

Report to: Policy & Performance Improvement Committee - 28 November 2022

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Report Summary	
Report Title	Newark Town Investment Plan and Town Deal
Purpose of Report	To inform of work done to date on developing the Town Investment Plan (TIP), to update on the delivery of the identified priority projects in the TIP through the Newark Town Deal (NTD), to report on the assurance of the Towns Fund and Levelling Up Fund Round 1, and to advise on related future interventions and opportunities.
Recommendations	That the Policy & Performance Improvement Committee: <ul style="list-style-type: none"> a) note the process followed in the development of the Town Investment Plan (TIP); and b) note and welcome the progress made in the delivery, assurance, and monitoring of the Town Deal (NTD) and other proposals within and related to the Town Investment Plan (TIP)

1.0 Background

Creating a Newark Town Investment Plan

- 1.1 Members will recall that the Newark Town Investment Plan (TIP) was developed in Spring 2020, following a Towns Fund opportunity made available to all Council's to submit a package of proposals on a town-scale basis for capital programs and projects that would offer genuine transformational change for communities. This was a competitive process, with Council's invited to submit bids in 3 submission rounds (a 4th was added later). The Towns Fund guidance was clear in setting a role for the Council as coordinator and bid curator, alongside and on behalf of a locally convened forum represented by a range of partners, notably the private sector. This led to the formulation of the Newark Towns Board in January 2020 (details at **Appendix 1**) and consultation with different audiences and stakeholders, much of which was as the Covid-19 pandemic and associated lockdowns took hold.

- 1.2 The preliminary stages of developing the TIP included a series of workshops aimed at different groups of stakeholders to gather their ideas and priorities, including Members. The national lockdowns provided an opportunity to innovate, with schools running on-line forums to seek the ideas of children and their families; the CVS undertaking telephone interviews with clients; and the Council and its appointed consultancy team hosting multiple on-line groups, briefings and workshops.
- 1.3 The final Newark TIP captured a clear ambition to target legacy projects (those which create an ability to provide opportunity and ongoing benefits) across 4 pillars of Intervention:
 1. Business, Education & Skills
 2. Connectivity
 3. Town Centre Regeneration
 4. Residential (inc. within the Town Centre)
- 1.4 10 Priority projects were identified as:
 1. **Newark Construction College** – offers training, retraining and work experience placements to facilitate Newark residents getting jobs in high-demand, stable sectors such as plumbing, bricklaying and gas engineering.
 2. **YMCA Community & Activity Village** – offers leisure facilities, education and training and access to crucial services such as integrated health care to Newark residents and young people.
 3. **Air & Space Institute** – a state of the art educational facility offering further and higher educational pathways in highly paid, future proofed sectors: aviation engineering, cyber security and pilots.
 4. **Newark Southern Link Road** – a long-standing aspiration to unlock growth and ease congestion, connecting the A1 and A46
 5. **Relocation of Newark Police Station** (subsequently withdrawn) – proposals to co-locate public services at Castle House and redevelop the existing site for a new residential offer on the edge of the town, close to Newark Northgate rail station
 6. **20 minute Cycle Town** – a scheme with Brompton Bikes to provide a high quality offer and brand within the town, in conjunction with transport providers, employers, and developers.
 7. **Newark Cultural Heart** – enhanced activities and events and associated infrastructure to establish Newark's reputation as a vibrant town, increasing footfall and pride of place.
 8. **32 Stodman Street Redevelopment** – repurposing a significant and vacant retail space to create high quality town centre residential homes, ground floor commercial opportunities, and new public realm and legibility improvements.
 9. **Smart Innovation Supply Chain & Logistics Enterprise Zone SISLOG** – establish at a key Gateway into Newark a high-tech businesses zone bringing more and better paid jobs into the town.
 10. **Castle Gatehouse** – making it more accessible the Castle, alongside a raft of educational and interpretation offers.
- 1.5 The TIP also included a list of 30 potential future projects which could emerge and/or be prioritised beyond the initial 10, setting a likely up to 30-year time-frame for activity and focus.

1.6 The Council-backed Newark TIP was submitted to Government (Department Levelling Up, Housing and Communities) in July 2020 as part of national cohort 1. We were the only Council in Nottinghamshire within this cohort.

