

**ECONOMIC DEVELOPMENT COMMITTEE**  
**24 MARCH 2021**

**NEWARK TOWNS FUND**

**1.0 Purpose of Report**

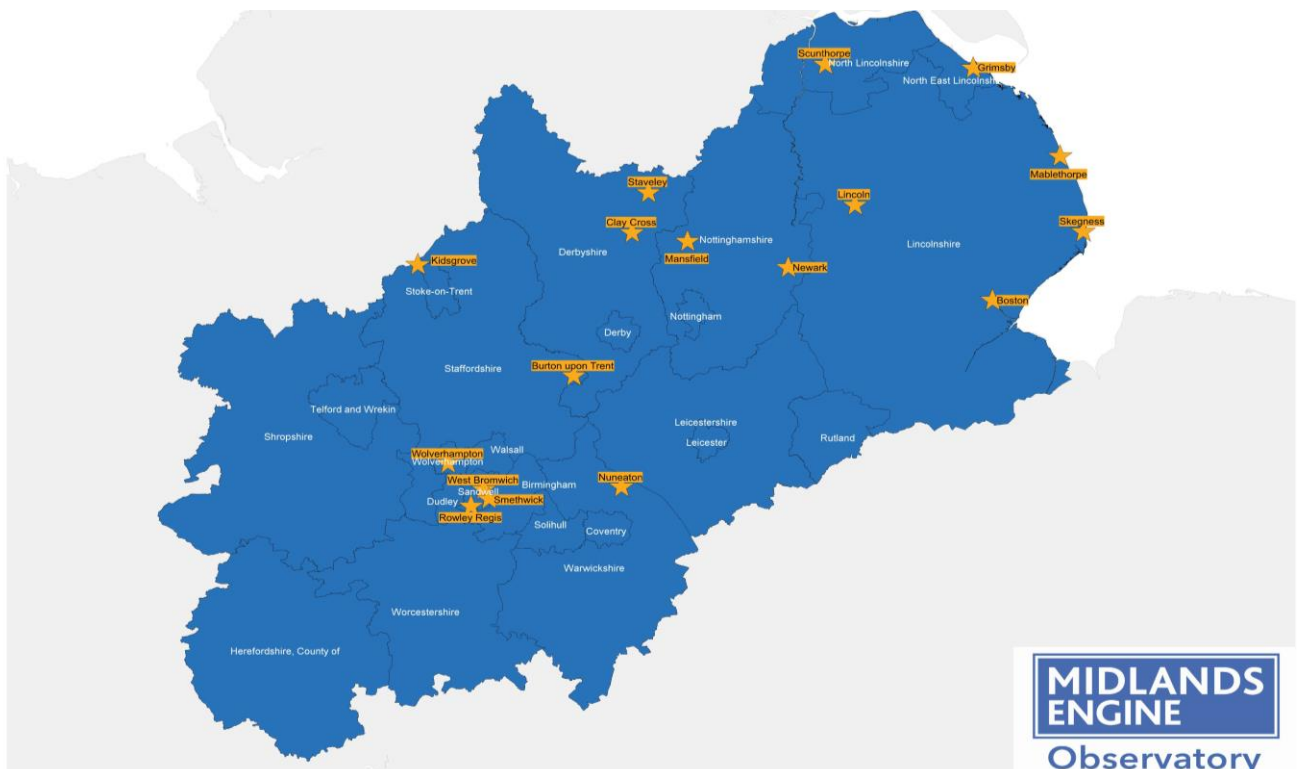
1.1 To update on Newark's application for up to £25m from the Towns Fund initiative.

**2.0 Updates**

**Funding**

2.1 Members will recall from updates to the November 2020 and January 2021 meetings that we have been awaiting an announcement on the success of the Newark Town Investment Plan (TIP) since its submission in July 2020. On 3 March, as part of the Chancellors 2021 Budget announcement, Newark was confirmed as being successful in securing its full £25m ask from Government. This funding is to support identified projects in the Newark Town Strategy and Investment Plan (TIP), which Members will recall was developed with but led by the Newark Towns Board. The TIP strategy and projects were endorsed by all Members and Town/Parish within the TIP boundary as part of online briefings given the Covid-19 pandemic and initial suspension of the Committee cycle.

