

Report to: Policy & Performance Improvement Committee: 26 June 2023

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Report Summary	
<b>Report Title</b>	Newark Town Investment Plan and Newark Town Deal
<b>Purpose of Report</b>	To update on the delivery of the identified priority projects in the Town Investment Plan through the Newark Town Deal (NTD).
<b>Recommendations</b>	That Members note and welcome the progress made in the delivery, assurance and monitoring of the Town Deal (NTD) and proposals within the Town Investment Plan (TIP)

## 1. Background

### Developing the Plan

- 1.1 The Newark Town Investment Plan (**TIP**) was developed in Spring 2020, following a Towns Fund opportunity made available to all Councils 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 Councils invited to submit bids in 3 submission rounds (a 4<sup>th</sup> 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 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 detailed below. The four areas of intervention as set out in the Town Investment Plan came to light as a result of the extensive consultation with

stakeholders undertaken at the development stage of the TIP and, therefore, they are what is needed to help Newark reach its potential and thrive as a town and are also specifically what residents and local businesses wanted to see. An overarching theme that came out of the engagement sessions was raising the aspiration of Newark residents, especially young people, to aim higher and achieve their goals. The Towns Fund projects all serve this aim in their part.

*Figure 1 - Four Pillars of Intervention*



1.4 The unanimously Council-backed Newark Town Investment Plan was submitted to Government (Department Levelling Up, Housing and Communities) as part of national cohort 1 applications for Towns Fund Grant in July 2020. It contained an ask for government to support ten priority projects. The TIP went on to look further, identifying a further raft of projects and programs identified as important for the future. This report captures some of these below, in addition to focussing on the ten priority projects themselves.

1.5 The ten 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 pilot studies.
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.

