



Report to: Cabinet Meeting - 19 December 2023

Portfolio Holder: Councillor Matthew Spoons, Sustainable Economic Growth and Councillor Paul Peacock, Strategy, Performance & Finance

Director Lead: Matt Lamb, Director - Planning & Growth

Lead Officer: Nicola Lees, Regeneration Project Delivery Manager, Ext. 5745

<b>Type of Report</b>	Open Report (with Exempt Appendix), Key Decision
<b>Report Title</b>	Ollerton Town Centre Update and Purchase of Property
<b>Purpose of Report</b>	To update Cabinet on the progress of the Ollerton Town Centre Regeneration Scheme, including land acquisition and funding updates given recent announcements regarding the national Levelling Up Fund Round 3 (LUF 3).
<b>Recommendations</b>	<p>That Cabinet:</p> <ul style="list-style-type: none"> <li>a) note and welcome the progress on the Ollerton Town Centre Regeneration Scheme;</li> <li>b) note and welcome the Government announcement that the Ollerton Town Centre Regeneration Scheme, along with Clipstone Mansfield Road development, has been identified to benefit from £19,995,358 under the Levelling Up Fund Round 3 (LUF3);</li> <li>c) delegate to the Director - Resources, in consultation with the Director - Planning &amp; Growth, Business Manager - Corporate Property and Portfolio Holders for Strategy, Performance &amp; Finance and Sustainable Economic Growth, authorisation to negotiate and purchase in accordance with the requirements of the Council's Acquisitions and Disposals Policy the former Lloyds Bank on Forest Road for the Maximum Offer detailed at paragraph 2.2 and in Exempt Appendix B;</li> <li>d) delegate to the Director - Resources, in consultation with the Director - Planning &amp; Growth, Business Manager - Corporate Property and Portfolio Holders for Strategy, Performance &amp; Finance and Sustainable Economic Growth, authorisation to negotiate terms for necessary land assembly and lease deals with the Ollerton Regeneration Partners and prospective tenants, subject to completion of a Full Business Case to be presented to a future Cabinet,</li> </ul>

	<p>which includes Town Council Offices, a piece of brownfield land referred to as the Courtalds site and The Forest Centre;</p> <p>e) delegate to the Director - Resources, in consultation with the Director - Planning &amp; Growth, Business Manager - Corporate Property and Portfolio Holders for Strategy, Performance &amp; Finance and Sustainable Economic Growth, authority to agree and enter terms with Government to access the £19,995,358 LUF3 Funds, including any further updates that may be required for the LUF3 projects given the time elapsed between the bid and confirmation of success;</p> <p>f) agree additional revenue budget of £150,000 from the change management reserve in 2023/24 to allow acceleration of feasibility design work in advance of receipt of LUF3 funding, with delegation to the Director - Planning &amp; Growth, in consultation with the Business Manager - Corporate Property and Portfolio holders for Strategy, Performance &amp; Finance and Sustainable Economic Growth;</p> <p>g) request a future update to Cabinet, including timetable for submission of a planning application and development of final Business Case; and</p> <p>h) request update report(s) following all negotiations to seek approval for future capital budget requirements.</p>
<p><b>Alternative Options Considered</b></p>	<p>It remains an option to pause, stop, or reduce the scale of ambition of the LUF3 projects in Clipstone and Ollerton. This has been discounted given the desperate need to invest in these communities through transformational proposals such as those forming the Ollerton Town Centre Regeneration Scheme. The Regeneration Partners, including the District Council, remain committed.</p>
<p><b>Reason for Recommendations</b></p>	<p>To allow progression, at pace, the development of the LUF 3 Ollerton Town Centre Regeneration Scheme with the Ollerton Development Partners and prospective tenants, including all necessary land deals, such that the Council can provide appropriate updates and implementation timelines to Government in order to access the LUF 3 funding.</p>

## 1.0 Background

### Previous Funding

- 1.1 Members will be aware of the various grant opportunities the Council has successfully secured in recent years, including the Newark Towns Funds 1 (NTF1), Brownfield Land Release Fund (BLRF), NSDC Community Renewal Fund (CRF), Heritage Action Zone (HAZ), the UK Shared & Rural Prosperity Funds (SPF & RPF), and Levelling Up Fund Round 1 (LUF1) for the Newark Constituency area. This has collectively secured over

£72m of additional grant investment, unlocking multiple times that amount to provide new facilities and opportunities for residents, businesses, and communities.

#### Sherwood Levelling Up Fund

- 1.2 Members will be aware of the Sherwood Levelling Up Prospectus, developed in association with a range of Sherwood partners and submitted to Government on 25<sup>th</sup> July 2022 as part of the Levelling Up Round 2 submission (our Round 1 bid was the successful submission for the Newark Southern Link Road). The Council's LUF2 bid had a focus on Ollerton (Town Centre) and Clipstone (Mansfield Road) supported by a range of delivery partners. Sadly, this bid was unsuccessful due to a change in assessment introduced after bid submission which excluded LUF2 funding from any Council which had successfully secured LUF1 funding. Work has continued on developing the Sherwood LUF proposals, irrespective of the lack of certainty on if and when LUF3 funding would be announced.
- 1.3 The outcome of LUF3 funding was announced on 20<sup>th</sup> November 2023 with this Council being one of 55 places nationally to be confirmed as successful in securing its full ask, in our case £19,995,358.

