



Report to: Cabinet Meeting – 4 October 2022

Portfolio Holders: Councillor David Lloyd, Strategy, Performance & Finance
Councillor Rhona Holloway, Economic Development & Visitor Economy

Director Lead: Matt Lamb, Planning & Growth

Lead Officers: Mark Eyre – Business Manager Corporate Property, Ext 5440
Neil Cuttell – Business Manager, Economic Growth & Visitor Economy, Ext 5853
Frances Davies – Town Investment Plan Program Manager, Ext 5874

Report Summary	
Type of Report	Open, Key Decision
Report Title	Newark Town Fund Update & Lorry Park Options for Relocation
Purpose of Report	To provide an update on the Newark Town Fund Programme including recommendations to continue to progress the relocation of Newark Lorry Park and the redevelopment of the Newark Gateway site.
Recommendations	<p>That Cabinet:</p> <ul style="list-style-type: none"> a) note the progress on the Newark Town Fund Programme and associated projects being delivered; b) authorise the Director – Planning & Growth in consultation with the Portfolio Holders for Strategy, Performance & Finance and Economic Development & Visitor Economy to respond to National Highways Statutory Consultation on the A46 Newark Northern Bypass to outline the strong support for the proposals alongside the need to deliver the Council’s aspirations to relocate the Lorry Park, redevelop the Gateway site, and to secure adequate compensation for the impacts of the Bypass proposals; c) authorise the Business Manager, Corporate Property, in consultation with the Director – Planning & Growth and Portfolio Holders for Strategy, Performance & Finance and Economic Development & Visitor Economy, to progress negotiations with landowner(s) for a proposed new Newark Lorry Park site in order to allow terms to be considered as part of development of a Business Case for the Lorry Park relocation;

	d) authorise the Business Manager, Corporate Property, in consultation with the Director – Planning & Growth and the Portfolio Holders for Strategy, Performance & Finance and Economic Development & Visitor Economy, to develop a business case (including where appropriate identifying a development partner), and planning applications for a relocated Newark Lorry Park and redevelopment of the Gateway site, supported by additional revenue budget of £200,000 funded from the Change Management Reserve to cover necessary fees;
Alternative Options Considered	The development of the Newark Town Investment Plan and selection of priority Towns Fund projects was part of a significant assessment process undertaken by the Newark Towns Board, in consultation with a range of partners and industry, including this Council. With respect to the Gateway site and the existing Newark Lorry Park this report explore various options available to the Council as a result of the impact of the A46 Newark Northern Bypass.
Reason for Recommendations	A retained but relocated and expanded Newark Lorry Park will continue to offer an important facility to the logistics and transport sector, as reflected by its increase in use and importance in recent years. The relocation will also allow for the delivery of the Gateway site, specifically the SiSCLog proposals as supported by the Government, this Council, and the Newark Towns Board. The proposals support all of the Community Plan objectives given their scale and scope of outputs in continuing to provide opportunities and aspiration for residents and businesses.

1.0 Background and Updates

1.1 Members will recall the update provided to the 7 June 2022 Cabinet. Since that time a number of Towns Fund projects have progressed at pace including assessment and in many cases assurance of Outline and Full Business Cases via our external independent assurers and the Council's s151 Officer. This report updates on all Towns Fund projects but substantively deals with the SiSCLog proposals and linked activity surrounding the Newark Lorry Park and its need for relocation given the proposals emerging through the A46 Newark Northern Bypass scheme within the national Road Investment Strategy 2 (2025-30).

2.0 Town Fund Project Update:

2.1 The Town Fund Programme is now well underway with the projects at varying stages of delivery. The below diagram provides an update on project status.

