



Report to: Cabinet Meeting: 26 March 2024

Portfolio Holders: Councillor Paul Peacock, Strategy Performance & Finance  
 Councillor Matthew Spoons, Sustainable Economic Development

Director Lead: Matt Lamb – Director, Planning & Growth  
 Sanjiv Kohli – Deputy Chief Executive & Director - Resources

Lead Officer: Robert Ball – Major Capital Projects Delivery Manager (Corporate Property)  
 Ellie Buchanan – Senior Regeneration Officer (Regeneration & Housing Strategy), Ext. 5238  
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| Report Summary           |  |
|--------------------------|--|
| <b>Type of Report</b>    | Open Report (with exempt appendix), Key Decision   |
| <b>Report Title</b>      | Sherwood Levelling Up 3 Update – Ollerton & Clipstone  |
| <b>Purpose of Report</b> | To update Cabinet on the progress of the LUF 3 Programme, including funding and details of the two place projects at Ollerton Town Centre and Mansfield Road, Clipstone  |
| <b>Recommendations</b>   | <p>That Cabinet:</p> <ul style="list-style-type: none"> <li>a) note and welcome the progress on the LUF 3 projects; Ollerton</li> <li>b) to add the requisite budget to the Council’s Capital Programme as detailed in the Exempt <b>Appendix</b> to cover the full costs of the acquisition and ongoing holding of the former Lloyds Bank Building until such time as the building is absorbed into the delivery of the Ollerton Town Centre LUF 3 scheme;</li> <li>c) to require presentation to a future Cabinet of a final Business Case for the Ollerton Town Centre Regeneration, including updates on funding, risk, any Council commitments (capital and revenue), programme, delivery route (procurement) and a request to include the project within the Council’s capital programme;</li> <li>d) c) delegate to the Portfolio Holders for Strategy, Performance &amp; Finance and Sustainable Economic Growth in consultation with the Director – Resources and Director - Planning &amp; Growth, authority to negotiate and enter legal options to purchase in accordance with the requirements of the Council’s Acquisitions and Disposals Policy the land holdings required for the Ollerton Town Centre scheme</li> </ul> |

(from Ollerton & Boughton Town Council and Johal Ltd) for the Maximum Offers detailed at Exempt Appendix A, subject to planning permission and a decision from Cabinet to implement the scheme.

- e) delegate to the Director - Resources, in consultation with the Director - Planning & Growth, Business Manager - Corporate Property and Portfolio Holders for Strategy, Performance & Finance and Sustainable Economic Growth, authorisation to negotiate and seek formal commitments from Nottinghamshire County Council to secure a financial commitment for the Minimum amount in Exempt Appendix A and Tesco to secure ongoing commitment to the Public Transport Hub and car parking provision for patrons of this development and the wider Town Centre.

#### Clipstone

- f) to require presentation to a future Cabinet of a final Business Case for the Clipstone Mansfield Road Regeneration project (Phases 2 and 3), including updates on funding, risk, any Council commitments (capital and revenue), programme, delivery route (procurement) and a request to include the project within the Council's capital programme;
- g) f) delegate to the Portfolio Holders for Strategy, Performance & Finance and Sustainable Economic Growth in consultation with the Director – Resources and Director - Planning & Growth authorisation to negotiate and secure ongoing commitments from the Clipstone Miners Welfare Trust to ensure the District Council will have an ongoing role in the governance and management of any new Sports Facility associated with Phase 2 of the Mansfield Road Clipstone regeneration project;
- h) delegate to the Portfolio Holders for Strategy, Performance & Finance and Sustainable Economic Growth in consultation with the Director – Resources and Director - Planning & Growth authorisation to negotiate and seek formal commitments from Welbeck Estates for any land purchase or land swap to facilitate Phase 3 of the Mansfield Road Clipstone regeneration project, in accordance with the details provided at Exempt Appendix A; and
- i) to add to the Clipstone Road Mansfield budget an additional revenue of £250,000 to allow for further development of the Phase 2 and 3 projects through to RIBA Stage 3. The first £129,000 of this budget shall be funded by the Levelling Up Fund 3 Capacity Funded provided by Government with the residual drawdown (£121,000) being delegated to the Director of Resources & Deputy Chief Executive, in consultation with the Director for Planning & Growth upon receipt of LUF 3 funding from Government.

