

¹ This included the SHELAA and a borough-wide Commercial Market Analysis study prepared by Aspinall Verdi and commissioned by the Council's Housing team. It is noted that the study team were also involved in the preparation of the Council's Housing and Economic Needs Assessment Update (2023)

Task 4: Follow-up Officer workshop

- 2.7 A further workshop was held with Officers from the Council’s Planning team. Sites reviewed and identified through the site visits were discussed with the Council to confirm their potential suitability to determine their progression for further analysis. A total of 10 sites / buildings were identified as being potentially suitable² for accommodating residential development (potentially alongside other uses) within a reasonable timeframe.

Task 5: Analysis of sites

- 2.8 A number of sub-tasks were undertaken to assess the sites and determine their potential capacity to accommodate new residential development, the extent to which they could be considered to have reasonable prospects of being developed (achievable) and the timescales within which development could occur as appropriate.

Task 5a: Council audit of ownership, legal information, potential constraints and mitigation factors

- 2.9 The Council reviewed each of the sites to check for potential constraints arising from ownership, legal barriers, planning considerations³ and other constraints including contamination and land stability. Where constraints and/or mitigation measures were identified these have been documented. Where information is not included this does not mean that sites are free from constraints, rather that the Council does not hold information. A more detailed review and audit of constraints would be required if the sites were to be taken forward for inclusion by the Council in its assessment of land through its SHELAA.
- 2.10 Only sites fully in the Council’s ownership have been assumed to be available within this study⁴. Further work will be required by the Council to explore with owners of the other sites their willingness / plans for potential development / redevelopment.

Task 5b: Assessment of potential capacity

- 2.11 Appropriate development boundaries were defined for the sites and used to calculate gross developable areas. These were converted into net developable areas accounting for guidance within the SHELAA and a judgement based on a consideration of potential development form.
- 2.12 Building from the density multipliers applied in the SHELAA and the National Design Guide and the National Model Design Code appropriate refined multipliers were derived to account for a consideration of each site’s context, neighbouring uses, surrounding character and applicable planning policy. A judgement was also made using the same information on an appropriate maximum height (number of storeys).

² In accordance with the Council’s SHELAA methodology these were sites which were acknowledged as likely to have some form of constraint but where mitigation measures may be possible, enabling these constraints to be overcome. It is noted that at this stage a number of sites were in unknown ownership and so were not pre-determined as being ‘available’ for development.

³ It was noted for example that one site was in close proximity to the Grade II* listed Church in Newcastle-under-Lyme

⁴ Where sites are not classified as ‘available’ based on this criterion they have still been considered independently by Aspinall Verdi as to whether they could be viewed as ‘achievable’ should they be subsequently confirmed as available for development.

- 2.13 Where sites were heavily constrained by their small size or proximity to existing buildings, an appropriate maximum footprint and maximum number of storeys for development was identified based on a high-level scheme layout. This recognised that the application of the Council's more broad-brush assumptions would generate unrealistic capacity figures for these smaller sites. Further details of this approach are set out in Appendix 2.
- 2.14 The above were used to generate indicative capacity figures for each site. These are based on a range of high-level assumptions and analysis and should not be used by the Council to inform any consideration of future development proposals on the sites.

Task 5c: Assessment of sites achievability

- 2.15 Aspinall Verdi applied commercial judgement to assess the extent to which the identified sites had a reasonable prospect of development within a timeframe which was broadly cognisant of the emerging Local Plan timetable, which considers a twenty-year plan period out to 2040, and where development could be reasonably viewed as 'achievable'. This involved a judgement beyond the sites current perceived viability and considered the overall market perception of demand and need for different uses and the existence of comparable development schemes.
- 2.16 Aspinall Verdi proceeded to provide a high-level view with regards the extent to which sites could be considered deliverable or developable and whether they anticipated the sites coming forward within the next 5 – 10 years or thereafter (10 years +). No sites were determined as being 'suitable' at the current point in time, and as such it is not suggested that any sites will form part of the potential development to be delivered within 5 years.
- 2.17 In arriving at the high-level view, a judgement with regards to the economic viability of each site was arrived at by Aspinall Verdi. It is noted that individual viability assessments were not undertaken for the sites and this was therefore based on Aspinall Verdi's professional experience and market insight. The Council would need to apply its Viability Assessment model, currently understood to be being updated, to determine in accordance with its SHELAA methodology whether the site is viable. The judgement regarding a site's achievability in this study must be considered in this context.

Task 6: Assimilation of information

- 2.18 The outputs of task 5 were assimilated and presented within a draft report for review and consideration by the Council. Comments were received and acted upon including the provision of relevant additional information. A final report was prepared following a final process of review.

3. Market context

- 3.1 It is recognised that in the case of both centres there is not an existing well established new-build residential market. This section considers the Council's existing evidence at a borough level, regarding the need for housing and issues relating to viability. It then provides a high-level review of the observations of the study team on the existing residential market in each town centre, drawing on evidence of market transactions where this is available as well as commercial market insight.

Borough market context

- 3.2 The Council has recently updated its Housing and Economic Needs Assessment (2023), which updates and builds upon the earlier 2020 joint studies with Stoke-on-Trent City Council.
- 3.3 The update continues to identify a need for new housing in the borough over the proposed plan period. It models the implications of meeting a need for 358 homes per annum, which was the outcome of the standard method as of April 2022. It is acknowledged that this need has subsequently evolved with the release of new affordability ratios, slightly reducing the outcome of the standard method to 347 dwellings per annum.
- 3.4 This scale of need aligns closely with the rate of development reported over the last eight reported years to 2022, in which an average of 351 homes have been completed per annum. This serves to highlight that there has been and there will continue to be a need and demand for housing within the borough of Newcastle-under-Lyme.
- 3.5 The update proceeds to consider the type, tenure and size of homes that are anticipated to be needed. This identifies that meeting the minimum need calculated using the standard method will increase the number of people living alone, and to a lesser extent the number of other households with or without children. Circa 45% of these households could be expected to need three bedrooms, based on the size of housing occupied by their counterparts as of the 2021 Census, with another 29% needing two and most of the remainder (16%) needing at least four.
- 3.6 This skews more towards larger properties than the equivalent figures in the 2020 HNA, reflecting a slight shift since the 2011 Census which formed the basis for its assumptions. Compared to the figures reported previously, slightly more homes (76%) would need to be houses to deliver such a mix, with the proportion needing to be flats falling to 12% and now aligning with the broadly unchanged figure for bungalows. All of these estimates are confirmed as being only illustrative, and while they can be used for guidance and monitoring, they should not be interpreted as explicit requirements for all sites given the need to respond to changing market demands, local context and viability factors.
- 3.7 It is apparent from the above that at least some of the households in need could be expected to occupy smaller homes which would be more likely to come forward within the urban context of the two town centres. This suggests there is the potential for an underlying need and demand for housing which could be met through the provision of

new homes in both centres. The scale of this need is nonetheless less than that which appears likely to exist for more traditional housing products across the borough as a whole.

- 3.8 The Council last published a Viability Study in 2016, which was prepared jointly with Stoke-on-Trent City Council. It is understood that this is in the process of being updated. Evidently the age of the study means that its findings should be considered with caution but in the context of this study it is noted that it was clear to conclude that there were significant differences in values across the study area, with these used to define four sub-market areas.
- 3.9 The town centres of Kidsgrove and Newcastle-under-Lyme were both identified as being located within Zone 2 which demonstrated the second lowest average house prices (£100,000 - £120,000). The study acknowledges that sites which have abnormal costs in bringing them forward into a developable condition will reasonably be required to have their land value adjusted. It concludes that all sites across the borough are broadly viable across the plan period when taking into account affordable / low-cost housing requirements and all policy impacts of the Core Strategy⁵. It is considered that the comparatively low values of properties within Zone 2 forms an important context for the level of likely developer interest in the provision of market housing.

Town centre market overview

- 3.10 As noted above neither centre could be described as having an established town centre residential market. In this context it is not possible to undertake a detailed market review based on existing recent comparables. Consideration is given below to observations from the site visits, available albeit limited market transaction evidence and Aspinall Verdi's commercial market insight.

Newcastle-under-Lyme

Residential

- 3.11 The site visits revealed that whilst limited there is some precedent for town-centre living in **Newcastle-under-Lyme**, albeit this does appear to be largely oriented towards students. The Metropolis, opposite the Midway, is the largest such development at circa ten storeys, but relatively new student accommodation can also be seen on Hassell Street and to the rear of High Street for example. Further student accommodation is also being proposed between Bridge Street and Liverpool Road, on a site currently occupied by Jumbo Fun and Play, with a further 198 student bedspaces being proposed on the Morston House site⁶.
- 3.12 The redevelopment of the former library on Ironmarket, underway at the time of writing, is therefore notable for not appearing to target students. Some 36 apartments

⁵ Stoke on Trent City Council & Newcastle Under Lyme Borough Council SHLAA Viability Assessment (October 2016), Nationwide CIL Service, paragraph 7.11.

⁶ The Council confirmed that the site was currently at appeal at the time of writing and identified that the site already had permission for 31 student units and 84 residential units, which has subsequently lapsed. It is noted that this site has been considered in the Council's SHELAA and further information on the site is presented in section 4.

are being created through the refurbishment and extension of this historic building, which will also provide two commercial units on the ground floor. The Planning Statement suggests that the intention was for the developer to retain control of the property and rent out each apartment, making this a locally unprecedented Build to Rent scheme. As at June 2023 properties were being marketed as available for rent, with prices advertising as ranging from £1,100 - £1,250 per calendar month, but it was not confirmed if all properties were to be rented or whether some would be available for sale.

- 3.13 Further residential development is also being proposed on the Ryecroft site, one of the SHELAA sites considered further in the following section, once again departing from local precedent by exclusively targeting those aged 55 or above. Plans are believed to have not yet been fixed but the expectation is that these properties will be market housing, delivered in 2025. Given the early nature of the scheme's progression there is no indication as to the values which will be sought for these properties.
- 3.14 It is evident from the above that to date there has been relatively limited developer interest in progressing market town centre living products within Newcastle-under-Lyme town centre which are aimed at a young professional market, or indeed a market other than student accommodation. Indeed, it is of note that such products have not been identified as forming the residential component in the above referenced larger Ryecroft site development. This could be inferred as suggesting a perception at least of limited market demand or challenges associated in generating sufficient value through achievable sales prices for traditional residential market for sale or rental properties.
- 3.15 Landstack (using Land Registry Data) suggests there were 259 transactions within Newcastle under Lyme town centre⁷ over the last 5 years. All but one of the transactions were flats, with 178 of these transactions occurring within a building in the postcode SL5 1LD. There was only one transaction for detached properties. This detached property was at 31 Bridge Street, ST5 2RY which was sold for £130,000 with a pound per square foot (ppsqft) of £198.
- 3.16 As shown in Table 5.1 the average price across the 258 flats sold within the town centre of Newcastle-under-Lyme was c. £68,900 at an average ppsqft of c. £323. Flats which are new builds sold on average at a slight premium, translating into a slightly higher ppsqft of £329.