2.2 Newark is one of two Towns in the County to secure monies, the other being Mansfield (£12.3m). Two towns within Derbyshire (Staveley, £25.2 and Clay Cross, £24.1m) were also successful. Towns within the region to have secured monies through the announcement are detailed below and [here](#).



## Next Steps

### Heads of Terms (HoT's)

- 2.3 HoT's have now been offered and are attached at **Appendix A**. They cover each of the TIP projects for which grant contribution was sought, as detailed in the table below:

Project	Project Sponsor
IASTI	Lincoln College Group
SiScLog (Newark Gateway site)	University of Lincoln/NSDC
32 Stodman Street	NSDC
Castle Gatehouse	NSDC
YMCA Community & Activity Village	YMCA
Construction College Expansion	Lincoln College Group
Cultural Heart of Newark	NSDC
Police Station Relocation	Nottinghamshire Police/NSDC
20 Minute Town	NSDC

- 2.4 The Council's Chief Executive, the Chair of the Town Board (in Newark's case the Co-Chairs: Mr. Tom Cartledge and Cllr. David Lloyd), and the relevant Government Minister (Mr. Luke Hall) are now invited to sign the HoT's no later than 24 March 2021. Mr. Cartledge and Cllr. Lloyd have secured the necessary consent of the Newark Towns Board to sign the HoT's following the resolution of the February Board meeting. The Council's Chief Executive will sign on behalf of the Council as accountable body.

### Business Case Development

- 2.5 Upon completion of HoT's each project sponsor will have up to 12 months to develop 'Green Book' compliant Full Business Cases for submission to the Newark Towns Board and Council, as accountable body. It is expected that all project sponsors will need to procure specialist support to meet this requirement, support for which seed-corn' funding will be provided by the Government. For the Council's own projects a tender process is underway to procure independent consultancy advice to draw up compliant Business Cases. A preferred provider will be selected by the end of March 2020.

### Business Case Assurance

- 2.6 Members will be aware that the Council will perform, on behalf of the Government and Towns Board, the role of accountable body. As part of this responsibility it is important to retain independence. It is therefore intended that all projects identified for Towns Funding (including the Council's) will be assessed by an independent third party specialist consultant(s), who will then offer a recommendation to the Council and Newark Town Board as to whether the proposed investment represents Value for Money. The Council is procuring this support, with tenders having now closed. It is expected that the preferred provider who will assess all Business Cases will be appointed at the end of March.

- 2.7 A 'Newark Towns Fund Assurance Framework' will accompany the assessment of submitted Full Green Book Business Cases. This Framework will confirm the process for release of funds for agreed projects, including various decision-points and submission requirements from project sponsors. This Framework is currently being drafted for the approval of the Board, Government, and this Council.

### **Project Updates - Accelerated Towns Fund (ATF) Projects**

- 2.8 Members will recall that the Council received £750,000 of ATF Capital funding in order to progress TIP-supported projects over the course of the municipal year 2020/21, with a requirement to defray funding by 31 March 2021. Each project has progressed at pace, with an update on each as follows:

#### Construction College Expansion

- 2.9 Members will recall that this is a Lincoln College Group (LCG) project for Newark College which provides for new and/or expanded stone masonry, joinery, gas testing, and plumbing courses. Following the receipt of planning permission and conclusion of a tender process work has now commenced on-site, with completion of the facility expected in April.
- 2.10 Newark & Sherwood District Council, in its capacity as accountable body for the ATF has now agreed to the release of £389,000, subject to legal agreement and output monitoring regime. This will be matched by £133,109 from the Lincoln College Group.
- 2.11 The project is expected to welcome over 1000 new students (16-18, Degree, Adult) over the first 5 years, with outputs being reported at least annually to the Towns Board and this Council.

#### 32 Stodman Street

- 2.12 Members will recall that the Council took ownership of 32 Stodman Street in March 2020. Since that time Officers have worked at pace using £284,000 of ATF to progress a residential-led scheme, with commercial uses at ground floor. A planning application will be submitted in late March/early April with Members of this Committee (with invites extended to all Members) being briefed in advance under separate cover.