Outline Business Cases

- Castle Gatehouse (Completion of FBC anticipated March 2024)
- Gateway/Sisclog (Completion of FBC anticipated September 2023)
- Newark Heart (Completion of FBC anticipated March 2023)

Full Business Cases

- Stodman Street (Contractor Procurement underway)
- Air & Space Institute (Contract Procurement underway)
- Community Activity Village (Opened July 2022)
- Construction College (Opened September 2021)
- Cycle Town (Docks installed)

- 2.2 Members will note that the Newark Southern Link Road (SLR), which is identified as a Towns Fund project within the Newark Town Investment Plan and Newark Town Deal is the subject to a separate update elsewhere on this agenda.
- 2.3 The Construction College is now open and has started its 2nd year of delivery with over 100 students undertaking gas, electrical and brick laying courses in September 2022.
- 2.4 The YMCA Community & Activity Village opened in July 2022 and has started to undertake new courses and provide new facilities to the public.
- 2.5 32 Stodman Street is currently in the procurement phase for a build contractor which is anticipated to start in October 2022 with a completion date of Spring 2024
- 2.6 Newark Cycle Project has installed a number of cycling docks, at transport nodes throughout the town.
- 2.7 Castle Gatehouse has successfully secured phase 1 Heritage Lottery Funding and is progressing to stage 2 alongside development of a full business case for Towns funding.
- 2.8 The Cultural Heart of Newark project has established an enhanced events programme for 2022 and will move to deliver a full business case by March 2023 which will identify the use of the capital allocation, seek sustainability for year 4 and start the investment into a programme of enhanced events for 2023.
- 2.9 The Air & Space Institute (Gateway Phase I) – will start construction in October 2022 and complete by late 2023. Heads of Terms between the Council and the Lincoln College Group for the Air & Space Institute (ASI) will allow the implementation of the ASI, representing Phase I of the Newark Gateway site. It will offer the 2021 and 2022 intake of students an ability to join new cohorts in 2023 at a new state-of-the-art facility. In accordance with the assured business case, across the first 15 year period, further it will deliver:

- 370 Level 2 qualifications in engineering and computing.
- 1,304 Level 3 qualifications and T-Levels across a range of aviation and space related programmes including pilot, engineer, ground operations, cyber, robotics and logistics.
- 204 Level 3 Apprenticeship Standards in aviation engineering.
- 632 Higher Level Technical Qualifications (Level 4-6) across pilot, airfield operations, aviation, aerospace and software engineering
- Create 38 new jobs

3.0 Newark Gateway

Air and Space Institute (Phase I)

- 3.1 Members will recall that the Newark Gateway site comprises the site of the former Livestock Market and existing Newark Lorry Park. Phase I of the Newark Gateway delivery comprises the ASI detailed above. Phase II is necessitated by the likely impacts of the A46 Newark Northern Bypass on the existing Newark lorry park and will involve the relocation of the Lorry Park and redevelopment of the residual site for the Towns-Fund backed SiSCLog development.

The Existing Lorry Park

- 3.2 In May 2022 the National Highways published the preferred route for the Newark A46 Northern Bypass [A46-newark-bypass](#). This scheme is of national importance with respect to reducing congestion, improving capacity, and ultimately unlocking productivity for the Trans Midlands Trade corridor. Every Planning, Highway, and LEP Authority from the Humber ports to Tewkesbury have been supportive of the plans. Locally, it is envisaged that the bypass will address the current traffic congestion issues facing the Town.
- 3.3 The preferred route has both beneficial and negative impacts for the town and key sites along the route. For the purposes of the current Lorry Park and Gateway Site this includes loss of land to the northern and western boundaries which will reduce the size of the site and therein capacity of the Lorry Park. The Council is also advised that the existing site access will be impacted, with a new A46 Roundabout necessitating its move further south along Great North Road.
- 3.4 Whilst the Preferred route remains subject to detailed design Officers have assessed that the loss of land identified within the A46 Newark Northern Bypass published plans (to date) will likely reduce the current Lorry Park capacity by approximately 30-40%. Coupled with the demand pressure of the sites current usage, and growth in the logistics sector locally, this will have a detrimental effect on the sites contribution to the sector, its accessibility and availability, and increased congestion for the town with drivers needing to either wait or find alternative provision, sometimes off-road. The current lorry park usage averages 95% full capacity on average peak travel times evening through to morning of Monday to Thursday. The loss of capacity will also significantly detrimentally affect the income that the Council receives for the site. The Council was aware of the potential of any future A46 Newark Northern Bypass impacting up the lorry park in taking the decision to extend it originally. Now that detail is emerging on the exact nature of the proposals future options can be explored. National Highways have confirmed that views will be sought from all landowners and stakeholders on the A46 Newark Northern Bypass plans as part of a formal statutory consultation starting in late October 2022.

