



**Ministry of Housing,
Communities &
Local Government**

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*Minister for Regional Growth and Local
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3 March 2021

Dear Mr Cartledge and Mr Robinson,

Newark-on-Trent Town Deal

In September 2019, the Government announced the initial 101 places invited to develop Town Deal proposals as part of the £3.6 billion Towns Fund.

Newark-on-Trent was included in this initial 101 places and we were pleased to receive Newark-on-Trent's Town Investment Plan. We are grateful for your hard work, and that of your team and Town Deal Board, in developing this set of project proposals to deliver long-term and sustainable economic growth in Newark-on-Trent.

I am delighted to be offering you a Town Deal for Newark-on-Trent to a value of up to £25 million. The draft Heads of Terms for this deal are attached to this letter. A list of the projects that we are content to support within this funding envelope is also attached, with conditions as appropriate: it is for Newark-on-Trent to choose which projects to proceed with.

I understand that you will need to secure the agreement of the Town Deal Board to take up this offer. I would therefore request that you do so and return to us the signed Heads of Terms as confirmation by 24 March 2021. My officials are of course on hand to answer any questions you may have.

This is an exciting opportunity to come together to drive long-term economic and productivity growth in Newark-on-Trent, particularly as we meet the challenges presented by Covid-19. I look forward to working with you to make Newark-on-Trent's plans a reality.

Yours sincerely,

LUKE HALL MP

Heads of Terms offer for Newark-on-Trent

Introduction

Newark-On-Trent is a historic market town in Nottinghamshire with cultural assets such as the Castle ruins, Trent Riverside and the National Civil War Centre. There are excellent road and rail connections which mean many people travel through the town to onward destinations, as well as those visiting a “hidden gem”. However, Newark-on-Trent suffers from poor social mobility, deprivation and low skill attainment. The Covid-19 pandemic has compounded these challenges.

Government will work with Newark and Sherwood District Council and its Town Deal Board to support the delivery of a Town Deal, with the ultimate goal of ensuring all Newark-on-Trent’s residents have a share in the town’s success.

The commitment

This document lays out the Heads of Terms offer to Newark-on-Trent, under the Towns Fund. This is not a contractually binding document and the offer is subject to various conditions being met. The Heads of Terms will act as a Memorandum of Understanding for the future development and delivery of Newark’s Town Investment plan and project proposals. It sets out our joint expectations as we enter the business case development phase.

Government will provide up to **a total of £25 million from the Towns Fund**, which will be used to fund interventions guided by the vision of creating a “20-minute town”. These interventions will sit within the themes of: skills, education and business; connectivity; town centre regeneration and culture; and town centre residential.

Newark-on-Trent has proposed a range of projects that will contribute towards achieving this vision. These include:

- To expand the LCG Construction College
- To develop an International Air and Space Training Institute (IASTI)
- To redevelop derelict space into the YMCA Newark and Sherwood Community and Activity Village
- To develop Newark Cycle Town
- To restore the Newark Castle Gatehouse
- To repurpose the Former M & S Development
- To complete Newark Southern Link Rd
- To develop Newark’s Cultural Heart
- To create a Smart Innovation, Supply Chain & Logistics Enterprise Zone (SiSCLog)
- To enable the Police Station relocation

Newark-on-Trent will need to prioritise these projects within the funding envelope being offered. Funding for individual projects will be subject to successfully completing Phase 2 of the Towns Fund process. This includes detailed project development and business case assurance at the local level.

Process, governance and assurance

Local partners will work with government to demonstrate the feasibility, viability and value for money of their projects by developing and submitting the Town Deal Summary Document, including (as per the Further Guidance and Stage Two Guidance: business case development):

- A list of agreed projects
- Details of business case assurance
- An update on actions taken in relation to the Heads of Terms key conditions
- A Delivery Plan (including details of the team, working arrangements and agreements with stakeholders)
- A Monitoring and Evaluation Plan
- Confirmation of funding arrangements and financial profiles for each project
- Undertaking Public Sector Equalities Duty analysis
- Approval from the Town Deal Board and Lead Council

Newark-on-Trent should: conduct project assurance in line with agreed routes for each individual project; Develop a more detailed private sector engagement plan for private sector. Provide more detail on how projects are addressing Clean Growth principles.

If the priority projects identified for funding do not progress, MHCLG cannot guarantee that funding can be assigned to alternative projects or that if it is those will be to the same value. This may result in an overall reduction in the amount of funding received.

Within two months of accepting this offer, Newark-on-Trent should confirm in writing details of projects being taken forward and a plan for addressing key conditions relating to those projects and the overall Town Investment Plan. This should be sent to towns.fund@communities.gov.uk, copied to the town lead.