⁷ Note: statistics were collected within an interpretation of the redline boundary. This is further illustrated in mapping presented in Appendix 5

Table 3.1: Newcastle-under-Lyme town centre housing sales over past 5-years

Type	New Build?	Number of Transactions	Average Price	Average PPSQFT
Detached	No	1	£130,000	198
	Yes	237	£69,900	329
Flat	No	21	£57,400	258
		259	£69,200	323

Source: Landstack (using Land Registry Data), 2023

- 3.17 Across Newcastle-under-Lyme as a whole over the last 5 years, the average price paid was c. £163,100, with the average price paid for a flat being c. £112,900. It is apparent when comparing with the values recorded in Table 3.1 that properties within the town centre are transacting for notably lower values when compared against the borough average. This reinforces the findings of the Council’s Viability Study and shows that the town centre to date has achieved comparatively low values.
- 3.18 Whilst the number of transactions within the town centre means that annual comparisons are not representative it is noted that across the borough prices have risen over this period. Where the above present averages over the period in the latest year (2022) the average price in the borough was c. £190,900, some 17% above the five-year average and 32% above the value achieved at the start of the five-year period in 2017. Similarly, for flats the average price in the borough was c. £125,600, 11% above the five-year average and 19% higher than the values achieved in 2017. It is reasonable to assume that properties sold in the town centre more recently will have also seen proportionate uplifts in value against the five-year average, albeit it remains the case that they would remain comparatively affordable within the context of the wider borough.
- 3.19 Figure 5.1 in Appendix 5 shows that there were a large number of transactions in the area surrounding the town centre. Towards the south west of the immediate area outside the town centre, there are number of clustered lower value transactions, however, towards the area just north of the town centre, there are a number of comparatively higher value transactions. This suggests that some uplift in the values achieved would not be unreasonable, based on proximate geographic comparators and noting the very tight boundary of the town centre, subject to the type / quality of homes provided. The scale of such an uplift, however, would remain modest and would suggest the area remains one of the lower-priced areas of the borough.
- 3.20 According to Rightmove, there are currently no properties available to rent within Newcastle-under-Lyme town centre. Figure 5.2 in Appendix 5 shows that there are a number of properties available to rent within a quarter of a mile radius of the town centre. Table 3.2 shows there are 24 properties available to rent (excluding house share) within such a distance. The average rent per month is £810 across all these properties, with the highest monthly rent relating to the one available townhouse (£950) and the lowest average rents seen for flats at £602 per month.

Table 3.2: Properties marketed for rent within ¼ mile of Newcastle-under-Lyme town centre

Type	Number of available properties	Average rent (£pcm)	Average rent (£pw)
Apartment	4	£780	£180
Flat	5	£602	£140
Terraced	14	£882	£220
Townhouse	1	£950	£219
Overall	24	£810	£196

Source: Rightmove, 2023

3.21 Where it is noted above that most of the rental properties in the town centre are understood to be students lets, there is limited data available to ascertain the rental values being advertised. From a web-based review the following have been identified within the town centre:

- Hassell Street Apartments (www.derwentstudents.com), opened in 2016 and all properties currently let. Suggested rates for classic studio £120pw (48 weeks) and a Studio Plus - £124 pw.
- The Metropolis development (Midway www.studentfm.co.uk), 211 student flats (ranging in size from 18m² to 32m²). Building amenities include café style common room, laundrette and games zone. Suggested rates range from £132 pw for a standard studio (51 weeks) up to £182 pw for an Ultimate Studio. Rates are slightly higher for a 45 week rent, being between £142 - £192 pw.

3.22 The delivery of recent student schemes suggests that their delivery is viable based on achieving the advertised market rents identified above. No indication was provided to suggest that properties were not being occupied and it is anticipated that demand for student properties will be sustained where Keele University continues to advance plans to expand its facility and grow its home and international student base⁸.

Other commercial uses

3.23 Looking at the other commercial uses in the town centre it is the case – as with many other centres across the country – that changes in the structure of retail mean that the town needs to continue to move away from the retail model of the 1970s through to the 2000s. There is a recognition by the Council in its regeneration initiatives that consideration needs to be given to encouraging a smaller retail core, supplemented by the introduction of a wider range of uses such as food and leisure, accessible and affordable transport, a range of market, affordable and retirement housing, care facilities and a greater number of office and civic functions.

⁸ As discussed in the Housing and Economic Needs Assessment Update

Offices

- 3.24 Newcastle-under-Lyme is the administrative centre for the borough and the primary location for non-food shopping. It is a major focus for employment in local government, manufacturing, logistics as well as leisure opportunities.
- 3.25 There is a significant amount of secondary office stock in Newcastle-under-Lyme of varying specifications and quality. The majority of office stock is located within the town centre and space is small in size. Based on the commercial market knowledge of Aspinall Verdi, rental values being achieved are not considered to be of a significant enough level that would viably deliver new-build office development without public sector involvement.
- 3.26 Analysis of CoStar suggests that within the town centre boundary there are 5 office buildings with identified 'available' floorspace⁹. In total these represent 854 sqm of floorspace, noting that all five units have floorspaces below 250 sqm.
- 3.27 Aspinall Verdi consider that in this market context the provision of new commercial viable space is more likely to be through conversion and refurbishment, but again depending upon scale this is also likely to be challenging commercially unless a pre-let can be secured at an appropriate rental value which would significantly reduce risk.
- 3.28 Aspinall Verdi's evaluation of the current office climate within Newcastle-under-Lyme suggests that there is not enough scale of demand to support a fully functioning office market, with the conclusion reached that the demand is simply not there within the borough. They do, however, consider that there is a degree of optimism for future development of offices in the town centre and the regeneration benefits that such developments can bring. This recognises that the recent update to the Housing and Economic Needs Assessment identifies a forward need for new office space with Newcastle-under-Lyme town centre one of the more sustainable locations for such development. It is observed that the planned development of the community hub and the innovation centre within Aspire Housing's new headquarters will bring economic benefits during the construction period and once completed, will create new jobs and generate additional footfall that will help sustain retail and leisure businesses in the town as well representing an increase in commercial floorspace in the centre.
- 3.29 Whilst these schemes will be largely publicly funded, the new development will add confidence to the market and it is possible to foresee that this could lead to some speculative development or at least refurbishment of existing buildings. This may be for traditional leasing to financial and professional services companies or more flexible co-working spaces. This recognises that Aspinall Verdi perceive that the core demand in Newcastle-under-Lyme (and Kidsgrove) will come primarily from local businesses seeking to have formal spaces which enable greater productivity through high-speed broadband, availability of meeting rooms, ability to network and secure support.
- 3.30 It is observed within this context that there is potentially a role for the public sector to encourage the development of flexible small business spaces in the centre. This could help provide a place for companies to start up and grow. It should be noted however that this demand could also be met by the repurposing of vacant stock as well as the

⁹ Full details of the properties which are classed as 'available' in CoStar (05/06/23) are included at Appendix 3.

repurposing of retail premises or vacant trade counter spaces. In many cases, this will be serviced office space, though in some cases small hybrid workspace units may be more important. Similarly, as observed above it would be predicated on the availability of funding.

Retail

- 3.31 Newcastle-under-Lyme has benefitted from investment in the public realm in recent years but the decline in the retail sector and the impacts of the COVID-19 pandemic have left several empty units and along with many other centres the town is beginning to condense its retail offering. Analysis of CoStar identifies that in total there are 11 properties classified as having 'available' space, providing a total of 1,492 sqm of floorspace.
- 3.32 Although the town centre has a wide-ranging shopping offer and is the main non-food shopping centre for the area, for many years there has been little investment in new floor space. Retail investment has been restrained.
- 3.33 To achieve a greater level of vibrancy and footfall Aspinall Verdi consider that there is need to see a growth in independent retail and cultural uses. In this context they observe that the repurposing of existing retail is essential if the retail centres in the borough are to weather the changes to the retail sector, which has seen many national operators move away from the traditional high street and focus on out-of-town centres.
- 3.34 They consider that national retail comparison shopping chains are unlikely to return in scale to the centre. There is, however, a continuing need for additional convenience retail in a consolidated town centre. In the medium to long term, in the context of a consolidating retail offer it is reasonable to assume there will be limited demand for more retail space with residential development more likely to come forward, albeit noting that subject to location this could include some small-scale ground-floor uses. This can enhance vitality and viability by increasing the number of people using the town centre at all times of the day.
- 3.35 The limited demand for retail space is enhanced by the acknowledgment that viability is challenging and values do not support new development or even conversions in the town centre and its fringes currently. Over the longer term it is important to note that if new residential development is attracted this itself will increase the local customer base potentially supporting the vitality of an evolved retail and leisure offer and potentially attract additional investment.

Kidsgrove

Residential

- 3.36 It was apparent from the site visits that there appears to be little, if any, modern residential development within the defined boundary of **Kidsgrove** town centre. The homes that exist in this area predominantly sit above ground-floor shops, or – in the case of the Railway Inn – have been converted from overnight accommodation above a pub.