#### International Air and Space Training Institute (IASTI®) Newark

- 2.13 Members will recall that the third project to be supported by the ATF was to be the 20 Minute Town proposals around additional cycling hubs. Whilst this remains a TIP priority it is considered there is a greater need at the current time to support the Lincoln College Group activity to continue design work with their professional team on the IASTI® (Newark). On this basis, both the Towns Board and the Council's s151 Officer have recommended that funds are diverted to this project. At the time of writing, agreement from government to this approach is pending.

## **Project Updates (non ATF)**

### Newark Gateway Site (the former Cattle Market and current Lorry Park)

- 2.14 Members will recall that following the decisions of this Committee and that of the Policy and Finance Committee in November 2020 and January 2021 that works are progressing for the demolition and safe holding of the existing cattlemarket site. Demolition tender documentation is complete, with a demolition notice ready to serve. Given some further ecology surveys required demolition is now expected in March 2021.
- 2.15 Feasibility work continues with respect to the proposed relocation of the Lorry Park and Cattle Market (the latter promoted independently by a third party) to Newark Showground with the District Council and Showground continuing to work collaboratively. It is expected that options for the lorry park relocation will be provided to the June Committee cycles.

### International Air & Space Training Institute (IASTI® Newark)

- 2.16 Members will be aware of the IASTI® Newark, which will be the first of an expected national and potentially international network of training institutes with military and civil partners offering pre-16 pathways, and post 16 and 18 teaching (degree level) for engineers, pilots, and ground crews. The IASTI has now been [launched](#), with students now being able to express an interest for post 16 courses starting in September 2021. The IASTI® Newark will be developed alongside this first cohort for delivery by the time students have entered their post-18 degree program.

### Smart Innovation, Supply Chain & Logistics Enterprise Zone (SiSLog)

- 2.17 Members will recall that this is a project jointly developed between the Council, the University of Lincoln and the Universities for Nottingham, focussed around possible opportunities with respect to the logistics and supply chain sector given the strategic significance of Newark to the road, rail, and air networks. A draft report has now been provided by Focus Consulting (jointly funded by the District Council and University of Lincoln) and findings will be presented to a future meeting.

### YMCA Community and Activity Village

- 2.18 Board Members will be aware of the ambition of this project in supporting children, families, and young people in order to address the social mobility challenges of the town. The YMCA have now broken ground on the £15m+ Phase II state-of-the-art building that will deliver sports and leisure facilities, PC labs, music and art spaces, conferencing and function facilities, childcare and a wellbeing and health delivery service suite, mental health support, physical rehabilitation, culinary training, the largest outdoor skate park in the East Midlands, and an Olympic climbing centre.
- 2.19 The TIP contained a number of other projects, notably the Castle Gatehouse, 20 Minute Town, Newark's Cultural Heart, and Police Station relocation. All of these projects will now be developed over the coming 12 months, with regular updates being provided through this Committee. As Members will be aware, any TIP projects which are Council sponsored will also be presented to the Policy and Finance Committee.

### **3.0 Equalities Implications**

3.1 Each of the projects detailed above will be required, if and when they proceed to have regarding to equalities and access implications.

### **4.0 Digital Implications**

4.1 There are digital implications within many of the TIP plans and projects identified, with the need to ensure appropriate digital infrastructure, skills and future innovative and creative employment opportunities being key to many objectives. Each project will be required to identify this as they progress.

### **5.0 Financial Implications (FIN20-21/6365)**

5.1 The £750,000 accelerated Capital Funding was added to the Capital Programme following reports to Policy and Finance Committee on 24 September 2020. Spend against budget is being monitored closely to ensure the deadlines are met.

### **6.0 Community Plan – Alignment to Objectives**

6.1 The Newark TIP is a direct intervention of such scope and breath that it will significantly contribute to delivering all of the Council's Community Plan objectives.

### **7.0 RECOMMENDATIONS that:**

- (a) Members note and welcome the confirmation of Newark's ability, subject to Heads of Terms and Business Case development, to receive up to £25m of capital funding for the range of Town Investment Plan (TIP) projects detailed at paragraph 2.3 of this report;**
- (b) Members note and agree to the Council entering into Heads of Terms (HoT's) as set out in Appendix A of this report; and**
- (c) Members note the progress to date on each of the Town Investment Plan (TIP) projects detailed above.**

### **Reason for Recommendations**

**To continue the development the Newark Towns Strategy and Investment Plan.**

### **Background Papers**

Nil

For further information please contact Matt Lamb on Ext. 5842

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