Successful Announcements

1.7 Members will recall the welcomed announcement in the March 2021 budget that Newark had been successful in its full bid for the full £25m grant funding ask. This was in addition to £750k of accelerated funding provided in advance of the announcement to deliver the Construction College and preliminary works at 32 Stodman Street. Funding was assigned, in principle, to all ten priority projects via a Heads of Terms (HoT) document offered to the Council and Newark Towns Board by the government. It was for the Towns Board, in consultation with the Council, to determine spend across some or all of these projects.

1.8 The HoT's to creating the Newark Town Deal (NTD) were entered into by this Council and the Newark Towns Board on 20 April 2021. All 10 priority projects were retained at that time.

1.9 The relocation of Newark Police Station was removed as a project after the announcement by the Police & Crime Commissioner (PCC) in September 2021 that it was no longer going ahead. A project adjustment request (PAR) to reflect this was submitted to government (Department for Levelling Up, Housing and Communities) in December 2021, following approval by the Council's s151 officer and Newark Executive Town Board on 17th December 2021. The PAR sought the reprofiling of the £1m originally allocated to the Police Station across three other existing Town Deal projects (Gatehouse, SiSCLog, and 32 Stodman Street). This was agreed by Government in April 2022. The table below at Figure 1 details the total grant available for each of the remaining 9 projects reflecting this first PAR.

1.10 In addition to the Towns Fund the Council successfully competitively secured £20m of Levelling Up Round 1 Funding for the Newark Southern Link Road. Thus, whilst the SLR remains a priority project of both the Newark TIP and Newark Town Deal, no Towns Funding has been apportioned to this project. Rather, this has been secured by other means.

Fig. 1: Project Updates Finance:

Project	Towns Fund Grant (£m)	Match Funding (£m)	Project Adjustments (£m)	Comments
Construction College	£0.389	£0.133 Lincoln College Group	N/A	Opened in September 2021. Actively exploring future expansion linked to growth around Newark.
YMCA Community and Activity Village	£2.0	£2.2 LEP £10.4 YMCA	N/A	Opened in July 2022, monitoring and evaluation ongoing
Air and Space Institute	£10.6	£2.6 Lincoln College Group £2.3 Industry Partners	Name change from IASTI to ASI, June 2022	Construction started in October 2022

20 Minute Cycle Town	£0.200	£0.50 Private businesses	N/A	Three bike docks in place, the final dock to be placed at Newark Northgate Station late 2022
Stodman Street Redevelopment	£2.2	£0.284 One Public Estate £5.3 NSDC	Additional £0.20m reprofiled from Newark Police Station, April 2022	Tender returns for the demolition and construction phase expected in the coming weeks.
Newark Cultural Heart	£2.1	£0.60 Newark Town Council (=£0.2 p.a.)		Programme Development officer in post at Newark Town Council. Events and Activities programme for 2022 and 2023 planned and costed.
SISCLOG	£4.4		Additional £0.40m reprofiled from Newark Police Station, April 2022	Outline Business Case is going through the assurance process.
Castle Gatehouse	£3.0	£1.385m NLHF £1m NSDC	Additional £0.40m reprofiled from Newark Police Station, April 2022	Progressing to the second stage of the National Lottery Heritage Fund application. Full Business Case planned for late 2023.
Southern Link Road	£0	£20m LUF 1 £6m from LEP £5m NSDC £39.9m U&C (inc. Homes England loan facility)	N/A	Tender returns for the contractor of the road expected shortly.
Programme Management	£0.5			
Total	£25.389m	£97.702m*	£1m	

