

## **POLICY & FINANCE COMMITTEE**

**17 MARCH 2022**

### **NEWARK TOWNS FUND UPDATE**

#### **1.0 Purpose of Report**

1.1 To update Members on the Newark Town Deal and identified Towns Fund Priority Projects.

#### **2.0 Background Information**

2.1 Members will recall that work to develop the Newark Town Investment Plan took place in the first half of 2020. This involved working with a range of partners, the newly formed Newark Towns Board, and undertaking consultation just as the Covid-19 pandemic and associated lockdowns took hold. The lockdowns provided an opportunity to innovate, with Schools running on-line forums to seek the ideas of children and families; the CVS undertaking telephone interviews with clients; and the Council and its Consultancy Team hosting multiple on-line groups, briefings and workshops. In July 2020 the Council-backed Newark Town Investment Plan was submitted to Government as part of cohort 1 applications for Towns Fund Grant.

2.2 Members will recall the welcomed announcement in the March 2021 budget that Newark had been successful in its bid for £25m of grant funding for 10 priority projects (now 9 following the removal of the Police Station relocation). The Council was invited to enter into Heads of Terms with Government, which were executed on 20 April 2021.

2.3 Since that time the Council and its partners have worked tirelessly to ensure delivery, developing robust Assurance Frameworks and progressing Business Cases for each project. The agenda this evening seeks, amongst other things, approval to support the final 3 no. Business Cases as captured in the table below. Upon completion of a Business Case (Outline or Full) the Council, on behalf of the Newark Towns Board, submits to Government a 'Summary Document' and 'Monitoring & Evaluation' form which has been assured by the Council's S151 Officer (with support from Quod consulting). Upon submission of these documents funding will be released from Government to the Council in accordance with the prescribed funding profile for the project and grant release dates identified by Government. A summary of progress for all projects is detailed below:

<b>10.5</b>	<b>Project Sponsor</b>	<b>OBC/FBC Approved</b>
32 Stodman Street	NSDC	FBC Approved
20 Minute Town	NSDC	OBC Approved
Castle Gatehouse	NSDC	Pending Committee Decision
Construction College	Lincoln College Group	Development Complete
Cultural Heart of Newark	Newark Town Council	Pending Committee Decision
IASTI	Lincoln College Group	OBC Approved
Newark Southern Link Road		Heads of Terms for £20m Levelling Up Funds signed with Government on 04.02.22
SiScLog (Newark Gateway site)	NSDC	Expected Summer 2022
YMCA Community & Activity Village	YMCA	FBC Approved. Development on-site. Completion Summer 2022

- 2.4 Members will be aware from the agenda that updates are provided on the 32 Stodman Street, Newark Cultural Heart, Newark Gateway (the IASTI and SiScLog), and Newark Gatehouse proposals. Updates on the other projects are as follows:

#### Construction College

- 2.5 The Construction College, which opened its doors in September 2021, has had 65 students to date, of which two already have offers of permanent employment and a further 6 have secured work experience opportunities. The college is proving to be a real success due to its close collaboration with industry sponsors, such as Valliant, Newark Plumbing & Heating Supplies, Hoval, ECA, Pro-Heat, APS, Viessmann, offering free equipment or resources for training and apprenticeship and work experience opportunities. In its first term, the Construction College has already demonstrated that it offers valuable, employable skills to the young people of Newark & Sherwood and giving them pathways to forging a successful and fulfilling career.

#### 20 Minute Town

- 2.6 Progress is continuing with the contract between NSDC and Brompton having been finalised in late February meaning that plans for the installation of the first docks can take shape. It is hoped that the first dock, located at the Castle Station (which will also serve Castle House) will be in place by March 2022. Communication is ongoing with the land owners of the other sites – Nottingham County Council at the bus station, London North Eastern Railway at Newark Northgate Station and Urban and Civic at the Middlebeck site – and plans for the installations of these docks will be finalised for Spring.
- 2.7 A communications and promotion plan is being developed between Brompton and NSDC to be initiated when there are docks on the ground and will include targeted campaigns aimed at rail and bus commuters and the new residents of the Middlebeck site. Conversations with Barcode Warehouse have restarted; they remain interested to sponsor additional bikes for pre-existing docks and this arrangement should be finalised in the coming months. Additionally, key potential partners – such as East Midlands Railway, Tarmac, Lincoln College, Barratt/David Wilson Homes – have been approached and the different ways in which they could become involved, such as sponsoring corporate memberships for their employees, sponsoring bikes or docks, or getting branding on bikes, are being explored with them. It is hoped that as the scheme is functioning and more visible in the later Spring, coupled with a targeted and joint communications approach by both NSDC and Brompton, the interest from business partners will increase.