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| <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 continues to be discounted given the desperate need to invest in these communities. The Regeneration Partners, including the District Council, remain committed to delivery notwithstanding the challenge of meeting the grant funding spend deadline of 31 March 2026.</p> |
| <p><b>Reason for Recommendations</b></p>     | <p>To allow progression, at pace, the development of the LUF 3 Projects with 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 continue 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. Further funding opportunities have arisen at through up to £20m grant as part of the Newark Long Term Plan for Towns Fund (LTPfT) and £20m grant for Sherwood Levelling Up 3 Funds.

### Sherwood Levelling Up Fund

- 1.2 Members are 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 for any Council which had successfully secured LUF1 funding. Work continued irrespective in the hope and expectation that funding would be available.
- 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. It is envisaged at the current time that this funding split will be 75/25% in favour of the Ollerton project. At the current time there remains uncertainty on when funding will be provided from government. This Council continues to forward-fund necessary works to ensure delivery remains on track.
- 1.4 To this end, and as referenced in the December Cabinet update, work has continued at pace on both the Ollerton and Clipstone proposals. Updates are provided below on each. Liaison has also continued with government from a governance and funding perspective. Regular high-level updates on progress are provided in order assure government that the projects can continue to meet their spend targets. Such targets remain ambitions and challenging but are deliverable.

1.5 The LUF is overseen by a Sherwood Programme Manager, with each project also having support from a Project Manager (Regeneration & Housing Strategy, Economic Growth) and Build Manager (Corporate Property). As with all projects of this scope and scale liaison with colleagues from Procurement, Finance, Legal, Communications, and Planning continues.

**2.0 Update and Recommendations**

Ollerton Town Centre Regeneration

2.1 Members are aware of the evolution of this project from the December Cabinet update. Likely uses continue to include a library (NCC and Inspire), public sector hub (NSDC, OBTC, DWP and potentially healthcare), cinema (3 screen), housing (HRA), business and commercial space, a transport and mobility hub (led by NCC but complementary to the project), and public realm and way-finding improvements. New architects have been appointed to progress the scheme through to a planning application later this year. Draft proposals detailed at Open Appendix A.

2.2 5 no. landholdings are utilised for the revised scheme design, with each being detailed below. NCC are also included not as a landowner but as principal future tenant:

| <b>Partner/Landowner</b>         | <b>Role</b>   |
|----------------------------------|---|
| Ollerton & Boughton Town Council | Regeneration Partner. 2 land parcels (Courtholds site and OBTC Offices). Land ownership commitment in principle, with land value agreed between the parties on the basis that the value is broadly in accordance with NSDC independent valuations (in accordance with the Acquisitions & Disposals Policy) as detailed at Exempt Appendix A. Any land options agreed will be subject to NSDC committing to let a contract to construct the scheme and planning permission.  |
| Johal Ltd                        | Regeneration Partner. Owners of Forest Centre. Land ownership commitment confirmed in principle, with an independent land valuation being obtained in accordance with the with the Acquisitions & Disposals Policy, as detailed in Exempt Appendix A. Johal Ltd have also agreed to build in an option to take-on the commercial elements of the scheme in accordance with a red book valuation that will be jointly commissioned between the parties. The proposed methodology is that the purchase, in accordance with the said red book valuation is committed between the parties upon contractors starting on-site, with payment (minus any deposit) and ownership being executed upon practical completion of this element of the scheme. |
| NSDC (General Fund)              | Regeneration Partner and landowner at the point of completion of the purchase of the former Lloyds Bank. As detailed below NSDC will deliver and retain the Public Service Hub element of the scheme.   |