- 3.5 Should the A46 Newark Northern bypass designs progress as currently expected an overall loss of land take, capacity, and overall income will necessitate one of 3 options moving forward:

Option 1 (Do Minimum) – Continue with the Lorry Park in its current location and configuration, accepting a significant reduction of income due to a reduction in capacity. It is likely, given the reasons for its expansion previously, that a loss of capacity will also lead to a loss of custom given the inability to guarantee spaces will be available for travelling drivers.

Option 2 (Do optimum with existing) – Amend the existing Lorry Park, including creating a new access road such that its layout and capacity is as efficient as it can be within the smaller site available once the Bypass land take is considered. There would still be a reduction in both the capacity and the income of the Lorry Park and an additional capital outlay to implement the changes. This will include amending the existing access/egress, design and layout of the current site.

Option 3 (Relocation and expansion) – Provide a New Lorry Park elsewhere (Newark Showground preferred) with increased capacity. This could retain and potentially increase the lorry parking provision for the town and associated income for the Council. However, there would be both a capital outlay for construction of a new Lorry Park as well as revenue commitments for the leasing a new site.

- 3.6 All of the above options are necessitated by the A46 Newark Northern Bypass (a stated important priority for this Council in addition to regional and national support). National Highways are clear that the Council, like any other landowner, should be adequately compensated for any impacts of development, a matter that will be negotiated as the proposals work through their design development in anticipation of a Development consent Order (DCO) process in summer 2023.

User Survey

- 3.7 In anticipation of the A46 Newark Northern Bypass and aspirations for the development of the SiSCLog scheme the Council has undertaken (June 2022) an updated User Survey for use of the current Lorry Park site. This survey sought the views of both the logistics company utilising the site for their freight, and the Lorry Drivers who required the site for their individual needs. The Survey identified the following:

- 1) When asked what the user doesn't like about the existing Lorry Park the majority response was "that is surface was water logged or dusty" at 63%
- 2) When asked what the most important factors are that influence Lorry Park use, the majority responses were a) Secure Parking (82%) b) Showers & Toilets (89%) and (c) Spaces Available (73%)
- 3) When asked about usage in a week, the following was stated; Once a Week (35%), Twice a Week (28%), 2-3 times per week (12%), more than 3 times per week (11%)
- 4) The most used route for access when coming to Newark was: A1 North (79%), A1 South (68%), A46 East (59%), and A46 West (51%)

- 3.8 Given the likely impact of the A46 Newark Northern Bypass proposals on the exiting Newark lorry Park and the associated income loss to the Council it is recommended that the preferred option remains its relocations elsewhere, with Newark Showground remaining the preferred new site. Members are asked to continue to support the development of proposals to aid this relocation, alongside negotiations with landowners involved. Alongside this, discussion on appropriate compensation will continue with National Highways.

Smart Innovation, Supply Chain and Logistics (SiScLog) Area (Phase II)