- 3.37 There is therefore very limited market precedent for residential development within the town centre. The limited scale of existing residential properties also means that there is limited transactional evidence of sales or rentals. Landstack data suggests that there were only three transactions in the Kidsgrove town centre area over the last five years. All three of these transactions were terraced houses, with an average price of £105,000 and average ppsft of £131.
- 3.38 The limited number of transactions within the town centre means that annual comparisons are not representative of the overall market and it is noted that across the borough, prices of terraced houses have risen over the last five years. Across Newcastle-under-Lyme as a whole, the average price paid for a terraced house was c. £113,000, suggesting that values in Kidsgrove town centre are broadly comparable with the borough average. However, in the latest year (2022), the local authority of Newcastle-under-Lyme had an average sales price for terraced housing of c. £143,700, some 27% above the five-year average and 32% above the value achieved at the start of the five-year period in 2017. It is reasonable to assume that properties sold in the town centre more recently will have also seen proportionate uplifts in value against the five-year average, albeit it remains the case that they would remain comparatively affordable.
- 3.39 Figure 5.3 in Appendix 5 shows that there were a number of transactions outside of the town centre. There were clusters of higher value transactions towards the north east and south west of the area outside the town centre, with clusters of low value transactions towards the north west of the area outside the town centre. Again, the existence of slightly higher values in close proximity suggests it is reasonable to assume that subject to the type / size of homes that higher values could be achieved than the direct comparables identified in the tightly drawn town centre boundary.
- 3.40 According to Rightmove, there are currently no properties within Kidsgrove town centre that are available to rent. However, there are two properties available to rent within a quarter of a mile radius of the site. This suggests that there is limited availability to rent a property within Kidsgrove town centre and the surrounding areas. Table 3.3 shows that one semi-detached house and one townhouse are available to rent, for £700 or £750 per month respectively.

Table 3.3: Properties marketed for rent within ¼ miles of Kidsgrove town centre

Type	Number of bedrooms	Rent (£pcm)	Rent (£pw)
Semi-detached	2	£700	£162
Town House	3	£750	£173

Source: Rightmove, 2023

Other commercial uses

- 3.41 Kidsgrove is a secondary town in the borough, serving a smaller catchment area. Its current offer in terms of retail and other commercial uses is therefore considerably smaller in scale to that of Newcastle-under-Lyme. Common challenges are evident and any potential for new provision must be viewed proportionately.

- 3.42 In this context Aspinall Verdi consider, in looking at offices first, that where there is demand this will be for small offices for local service businesses such as professional advisors, insurance brokers and estate agents. The local business start-up rate is low compared to national averages, but there is an underlying demand for affordable office premises, noting that according to CoStar there are no vacant office buildings in the centre currently. This would suggest a level of churn as opposed to new developments within the existing offer.
- 3.43 Looking at retail Aspinall Verdi observe that smaller high streets in outlying centres such as Kidsgrove are suffering and are disproportionately affected by the changing face of retail. They consider that new national retail comparison shopping chains are highly unlikely to locate here. There is however, a continuing need for additional convenience retail in a consolidated town centre and it is noted from an analysis of CoStar data that only 1 property is classed as 'available', with a floorspace of only 143 sqm.
- 3.44 Aspinall Verdi observe in this context that Kidsgrove has weathered the changes in the retail sector consistently, with smaller independent retail offerings and local centre occupiers such as takeaways and hairdressers this is in line with trends being seen throughout the UK.
- 3.45 In the medium to long term, Aspinall Verdi consider that in Kidsgrove there is a reasonable likelihood that residential development could replace more peripheral retail sites. As observed with regards to Newcastle-under-Lyme centre this would reflect a consolidated and stronger retail centre with the benefit of increasing the local population and therefore footfall. Aspinall Verdi observe that as with Newcastle-under-Lyme such development will face considerable viability issues at the current point in time suggesting that without public funding support development will be challenging.

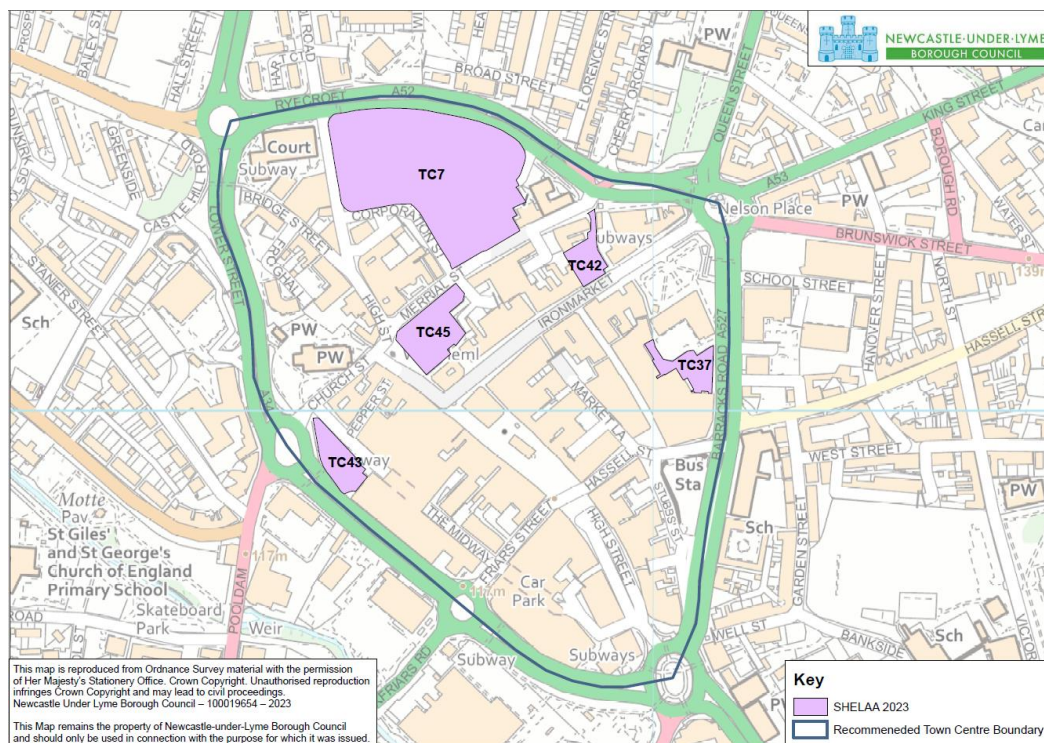
4. Site Assessment Outputs

- 4.1 This section presents the outputs of the site assessment process. The analysis is structured to first present the sites identified by the Council within its SHELAA. This work has not sought to consider these sites or validate the Council’s analysis, but they form an important context in understanding the identification of further sites and the capacity of both centres to accommodate additional residential development.
- 4.2 In the presentation of additional identified sources of potential residential supply, the outputs are structured to separately present sites for Newcastle-under Lyme and Kidsgrove town centres but also sub-divided to recognise different typologies of opportunity.

Council SHELAA sites

- 4.3 The Council through its SHELAA identified several residential sites within Newcastle-under-Lyme town centre. These are shown at Figure 4.1. No sites were identified within the SHELAA within Kidsgrove town centre.

Figure 4.1: Council SHELAA sites – Newcastle-under-Lyme town centre



Source: Newcastle-under-Lyme Borough Council

- 4.4 Table 4.1 sets out the Council’s assessment of these sites, including their calculated capacity, consideration of their achievability and timing of potential delivery. In total these sites indicate a potential capacity of 248 homes in Newcastle-under-Lyme town centre. It is understood that site TC37 is not considered by the Council to be deliverable or developable and would reduce this capacity to 241 homes.

Table 4.1: Council SHELAA sites – Council assessment of capacity

SHELAA Ref	Site Address	Summary	Gross Site Area (Ha)	Developable Area Assumption	Developable site area (Ha)	AC1 Viability	Achievability	Time Period	Existing site use	Mitigation Measures	Density applied (dph)	Estimated development potential (no. of homes)
TC45	York Place, Newcastle Town Centre	The site is located within the Newcastle urban area (Newcastle town centre) and is being considered as part of a masterplan exercise for retail and employment (office) development. The site falls within the Newcastle Town Centre Conservation Area and is surrounded by listed buildings and locally important building and structures. The site also falls within an Air Quality Management Area and has access to a range of services and facilities.	0.3	95%	0.29	Viable	Achievable		Retail		50	15
TC7	Land bound by Rycroft, Ryebank, Merrial Street, Corporation Street and Liverpool Road	The site is located within the Newcastle urban area (Newcastle Town Centre) and has planning approval for the demolition of the former civic offices (Ref. 21/00908/DEM). Site status complete as of 31/03/2022. The site has previously been subject to a masterplan exercise, and its future uses are currently under consideration. The site promotor proposes 75 units with the estimated potential capacity reflecting this. The Economic Needs Assessment grades the site as 'good', and recognises the site's potential for mixed use	1.92	85%	1.63	Viable	Achievable	6 - 10	Former offices and car park	Air Quality Assessment, contamination assessment / land remediation	50	75

		development (employment and housing). Part of the site falls within the Newcastle Town Centre Conservation Area. The site falls within an Air Quality Management Area (AQMA). The site has access to a range of services and facilities.										
TC42	Former Newcastle Library, Ironmarket, Newcastle-under-Lyme	The site is located within the Newcastle urban area (Newcastle Town Centre), and has planning approval for the change of use / part demolition of the former library to 36 apartments (Ref. 21/00903/FUL). Estimated potential capacity reflects the planning approval. The site is under construction and branded as 'Queens Gardens'. The site falls within the Newcastle Town Centre Conservation Area, and an Air Quality Management Area (AQMA).	0.13			Viable	Achievable		Former public library			36
TC43	Morston House, Midway, Newcastle-under-Lyme	The site is located within the Newcastle urban area (Newcastle Town Centre) and has previously had permission for residential development which has lapsed. The estimated potential capacity reflects the previous planning approvals. It is noted that the site is currently subject to a new planning application for 198 student bedspaces and is currently subject to Appeal. The site falls within the Newcastle Town Centre Conservation Area, and an Air Quality Management Area (AQMA).	0.18			Viable	Achievable		Former offices			115

		The site has access to a range of services and facilities.										
TC37	Site to the rear of Castle House, Newcastle	The site is located within the Newcastle urban area, and in active use as a retail yard / car park. Availability assessment reflects this. The site falls within Newcastle Town Centre Conservation Area, and an Air Quality Management Area (AQMA). It is irregular in shape which could further influence housing capacity, and amount of employment development on site. The site is surrounded by retail and office units which makes it unsuitable for housing development. The site has access to a range of services and facilities.	0.15	95%	0.14	Viable			Retail yard / car park		50	7

Source: Newcastle-under-Lyme Borough Council

Potentially suitable (constrained) sources of additional residential supply

- 4.5 In accordance with the methodology explained in section 2 a desktop review of mapping within the town centre and site visits identified several potential suitable sources of residential development within each centre. This exercise also took into account the Council's Opportunities Framework Plan which identifies areas of prioritised funding and potential development site opportunities. A version of this plan is included in Appendix 4.
- 4.6 These sites are shown in Figures 4.2 (Newcastle-under-Lyme town centre) and 4.3 (Kidsgrove town centre). They include a mix of:
- Vacant land or land in active use but undeveloped e.g. car parking and in Council ownership;
 - Vacant land or land in active use but undeveloped which was previously in Council ownership; and
 - Sites in Council ownership which are currently developed but where there are plans to demolish existing uses;
 - Sites with existing development in active use and not in Council ownership; and
 - Existing buildings with upper floor uses which are considered to more readily offer the potential for conversion / change of use to residential uses.