## **2.0 Proposal**

- 2.1 The desire to secure an Ollerton Town Centre scheme has been present for over 10 years, with Ollerton & Boughton Town Council (OBTC) having historically purchased land for town centre regeneration. A health-led scheme was previously promoted which failed due to an inability of the health services involved to commit up-front capital funding to close a viability gap. A new trio of Ollerton Regeneration Partners (OBTC, Johal Ltd – the owners of the Forest Visitor Centre, and NSDC) have resurrected the redevelopment the Town Centre in the form of a mixed-use public sector hub, business and commercial uses (private sector led) and residential scheme (HRA). The commitment of the Regeneration Partners is reflected in an ongoing Memorandum of Understanding and agreement, in principle, on value expectations in relation to land assembly.
- 2.2 There are three current principal landholdings necessary to deliver the scheme which are in the ownership of the Regeneration Partners, two of which sit with OBTC (Town Council Offices, a piece of brownfield land referred to as the Courtalds site) and one which sits with Johal Ltd (The Forest Centre). The District Council does not currently own land, albeit the intention would be that land transfers to this Council as part of scheme delivery. In addition to land already within the ownership of the Regeneration Partners the Council has submitted a Maximum Offer (see Exempt Appendix B) to purchase the former Lloyds Bank on Forest Road (next to the Forest Centre), subject to Member approval. This is on the basis that the acquisition represents a strategic parcel within the regeneration scheme. For the avoidance of doubt the scheme could progress with one or both of the Bank and Forest Centre last assets secured, albeit together a greater scheme in terms of public benefits and grant value for money will be delivered.
- 2.3 The scheme has evolved, being enhanced from the original LUF 2 proposals. Likely uses now include a library (NCC and Inspire), public sector hub (NSDC, OBTC, DWP and potentially healthcare), cinema (3 screen), housing (HRA), business and commercial space, transport and mobility hub, and public realm and way-finding improvements. A

sample of how the scheme could look is detailed at Appendix A. All uses are and will be backed by occupier demand and market testing. Officers remain confident that the scheme can be well advanced prior to the LUF3 grant fund deadline for spend of March 2026.

- 2.4 An Outline Green Book 5 Case Business Model has recently been concluded for the scheme which demonstrates that there remains a deliverable scheme, subject to further development of the project through the RIBA design stages, securing planning permission, and grant funding. It is recommended that work now continues at pace to legally conclude required land commitments (notably from OBTC, Johal Ltd, NCC, and Tesco), submit for planning, and secure and conclude any tenancy and sales heads of terms. The landownerships and leases involved are detailed below:

<b>Partner/Landowner</b>	<b>Role</b>
Ollerton & Boughton Town Council	Regeneration Partner. Land ownership commitment in principle, alongside occupation in Public Service Hub, subject to Full Council resolution in December 2023.
Johal Ltd	Owners of Forest Centre. Land ownership commitment confirmed in principle, subject to conclusion of scheme prior to planning. Likely owner of commercial uses.
Nottinghamshire County Council/Inspire Learning	Long-lease occupation intended, subject to Member approval and appropriate capital contribution.
DWP	Existing partner looking to co-locate services within Public Services Hub
NSDC	Developer and operator of Public Services Hub. Housing to be delivered via the HRA
Tesco	Town Centre car parking and commitment in principle to land for transport and mobility hub.

### **3.0 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.

#### **Financial Implications (FIN23-24/8429)**

- 3.1 Financial implications in relation to recommendation C are covered in the exempt appendix.
- 3.2 The revenue budget of £150,000 for feasibility is required in 2023/24 for planning permission to be submitted by Summer 2024. This can be funded from the change management reserve, in advance of confirmation of any capacity funding due alongside or within the £19,955,358 grant funding.
- 3.3 Once the negotiations regarding the land elements of the project and the final business case is developed, an update report be brought back to Cabinet for the budget to be added to the Capital Programme and the £19,995,358 be allocated accordingly. At this point, a full analysis of the project and the financial implications can be provided.

## **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.

Levelling Up White Paper, 2022

Levelling Up Fund Prospectus and Guidance, 2022

UK Shared Prosperity Fund Prospectus, 2022

Sherwood Levelling Up Bid, July 2022

Cabinet Report, Levelling Up Submission and UK Shared Prosperity Fund, June 2022

Cabinet Report, Sherwood Levelling Up Fund Update, November 2022

Cabinet Report, Ollerton Hall, July 2023

**Example Images of Ollerton Town Centre Regeneration**

Likely floor plans and uses:



leonard design architects



Artist impression from Tesco looking towards Ollerton High Street



Artist impression from Ollerton High Street towards Tesco

