

# Tyneside contractor Kapex Construction collapses into administration

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A Newcastle construction company involved in a number of high profile schemes in the city has gone into administration.

Kapex Construction Limited, based in Gosforth, has appointed Steven Ross and Allan Kelly of FRP Advisory as joint administrators, London Gazette filings at the the High Court of Justice, Business and Property Courts in Newcastle upon Tyne show.

The administrators were officially appointed today, August 24, several weeks after it was first reported that the company was calling in advisors.

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The company is the contracting arm of The Morton Group, which specialises in land acquisition, property development and construction.

The group as a whole specialises in sourcing land and existing development sites across the UK for residential and commercial opportunities, which would then be built out by the Kapex Construction team.

Kapex itself was launched in 2016, to work on housing schemes across the region, with most recent accounts showing it employed 62 people last year.



The Sycamore Square site  
(Image: staff photo)

The team at Kapex had been working on a number of schemes in the region, including Sycamore Square, a development of 37 homes on the site of the former Sanderson Hospital site at Gosforth. It was also working on the conversion of the former Regent Centre's Eagle Star House office into Regents Plaza, a £15m 12-storey apartment scheme set to deliver 70 apartments.

Other projects it was carrying out included Eldon House at Gosforth's Regent Centre, which is undergoing a £5.4m transformation to redevelop the former vacant office building

into 66 luxury apartments.

Kapex had also been contracted to build a £7.5m development of 47 new homes for Northumberland Estates on the site of a former kiln pit at Beadnell.

The company was recognised in the North East RICS Social Impact Awards in the heritage category for its work on All Saints, England's only elliptical church, an 18th Century Grade I listed building which had not been used as a place of worship for over 40 years and was on Historic England's Heritage At Risk Register.

It posted turnover of £11.7m in its most recent accounts for the year to 31 March 2020, a marked jump on the £3.16m reported the previous year.

Last September it said it had a confirmed order book of £40m and had launched new divisions, Kapex Solutions and Kapex Civils, saying £1m was being invested into civil engineering plant and machinery.

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