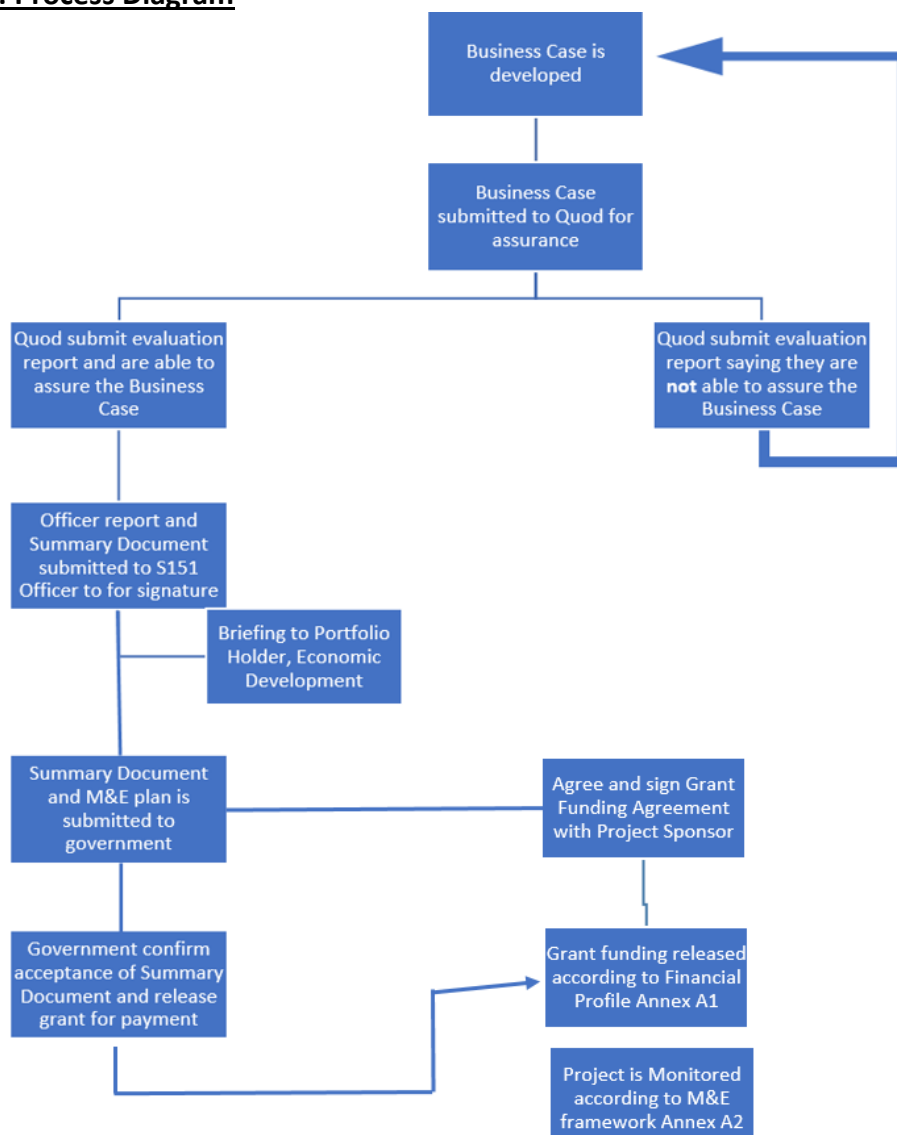
*this figure is exclusive of revenue created from SISCLOG development

Grant Funding Process

- 1.11 The Newark Towns Deal makes clear that the Council is the accountable body for the purposes of assurance and management of any Towns Fund grant spend and associated outputs. In other words, the Council, via its s151 Officer and Portfolio Holders for Strategy, Performance and Finance and Economic Development & Visitors must be satisfied that the proposals represent value for money and have been underpinned by a 5 Case Green Book Business Case Model, the approved methodology against which overall value for money is assessed nationally through the production of an Outline Business Case (OBC) followed by a Full Business Case (FBC). The Council must also ensure spend and delivery of identified and agreed outputs.

- 1.12 NSDC, through its then Committee system of Governance, determined early the importance of an Assurance and Governance framework, informed by expert '5 Case' providers. NSDC and the Towns Board developed and adopted a Newark Towns Fund Local Assurance Framework which all projects are required to follow. Independent experts in '5 Case' planning were also commissioned.
- 1.13 Hatch consulting were appointed for the development of the Business Cases alongside and on behalf of project sponsors. Separately Quod consulting were commissioned to independently assure any submitted Business Cases, offering a view on value for money and deliverability demonstrated by each Business Case and advising the s151 Officer accordingly.
- 1.14 Upon assurance by the s151 Officer (informed by Quod) of a first Business Case (Outline or Full) the Council, on behalf of the Newark Town Board, submits to Government (Department Levelling Up, Housing and Communities) a 'Summary Document' and 'Monitoring & Evaluation' form. Upon acceptance of these documents, funding is then released from government to the Council in accordance with a prescribed funding profile for the project and grant release dates identified by government. The overall process is captured below:

Fig. 2: Process Diagram



1.15 For completeness, Members are advised that at the time of writing a scope for an Assurance Audit of the Towns Fund and Levelling Up Fund Round 1 is being agreed with the Council’s auditors. This is expected to investigate and conclude a review of the level of assurance on the processes involved in the Towns Fund and Levelling Up Fund Round 1 to date in early 2023.

Progress to Date

1.16 All Towns Fund projects are progressing well, with only one Summary Document (for the SiSCLog project) outstanding. This is expected to be submitted to government by November 2022. Subject to approval, government will then have approved and committed to funding releases for all projects. Thereafter, it is for the Council, in consultation with the Newark Towns Board, to monitor progress and spend, including any reallocation of funding required.