Figure 4.2: Newcastle-under-Lyme identified potential suitable sources of additional residential development

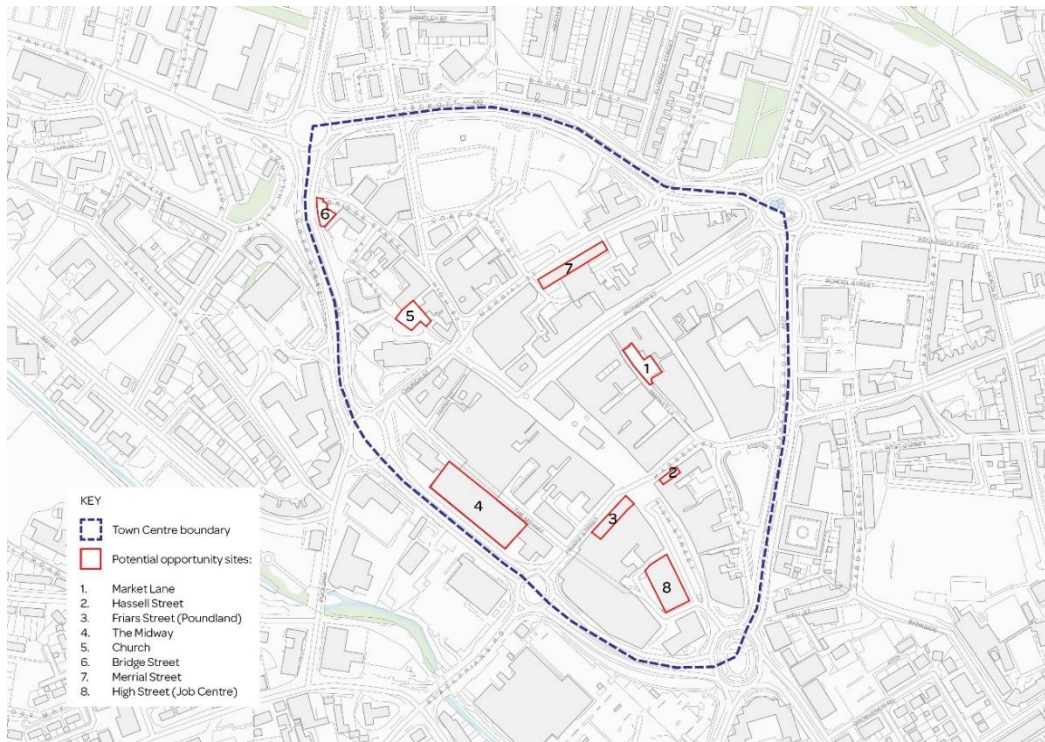
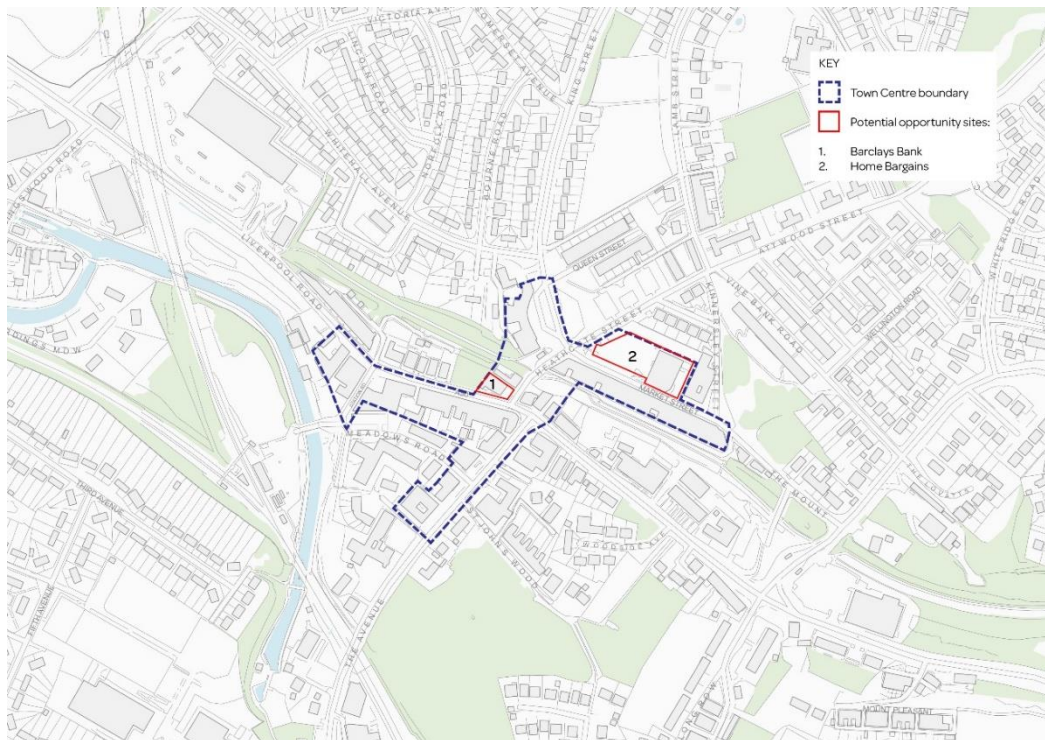


Figure 4.3: Kidsgrove identified potential suitable sources of additional residential development



Source: Turley analysis / Newcastle-under-Lyme Council

- 4.7 These sites have been identified through the study and agreed with Council officers as offering the potential for development but due to uncertainties around potential constraints they are not classified as 'suitable' in accordance with the Council's SHELAA methodology. They are therefore considered 'potentially suitable' albeit with recognised potential or identified constraints and uncertainty as to the extent these could be overcome. A judgement on the sites' suitability will be subject to change where new or additional evidence is identified by the Council.

Identified potential sites in Council ownership

4.8 The sites in Table 4.2 are all in Council ownership. Where they have been reviewed by the Council for legal or physical barriers and have been confirmed as having the potential for development, they are all considered to be ‘Available’ as per the SHELAA methodology.

Table 4.2: Assessment of identified potential sites in Council ownership

Site Address / Reference	Description	Existing site use	Approx Gross Site Area (Ha)	Developable Area Assumption *	Approx Developable site area (Ha)	Potential constraints / density considerations	Achievability	Time Period	Density applied (dph)	Estimated development potential (no. of homes)
Newcastle-under-Lyme										
Midway	Existing multi-storey car park that the Council has confirmed is surplus to future requirements. Precedent for residential development nearby.	Multi-storey car park	0.33	95%	0.31	Density reflects adjacent 10 storey building. Assume all residential; however, this could include some non-residential development at ground floor.	Achievable: AV consider the site to have potential to deliver residential development but consider it is unlikely that this scheme will come forward without significant funding intervention. The site is identified as being within the Future High Streets Fund area, but the scale of funding gap is likely to be significant limiting the chances of delivery in the near term.	10 years+	380	Up to 126 dwellings

Church	Infill land to rear of High Street / north of St Giles' Church	Service yard / car park	0.055	N/A	c.145sqm footprint	Proximity to existing buildings and listed church. Assume all residential due to location and size.	Achievable. Whilst AV consider there is a reasonable prospect of delivery at some point the constrained nature of the site, limited capacity and low values mean that it is unlikely to be viable currently.	10 years+	75 (limited by footprint and height assumption)	4 x c.60sqm apartments (2 storey)
Bridge Street	Green space at junction of Bridge Street and Lower Street	Vacant land. It is noted that the site is identified as a short-medium term opportunity site within the Council's Opportunities Framework Plan for reuse	0.03	N/A	c.140sqm footprint	Proximity of adjacent building; existing trees within site present potential constraints. Assumed 100% residential due to location and size.	Achievable. Where the site offers some potential for residential development the limited site size and capacity, coupled with low values means that the site is considered unviable currently. Where the site is prioritised for public sector funding the development could potentially be brought forward more swiftly.	10 years+	180	5-6 x c.60sqm apartments

* Where appropriate a developable area percentage has been applied; where not appropriate an achievable building footprint has been identified

Source: Turley & Aspinall Verdi analysis

4.9 Whilst the sites are considered 'achievable' at some point in time by Aspinall Verdi, in particular the Midway site noting the approved adjacent application and proximate recent larger student development, none of the sites are considered to be viable at the current point in time and therefore **not considered to be deliverable or developable**. Aspinall Verdi have nominally suggested that the sites could be delivered beyond the next ten years albeit this is likely to be dependent upon public sector funding support and in the case of the smaller sites an increase in market demand for residential living within the town centre to make the process worthwhile for the landowner, which in this case is the Council.

Additional other potential sites / redevelopment opportunities

4.10 The sites in Table 4.3 have been identified through a visual assessment of the town centre. They have not been identified or promoted by their respective landowners, with all of the sites understood to be in private ownership. On this basis the sites are categorised as **'Unavailable'** following the SHELAA methodology. Subsequent dialogue with landowners and a positive indication of development intentions would offer the opportunity for recategorisation.