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|---|---|
| NSDC (HRA)                                      | Residential elements of the scheme are being designed alongside housing colleagues with a view that the land is appropriated to the HRA and retains the final units.  |
| Tesco   | Provided agreement in principle as part of the LUF2 submission to host a transport and mobility hub. Tesco will also be important for ongoing town centre parking in accordance with the original S106 Commitment when the store was granted planning permission.   |
| Nottinghamshire County Council/Inspire Learning | A proposed tenant of the library on a long-term lease. Negotiations with NCC are ongoing in this regard. The scheme is currently structured in order to allow a discounted long-lease in return for a capital contribution to the scheme as detailed at <b>Exempt Appendix A.</b><br>NCC are also leading the transport and mobility hub with an aim to fund this via external funding in advance of the main Town Centre scheme. |

- 2.3 Dialogue with the cinema markets also continue, with clear demand and interest having been identified. Disappointingly, healthcare colleagues have confirmed that there is no appetite from the current doctor's to relocate. A further update on the project, including any land deals and tenant discussions will be provided at a future Cabinet prior to any planning application submission.

#### Structure of Delivery and Management

- 2.4 The Council has commission, via a Framework, a design and build contractor for the scheme. It is currently envisaged that this route will continue to delivery, subject to further updates to Cabinet on the project, including any final Business Case. It is currently envisaged that the Council will act as the developer, constructing all elements of the scheme. The Council will then retain the public services hub elements and any retained public realm. The commercial elements, as detailed above, will be available to Johal Ltd on a red book basis. The HRA will deliver the housing elements with NCC taking, subject to agreement, a long lease on the library alongside a capital financial contribution. Further updates will be provided on all elements to a future Cabinet.

#### Managing Risks

- 2.5 As with any project of this scale there are multiple risks to manage on an ongoing basis. Key risks are captured and mitigated via a risk register for the project, as is standard for the Council on all major Capital schemes.

#### Programme

- 2.6 The project as a whole is ambitious; aiming to be in a position to submit a planning application by the summer/autumn of 2024, with planning consent expected by the end of 2024. A start in 2025 will allow the spend of LUF 3 funds by March 2026 the deadline currently set by the government. It is anticipated that final fitouts will take place over the summer of 2026.

### Additional Funding

2.7 Given the ongoing challenges in project delivery Officers continue to explore match funding opportunities. This has included:

- One Public Estate – A submission was made by the team in December for £150,000. The submission scored well and received positive feedback, however, due to the LUF award contributing to the project costs, our bid was unsuccessful.
- National Lottery Heritage Fund – An Expression of Interest submission was made in February for £2,335,000 to help support and enhance the heritage of Ollerton within the built form. This could include art in the public realm, design enhancements and a short film documenting Ollerton, old and new. Feedback on the EOI should be received by the end of March, and if successful, the Council will be invited to submit a full application.
- Arts Council Cultural Development Fund – An Expression of Interest submission was made in early March for £3,300,000 to help deliver the cultural elements of the project, such as the library, gallery, cinema and creative workspaces. Feedback on the EOI should be received in April, and if successful, we will be invited to submit a full application.

### Mansfield Road, Clipstone

2.8 The LUF 3 funds will support the capital delivery of 3 phases with which the District Council is involved:

- Phase 1 – Clipstone Holdings. A new, energy efficient and sustainable industrial estate. The scheme will be developed not only to achieve sustainability standards and Biodiversity Net Gain, but has at the heart of its development a wish to create units which will have lower running costs than the wider market, ensuring tenants and businesses are as sustainable and resilient as possible.
- Phase 2 – A relocated and enhanced Sports Hub delivered by the Clipstone Miners Welfare Trust following a land swap with Welbeck Estates. Improving facilities in both quality and quantity will see a new pavilion, multiple additional sports provision will be provided, including 3G pitch (linking to the District Council's recently adopted Playing Pitch Strategy), cricket, and an ability to grow and welcome more teams including male, female, youth and disabled.
- Phase 3 – Vicar Water Country Park. A re-imagined entrance and welcome building providing for modern education facilities from which to deliver land management skills and experiences and a new home for the District Council's ranger service. The building will be a visual welcome and landing point. Connectivity to and enhancement of active travel routes is also identified.