1.17 Regular meetings between the government and Town Deal Programme Managers from the D2N2 area show that benchmarked against nearby towns, Newark’s progress is advanced and held in esteem by central government colleagues.

Fig. 3: Progress to date

Project	OBC Assured	Summary Doc Approved by Government	FBC Assured
Construction College	Implemented prior to signing of the Newark Town Deal via accelerated funding. Approval process via Newark Town Board, Policy & Finance Committee on the 24.09.20, s151 officer and Grant Funding Agreement, (February 2021)		
YMCA Activity Village	N/A	December 2021	December 2021
Air and Space Institute	January 2022	January 2022	September 2022
20 Minute Cycle Town	December 2021	January 2022	Not required given OBC detail
Stodman Street	N/A	May 2022	February 2022
Newark Cultural Heart	April 2022	May 2022	Expected March 2023
SISCLOG	Expected Nov 2022	Exp Nov/Dec 2022	Expected summer 2023
Castle Gatehouse	May 2022	July 2022	Expected December 2023

1.18 Officers are in the process of reprocurring expert support for all projects still requiring an FBC (Newark Cultural Heart, SiSCLog, and Gatehouse).

1.19 As Members will appreciate with capital projects of this scale, within a fluctuating market, over a 5-year spending period, there will remain risks to identify and mitigate. Risk management registers and ongoing meetings between the Council and Project Sponsors remains critical. The table below captures in summary form some key matters which Officers and project sponsors are mindful of in progressing each scheme.

Fig. 4: Project Update Outputs and Risk

Project	Outputs in Towns Deal	Completion date (Original)	Main Risks/ Comments
Construction College	Build a new educational facility offering courses in plumbing, gas engineering and bricklaying Provide training to over 700 learners over 5 years	September 2021	The construction College is progressing well, with 78 students having been through the facility to date. The college is aiming to expand into other sectors, with car mechanics commencing at the Newark site in the 2023/24 academic year. A down-turn in student uptake may lead to less learners. This is monitored regularly with the college continually looking at promotion, course content, enrichment opportunities (work experience), and working with the Council to liaise with housebuilding and road contractors to maximise opportunities given the planned growth around Newark
YMCA Community and Activity Village	136 FTE new jobs (of which 14 directly funded by Towns Fund contribution) by 2024 38 apprentices by 2024 Deliver training to 1200 new learners by 2024 57,400 annual visits by 2024	July 2022 (original: May 2022)	The Village is now open and is currently on target to deliver the required outputs. Regular monitoring and evaluation meetings will be taking place over the coming years. The Council and YMCA are also working to track the journey of young people over many years to capture real case studies of the difference this project will make.
Air and Space Institute	370 Level 2 qualifications in engineering and computing. 1,304 Level 3 qualifications and T-Levels 204 Level 3 Apprenticeship Standards in aviation engineering. 632 Higher Level Technical Qualifications (Level 4-6) Create 38 new jobs	January 2024 (original: September 2023)	The ASI welcomed its first student intake from temporary facilities in September 2021. To date 121 students have been enrolled. Course details are available at https://asi-newark.co.uk/curriculum The ASI has now started on site. As with all construction projects, the main risk is in cost of construction materials and labour. Close interactions between the programme manager, the project sponsors and the contractor will identify issues early and help to mitigate them. Monitoring learners, promotion, and new course content will continue. The college will also track the journey of learners throughout their career, allowing longitudinal case studies of the difference this project will make.