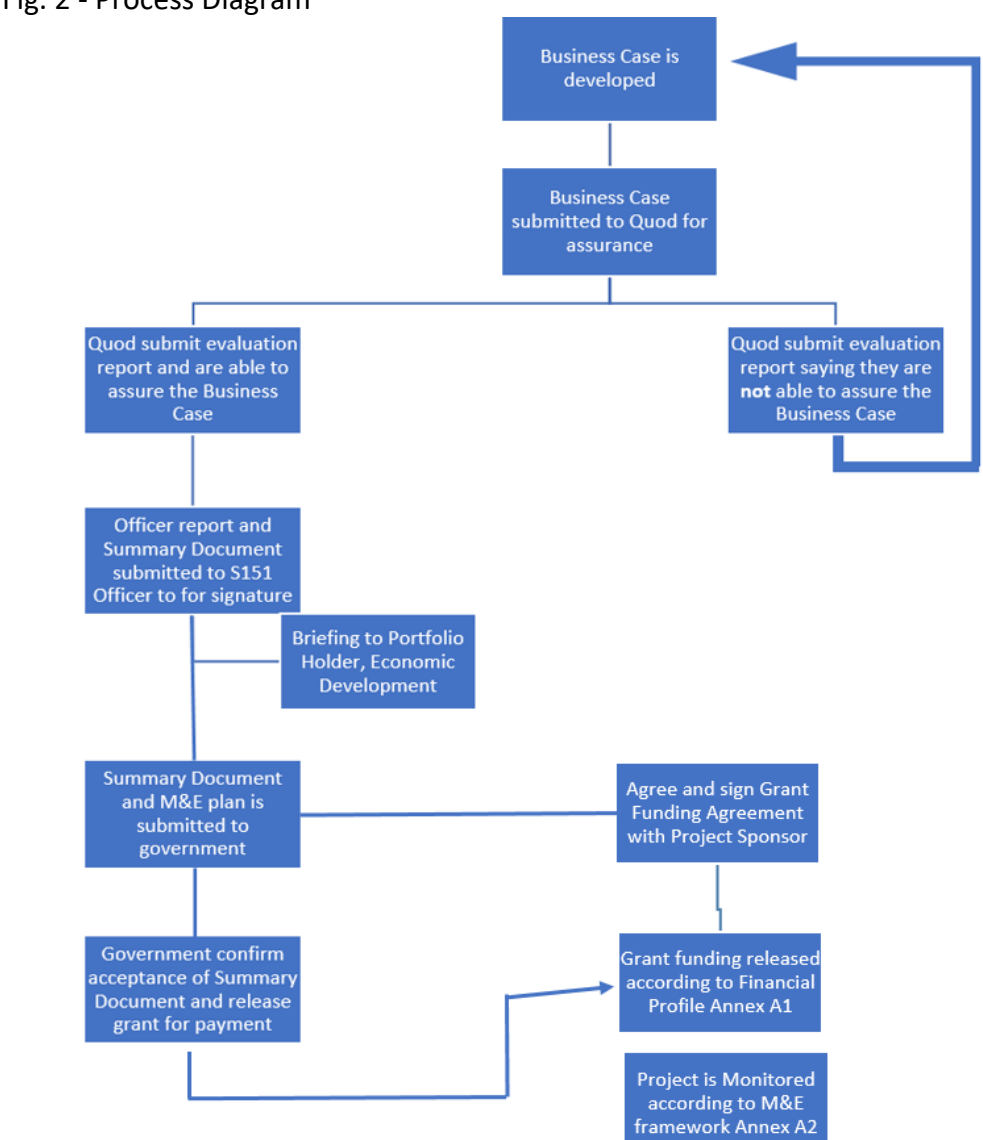
6. **20 minute Cycle Town** – a scheme with Brompton Bikes to provide a high quality offer and brand within the town, in conjunction with transport providers, employers, and developers.
  7. **Newark Cultural Heart** – enhanced activities and events and associated infrastructure to establish Newark's 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 improvements.
  9. **Smart Innovation Supply Chain & Logistics Enterprise Zone SISCLOG** – 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 easier to access the Castle, alongside a raft of educational and interpretation offers.
- 1.6 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.
- 1.7 In March 2021 the Government announced that Newark was successful in securing the maximum £25m grant of Town Deal funding. The Council entered into a Newark Town Deal (NTD) with Government in March 2021, committing to develop all 10 priority projects. Projects were required to be developed in accordance with a standard methodology (the 5 Case Green Book Business Case Model) and were subject to assurance by the Newark Town Board, the Council's s151 Officer, and ultimately the Government.
- 1.8 In addition to the £25.75 million from Towns Fund, the Council successfully applied for and secured £20m of Levelling Up Round 1 Funding for the Newark Southern Link Road in summer 2021. This was in addition to the already committed grant from NSDC (£5m), D2N2 LEP (£6m), and Homes England (via loan facility). Following the LUF1 announcement Nottinghamshire County Council also committed grant funding (£3m). Given the scale of the project and this grant funding 'deal' being with the Department for Transport, the SLR is subject to separate Grant Funding and Governance arrangements. For completeness these are captured in the reports to Policy & Finance Committee, 17 March 2022 and Cabinet on 4 October 2022.

## 2. **Towns Fund Assurance**

- 2.1 The Newark Towns Deal (**NTD**) and Levelling Up Funds R1 (**LUF1**) 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 & 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.

