



Report to: Cabinet Meeting: 24 September 2024

Portfolio Holder: Councillor Claire Penny, Sustainable Economic Development

Director Leads: Sanjiv Kohli – Deputy Chief Executive and Director - Resources
 Matt Lamb - Director - Planning & Growth

Lead Officers: Neil Cuttell, Business Manager - Economic Growth & Visitor Economy, Ext. 5853
 Elaine Poon, Town Programme Manager, Ext. 5876

Report Summary	
Type of Report	Open report, key decision
Report Title	Newark Towns Fund Update
Purpose of Report	To update on the Newark Towns Fund Programme and seek approval to submit a Project Adjustment Request to Government to redistribute the grant funding from the Gateway Project to the Newark Heart Project.
Recommendations	<p>That Cabinet:</p> <ul style="list-style-type: none"> a) note and welcome the progress on the Towns Fund Programme; and b) approve, subject to agreement from the Newark Town Board, the following: <ul style="list-style-type: none"> i. an increase to the Newark Cultural Heart delivery budget by £2,203,737 (made up of £2,110,000 from the Towns Fund Capital grant and £93,737 from the Towns Fund Revenue grant; ii. delegate to the Director - Resources, in consultation with the Director - Planning & Growth, authorisation to submit a Project Adjustment Request form to Government seeking authorisation to re-allocate the remaining £2,203,737 detailed at b) ii from the Newark Gateway scheme to the Newark Cultural Heart project; and iii. to undertake the Full Business Case and return to Cabinet for approval in late 2024.
Alternative Options Considered	The Council could return the grant earmarked for the Newark Gateway (SiSCLog) to Government. This has been discounted given the ability to enhance Newark Market Place as part of Newark Cultural Heart, another Town Fund project.

Reason for Recommendations	Through the recent Newark Masterplan consultation, the Market Place continues to be a priority for the community. Additional grant will allow for a visible and impactful transformation of the space, enhancing the space for events and animation.
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1.0 Background

1.1 In November 2019, Newark was selected as one of the 101 towns that would be eligible to apply for a £25m Town Fund Grant, in July 2020 Newark & Sherwood District Council submitted a five-year Investment Plan on behalf of the Newark Town Board that identified ten priority projects. The Investment Plan was approved in May 2021 and the full £25m grant was offered by the Government. The programme of projects included the Air & Space Institute, Construction College, YMCA Community Activity Village, Stodman Street Regeneration, Castle Gatehouse, Cycle Town, Newark Gateway (SiSCLog) and Newark Heart project and required the funding to be committed by 31 March 2026.

1.2 The following Towns Fund project have, so far, been delivered:

- Air & Space Institute (ASI)
- Construction College Centre of Excellence
- The YMCA Community Activity Village
- The Cycle Town Project

1.3 The remaining Towns Fund Projects are underway:

- 32 Stodman Street – In construction phase
- Castle Gatehouse – National Heritage Lottery Funding now been secured, planning permission secured and commencement expected in early 2025
- Newark Heart – event programme is being delivered, full business case being developed
- Newark Gateway– the Council made a decision to pause the Newark Gateway/SiSCLog Towns Fund project until such time as a viable solution for the relocation of Newark Lorry Park and redevelopment of the Newark Gateway site can be presented back to Cabinet. Further, there was agreement to informing the Newark Town Board of the decision to pause the Newark Gateway/SiSCLog development, noting that the £4.294m of Towns Fund money allocated to this project will be reallocated to existing undelivered Towns Fund projects by Newark Towns Board, as delegated to its Chair and s151 Officer.

2.0 Proposal/Details of Options Considered

2.1 The original Newark Cultural Heart project envisaged a £1.5m capital Towns Fund grant towards the visible transformation of Newark Market Place. The aspiration was that this would allow a space, with associated infrastructure (power, seating, lighting) that could accommodate a range of experiences from the markets to events, to al-fresco dining, to areas to relax and play. It has become clear over the last 12 months that the current £1.5m budget would be insufficient to change the Market Place as originally hoped, especially given the level of reinforcement work required on infrastructure which is not

seen, such as power supply. In order to achieve visible impactful change a significant additional budget approaching £4m is required.

- 2.2 Reallocation of some of the originally earmarked grant for the Newark Gateway (SiSCLog) project has already taken place, notably to the Castle Gatehouse and Stodman Street schemes as previously reported to Cabinet. There is £2,203,737 which remains allocated to the project, with a split of £93,737 revenue and £2,110,000 capital.
- 2.3 The existing allocation of Town Fund grant to the Newark Heart Project and specifically Newark Market Place is £1,500,000 capital. As was presented to Cabinet on 14 May 2024 it was the intention of the Council and Towns Board to reallocate some or all of this grant to other Towns Fund projects, either Newark Cultural Heart and/or Stodman Street Phase II (St Marks). The Stodman Street Phase II project is not yet developed sufficiently such that Officers would recommend reallocation of Towns Fund spend. That is not the case for transforming Newark Market Place, which is part of the Cultural Heart project. A grant injection of the full £2,203,737, alongside the original £1,500,000 will allow for meaningful and impactful change in the Market Place.
- 2.4 Any reallocation of funding will be subject to Newark Town Board approval, which will be sought at the Towns Board meeting on 11 September 2024.

3.0 **Implications**

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

Financial Implications (FIN24-25/9299)

- 3.1 The Towns Fund grant of £25m was split over the projects listed in paragraph 1.2 and 1.3 as follows:

Line	Project	Current Approved Capital	Revenue	Total
1	Air & Space Institute (ASI)	10,600,000		10,600,000
2	Gatehouse	3,310,000		3,310,000
3	Stodman Street	3,980,000		3,980,000
4	Newark Heart	1,500,000	600,000	2,100,000
5	Gateway	2,110,000	200,000	2,310,000
6	YMCA Community Activity Village	2,000,000		2,000,000
7	Cycle Town	200,000		200,000
8	Project Management		500,000	500,000
	Total	23,700,000	1,300,000	25,000,000

- 3.2 The proposal in this report is to reallocate the funding shown in line 5 for the Gateway, to line 4 for Newark Heart.
- 3.3 The Capital allocation of £2,110,000 is available, and £210,000 has been received already. The revenue allocation has been fully received, and there is £93,737 remaining.
- 3.4 The Capital Programme currently has a budget of £1,500,000 in 2025/26, and this will increase to £3,610,000 with no further implications on the Council.

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
- Newark Town Board meeting reports
 - [27 March 2024](#)
 - [30 May 2024](#)
 - [27 June 2024](#)

Cabinet/ Committee reports:

- Economic Development Committee
 - o 19 January 2022
 - [Newark Towns Fund Update](#)
- Policy & Finance Committee
 - o 27 January 2022
 - [Newark Towns Fund Update and Approvals](#)
 - o 17 March 2022
 - [Newark Towns Fund Update](#)
 - o 23 March 2022
 - [Towns Fund Projects Update](#)
- Cabinet
 - o 14 May 2024
 - [133. Newark Towns Fund Update](#)
 - o 23 July 2024
 - [11. 32 Stodman Street Development](#)

Long Term Plan for Towns [Guidance](#)