2.9 Proposals also include feasibility works to develop plans for the Clipstone Headstocks (a future Phase 4) in partnership with the third party landowner. Historic England are also engaged.

2.10 A plan at **Appendix B** outlines the proposed phases.

## Landownership

- 2.11 Members will be aware that the Phase 1 Clipstone Holdings site is now within District Council ownership given the freehold purchase in 2023.
- 2.12 Phase 2 land is currently within the ownership of Welbeck Estates (Welbeck). There is a deal in principle between Welbeck and the Clipstone Miners Welfare Trust (CMWT) to 'swap' land with Welbeck taking ownership for the residential redevelopment of the existing Lido site (1/2 mile away in Mansfield) in return for a larger land parcel for the enhanced Sports Hub. This deal is subject to valuations (agreed between the parties) and planning. A planning application is pending determination by the CMWT for the Sports Hub with this Council as the Local Planning Authority. A planning application has been submitted and is pending validation by Welbeck for the residential redevelopment of the Lido site. Mansfield District Council is the Local Planning Authority for this decision and Officers and colleagues across both Councils, the CMWT, and Welbeck continue dialogue in order to ensure both schemes co-ordinate and delivery.
- 2.13 Phase 3 land is mostly currently within the ownership of Welbeck, albeit the District Council long-lease from them the existing Vicar Water Country Park (save for the extent of Vicar Water in Mansfield which the District Council already owns).
- 2.14 Whilst Phases 1 and 2 of development can substantively deliver without LUF 3 funding, Phase 3 is dependant upon it for deliver. Phase 3 is also dependant upon all infrastructure (road, utilities, drainage, etc) being appropriate to take ALL future intended developments across Phases 2-4.

## Structure of Delivery

- 2.15 The Council has engaged architects to design and secure planning permission for the Phase 1 Clipstone Holdings. Subject to planning, contractors will then be appointed. Members will be aware that the funding for this site is already within the Council's Capital Programme.
- 2.16 As detailed above, subject to a land swap with Welbeck and planning permission from Mansfield District Council the Phase 2 Sports Hub will be delivered by the CMWT. A scheme which replaces the Lido facilities would happen irrespective of LUF 3 funding. The LUF 3 funding will however provide for significant enhancements and a step-change in ambitions, including any necessary infrastructure capacity to future proof all of the land for phase 2-4.
- 2.17 The CMWT have a development team engaged. They have prepared and submitted the planning application and are preparing a 5 Case Green Book Business Case that will be necessary to submit to the District Council to make a case for any LUF 3 grant. Discussions with other Sports Funders are also continuing. Further updates on Phase 2 and any funding ask of the Council (including LUF and potentially S106 receipts) will be provided at a future Cabinet.
- 2.18 The CMWT currently owns (subject to disposal clauses with CISWO) the Lido and would own the Phase 2 land. Given any grant is likely to tip seven figures it is recommended

that the District Council would want to secure the longevity of any facilities, both in terms of the ability to claw-back grant in agreed circumstances and in the ongoing management and running of the facilities. The CMWT are aware of this, and are open to exploring Council representation on the Trust.

- 2.19 NSDC will lead on Phase 3 delivery. The schemes are now at a point where further design and technical work is required to take the proposals to a sufficient level of maturity to apply for planning permission. This will involve architects, quantity surveyors, ecologists, transport engineers, valuers, and others. It is forecasted that £250,000 is required in order to finalise the feasibility phase of the project and ensure that the Council remains on track to deliver by the required LUF 3 spend dates of March 2026. The required £250,000 will be part funded through existing LUF capacity payments, and the remainder to be funded through the core LUF allocation, upon receipt of, and confirmation of funding.