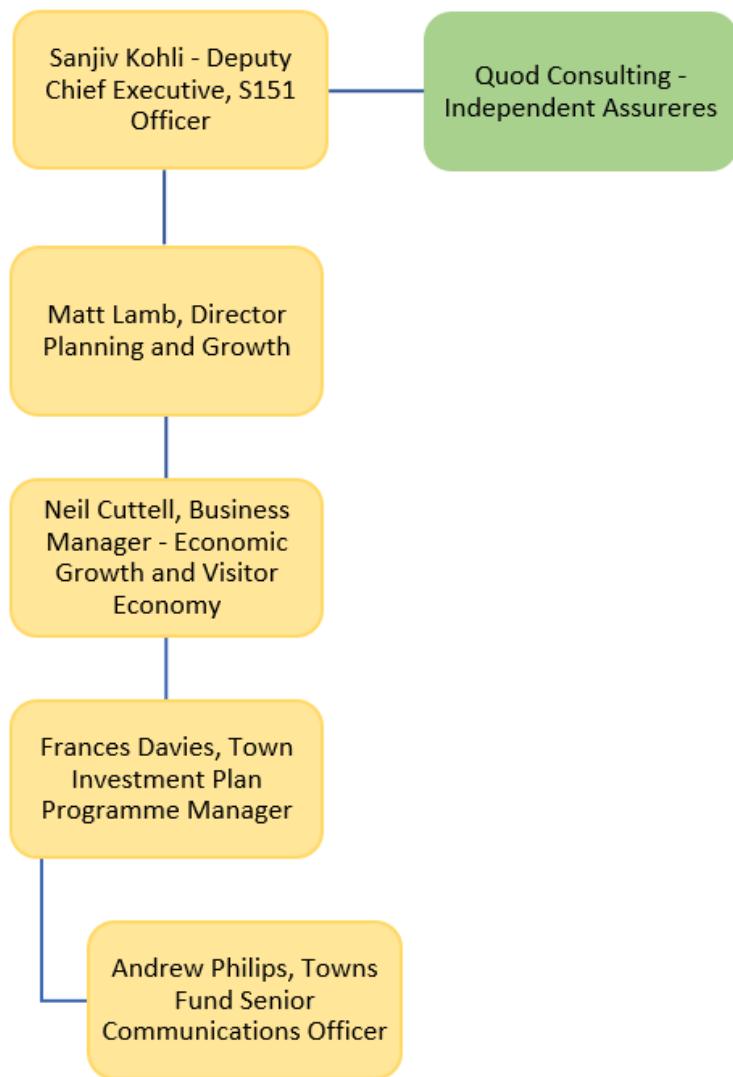
- 2.2 The Council determined early the importance of an Assurance & Governance framework, informed by expert '5 Case' providers. The Council and Newark Town Board developed and adopted a Newark Towns Fund Local Assurance Framework which all projects are required to follow. Independent experts in '5 Case' planning were also commissioned.
- 2.3 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.
- 2.4 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, NSDC 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



2.5. The Council’s Economic Growth & Visitor Economy Business Unit manages and co-ordinates the assurance and monitoring process for all NTD projects funded by both the £25m Towns Fund and £20m Levelling Up R1 Funds. The team has close links with internal colleagues, including Finance, Communications, and Legal. Ultimately, the Council’s s151 Officer is responsible for assuring appropriate spend. The officer team can be seen in the org chart diagram at Figure 3 below.

Figure 3– Governance Flow Chart



2.6 The team has considerable experience in successfully bidding for funding and delivering large scale strategic projects to increase the prosperity of Newark and the District. The Towns Fund projects are the key first step on the way to delivering the ambitions as set out in the Town Investment Plan for Newark.

### 3. Project Updates

3.1 Full Business cases have then been developed for most projects, with three of these still in development. The below table shows the timeline of the Business case development and approval.

Figure 4- Progress to date

Project	OBC Assured	Summary Approved Government	Doc by	FBC Assured
Construction College	See reports to Newark Town Board, S151 officer and Grant agreement, February 2021			
YMCA Community and Activity Village	n/a	August 2021		September 2021
Air and Space Institute	January 2022	January 2022		September 2022
20 Minute Cycle Town	December 2021	January 2022		n/a
Stodman Street Redevelopment	n/a	May 2022		February 2022
Newark Cultural Heart	April 2022	May 2022		On going
SISCLOG	December 2022	February 2023		On going
Castle Gatehouse	May 2022	July 2022		Expected Winter 2023

3.2 The Full Business Case (FBC) for Newark Cultural Heart is being developed by Hatch consultants. The FBC for SISCLOG is being developed by Capita consulting; and the FBC for the Castle Gatehouse will shortly be out for tender seeking consultants with a specialism in heritage projects wherever possible.