Table 4.3: Assessment of identified potential sites not in Council ownership

Site Address / Reference	Description	Existing site use	Approx Gross Site Area (Ha)	Developable Area Assumption *	Approx Developable site area (Ha)	Potential constraints / density considerations	Achievability	Time Period	Density applied (dph)	Estimated development potential (no. of homes)
Newcastle-under-Lyme										
Market Lane	Infill land to rear of Castle Walk properties	Service yard / car park	0.063	N/A	c.145sqm	Unknown but site was recently in Council ownership and so further investigation could be undertaken. Assumption site will come forward as 100% residential due to location.	Achievable: AV consider there is a prospect of delivery at some point but that the site is unlikely to be viable at the current point in time. This recognises low values and demand and the limited capacity of the site.	Unknown but at least 10 years +	70 (limited by footprint and height assumption)	4 x c.60sqm apartments
Kidsgrove										
Barclays Bank	Existing bank at junction of Liverpool Road and	Bank	0.052	95%	0.05	Currently actively occupied. Proximity to adjacent building; height limited to 2	Achievable. AV consider the site to offer the potential for redevelopment at some point. However, where	Unknown but at least 10 years +	120 (guided by developable area and 2	6 x c.60sqm apartments (all residential) OR non-residential

	Heathcote Street					storeys to reflect surrounding context. Potential for ground floor non-residential uses.	there is a tenant in place, limited demand, small capacity/scale and height limits it is considered the site would have significant viability challenges at the current point in time.		storey height applied)	ground floor uses with 3 x c.60sqm apartments above.
Home Bargains	Existing Home Bargains store and associated car park along Market Street	Retail and associated car park	0.32	95%	0.3	Currently actively occupied. Proximity to adjacent building; site topography; height limited to 2 storeys to reflect this and surrounding context. Assume 100% residential albeit could be a mix of uses given size of site subject to market demand	Achievable: AV consider that the location and size of the site means there is a reasonable prospect of redevelopment at some point. However, where there is an existing tenant, low values and known demolition costs and potential for other site constraints it is not considered viable at this point in time.	Unknown but at least 10 years +	160 (guided by developable area and 2 storey height applied)	48 x c.60sqm apartments

* Where appropriate a developable area percentage has been applied; where not appropriate an achievable building footprint has been identified

Source: Turley & Aspinall Verdi analysis

4.11 Aspinall Verdi have identified the three sites above as being potentially **Achievable** where there is a reasonable prospect that they would be redeveloped / developed at some point in the future, albeit noting that this assumes that the sites do become 'available'. As the sites are not in current ownership and have not been promoted for development by the existing landowners there is no evidence to suggest a reasonable timing of delivery but it would not be anticipated by Aspinall Verdi to be within the next 10 years. This recognises that each of the sites are considered by

Aspinall Verdi to be **unviable** and therefore **not deliverable or developable** accounting for current low values and the costs likely to be involved in developing the sites.

Additional other potential sources of additional residential – upper floor conversions

4.12 The sites in Table 4.4, like those in the previous Table 4.3, have been identified through a visual assessment of the town centre. For the same reason the sites are therefore categorised as **‘Unavailable’** following the SHELAA methodology. Again, subsequent dialogue with landowners and a positive indication of development intentions would offer the opportunity for re-categorisation.

Table 4.4: Assessment of identified potential other sources of residential development

Site Address / Reference	Description	Existing site use	Approx Gross Site Area (Ha)	Developable Area Assumption *	Approx Developable site area (Ha)	Potential constraints / density considerations	Achievability	Time Period	Density applied (dph)	Estimated development potential (no. of homes)
Newcastle-under-Lyme Borough Council Ownership										
Merial Street	Potential additional storey above existing row of shops (increase from 2 to 3 storeys) and conversion of 1 st floor to residential	Retail with commercial uses / above (previously used as Council offices ¹⁰)	800sqm	100%	800sqm	Existing occupiers / potential impacts on ground floor uses. Unknown	Achievable: AV consider reasonable prospect for conversion recognising proximity to Future High Streets Fund Masterplan area and the Ryecroft Development and other proximate planned development. Unknown costs associated with conversion	10 years +	N/A	20 x c.65sqm apartments (10 no. apartments per floor)

¹⁰ The Council noted that in 2022 the upper floors were used as a cold night shelter to fulfil the Council’s obligations on offering homeless people shelter.

albeit assumed given low values that site conversion would be unviable at current point in time.

Newcastle-under-Lyme Unknown Ownership

Hassell Street	Partial additional Bank 2 storeys (infill) above NatWest Bank with separate option for conversion of upper floors as well	140sqm (infill area) 540sqm (building footprint)	100%	140sqm (infill) 540sqm (building footprint)	Current ground floor occupiers / internal design issues	Unknown: AV consider that given there are other proximate conversion schemes for student housing there is a reasonable prospect that further comparable residential schemes could come forward. However, the challenges of conversion are unknown and it is in private ownership. The limited size of the potential conversion makes it unclear whether there would be a motivation for the landowner to convert. This also recognises that there would be potential disturbance payments plus conversion costs including enabling works, which given low values would mean the scheme is unviable currently	Unknown but at least 10 years +	N/A	4 x c.60sqm apartments (infill only); 16 x c.60sqm apartments (across whole NatWest building)
----------------	---	---	------	--	---	---	---------------------------------	-----	---

							and could be impacted even where values increase.			
Friars Street (Poundland)	Potential additional storey above retail unit and conversion of additional floors above ground floor for residential	Retail	560sqm	100%	560sqm	Current ground floor occupiers / internal design issues	Unknown: AV consider that given there are other proximate conversion schemes for student housing there is a reasonable prospect that further comparable residential schemes could come forward. However, the challenges of conversion are unknown and it is in private ownership. It is also observed that there would be potential disturbance payments plus conversion costs including enabling works, which given low values would mean the scheme is unviable currently and could be impacted even where values increase.	Unknown but at least 10 years +	N/A	8 x c.60sqm apartments (additional storey only); 24 x c.60sqm apartments (additional storey and conversion of existing upper floors)
High Street (Job Centre)	Potential additional storey above retail unit and conversion of additional floors above ground	Retail	1,350sqm	100%	1,350sqm	Current ground floor occupiers / internal design issues	Unknown: AV consider that given there are other proximate conversion schemes for student housing there is a reasonable prospect that further comparable residential	Unknown but at least 10 years +	N/A	20 x c.60sqm apartments (additional floor only); 60 x c.60sqm apartments (additional floor and conversion of 2 existing upper floors)

floor for
residential

schemes could come forward. However, the challenges of conversion are unknown and it is in private ownership. It is also observed that there would be potential disturbance payments plus conversion costs including enabling works, which given low values would mean the scheme is unviable currently and could be impacted even where values increase.

** Where appropriate a developable area percentage has been applied; where not appropriate an achievable building footprint has been identified*

Source: Turley & Aspinall Verdi analysis

- 4.13 As documented in section 3 of this report there is existing precedent of upper-level conversions being delivered in recent years in Newcastle-under-Lyme town centre, albeit primarily for student accommodation. A few buildings where conversions could reasonably be viewed as an option have been identified and considered in high-level terms with regards the potential capacity of apartments which could be accommodated and their potential achievability.
- 4.14 One of the buildings identified is in Council ownership and sits near the area of regeneration funding and investment, including the Ryecroft development site. This conversion is considered **Achievable** by Aspinall Verdi, albeit where there are unknowns regards the costs or indeed practicalities of conversion it is not considered viable at the current point in time and is **not therefore identified as being deliverable or developable**. Aspinall Verdi consider that should the market generate sufficient value to make a conversion viable it is reasonable to assume at the current point in time that the development would not occur in the next ten years.

4.15 The other two sites are understood to be in private ownership. Given the added uncertainties around the costs of conversion and impacts on existing occupiers (ground floor at least) these sites have **not been categorised as Achievable and are similarly not considered deliverable or developable due to an anticipated lack of viability.**

5. Summary of findings

- 5.1 This report has set out the approach taken to the study which has looked at the potential for additional urban capacity for development, beyond that identified by the Council within its SHELAA, in the town centres of Newcastle-under-Lyme and Kidsgrove.
- 5.2 The process of reviewing desktop information and site visits identified ten potential sites across both centres, eight in Newcastle-under-Lyme and two in Kidsgrove. While ten sites were identified that is not to say that this is an exhaustive list or that other sites will not come forward in future years.
- 5.3 A combination of the density assumptions developed by the Council and bespoke high-level layouts for smaller sites provided an indication of the potential volume of new homes that these sites could yield. This exercise suggested an additional potential supply of:
- 272 homes in Newcastle-under-Lyme town centre; and
 - 54 homes in Kidsgrove town centre
- 5.4 A small component of mixed-use development was also identified as potentially being integrated within a limited number of the sites in Newcastle-under-Lyme. It is recognised that some of the sites could lend themselves to other commercial uses but Aspinall Verdi have noted the limited scale of demand for retail / office premises currently, albeit small scale provision of both could still be delivered where there is proven demand in the future.
- 5.5 Whilst representing a theoretical capacity for additional homes within the town centre it is important to note that **this study does not suggest that these sites should be considered as forming part of a residential supply for the borough at the current point in time.**
- 5.6 Recognising that further work is required to clarify the nature and extent of potential constraints, for the purpose of this assessment **all the additional sites identified in both town centres have been classified as 'potentially suitable' (constrained)**. It is observed from the information available that the sites in Council ownership are likely to be classified as 'suitable', but this will need to be confirmed separately by the Council if they are to be advanced further as a source of supply to be identified within the next iteration of the SHELAA.
- 5.7 While the study has proceeded to provide a consideration of each site's availability and achievability, based upon market insight provided by Aspinall Verdi, it is important in the context of the above that this does not mean they can be readily considered as part of the existing supply even where both aspects are considered positive.
- 5.8 Of the ten sites identified four are within Council ownership and following confirmation from within the Council that the sites could be available for development these sites can be identified as 'Available'.

- 5.9 The remaining sites, including those which are upper floor conversions, have only been identified through an external visual assessment of opportunities. They have not been advanced by an owner or developer and these sites are therefore classified as 'Unavailable' at this stage. Subsequent positive approaches by landowners to the Council could affect this categorisation in accordance with the Council's SHELAA methodology.
- 5.10 Many of the sites were classified by Aspinall Verdi as potentially being 'Achievable', where they considered there to be a reasonable prospect of development at a particular point in time. The buildings identified for potential conversion which were not in Council ownership were classified as Unknown with regards their being achievable, noting the absence of sufficient information to determine the practicalities of conversion.
- 5.11 **None of the sites were identified at the current point in time as being deliverable or developable.** All were considered to face viability challenges, reflecting comparatively low values and the costs of development, with many of the sites likely to require constraints to be overcome or to bear more significant development costs. Where Aspinall Verdi have confirmed that the sites are not developable based on current information, they also anticipate that none would be delivered within the next 10 years. In arriving at this judgement Aspinall Verdi have assumed that no public funding is made available to address viability challenges although it is noted that a number of the sites are included within, or in close proximity to, areas of targeted investment by the Council as part of its regeneration of Newcastle-under-Lyme town centre.

Appendix 1: Council defined town centre boundaries

The Council defined the boundary of each town centre as illustrated in the following plans. No consideration has been given to land outside of these tightly drawn boundaries.