#### Managing Risks

- 2.20 This project is not only of scale but has many moving parts, some of which are not being delivered by the District Council. Project Management and coordination across the schemes is in place, as are global and individual risk registers. As all elements of the projects mature risk is managed, mitigated, and reduced.

#### Programme

- 2.21 Delivery in accordance with spend timetables remains ambitious. However, Phase 2 is in for planning, with Phase 1 expected later this year. Phase 3 proposals can be developed at pace, subject to the release of additional budget sought and further updates to Cabinet at a later date.

#### Alternative Funding

- 2.22 As with Ollerton additional funding opportunities continue to be explored. This has included a National Lottery Heritage Fund Expression of Interest for £1.5 Million to fund heritage aspects of the project including an exhibition as part of the new facility and enhancing aspects of the country park to celebrate the heritage of the area and park itself. Feedback on the EOI should be received by the end of March, and if successful, we will be invited to submit a full application.

### **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.

#### Legal Implications

- 3.1 As part of the feasibility work consideration should be given to the legal position in respect of any matters to be resolved regarding land ownership, assembly, and use of

land, that may be required. Legal support has been put in place with NSDC officers and Freeths, to ensure all elements of due diligence are being undertaken. Any terms agreed for land transfer should be subject to grant of planning permission and any other relevant pre-conditions for development.

### **Financial Implications (FIN23-24/5415)**

- 3.2 Full financial implications are included in the exempt appendix to this report.
- 3.3 The results of the negotiations carried out as per the recommendations will be brought back to a future Cabinet meeting and detailed financial implications will be provided at that time.

### **Current Feasibility Budget**

- 3.4 In order for the schemes to progress to RIBA 4, feasibility work is required in order to continue with the scheme’s timeline for delivery. The table below shows the money that is available, or approval is being sought for within the recommendations in this report.

| <b>Approval Date</b>   | <b>Ollerton</b> | <b>Clipstone</b> |
|--|-----------------|------------------|
| <b>Actual Spend</b>  |                 |                  |
| Cabinet January 2023   | 101,798         | 31,377           |
| In year Capacity Funding   |                 | 34,500           |
| <b>Budgets Available</b>   |                 |                  |
| Cabinet December 2023  | 150,000         |                  |
| Remaining in year Capacity Funding   |                 | 35,500           |
| Portfolio Holder Decision December 2023 to contribute from SPF for 2024/25                     | 100,000         |                  |
| Remaining Capacity Funding from previous years <b><i>to be approved within this report</i></b> |                 | 129,000          |
| LUF Grant 2024/25 Contribution <b><i>to be approved within this report</i></b>                 |                 | 121,000          |
| <b>Total</b>   | <b>351,798</b>  | <b>351,377</b>   |
| Overall Percentage of Estimated Cost   | 1.6%            | 2.41%            |

- 3.5 An additional revenue budget of £250,000 is required to allow for further development of the Phase 2 and 3 to take Clipstone Road Mansfield budget project through to RIBA Stage 3. This is detailed above. The first £129,000 of this budget shall be funded by the Levelling Up Fund 3 Capacity Funded provided by Government with the residual drawdown of £121,000 to only be committed upon receipt of LUF 3 funding from Government.
- 3.6 The result of the feasibility, will form part of the data within the full business case, which will be brought back to Cabinet with a full financial implications for the schemes to then progress into the Capital Programme for delivery in line with the LUF grant.

### **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

Cabinet Report, Ollerton Town Centre Regeneration and Bank purchase, December 2023

# Indicative Layout of Ollerton Town Centre Regeneration

Likely floor plans and uses:

**Ground Floor**



First Floor



Indicative Clipstone Mansfield Road site showing Phases 1, 2 & 3  
(Proposal)