Newark-on-Trent must complete business cases for the projects being taken forward and submit the Summary Document within 12 months of the deal being agreed. MHCLG will then provide funding up to the maximum agreed amount of **£25 million**, provided that all conditions have been met.

Signed:

Chair of the Town Deal Board

Chief Executive of lead Council

MHCLG Minister

Date:

ANNEX B: PROJECTS WITHIN SCOPE OF THE TOWN DEAL

The Town Deal offer is a maximum of **£25 million** of MHCLG funding in total.

Within this maximum amount Newark may take forward projects selected from those listed below.

This funding will be subject to successfully completing Phase 2 of the Towns Fund process, including detailed project development and business case assurance at local level. It is also dependent on final spending profiles, including the RDEL/CDEL split being provided, and the further project-specific conditions set out below being met.

Project	Funding offer limit	Match	Expected outputs and outcomes	Conditions	Fast track (Y/N)
<p>LCG Construction College To provide additional courses in traditional trades (plumbing, bricklaying, joinery and stonemasonry), to over 600 new students over the next 5 years.</p>	£0.39m	£0.2m	<ul style="list-style-type: none"> • Education to employment route – 688 • Development of brownfield land - TBC • 668 new learners • Perception of place by businesses - % TBC 	N/A	Y
<p>International Air and Space Training Institute To develop an International Air and Space Training Facility which blends education with practical experience.</p>	£10.6m	£5m	<ul style="list-style-type: none"> • New jobs regionally and nationally - TBC • 3rd Generation Advanced Aviation Skills Centre – an international air and training institute • Contribution to national strategies • Education to employment route • 168 new learners assisted - new air and space engineers by 2024 • 100 new air and space pilots by 2024 • 160 new aviation ground staff by 2024. 	N/A	Y
<p>YMCA Newark and Sherwood</p>	£ 2m	£13.6 m	<ul style="list-style-type: none"> • Increase in capacity and accessibility to 	N/A	Y

<p>Community and Activity Village To redevelop 8.95 hectares of derelict space in the heart of Newark, with a mixture of physical and creative activities, education and health to ensure the village is a catalyst for broader social change</p>			<p>new or improved skills facilities - TBC</p> <ul style="list-style-type: none"> • Increase in the breadth of the local skills offer that responds to local skills needs - TBC • Increase in the amount (and diversity) of high quality, affordable commercial floor space - TBC • 2150 learners Level E-3-to-Degree per annum by 2024 • 1977 sqm of high quality, affordable and sustainable commercial spaces by 2022 • 202 FTE jobs will be created between 2021 and 2023, • 50 FTE jobs will be safeguarded between 2020 and 2023 • 100 FTE jobs sustained between 2020 to 2023 		
<p>Newark Cycle Town Deliver a new cycle scheme and facilities in partnership with Brompton Bike Hire.</p>	£0.2m	£0.35m	<ul style="list-style-type: none"> • New or upgraded cycle or walking paths - TBC • Wider cycling infrastructure such as cycle parking - TBC • Increased modal shift - TBC • Commuter flow of 2025 - TBC • Increase in the number of trips by purpose and main mode - TBC • Stimulate other bike hire options / programmes - TBC 	N/A	Y
<p>Newark Castle Gatehouse To restore the structure of an iconic building to be used as a</p>	£2.6m	£4.24m	<ul style="list-style-type: none"> • New, upgraded or protected community hubs, spaces or asset • Young people and family's educational 	N/A	Y

<p>flexible facility for education, research and interpretation from our past and shared community space.</p>			<p>facilities and social community hub</p> <ul style="list-style-type: none"> • 20% increase in visitors to arts, cultural and heritage events and venues by 2025 • Economic impact to the district of £1.578million, based upon an average day visitor spend of £35 and an average overnight staying visitor spend of £175. • Providing access to a new audience including the young people and those from a non-white ethnic background 		
<p>Former M & S Development The purchased former M & S will be redeveloped, retaining a smaller, commercially attractive retail high street offer at ground floor and introducing a significant number of high-quality apartments at upper levels.</p>	<p>£2m</p>	<p>£8.56 m</p>	<ul style="list-style-type: none"> • Development of a vacant residential anchor into a residential offer of 1-4 properties • 26-30 flats • Reposition the Town Centre retail offer with 16.58 sqft of employment space. • Increase of 107 residents to the Town Centre living population • £549,000 of annual expenditures in the local economy • £108,000 of annual Council Tax revenues. 	<p>N/A</p>	<p>Y</p>
<p>Newark Southern Link Rd The completion of the Middlebeck Sustainable Urban Extension (SUE) including the Newark Southern Link Road (SLR), connecting the</p>	<p>£9m</p>	<p>£16m</p>	<ul style="list-style-type: none"> • 6.44km of road constructed • 1.8km of shared used footway • 3150 new homes • 5000 jobs will be created • Vehicle flows - TBC • Number of trips by purpose and main mode - TBC • Percentage reduction in congestion being highlighted as a 	<p>N/A</p>	<p>Y</p>