- 3.9 A relocated Lorry Park due to the A46 Newark Northern Bypass will create an opportunity with the residual land for the implementation of the SiScLog, which seeks to develop and strengthen an industrial cluster of regional and national significance in the Newark and Sherwood and the wider area by supporting growth, agglomeration and innovation in the transport and logistics sector, and to create a focal point location for business in other priority sectors including aerospace, space, advanced engineering, digital/ICT and other high value services where there are cross-overs with technology-led change in the logistics and distribution sector.
- 3.10 Newark and Sherwood district, and the wider area in which it is located, has sector strengths in transport, logistics, supply chain and benefits from a favourable position in relation to key transport nodes and assets such as East Midlands Airport and the ports. With the delivery of the ASI and the opportunity to bring pathways to higher education activity to the site, the provision of new industrial and high-tech office space has the potential to create much needed productivity gains and generate new and better paid employment for the area.
- 3.11 SiScLog can be bought forward through a number of delivery options, and Officers are seeking advice from specialist developers to ascertain the best route. This could range from the Council retaining the freehold (utilising long-leases for development plots), part free-hold disposal, or partnerships and/or Joint Ventures with investors and/or development partners.
- 3.12 Alongside this a planning application will be developed for likely submission by March 2023. The planning application and physical enabling works will be largely funded by the £4.4m of Towns Fund grant.
- 3.13 The project would also require a comprehensive procurement exercise to be undertaken that will take approximately 6-12 months dependant on the delivery model, sequencing and phasing of the site. This will be enacted after planning permission is granted with some component activities being undertaken as planning permission is sought to enable efficient use of time and resources. The delivery model is a key focus for delivery, as should the preferred route be to working in partnership with a joint venture partner then the procurement process can only be enacted upon successful award of said partner, which in itself may take between 9-18 months.

3.14 As part of the ongoing development of options for a relocated Newark Lorry Park and redeveloped residual site for the SiSCLog it will be necessary to work up planning applications for each project. Associated additional costs for the project, including planning fees, will be £200,000 (c£100,000 for each project). Costs of the fees for the SiSCLog will be provided via the Newark Towns Fund, subject to approval of the OBC (expected September 2022). Funds for the relocation of Newark Lorry Park it is expected will be received as part of any compensation package agreed with National Highways. However, until such time as this is committed the Council is asked to underwrite such costs in order to allow progression of the scheme.

4.0. Proposal/Options Considered and Reasons for Recommendations

4.1 The A46 Newark Northern Bypass will lead to a reduced Lorry Park offer for the Town. It therefore remains a priority for relocation and reconfiguration options to be concluded for presentation to a future Cabinet. Officers have considered other options including leaving the Lorry Park where it is with a reduced capacity, or doing nothing, which both significantly reduce the Council's income and importantly the capacity for the Lorry Park and its contribution to the sector and wider economy.

4.2 The ASI, Lorry Park (existing and expanded as part of relocation), and Gateway/SiSCLog are central to delivery of the Newark Town Investment Plan and raising aspiration and opportunity for young people, residents, and businesses within the Town. The projects, given their ambition and depth, accordingly contribute to all Community Plan objectives.

5.0 Implications

Financial Implications (FIN22-23/7519)

5.1 Of the Towns Fund schemes listed in section 2 of the report, all the schemes with full business case approval are now included (or if completed were included) in the Council's Capital Programme, along with the Castle Gatehouse, which is still at Outline Business Case Stage.

5.2 £200,000 as described in section 3 is required for feasibility work up to and including planning applications (£100,000 Lorry Park Relocation and £100,000 SiSCLog). A budget will need to be set up in revenue from the Change Management Reserve.

5.3 Once the two schemes have Full Business Case approval and an associated Capital budget is set up, any eligible capital expenditure can be transferred to the Capital Programme and the unused funds returned to the reserve.

Equality & Diversity

5.4 The creation of a new Lorry Park and development proposals at Newark Gateway will require a full Equalities and Impact Assessment (EIA), which will be completed as part of the development planning process.

Background Papers and Published Documents

Newark Town Investment Plan 2020

YMCA Community and Activity Village Full Business Case 2021

32 Stodman Street Full Business Case 2022

Newark Cultural Heart Outline Business Case 2022

Newark Castle Gatehouse Outline Business Case 2022

Newark Cycle Project Outline Business Case 2022

Air & Space Institute Outline Business Case 2022

Air & Space Institute Full Business Case 2022

Memorandum of Understanding (Dept. For Transport & NSDC) - Newark Southern Link Road
2022

Economic Development Committee Report, January 2022

Policy & Finance Committee Report, 17 March 2022

Cabinet Report, June 2022