3.3 The Business cases are developed according to the Greenbook 5 case model meaning that they include a Strategic, Economic, Financial, Commercial and Management Case. Each business case analyses the project according to a Benefit Cost Ratio (BCR), where BCR figures above 1 mean that the project represents value for money. Every Towns Fund project has shown a positive BCR meaning that the government are confident that the project will deliver additional benefits to the town and is a good use of the public funds. The BCR takes into account all the costs of the project, not just the Towns Fund grant, and all the proposed benefits. The division of the Towns Fund grant and the match funding associated with each project is shown at Figure 5 below.

Figure 5: Project Updates Finance – the £25m Town Deal Funding was divided as follows

Project	Towns Fund Grant	Match Funding	Project Adjustments (£)	Comments
Construction College	£0.389m	£0.133m from Lincoln College		Opened in September 2021. Next steps looking at plans for expansion given levels of demand and employer popularity.
YMCA Community and Activity Village		Phase 1: Sports Pitches – S106 £463k, NCC £1m, Phase 2 CAV: S106 £766k, Elm Avenue Capital Receipt		Opened in July 2022, monitoring and evaluation ongoing – see below.

	<b>Phase 2:</b> CAV - £2m	£501k, D2N2 LEP £810k, Notts YMCA £10.4m		
<b>Air and Space Institute</b>	£10.6m	£5m Lincoln College Group	Name change from IASTI to ASI, June 2022	Construction on track due to complete January 2024
<b>20 Minute Cycle Town</b>	£0.2m	50k match from private businesses.		Four Brompton Bike Docks installed. Phase 2 including training and partnership working underway
<b>Stodman Street Redevelopment</b>	£2.2m Town Deal £284k Accelerated Town Deal funding (separate to the £25m from the Town Deal)	£284k One Public Estates Grant £7.9m NSDC £400k Shared Prosperity Fund	Additional £200k reprofiled from the cancelled Police Station Relocation Project, April 2022 Additional from NSDC £3.6m -SLT report March 2023	Construction due to start in August 2023
<b>Newark Cultural Heart</b>	£2.1m	600k match per annum for at least 3 years from Newark Town Council	Change of project sponsor from Newark Town Council to NSDC – February 2023	Programme Development officer in post. Out to advert for Events Officer.
<b>SISCLOG</b>	£4.4m	Match TBC	Additional £400k reprofiled from the cancelled Police Station Relocation Project, April 2022	Interdependencies with relocation of lorry park and the National Highways A46 improvement works are being worked out. Capital financing options being explored with Capita consultants.
<b>Castle Gatehouse</b>	£3m	£1.385m NLHF £1m NSDC	Additional £400k reprofiled from the cancelled Police Station	Progressing to the second stage of the National Lottery Heritage Fund application. Full

			Relocation Project, April 2022	Business Case planned for late 2023.
<b>Southern Link Road</b>	£20m LUF	D2N2 LEP - £6m NSDC £5m NCC £3m Homes England Loan - £25m Urban and Civic - £84.3m		Awaiting technical approval from National Highways and Nottinghamshire County Council respectively. Contractors commenced pre-development works with contract expected to be let late summer 2023.

- 3.4 The Town Deal funding of £25.75m from government has been more than doubled by the match funding of £29m it has attracted. This, added to the £20m LUF 1 (itself matched by £123.3m), means a total investment into Newark of more than £198m since 2020. In addition, the Towns Fund projects each calculate the monetised benefits that they will bring to the Newark Economy. Monetised benefits are anything that can be calculated in currency, from new jobs, more spending in local shops, to an increase in land value or health benefits which can be calculated as less spending for health services. Each business case also lists a range of non-monetised benefits as well, such as increased pride in place of residents, which, whilst not able to be included in the Benefit Cost Ratio calculation, nevertheless add to the case for delivering a project. The monetised benefits across the Towns Fund projects alone adds up to an additional £72.5m.