<p>A1 to the A46, is central to delivering the Council's Local Plan growth strategy.</p>			<p>dislike of Newark - TBC</p>		
<p>Newark's Cultural Heart The project aims to build a cultural offer that will have a positive impact for the community of Newark, all who live, work and visit there, and build a sense of place for the town, balancing design with commercial reality.</p>	<p>£2.1m</p>	<p>£0.2m</p>	<ul style="list-style-type: none"> • New, upgraded or protected community hubs, spaces or assets - TBC • New, upgraded or protected community centres, sports or athletics facilities, museums, arts venues, theatres, libraries, film facilities, prominent landmarks or historical buildings, parks or gardens - TBC • Increased and closer collaboration with employers - TBC • Increase in footfall and visitor spend - TBC • 5% increase in positive perceptions of the place by businesses. • 10% increase in positive perception of the place by residents/businesses/visitors. • 10 enterprises utilising high quality, affordable and sustainable commercial spaces. 	<p>Provide more clarity on the outputs and outcomes of this project.</p> <p>Provide detailed project delivery and management plan incorporating: governance mechanisms; project gateways; sustainability measures.</p>	<p>N</p>
<p>Smart Innovation, Supply Chain & Logistics Enterprise Zone (SiSCLog) The creation of a new 'Smart Innovation, Supply Chain, and Logistics</p>	<p>£4m</p>	<p>£16m +</p>	<ul style="list-style-type: none"> • Increase in capacity and accessibility to new or improved skills facilities - TBC • Increased and closer collaboration with employers - TBC • Increase in the breadth of the local skills offer - TBC • Increase in the amount of shared 	<p>Provide a detailed project delivery and management plan incorporating governance mechanisms and project gateways. Including: analysis of</p>	<p>N</p>

Zone' (SiSCLog), which will blend local skills, innovation, and inspiration from the best examples of high-tech zones in Europe.			<p>workspace or innovation facilities - TBC</p> <ul style="list-style-type: none"> • Remediation and/or development of abandoned or dilapidated sites - TBC • Working age population with qualifications - TBC • Number of start-ups and scale ups - TBC 	market demand, delivery partnership, VfM assessment.	
<p>Police Station relocation Project to relocate the town Police station to a Public Services Hub (expansion of Council offices).</p>	£1m	£0.94m	<ul style="list-style-type: none"> • New build of police station • Provision of new community safety assets such as CCTV and ANPR (automatic number plate recognition) • Improved perceptions of the place by residents/businesses/visitors - % TBC • Reduction in crime and ASB - % TBC 	Provide further information on alignment to Towns Fund intervention framework; including detail on outputs and outcomes.	Y

General conditions

There are also the following requirements for the process and governance:

- **TIP improvements:** Develop a more detailed private sector engagement plan for private sector. Provide more detail on how Clean Growth principles are embedded.
- **Assurance:** The business cases for projects will be taken through Newark and Sherwood Council, in line with local assurance processes.
- **Public Sector Equalities Duty:** Newark-on-Trent will undertake programme-wide level impact assessment, relevant project-level impact assessment and relevant Environmental Impact Assessments.

If the priority projects identified for funding do not progress, MHCLG cannot guarantee that funding can be assigned to alternative projects or that if it is those will be to the same value. This may result in an overall reduction in the amount of funding Newark receives.

Within two months of accepting this offer, Newark should provide the following information to towns.fund@communities.gov.uk, copied to the town lead (annex a in business case guidance):

- Details of the projects being taken forward (including for each project the capital/revenue split and the financial profile)
- Overall capital/revenue split and financial profile for the Town Deal
- A plan for addressing key conditions relating to those projects and the overall Town Investment Plan.

Newark must complete business cases for the projects being taken forward and submit the Town Deal Summary Document within 12 months of accepting this offer. Business cases should follow the Lead Council's usual assurance processes and be undertaken in partnership with the Town Deal Board.

If Newark wishes to alter the projects being developed, change them for other projects, or otherwise depart from the conditions placed on the projects above, they will inform the Towns Hub as soon as possible setting out clear justifications and evidence. A form for requesting such changes is in the business case guidance.