Figure 1.1 Newcastle-under-Lyme town centre boundary (illustrated in red)

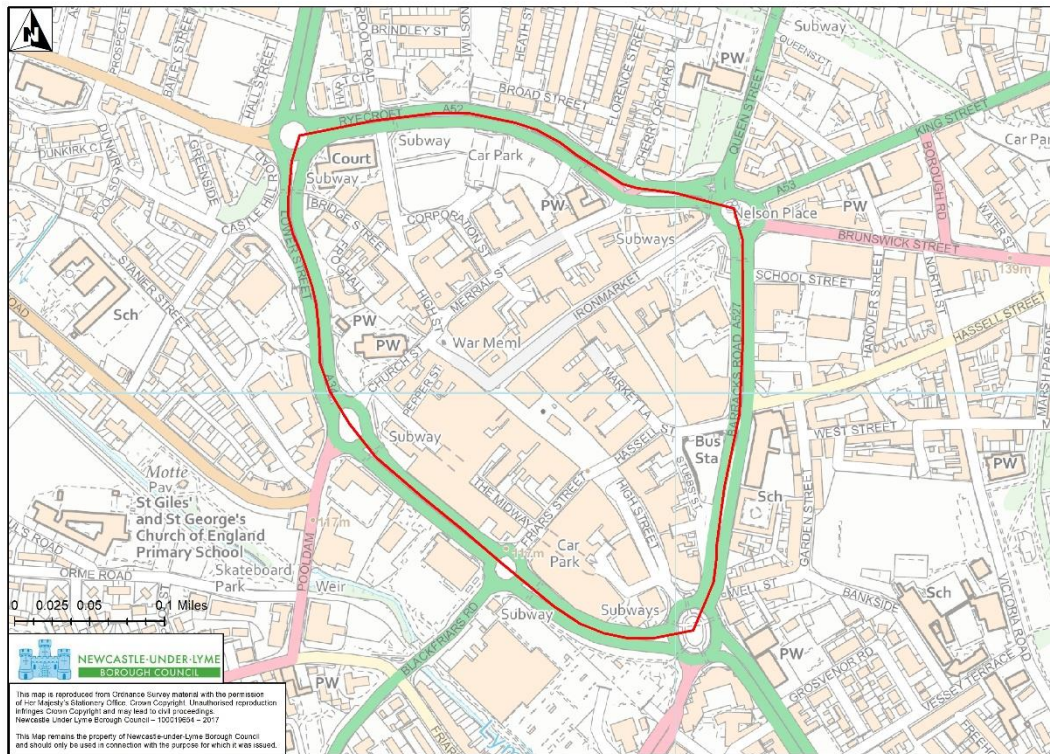
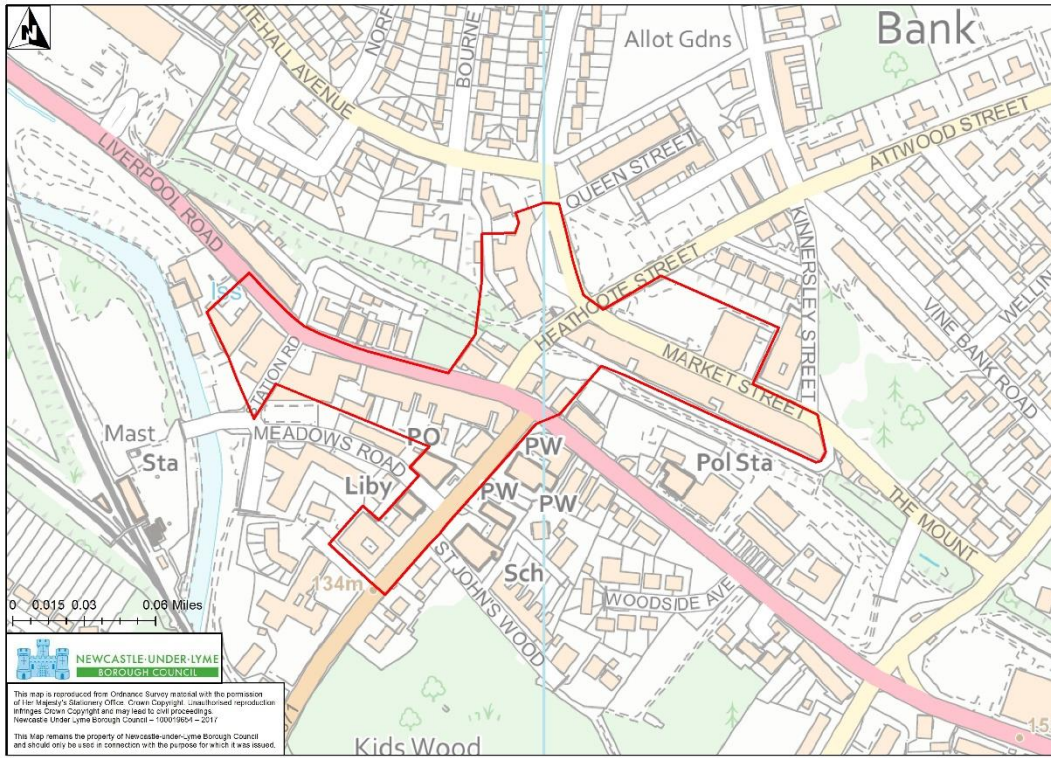


Figure 1.2 Kidsgrove town centre boundary (illustrated in red)



Appendix 2: Deriving capacity estimates

The Council's SHELAA provides a methodology that the Council has used to convert gross site areas into developable areas and subsequently – through the application of density multipliers – a potential capacity for new homes.

In terms of the derivation of developable areas the table on page 10 of the SHELAA methodology reports confirms that for sites of up to 0.5 hectares it is assumed that 5% of the site is for associated infrastructure, making 95% available for development. For sites of between 0.5 and 2 hectares a 15% allowance has been provided for and for larger sites (i.e. above 2 hectares) an allowance of 20% has been made. These have been used as reasonable starting points in this assessment and where they have been departed from this is explained for individual sites.

Similarly, the SHELAA methodology sets out assumptions around the densities per hectare to be applied. The table on page 13 suggests a density of 180 dwellings per hectare (dph) be applied within the 'Town' ward, whilst also acknowledging a lower density of 50 dph may be appropriate. The higher density assumption is broadly considered to be more appropriate given the tight town centre boundary identified for this study but again where it is considered there is a need to apply an alternative assumption this has been explained on a site-by-site basis.

Kidsgrove town centre is covered within the area identified as having an assumption of 40 dph applied. This, it is assumed, recognises the limited development precedent in the town centre. For this assessment bespoke densities have been considered for the sites identified in Kidsgrove and explained below.

Site Address / Reference	Summary	Site area	Considerations	Methodology Applied	Estimated development potential	Estimated development potential using Council methodology*
Newcastle-under Lyme						
Market Lane	Infill land to rear of Castle Walk properties	c.635sqm	Heavily constrained by surrounding buildings and potential access / servicing requirements	Desktop assessment of maximum building footprint (c.145sqm) and height (2 storeys) achievable. Assume all residential due to location.	4 x c.60sqm apartments	10-11 dwellings
Hassell Street	Partial additional 2 storeys (infill) above NatWest Bank	c.140sqm infill (total building footprint c.540sqm)	Above existing building. Access and structural assessments required. Potential to convert upper floors of whole building.	Approx. infill footprint area calculated; assumption on 85% net development area.	4 x c.60sqm apartments (2 storey infill area only); 16 x c.60sqm apartments (2 storey whole NatWest building footprint)	N/A as upper floor extension to existing building
Friars Street (Poundland)	Potential additional storey above retail unit	c.560sqm	Above existing building. Access and structural assessments required. Potential to convert existing first and second floors.	Approx. footprint area calculated; assumption on 85% net development area	8 x c.60sqm apartments (additional storey only); 24 x c.60sqm apartments (additional storey and conversion of existing upper floors)	N/A as upper floor extension to existing building

The Midway	Existing multi-storey car park	c.3,265sqm	High density precedent set by adjacent 10 storey building. Assume all residential due to location; however, there is opportunity for some ground floor non-residential uses.	Utilised figures from Council's draft scheme for the development	126 dwellings	56 dwellings
Church	Infill land to rear of High Street / north of St Giles' Church	c.550sqm	Proximity to existing buildings and listed St Giles' church. Assume all residential due to location, albeit note Council has identified for a potential range of uses as part of its Opportunities Framework Plan	Desktop assessment of maximum building footprint (c.145sqm) and height (2 storeys) achievable	4 x c.60sqm apartments	9-10 dwellings
Bridge Street	Vacant green space at junction of Bridge Street and Lower Street	c.315sqm	Constrained by proximity and overlooking by existing building. Existing established trees within site. Assume all residential due to location	Desktop assessment of maximum building footprint (c.140sqm) and height (2.5-3 storeys) achievable	5-6 x c.60sqm apartments	5 dwellings
Merrial Street	Potential additional storey above existing retail units	c.800sqm	Above existing building. Access and structural assessments required.	Approx. footprint area calculated; assumption on 85% net development area	20 x c.65sqm apartments (10 no. apartments per floor)	N/A as upper floor extension to existing building
High Street (Job Centre)	Potential additional storey above existing retail unit	c.1,350sqm	Above existing building. Access and structural assessments required.	Approx. footprint area calculated; assumption on 85% net development area	20 x c.60sqm apartments (additional floor only); 60 x c.60sqm apartments (additional floor and	N/A as upper floor extension to existing building

						conversion of 2 existing upper floors)
Kidsgrove						
Barclays Bank	Existing bank at junction of Liverpool Road and Heathcote Street	c.520sqm	Proximity to adjacent building; height limited to 2 storeys to reflect surrounding context	Desktop assessment of maximum building footprint (c.210sqm) and height (2 storeys) achievable. Potential for non-residential uses at ground floor.	6 x c.60sqm apartments OR non-residential ground floor with 3 x c.60sqm apartments above	9 dwellings @ 180dph (all residential) 6 dwellings @ 120dph (all residential)
Home Bargains	Existing Home Bargains store and associated car park along Market Street	c.3,215sqm	Proximity to adjacent building; site topography; height limited to 2 storeys to reflect this and to reflect surrounding context	Desktop assessment of maximum building footprint (c.1,700sqm) and height (2 storeys) achievable. Assume all residential.	c.48 x c.60sqm apartments	55 dwellings @ 180dph 37 dwellings @ 120dph

** Developable Area Assumptions and Densities as set out in the SHELAA (2022). For Newcastle-under-Lyme a density of 180dph was applied; for Kidsgrove the NMDC density for town centres – 120dph – was applied.*

Appendix 3: Office and Retail Properties available within the town centres (June 2023)

Table 3.1 Office and Retail Properties available in Newcastle-under-Lyme town centre

Type	Total NIA	Sqm Available
Office Space		
Bridge St	835	112
High St	1,630	168
58 High St	348	248
77-81 High St	822	112
11-13 Ryecroft	1,395	213
Total office space	5,029	854
Retail Space		
23 Bridge St	123	37
27 Bridge St	128	47
2-10 Hassell St	256	48
35 High St	304	126
45 High St	557	244
83 High St	504	368
39 Ironmarket	267	267
15-41 Merrial St	1,684	169
29 Bridge St	48	29
1-6 Castle Walk	1,134	48
High St	7,897	109
Total retail space	18,729	1,492
Total office and retail space	23,758	2,346

Source: CoStar, 2023

Table 3.2 Retail Properties available in Kidsgrove town centre¹¹

Type	Total NIA	Sqm Available
Retail Space		
96 Liverpool Rd	169	143
Total available retail space	169	143

Source: CoStar, 2023

¹¹ Note: On June 5 2023 there were no office properties classified as 'available' in CoStar

Appendix 4: Assessment of site achievability

The Council's SHELAA methodology prescribes how a site's achievability should be assessed, in accordance with Planning Practice Guidance (PPG). This recognises the need to establish that a site has a reasonable prospect of delivering the identified type of development at a particular point in time. This is to be based on a judgement of economic viability and the capacity of the developer to complete, let or sell the development over a certain period.