#### Newark Southern Link Road (SLR)

- 2.8 This is the final TIP priority project, albeit not funded by Towns Fund grant. Members will be aware of pre-existing grant commitments to the scheme from the D2N2 LEP (£6m) and this Council (£5m). This is in addition to Homes England loan facility (expected to be secured by the end of March 2022) and £20m Levelling Up Grant.
- 2.9 The Council signed a Memorandum of Understanding with Government (via the Department For Transport) on 4 February 2022 to access the LUF grant. The Government signed and returned this on 8 March 2022. NSDC is one of only 13 authorities nationally to have executed an MOU and is the only District Council to have done so. This provides agreement with the Council to provide funds across the following financial years, which aligns with associated activity required to implement the scheme:

Financial Year	Total
2021-22	£313,000

2022-23	£13,369,000
2023-24	£6,318,000
Total	£20,000,000

- 2.10 Colleagues at Urban&Civic (U&C), National Highways (NH), and Nottinghamshire County Council (NCC) continue to work at pace to conclude final design and statutory highway sign-off for the SLR junctions at the A46 and A1 ends. It is expected, subject to sign-off and design fix, that procurement of a contractor will take place between July-November 2022, allowing a start on-site in late 2022/early 2023. This will allow the SLR to be open for traffic in December 2024.
- 2.11 In accordance with the previous resolution of this Committee the formal Grant Funding Agreement between this Council and U&C covering all public grant is close to being concluded. This is accompanied by a governance process to oversee spend, with ultimate Assurance being provided by a Governance (informed by the Council's s151 Officer in consultation with an externally appointed Shadow Surveyor) and Delivery Board. Proposed arrangements are detailed at **Appendix A**.

#### Communications and Promotion of Towns Fund Projects

- 2.12 In February 2022, a dedicated website for the promotion of Towns Fund projects was commissioned to inform residents of Newark, as well as people across the country, of the different Towns Fund projects, the vision behind them and to give up-to-date progress reports of their delivery. In addition, the website will ensure transparency is maintained by including profiles of each of the Board members and forward notices of the Board meetings, their agendas and minutes.
- 2.13 The website will form part of a new Communications Strategy for the promotion of the Towns Fund projects that seeks to tailor specific messages to the groups that will be most interested in them and benefit most from the information. As part of this, the Programme Manager and Town Centre Development Manager are planning a live event in the market place for March 2022, where they will take a stall in the market to further promote the projects, and cascade information to interested residents. This event will provide an opportunity for face-to-face dialogue with residents encapsulating the approach of taking the town with us on the journey towards greater economic prosperity and creating an opportunity to explain in person the tangible benefits each of the different projects are expected to bring. If successful, the aim is to make this market event a regular occurrence, to update residents on the progress of the Town Investment Plan implementation.

#### Project Adjustment

- 2.14 Further to the previous Policy & Finance report detailing the approach taken to request the redistribution of Towns Fund resource originally allocated to the Relocation of the Police Station project, which is no longer going ahead, the necessary project adjustment forms and revised Annex A1 Financial profile, approved NSDC's S151 officer and the co-chairs of Newark Town Board in an urgency report, was submitted to the Department for Levelling Up, Housing and Communities on 21 December 2021. DHLUC have advised that they are currently updating their Project Adjustment processes during February and will carry out the review of existing requests as soon as this update is complete. An answer is therefore expected in late March 2022, although the Programme Manager will continue to push for a response and update with any news received.
- 2.15 At the time of writing the lack of Government confirmation to agree to reallocation of the £1m Police Station project funds remains a risk, albeit representatives of the towns fund have been clear on an expectation that funds will be permitted to be re-allocated.

### Performance and Assurance Reporting

- 2.16 In February 2022, DHLUC advised that they were requesting an interim performance and assurance report on all projects that had received funding up to 31 December 2022, which for Newark Town Deal is the YMCA Community and Activity Village. The performance report details the main risks on a project specific and programme wide level and includes a finance report showing the proportion of grant monies already paid by DLUHC that has been spent to date. Additionally, two assurance statements, one to be signed by the accountable body's S151 Officer and the other to be signed by the Chair of Newark Town Board will accompany the performance spreadsheet. All necessary documents were completed, confirming adherence to all necessary governance and transparency standards, and submitted by the deadline of 18 February 2022.

### **3.0 Equalities Implications**

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

### **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 - FIN21-22/4231**

- 5.1 Projects relating to the Towns Fund programme will be added to the capital programme in their entirety once the Business Cases have been approved and approval granted at Policy & Finance.
- 5.2 The Stodman Street project, Cycle Town projects and the additional funding of £20.0m for the Southern Link Road are all included within the capital programme in full.
- 5.3 As is the YMCA Community and Activity village, of which £1.340m has already been released to the Nottinghamshire YMCA, out of the total funding of £2.0m.
- 5.4 IASTI and SIScLOG will be added once they have achieved final assurances and sign off.
- 5.5 We are currently awaiting the outcome of the request to redistribute the £1m from Newark Police Station to address potential pressures elsewhere within the Towns Fund programme.
- 5.6 Once a decision has been made we will seek approval through Policy & Finance to update the budgets accordingly.

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

- 6.1 The Newark Town Deal and TIP is a direct intervention of such scope and breadth that it significantly contributes to delivering all of the Council's Community Plan objectives.

**7.0 RECOMMENDATIONS that:**

- (a) the update provided be noted; and**
- (b) the proposed Governance arrangements for managing public grant received for the Newark Southern Link Road (SLR), as detailed at Appendix A to the report, be approved.**

**Reason for Recommendations**

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

**Background Papers**

Newark Town Investment Plan (July 2020)

Newark Towns Fund Assurance Framework (November 2021)

For further information please contact Matt Lamb on Ext. 5842

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