			It is anticipated that both FE and HE provision will be accommodated within the ASI.
20 Minute Cycle Town	<p>Number of bike hires</p> <p>Number of enterprises receiving non-financial support</p> <p>Number of sponsored social inclusion membership packages</p> <p>£ co-funding committed (private and public)</p> <p>Number of transport nodes with new multimodal connection points</p>	December 2022 (Original: March 2022)	<p>The main risk is in encouraging uptake of the cycle hire, especially as the cost of living crisis bites. Work is ongoing with Brompton's marketing team to target local employers who may want to partner with the scheme, coinciding with the 4th dock installation. Work continues with employers and developers who have expressed an interest to support the scheme.</p> <p>Monitoring will continue in accordance with the Towns Fund Monitoring and Evaluation Plan.</p>
Stodman Street Redevelopment	<p>29 new residential units</p> <p>Public realm improved</p> <p>40 new jobs</p> <p>590sqm new retail space</p>	October 2024	<p>The Council is out for tenders at the time of writing. Cost of construction, and any unexpected delays, such as with the asbestos removal, could delay the project or raise prices. Contractor monitoring will be required.</p> <p>Some risks have been reduced by pre-sale of the residential apartments. Prior to completion marketing of commercial opportunities will be required via NSDC's Corporate Property Team.</p>
Newark Cultural Heart	<p>Number of full-time equivalent (FTE) permanent jobs created through the projects</p> <p>Number of full-time equivalent (FTE) permanent jobs safeguarded through the projects</p> <p>Number of improved cultural facilities</p> <p>Increased collaboration with employers</p>	March 2025	<p>The project aims to secure the ongoing legacy of an enhanced events programme within the town to drive vibrancy and footfall. Two posts will be appointed to at the Town Council to progress the projects, alongside partners. There remain risks around the appropriate model and appetite for funding beyond the towns fund, matters which are monitored and managed by Newark Town Council in consultation with the District Council.</p>
SiSCLog	<p>The outputs from the Heads of Terms agreed with government are:</p> <p>Increase in capacity and accessibility to new or improved skills facilities</p> <p>Increased and closer collaboration with employers</p> <p>Increase in the breadth of the local skills offer</p> <p>Increase in the amount of shared workspace or innovation facilities</p> <p>Remediation and/or development of abandoned or dilapidated sites</p> <p>Working age population with qualifications</p>	March 2026	<p>The dependency of this project on the A46 Newark Northern Bypass means that it has been delayed whilst the extent of the land take from the SISCLOG site is determined. Until a Development Consent Order (DCO) for the A46 is agreed post a Summer 2023 Public Inquiry, the exact detail and status of the A46 improvements is uncertain. Irrespective the Council continues to work closely with National Highways and remains committed to progressing with planning and a Full Business Case in the first half of 2023.</p>

	Number of start-ups and scale ups		Indicative outputs for the Business Case are: 5660sqm flexible commercial units; 1460sqm high tech offices; a hotel; a coffee shop.
Castle Gatehouse	Number of skilled volunteer roles in heritage sector Improved cultural facilities Number of events and reach annually	March 2026	The Castle Gatehouse project is funded partly through Towns Fund and partly through the National Heritage Lottery Fund. An application for NHLF has passed the first stage, and is progressing to the final stage, but the outcome will not be final until early 2024. The Towns Fund Full Business Case will be developed alongside this.
Southern Link Road	Construction of an adopted road linking A1 and A46. Unlocking 2550 additional homes, 2 million sq ft employment space, county park, sports facilities, and 5000 new jobs	Jan 2023 – March 2024	The cost of construction is the main outstanding risk for this project commencing, a risk being managed by the pending tender process. A specialist monitoring surveyor has been appointed by the council to support the governance of the grant, ensuing appropriate spend.

1.20 As can be seen in the table above, progress against each of the projects is good, and whilst some projects are experiencing small delays, these are able to be absorbed into the programme without affecting the overall outputs and outcomes. It should also be noted that since all the projects are in different stages, work on managing the programme often operates at several different levels at once.

Promotion

1.21 The promotion and marketing of the projects, and their fit within the wider reasons for intervention within the town, is crucial to their success. Significant time and resource is being focussed on this part of programme delivery as follows:

- Newark Town Board website (www.newarktownboard.co.uk) was launched in July 2022, and acts as an information hub for all the detail surrounding the Town Investment Plan, the Town Deal and each of the projects. Agendas, meeting papers and minutes from Newark Town Board meetings are saved on the website, along with the Terms of Reference and Assurance Framework.
- Promotional videos have been created for each of the projects, and one [overall video](#) to explain the programme as a whole. These can be found on the website and are used by the NSDC communications team at intervals to reference and explain each of the projects.
- A consistent brand has been developed for all site activity to promote both the specific project and wider Towns Fund programme context. The aim is to build knowledge and excitement as the construction projects get started and become more visible around the town.

2.0 Next Steps for Town Deal projects

- 2.1 The funding for the Town Deal runs until March 2026, by which time the priority projects will have commenced, be nearing completion, or be complete. The Town Programme Manager will continue to ensure that all projects are managed appropriately and that the contracts applied to third parties are monitored and evaluated to deliver and assure the requirements the government. The monitoring and evaluation reporting schedule to government is bi-annual, and the Programme Manager will ensure that the Council and Newark Town Board briefed before these returns are submitted. This regular schedule will start next financial year, 2023/2024, once all summary documents have been submitted and all first project payments will have been received. The monitoring and evaluation will include updates on outputs and with case studies of those students, residents, or users who benefit, including following journeys throughout future lives and careers.