It is noted that none of the sites are considered to have a reasonable prospect of coming forward within five years, recognising that their suitability for development has not been definitively determined.

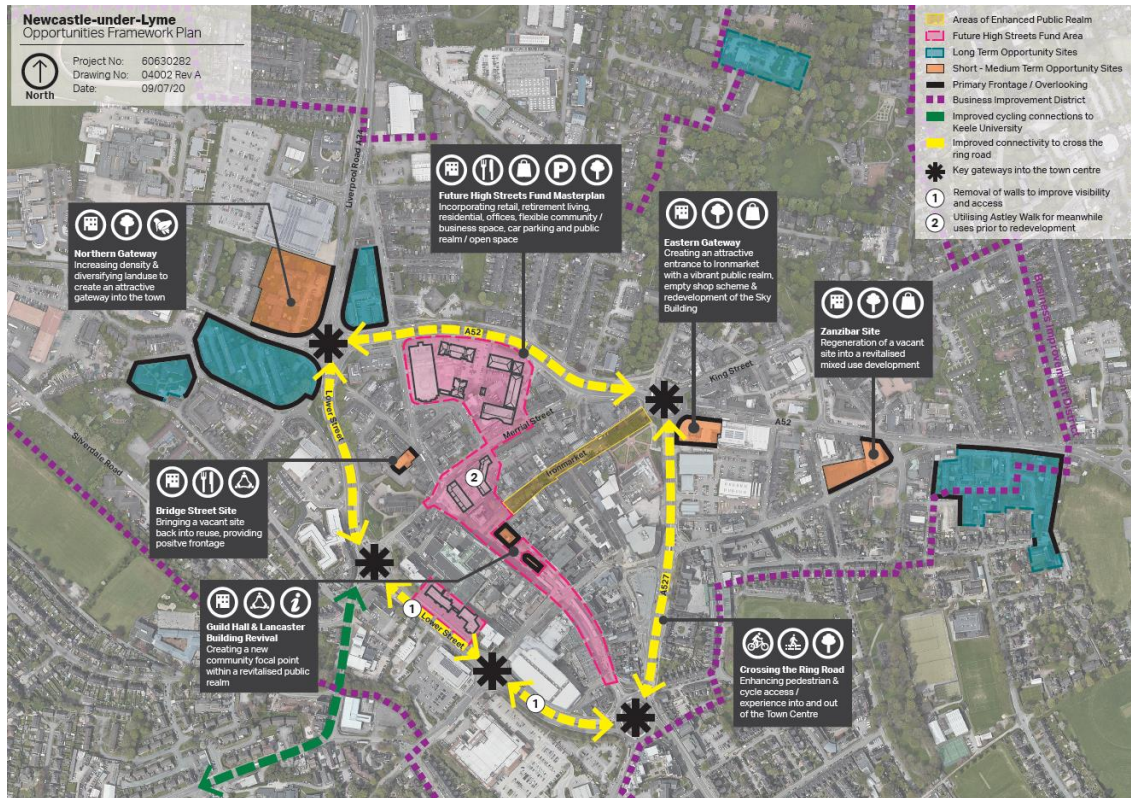
The Council in its consideration of the SHELAA sites is understood to have applied a judgement on the viability of sites. This recognises that it is currently in the process of updating its 2017 Viability Assessment and the accompanying Viability Model. Similarly, here Aspinall Verdi have not undertaken viability assessments of the sites but have taken into account their market insight and knowledge of development costs to reach a high-level judgement as to whether each site can be viewed as achievable. This also considers Aspinall Verdi's separately prepared boroughwide Commercial Market Assessment report. The Council is advised to revisit the judgements made by Aspinall Verdi on receipt of its updated Viability Assessment to ensure that they align with the published evidence base and the latest available information.

In the assessment of whether a site is achievable Aspinall Verdi have also given further consideration, as set out in the Council's SHELAA methodology, to:

- Whether there is active developer interest in the site
- Whether similar sites have been successfully developed in the preceding years
- Whether there are any abnormal development costs, reflecting the Council's review of potential constraints on the sites

Finally, where it is acknowledged that viability is a significant challenge for development within the town centres, noting their location within a comparatively low value zone based on the 2016 Viability Study, acknowledgement has been given in the context of Newcastle-under-Lyme to the Council's ongoing plans to regenerate the town centre. This includes schemes which have been identified as part of the Future High Streets Fund. The Council's Opportunities Framework Plan, which is referenced as appropriate in section 4 of this study, is included at Figure 3.1 overleaf.

Figure 4.1 Newcastle-under-Lyme Opportunities Framework Plan



Source: Newcastle-under-Lyme Borough Council

For those sites identified by Aspinall Verdi as being potentially achievable they have also considered whether the sites could be reasonably be expected to deliver in years 5 – 10 or 10 years plus. This takes into account a RAG rating (Red Amber Green) factoring in Aspinall Verdi’s market knowledge and judgements around potential viability challenges. As noted above this has not been based on a viability appraisal for individual sites which would be necessary to provide a more robust assessment of the deliverability and developability of the sites. It is noted that whilst several sites are identified in the above framework or proximate to areas of targeted spending it has not been assumed that public funding is available to offset current viability gaps in Aspinall Verdi’s assessment of timescales for delivery.

Market Lane

Strengths / Opportunities	<ul style="list-style-type: none">• Town Centre location – proximity to amenities and potentially benefitting from improvements to public realm in other parts of the town centre;• Policy support for town centre living
Weaknesses / Constraints	<ul style="list-style-type: none">• No longer in Council ownership – recent sale. No knowledge as to interest in development• Constraints imposed by surrounding active retail / commercial uses and requirements for access• Limited current market interest in the town centre• Values do not support viable new development• No economies of scale as limited size
Achievable	Yes
RAG Rating	Unlikely to be delivered in the short – medium term
Timescale	10 years +

Hassell Street

Strengths / Opportunities	<ul style="list-style-type: none">• Town centre location;• Building would appear suitable for conversion and potential for addition of extra floor(s)• Policy support;
Weaknesses / Constraints	<ul style="list-style-type: none">• Currently a lowish-value area;• Private ownership and no indication of interest in conversion• Enabling works relating to existing uses raise delivery issues;• Scale of project does not give economies of scale,• Disturbance payments plus, conversion costs impact on viability
Achievable	Unknown – Uncertainties associated with practicalities of conversion
RAG Rating	Long term opportunity.
Timescale	10 years +

Friars Street (Poundland)

Strengths / Opportunities	<ul style="list-style-type: none"> • Town centre • Building would appear suitable for conversion and potential for addition of extra floor(s); • Additional residents will benefit the town centre retail and amenities; • Policy support
Weaknesses / Constraints	<ul style="list-style-type: none"> • Currently a lowish-value area; • Private ownership and no indication of interest in conversion • Existing tenant may be reluctant to see residential accommodation above; • Insurance challenges for landlord; • enabling works all render viability a challenging prospect
Achievable	Unknown – Uncertainties associated with practicalities of conversion
RAG Rating	Deliverability and viability challenges in the short to medium term
Timescale	10 years +

The Midway

Strengths / Opportunities	<ul style="list-style-type: none"> • Town Centre location; • Council own the land; • Scale of the development will be attractive to RPs • Possible BTR/ Student accommodation or older persons accommodation; • Proximity of SHELAA site TC43 which has two planning approvals for residential development • Identified by the Council as a Future High Streets Fund Area • Proximate to recent larger student development (Metropolis) • Potential for ground floor active uses to complement residential development • If developed, this will increase footfall in town centre, noting potential scale
Weaknesses / Constraints	<ul style="list-style-type: none"> • Currently a lowish-value area; • Substantial demolition costs and other abnormals; • Forward funding will be difficult for private schemes;

	<ul style="list-style-type: none"> It is unlikely that this scheme will come forward without significant funding intervention.
Achievable	Yes
RAG Rating	Unlikely to see delivery until the long term
Timescale	10 years +

Church

Strengths / Opportunities	<ul style="list-style-type: none"> Town centre location; Council ownership can be used to facilitate delivery; Identified by the Council as a potential short-medium term opportunity site within its Opportunities Framework Plan (potential range of uses suggested) Proximity to church – placemaking potential albeit recognised consideration required to ensure address concerns around visual impact
Weaknesses / Constraints	<ul style="list-style-type: none"> Currently a lowish-value area; Small scale site constrained by proximate uses Small scale opportunity – market is likely to be very small unless bundled together with other sites and even then there will be few takers; Very close to other buildings – limited appeal
Achievable	Yes
RAG Rating	There are several barriers to delivery in the short and medium terms
Timescale	10 years +

Bridge Street

Strengths / Opportunities	<ul style="list-style-type: none">• Town centre location;• Council ownership can be used to facilitate delivery;• Proximity to church – placemaking potential albeit recognised consideration required to ensure address concerns around visual impact
Weaknesses / Constraints	<ul style="list-style-type: none">• Currently a lowish-value area;• Small scale site constrained by proximate uses including large trees• Small scale opportunity – market is likely to be very small unless bundled together with other sites and even then there will be few takers;• Very close to other buildings – limited appeal
Achievable	Yes
RAG Rating	There are several barriers to delivery in the short and medium terms
Timescale	10 years +

