

ECONOMIC DEVELOPMENT COMMITTEE
17 NOVEMBER 2021

FUNDING OPPORTUNITIES UPDATE

1.0 Purpose of Report

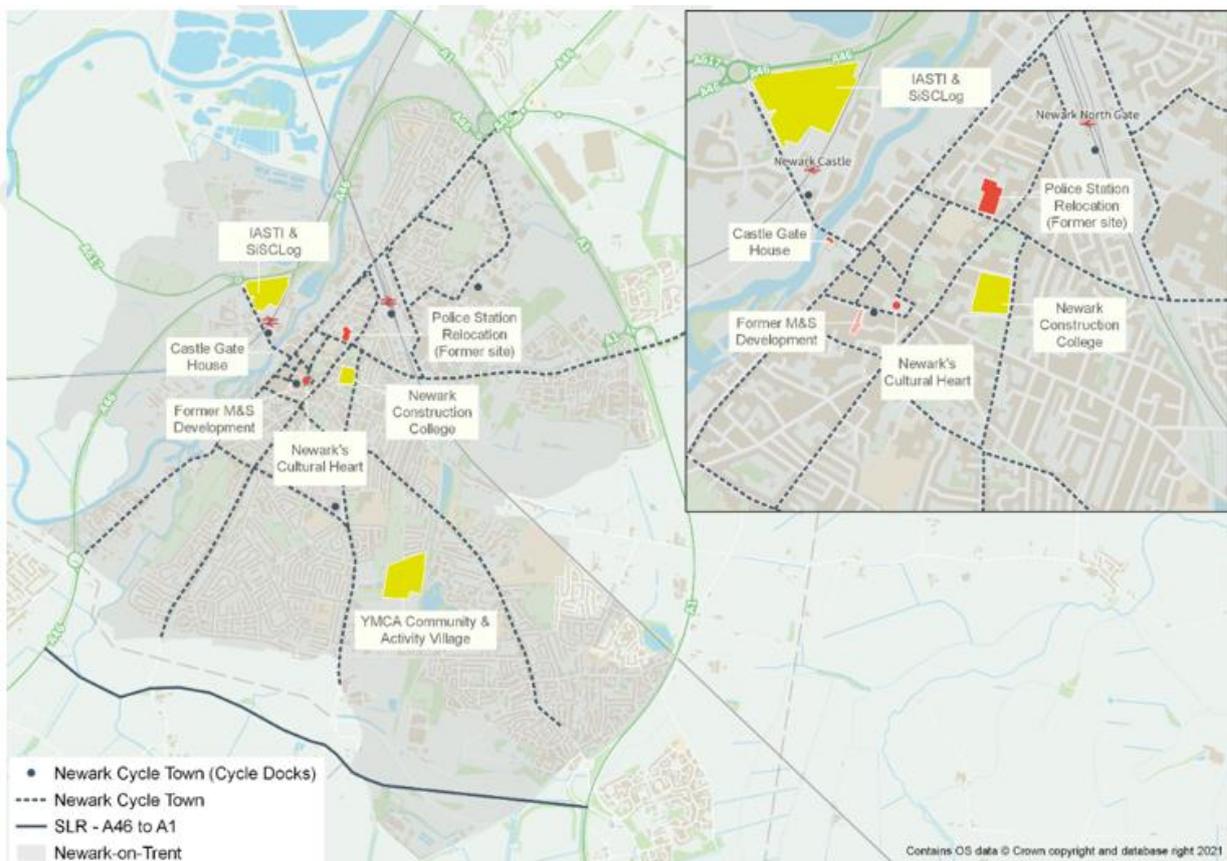
1.1 To update Members on the various funding opportunities, notably the Towns Fund, Brownfield Land Release Fund, Levelling Up Fund, and Community Renewal Fund.

2.0 Background

2.1 Members will be aware from previous updates of the raft of funding opportunities which have been available and which the Council has sought to maximise, if appropriate, as part of its overall strategy and vision. Following competitive processes it can be reported that the Council has now been successful in securing funding through all of the above opportunities, totalling £47,450,590.

Newark Towns Fund

2.2 Members will recall the Newark Town Deal, which was signed following the budget announcement in March 2021 to allow a route to secure £25m across 9 identified priority projects. The projects are captured geographically below.



Towns Fund Business Case Development

- 2.3 As detailed in previous updates work continues with Project Sponsors to deliver Business Cases for each of the Towns Fund projects. Since the last meeting the Full Business Case for the YMCA Community & Activity Village has been approved and submitted to Government. It is hoped and expected that the full £2m Towns Fund grant will be drawn down in December 2021 for distribution to the YMCA in accordance with their Grant Funding Agreement milestones.
- 2.4 The Full Business Case for the Stodman Street scheme and Outline Business Case for the IASTI have now been formally submitted and are awaiting approval from Quod consulting in consultation with the Council's s151 Officer. It is expected that approval will follow, with Members being asked to delegate authority to conclude any grant agreement to the Council's s151 Officer in consultation with the Newark Towns Board.
- 2.5 Business Cases for all of the other Towns Fund projects continue to be developed, in accordance with the following timetable:

Project	Project Sponsor	Expected Funding sign-off
Newark Construction College	Lincoln College Group	Complete
Community & Activity Village	YMCA	Complete
32 Stodman Street	NSDC	FBC Pending Approval
IASTI®	Lincoln College Group	OBC Pending Approval
20 Minute Town	NSDC	November 2021
SiScLog (Newark Gateway site)	University of Lincoln/NSDC	January 2022
Castle Gatehouse	NSDC	March 2022
Cultural Heart of Newark	NSDC	March 2022
Newark Southern Link Road	Urban&Civic	Complete, subject to Grant Agreement, following the Levelling Up Fund announcement (see below)

Towns Fund Program and Delivery Manager Recruitment

- 2.6 Members will recall previous support for the creation of a Town Investment Program Manager in order to oversee the delivery of the Towns Fund program and individual projects. The recruitment process is concluded with the post-holder starting with the Council on 17 November 2021.

Newark Police Station

- 2.7 Members will have seen that following a review, the Police & Crime Commissioner has elected not to proceed with the proposed relocation of the current station to Castle House. This project will now not be carried forward, with the £1m towns fund grant being recycled into existing Newark Towns Deal projects, subject to Town Board, s151 Officer, and Government approval.

Levelling Up Fund

- 2.8 Members will recall that this is a £4.86 billion capital fund to invite proposals from local authorities areas for individual projects or a package bid (similar to the Towns Fund) consisting of multiple projects. District Councils within two-tier areas are eligible to submit bids for each constituency area (up to £20m per area) which lies wholly or partly within their boundary. – in our case ‘Newark’ and ‘Sherwood’. County Council’s with transport powers are eligible, in addition, to submit one transport bid (up to £50m). All bids should have the approval of the relevant authority responsible for delivering them. For example, transport bids submitted by district councils should have the approval of their relevant transport authority.
- 2.9 Members will recall that LUF round one invited bids from projects that were well advanced and capable of delivery and spend starting this financial year. There remains no date for when round 2 bids will be invited, nor has there been any additional guidance published. On the back of last month’s budget it has been confirmed that “round two will open in Spring 22 and further details will be set out in due course”.
- 2.10 This Council submitted its Newark Constituency area bid via Round One (further details below). It remains our intention to work up a round two Sherwood Constituency bid in earnest, in advance of any further details which will follow in 2022. At the time of writing A Sherwood Steering Board has now been mobilised as a vehicle through which Sherwood LUF proposals will be channelled. Consultancy support to support this process will be commissioned before Christmas.
- 2.11 It remains the intention that Nottinghamshire County Council will submit a round two LUF bid which seeks to secure the reopening of the Robin Hood Line in the form of a likely Shirebrook-Ollerton hourly service, extending the current Nottingham-Mansfield Woodhouse service between Nottingham and Ollerton. Any proposals will likely include the reopening or provision of new stations at Warsop, Edwinstowe and Ollerton. Officers continue to work closely with colleagues at NCC, Mansfield, Bassetlaw, and Ashfield as the feasibility work develops.

Newark Constituency LUF bid - Newark Southern Link Road

- 2.12 Members will recall that the SLR, which was also supported by the Newark Town Investment Plan and Newark Towns Deal, was the subject of our Newark Constituency Area Levelling Up Fund bid (in partnership with colleagues at Nottinghamshire County Council and Urban&Civic) to Government in June 2021. It was confirmed in the Chancellors announcement on 27 October 2021 that our bid has been successful for the full £20m ask. Further details are provided elsewhere on the agenda in the highways update report.

Community Renewal Fund

- 2.13 In April 2021 the Council undertook to work in partnership with regional and local stakeholders to bid for the new government opportunity entitled Community Renewal Fund (CRF). This programme sought to provide a bridge between the roll back of European Funds and the establishment of the Shared Prosperity Fund (SPF) in 2022/23. The CRF identified 4 key themes for investment, which were:

1. Enterprise
2. Skills & Employment
3. Low Carbon
4. Visitor Economy, Market Towns, Culture & Rural

- 2.14 The CRF sought to be delivered between the intended award of bid in early August 2021 for delivery of outputs and spend before April 2022. The CRF outcome of the award was slightly delayed which was announced in early November 2021 and has extended the delivery of schemes for completion by 30th June 2022.
- 2.15 The CRF would only receive bids from projects through County Councils, and in undertaking this Nottinghamshire County Council was proactive and collaborative with the local district council in the commissioning and appraisal process. The County Council developed the local programme based on local priorities for economic growth and allowed the identified priority area Economic Development professionals the opportunity to shape the programme and appraise the submitted bids.
- 2.16 Over 40 bids were received in April 2021 and through this process four Nottinghamshire County bids have been successful. These are:
- East Midlands Accelerator Programme Nottinghamshire = £1,736,839 (bid says 33% in Newark and Sherwood so £578,368). This is a programme of activity led by East Midlands Chamber which seeks to support business to increase their local carbon intelligence, help retail and hospitality business to develop their e-commerce, finance to help start up businesses, work based training and mentoring to convert kickstart and graduate programmes into a sustained job, and grants to help businesses with resilience and growth.
 - Good work = £542,691 (Bid says 25% in Newark & Sherwood so £135,673) is a programme run by South Yorkshire Housing Association which aims to support people who have complex needs in mental or physical health into employment. This scheme provides 121 coaching and support, mentoring, health and wellbeing support and digital skills development.
 - Newstart = £1,207,190 (bid says 33.3% in Newark & Sherwood equal to £402,396) is a programme run by Groundwork Nottingham as a wage subsidy based employment programme which will support people into employment, new business or develop new skills.
 - Volunteer it Yourself = £459,000 (bid states 33.3% in Newark and Sherwood, so £153k): This project will involve young people aged 16-24 years old (who are unemployed or economically inactive) learning or applying vocational skills whilst helping to renovate valued community buildings, places and venues in need of improvement (such as youth centres, community centres, sports clubs, arts & cultural venues and outdoor greenspaces such as parks and community gardens)
- 2.17 Newark & Sherwood Council will continue to work with Nottinghamshire County Council to deliver the CRF programme targeting the key offers available to local residents and businesses.

Brownfield Land Release Fund

- 2.18 The One Public Estate Brownfield Land Release Fund (LRF) was announced in April 2021 with a closing date in June 2021. The fund aims to bring public sector bodies together, to create better places by using public assets more efficiently, creating service and financial benefits for partners and releasing land for housing and development. The LRF is a unique programme. It targets small sites where viability issues have prevented the release of local authority-owned land for housing delivery. Previous rounds of funding have shown LRF-funded projects can deliver at pace by bridging viability gaps to accelerate the release of land for housing. Newark & Sherwood District Council bid for 2 key strategic projects in June 2021:
- 2.19 A bid of £284k for the Stodman Street scheme was submitted with the aim of supporting the readiness and demolition of the former Marks & Spencer. This project currently has a planning application submitted and is seeking to undertake development over 2022/23.
- 2.20 In addition to the successful grant for Stodman Street £1.05m has also been successfully claimed to assist the Yorke Drive Regeneration project from the Brownfield Land Release Fund. Updates on this grant, and the wider project are provided to Members via the Homes and Communities Committee agenda.

3.0 Equalities Implications

- 3.1 Each project and fund is required to specifically address equalities and access implications as they are developed. This will be captured in detail through the scheme and any relevant Business Case and assurance submissions.

4.0 Digital Implications

- 4.1 There are digital implications within many of the 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 – FIN 21-22/8869

- 5.1 The financial implications for Southern Link Road are included within the report to Economic Development 'Highways Update'. It confirms the current budget remaining of £11m (NSDC £5m and LEP £6m) plus the additional £20m gained through LUP. With the total costs estimated at £70.9m this leaves a balance to be attained of £39.9m. This is to be made up by Urban and Civic (private contribution). Discussions to secure the £39.9m are at an advanced stage, we are currently awaiting confirmation of. Once the situation is resolved in respect of the balancing figure of £39.9m both this and LUP funding of £20m will be proposed to be added to the capital programme.
- 5.2 The financial implications for Yorke Drive are presented within a report to Homes & Communities. The project has had a successful bid of £1.05m granted from the Brownfield Land Release Fund. Pending approval through Homes & Communities this will be added to the capital programme.

5.3 The Stodman Street project has also had a successful application from the Brownfield Land Release Fund for £284k. This is included within the report to Policy and Finance to be added to the current Stodman street allocation. Please see table below showing the Stodman street budgets included within the capital programme (including the additional £284k Brownfield land grant).

Current Budgets	Amount	Funding	Amount
Spend prior to 21/22	207,475.62	Primary Fund	284,000.00
Budget 21-22	2,076,524.38	Towns Fund	2,000,000.00
Budget 21-22	284,000.00	Brownfield Land	284,000.00
Budget 22-23	6,500,000.00	Borrowing	6,500,000.00
Total budget	9,068,000.00	Total Funding	9,068,000.00

5.4 Projects relating to the Towns Fund programme will be added to the capital programme in their entirety once the Full Business cases have been approved and approval granted at Policy & Finance.

6.0 Community Plan – Alignment to Objectives

6.1 The Newark Town Deal, Levelling Up Fund, Brownfield Land Release Fund, and Community Renewal Fund projects comprise interventions of such scope and breadth that they significantly contribute to delivering all of the Council’s Community Plan objectives.

7.0 RECOMMENDATIONS that:

(a) Members note the update provided; and

(b) Members recommend to Policy & Finance Committee that £284,000 grant funding be added to the Capital Programme in relation to the 32 Stodman Street project as detailed at paragraph 2.19 above.

Reason for Recommendations

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

Background Papers

Newark Town Investment Plan (July 2020)

Newark Towns Fund Assurance Framework (June 2021)

For further information please contact Matt Lamb on Ext. 5842

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