- 2.2 It is proposed that Newark Town Board will continue, albeit in an ever-evolving role. Having firstly been convened as a steering board to lead the development of the TIP, it is now largely focussed on ensuring delivery. Board members also have an advocacy and ambassadorial role to explain and champion the town deal projects and encourage co-ordination and added value through their own networks. Moving forward, it is proposed that the board and its role be repurposed to take a wider place shaping remit. Accordingly, the Terms of Reference for the Board will be reviewed.

- 2.3 Given the move from the aforementioned business case development to delivery many projects will now become more visible to residents, businesses and visitors. An associated heightened awareness will be accompanied by promotional communications also detailed above. It should also be noted that the Southern Link Road project, and subsequently, the A46 improvements, will come with challenges, creating inconvenient roadworks and delays in travel in and around Newark whilst these works are ongoing. Whilst such issues will be managed and communicated they are necessary in order to reap identified rewards.

Beyond the Towns Deal

- 2.4 Whilst the Town Deal projects rightly remain the priority, the aspirations of the TIP and the town runs beyond them. Work on many of the other projects continues, with the Council acting as developer, advisor, and curator. Some projects which have already progressed are detailed below:

Fig. 5: Additional Newark TIP Projects

Name of Project	Project Sponsor	What is happening	Expected completion
Newark Town Centre Vision & Masterplan	NSDC	The Masterplan will allow the Council to capture, in a single document, a holistic approach bringing together existing and future strategies. It will also address the current disconnect between extant town centre policy and the direction of travel to accept, curate, and offer market clarity on what high street	Jan 2023-June 2024.

		changes and reduction of retail may mean. The town centre masterplan is funded, including some match from Historic England and will be tendered in later 2022.	
Repurposing of the Buttermarket	NSDC	The first phase of the Buttermarket saw successful occupation of the full ground floor, with Tambo Lounge, Iquazo, and Specsavers being secured. The latest phase of the Buttermarket redevelopment has concluded (November 2022), with Inspire being welcomed to the former public house at the upper floor to provide adult education provision. Officers are working up plans for the final phase, allowing completion of the upper floor. The Council is also liaising with Newark Town Council to understand plans for building retained by them.	October 2024
Whole-town High Speed Fibre Broadband	City Fibre	Funding has been secured to make Newark a Full Fibre Town. Starting in November CityFibre will deliver a £10m rollout of high-speed fibre broadband on a town-scale.	2025
Relocation of Newark Lorry Park	NSDC	Linked to the SiSCLog Gateway redevelopment it remains the intention to relocate Newark Lorry Park in order to mitigate likely future impacts from the A46 Newark Northern Bypass. Full details of the proposals will be presented to Cabinet in due course, with a planning application expected in early 2023.	2025

3.0 Implications

Financial Implications (FIN22-23/5205)

- 3.1 This report does not, in itself, generate the need for any additional funding. The funding profile and impacts of all Towns Deal projects is reported separately to Cabinet and/or Portfolio Holders, in addition to the Newark Towns Board. All projects are independently ensured in order to satisfy value for money. Any future financial implications will be considered by Cabinet if and when required.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972. Any documents that contain confidential information or personal information about individuals should not be included in this list.

Please see the Newark Town Board [website](#) for:

- Town Investment Plan, July 2020
- Local Assurance Framework
- Minutes of Newark Town Board meeting, 15 June 2022

Please see the following Committee/Cabinet Reports:

- Economic Development Committee – 19 January 2022 – Newark Town Fund Update
- Policy and Finance Committee 27 January 2022 – Newark Town Fund Update and Approvals
- Policy and Finance – 17 March 2022
 - o Towns Fund Update
 - o Castle Gatehouse Update
 - o Cultural Heart Update
 - o Newark Gateway Update
 - o 32 Stodman Street Redevelopment
- Economic Development 23 March 2022
 - o A46 Newark Northern Bypass Preferred Route Announcement
 - o Towns Fund Projects Update
- Cabinet – 7 June 2022 – Newark Town Fund Update and Lorry Park Relocation Options
- Cabinet – 4 October 2022
 - o Newark Town Fund Update and Lorry Park Relocation Options
 - o Newark Southern Link Road Project