#### **4. Monitoring and Evaluation of Projects**

- 4.1. Progress of projects is monitored carefully against the target outputs. All projects remain on track, save for the SiSCLog proposals which are closely linked to the A46 Newark Bypass discussions and associated land-take. Since projects are at different stages, work on managing the programme often operates at several different levels at once. All projects are on track to spend by the Towns Fund deadline of March 2026 and deliver their agreed outputs. At the point of Summary Document submission, a monitoring and evaluation plan is also submitted to be agreed with government, locking down the specific outputs each project is monitored on. A six-monthly reporting schedule collects data against these outputs and reports them directly back to government, in addition to project progress, a risk register and spend against the financial profile. The outputs against each project and what has been achieved so far can be seen below at Figure 6.



Figure 6- Outputs Table

Towns Fund Projects	Green Book Benefit Cost Ratio (BCR)	Output Aims	Outputs Delivered so far
<b>Construction College</b>	Additional £4.68m GVA over 5 years 1.8BCR	<b>In 5 years:</b> 142x Plumbing Level 1 and 2 48x Bricklayers Level 1 and 2 12x Joinery Degree (3 yrs) 24x Gas Testing	21/22 – 45 students across all courses 22/23 – 78 students Additionally, 12x Y1 and 14x Y2 automotive apprentices.
<b>YMCA Community and Activity Village</b>	4.5	136 FTE new jobs by 2024, of which 14 directly from Towns Fund 38 apprentices by 2024 1200 learners by 2024 57,400 annual visits	308 jobs 2070 learners in courses including sports, on the job learning, key life skills and creative pursuits. 99500sqm improved outdoor space including oversubscribed football pitches, an athletics track and a new state of the art BMX track.
<b>Air and Space Institute</b>	2.6	38 jobs 2570 learners £44m private sector investment 370 Level 2 Qualifications, 1,304 Level 3 Qualifications and 632 Level 4-6 Qualifications in engineering, aviation, cyber, robotics	14 jobs 104 students (within temporary facilities at Newark College)
<b>20 Minute Cycle Town</b>	3.0	500 monthly hires 1% increase (equivalent to 177 people) in the proportion of the population who cycle once a week for leisure and travel 4 Bike rental docks in town centre locations Improved wider cycling infrastructure	Achieved 335 hires in busiest month so far. Increasing promotion and incentives as we head into the summer months  4x bike hire docks installed at key transport nodes  Speaking with local employers and businesses to get

			their involvement in cycling initiative. Plan to also include Sherwood Forest Hospitals Trust
<b>32 Stodman Street Redevelopment</b>	2.5	29 new residential units Improved public realm Enhanced linkage and visibility between Stodman Street and Lombard Street Redevelopment of brownfield site at key town centre location 40 new jobs unlocked 590sqm of new retail space (2 new units)	Expected start on site late July/early August 2023.
<b>Cultural Heart</b>	2	Improved public realm Two new posts Increased footfall and visitor spend Improved perceptions of town by residents/businesses/visitors More and better engagement with local businesses	Business Engagement officer in post Out to advert for events officer Year 2 of enhanced event and activity programme 16 additional events 4 business engagement sessions to date, including over 100 businesses. Next scheduled for July 2023.
<b>Smart Innovation Supply Chain and LOGistics Enterprise Zone (Gateway)</b>	2.11	Hotel and coffee shop development 5660 sqm flexible commercial units 1460sqm high-tech offices Redeveloped Brownfield land	FBC being developed
<b>Castle Gatehouse</b>	2.0	A new access bridge A new Community hub Multifunctional space capable of hosting events and exhibitions A visitor welcome pavilion Conservation work to protect the building fabric A projected increase in visitor numbers to Newark Castle of 21,000 each year	FBC being developed Final stages of Heritage Lottery Funding for final match grant funding