Merrial Street

Strengths / Opportunities	<ul style="list-style-type: none">• Town centre location;• Potential conversion opportunity with additional storeys generates some scale to create value;• Proximity to Ryecroft redevelopment site and SHELAA site TC45 which is identified as being part of a masterplan exercise for retail and office development suggesting improvement in surrounding market context.• Council ownership
Weaknesses / Constraints	<ul style="list-style-type: none">• Unproven location with low existing values;• Existing tenants on ground floor means possible relocation costs or additional costs to enable development;• Possible disturbance payments• Viable development will be challenging.
Achievable	Yes
RAG Rating	Long term opportunity
Timescale	10 years +

High Street (Job Centre)

Strengths / Opportunities	<ul style="list-style-type: none">• Town centre location;• Building would appear suitable for conversion and potential for addition of extra floor(s);• Seems sensible use for upper floors (and whole building on lease expiry);
Weaknesses / Constraints	<ul style="list-style-type: none">• Currently a lowish-value area with unproven demand;• Current ground floor occupiers will mean relocation or enabling works which are additional costs
Achievable	Unknown – Uncertainties associated with practicalities of conversion
RAG Rating	Viability and deliverability challenges make development unlikely
Timescale	10 years

KIDSGROVE

Barclays Bank

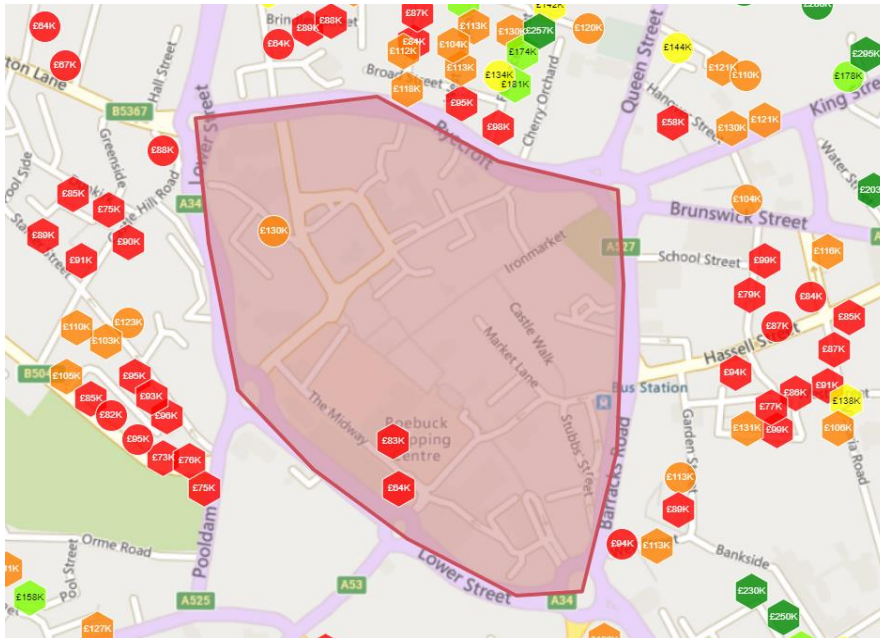
Strengths / Opportunities	<ul style="list-style-type: none">• High profile location with footfall;• Town centre;
Weaknesses / Constraints	<ul style="list-style-type: none">• The site is currently trading and not being promoted;• No development permitted above 2 storeys• Small scale development in a low value area means viability challenges.
Achievable	Yes
RAG Rating	The site is trading and not being promoted so a long term opportunity only
Timescale	10 years plus

Home Bargains

Strengths / Opportunities	<ul style="list-style-type: none">• Town centre location• Large site that can provide scale that may attract RP/ private sector developer
Weaknesses / Constraints	<ul style="list-style-type: none">• Currently trading as Home Bargains and not being promoted;• Currently a lowish-value area;• Redevelopment would be limited to 2 storeys;• Topography may add to development costs;• Home Bargains normally trade well and have good covenant strength. Relocation would be costly and so development related to their ongoing plans.
Achievable	Yes
RAG Rating	The site is trading and not being promoted so a long term opportunity only
Timescale	10 years +

Appendix 5: Town Centre Housing Market

Figure 5.1: Transactions in Newcastle-under-Lyme Town Centre



Source: Landstack

Figure 5.2: Available properties to rent in Newcastle-under-Lyme Town Centre

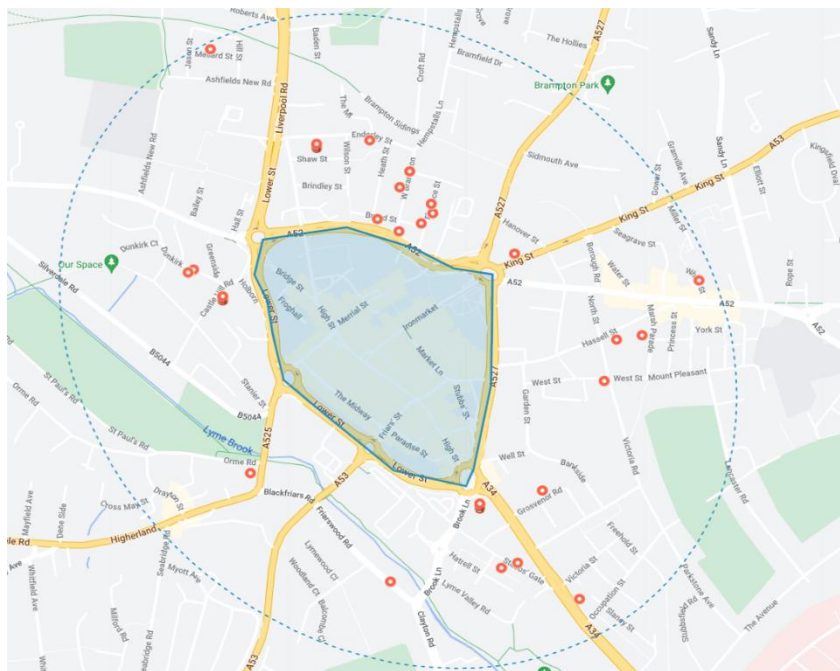
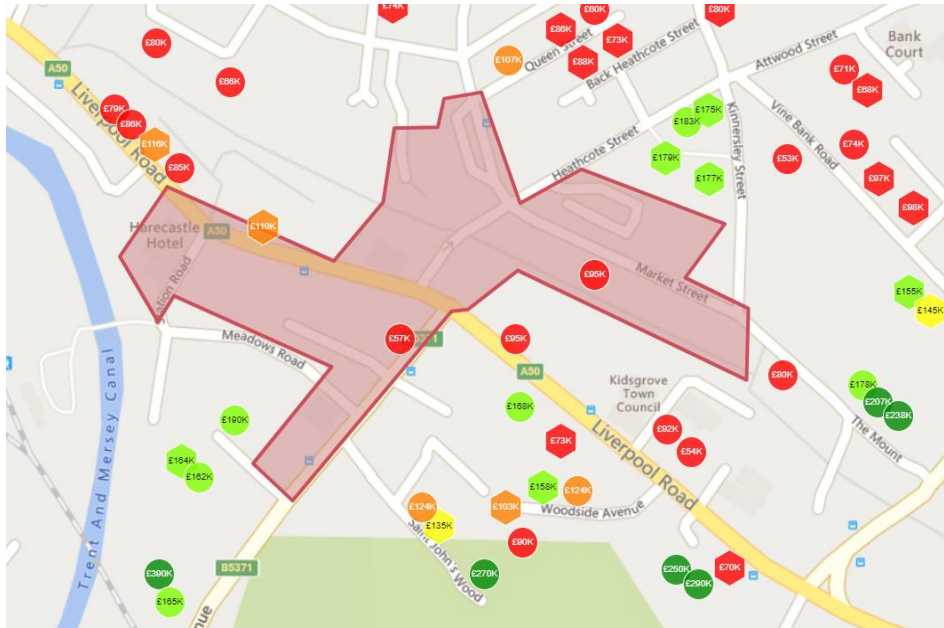
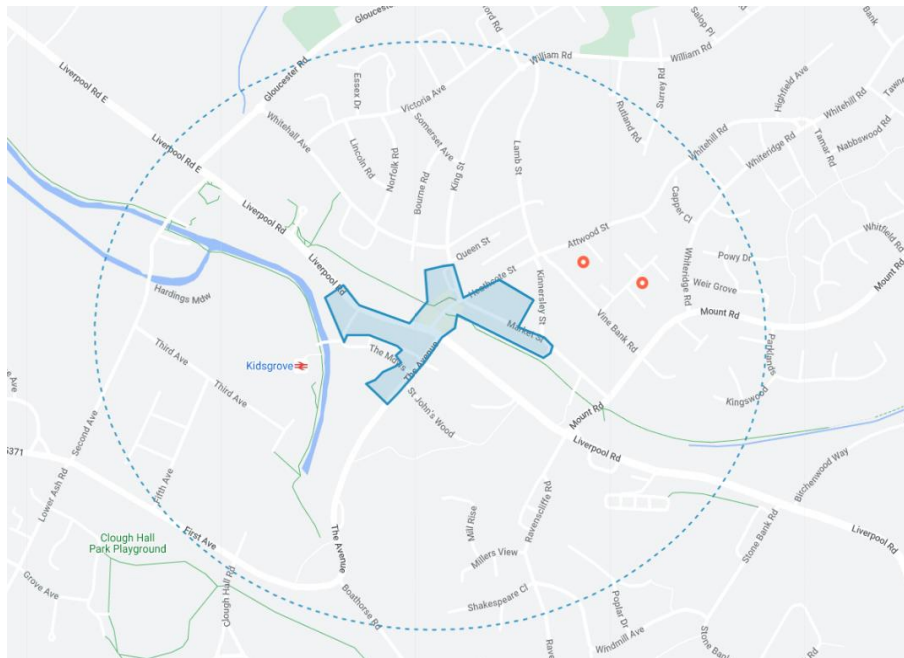


Figure 5.3: Transactions in Kidsgrove Town Centre



Source: Landstack

Figure 5.4: Available properties to rent in Kidsgrove Town Centre



Source: Rightmove

Turley
1 New York Street
Manchester
M1 4HD

T 0161 233 7676

Turley