		A further 15,000 additional visits to the Castle Gardens each year Up to 100 additional regular volunteers at the Castle	
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- 4.2. Some of the key data from the outputs can be seen in the infographics seen at **Appendix 1** and **Appendix 2**, showing what has been [achieved so far](#), compared with the outputs expected [to be achieved](#) by the end of the programme in March 2026.

## 5. **Communications and Marketing of Projects**

- 5.1 Newark Town Board website ([www.newarktownboard.co.uk](http://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 can be found on the website, along with the Terms of Reference and Assurance Framework.
- 5.2 The marketing of the Towns Fund programme is centred on telling the real-life stories of the people of Newark who have benefitted from what is being delivered. To better capture this in their own words, a suite of case study videos has been produced:

ASI Student with job at TUI

<https://youtu.be/kApHvlqJ2Mw>

ASI RAF video:

[https://www.youtube.com/watch?v=nDGd\\_KOHogk](https://www.youtube.com/watch?v=nDGd_KOHogk)

Newark Construction College

<https://youtu.be/EGJRcGFOxvE>

Newark Cultural Heart

<https://www.youtube.com/watch?v=vmfW6kK5chQ>

## 6.0 **Next Steps**

- 6.1 The funding for the Town Deal runs until March 2026, by which time the priority projects will be near complete or completed and the outputs delivered. The Town Investment Plan Programme Manager will continue to have a role through to late 2026 to ensure that all projects are managed appropriately and that the contracts applied to third parties are monitored and evaluated to deliver the requirements the government (Department Levelling Up, Housing and Communities) and council seek. The Programme Manager will need to ensure that Newark Town Board is appropriately facilitated and reported to, whilst continuing to develop the projects identified within the Town Investment Plan. Finally, the Council has a responsibility and duty to comply with the Heads of Terms document in reporting success in the delivery of the Town Fund for the remaining duration of the programme, and this requires significant capacity to fulfil the requirements of monitoring and evaluation of individual contracts within the programme.

6.2 It is proposed that Newark Town Board will continue to the end of the Towns Fund programme albeit in an ever-evolving role. Having firstly been convened as a steering board to lead the development of the Town Investment Plan, to now being a monitoring body to oversee the delivery of the priority projects, Newark Town Board will continue to have relevance as an advocate for the Towns Fund programme as a whole, promoting the projects themselves, cascading updates and information to the areas of the Newark community in which they have influence and explaining that the projects being delivered now are part of a bigger and longer-term strategy for the town. As the programme comes to its end, and other projects in the Town Investment Plan are brought forward, the role of Newark Town Board may change again; the Terms of Reference for the Board is reviewed annually to ensure that it reflects the current position.

6.3 As most of the projects move through the delivery phase in the next financial year, the progress will become more visible to Newark residents, businesses and visitors. This will ensure community awareness of the implementation of the Town Deal grant and will be backed up with promotional communications at key points in the timetable. However, 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. The result of the project will be to improve travel around the town, but the communications and promotion will have to navigate the short-term challenges before these benefits are seen. Close collaboration between the masterdevelopers, Urban and Civic, and the internal communications team from NSDC will mitigate this risk and provide careful and informative messaging to the community.

## **7.0 Implications**

In writing this report and in putting forward recommendations, officers have considered the following implications: Data Protection, Digital and Cyber Security, Equality and Diversity, Financial, Human Resources, Human Rights, Legal, Safeguarding, Sustainability, and Crime and Disorder and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

## **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.

Newark Town Board [website](#) for:

- Town Investment Plan, July 2020
- Local Assurance Framework
- Minutes of Newark Town Board meeting, 17 March 2023

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