



Report to: Cabinet Meeting: 14 October 2025

Portfolio Holder: Councillor Paul Peacock - Strategy Performance & Finance
Councillor Claire Penny - Sustainable Economic Development

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

Lead Officers: Neil Cuttall, Business Manager, Economic Growth and Visitor Economy
Sarah Husselbee, Economic Development Grants & Programmes Manager
Ellie Buchanan, Regeneration Project Delivery Manager (Ollerton Lead)
Lisa Chaney, Major Projects Delivery Manager (Clipstone Lead)

Report Summary	
Type of Report	<p>Open Report/Key Decision with Exempt Appendix</p> <p>The appendix to this report contains exempt information as defined under Schedule 12A of the Local Government Act 1972, Paragraph 3 under which the Committee has the power to exclude the press and public if it so wishes.</p> <p>It is considered that the need to treat the information in the appendix to this report as exempt outweighs the public interest in disclosure because it contains information which is commercially sensitive financial details.</p>
Report Title	Sherwood Levelling Up Fund (LUF) Programme Update
Purpose of Report	To provide an update on the Sherwood Levelling Up Fund 3 (LUF 3) programme, and to present key recommendations to Cabinet to enable ongoing delivery of the Ollerton and Clipstone regeneration projects.
Recommendations	<p>That Cabinet:</p> <p>a) notes the updates associated with the LUF 3 programme including the revised name of 'Local Regeneration Fund', as detailed in 1.4 of the report;</p> <p><u>Ollerton Project</u></p> <p>b) approves a budget to be added to the Council's Capital Programme in 2025/26 to finance the acquisition of the Forest Centre unit, funded by UK Shared Prosperity Fund grant, and LUF 3 grant, in advance of securing planning permission and Full Business Case (FBC) approval, as noted in paragraphs 1.11 and 1.12 of the report. In addition, a revenue budget of £40,000 was required to retain the unit until demolition. The full costings are contained within the Exempt Appendix;</p>

	<p>c) to delegate the finalisation and execution of the Agreement for Lease (and any other associated legal contracts required) with Ollerton and Boughton Town Council, in advance of securing planning consent, but upon completion of Heads of Terms, to the Director - Planning & Growth, as noted in paragraph 1.15 and 1.16 of this report;</p> <p>d) approves a commitment to the Change Management Reserve of £1,225,000 and £105,000 from Capital Receipts towards the Ollerton Regeneration scheme, in accordance with paragraph 1.17; and</p> <p>e) approves a budget of £682,746 to be added to the Capital Programme in 2025/26, financed by LUF 3 grant, to fund RIBA 4 activities, in advance of securing planning consent and finalisation of legals, but following FBC approval, as noted further in paragraph 1.20.</p>
Alternative Options Considered	<p>It remains an option for the Council to refuse to accept any future grant towards the scheme or decide not to proceed with programme delivery. This approach is not recommended as it would represent a missed opportunity to deliver genuine and impactful transformative change in the communities of Ollerton and Clipstone.</p> <p>Without the establishment of further budgets for Ollerton in advance of planning approval and FBC approval, delivery risk is elevated, particularly regarding LUF funding timescales. This would result in the potential loss of community and partnership momentum, and increased costs due to further delays.</p>
Reason for Recommendations	<p>To ensure Members are aware of the recent updates and developments associated with the LUF 3 programme, and to enable ongoing progression of the Ollerton scheme for delivery within potential Government timescales. Without access to further funding, there is an elevated risk that the project is unable to meet spend timescales detailed within this report.</p>

1.0 **Background**

- 1.1 Cabinet will re-call that in Autumn 2022, the Council was notified by the UK Government of the 'in-principle' award of £20m Levelling-Up 3 (LUF 3) grant funding to support the delivery of the 'Shaping Sherwood's Revival scheme'. The £20m funding is set to deliver two key district regeneration schemes including the redevelopment of Ollerton Town Centre and an enhanced commercial (Phase 1), sports (Phase 2) and education (Phase 3) offering located at Mansfield Road, Clipstone.
- 1.2 At the time, the LUF 3 grant was awarded on the basis that a series of validation checks would be undertaken by the UK Government, to assess the alignment of local proposals to the scheme objectives. As reported previously to Cabinet, this validation and sign-off process was paused due to the General Election in 2024, meaning the council received formal confirmation of LUF 3 funds (with a revised spend deadline of March 2028) more recently, in April 2025.

- 1.3 Both project teams are able to demonstrate progress against the Ollerton and Clipstone schemes due to the provision of government funded programme capacity funding as well as forward funds agreed by Cabinet, in advance of the MoU and LUF 3 monies. It is positive to report that forward funds have now been replaced through LUF 3 grant paid to the Council, earlier this financial year.
- 1.4 On 2 September 2025, the UK Government announced the shift from the LUF programme as known to date, to become part of the new 'Local Regeneration Fund'. This fund is described as a consolidation of existing local growth capital funds (Levelling Up Fund, Town Deals, and the Pathfinder Pilot) and changes are intended to empower local authorities, accelerate project delivery and improve value for money. The full amount of funding will continue to be available for all committed projects across the existing LUF 3 and Towns Deal programmes. Changes to projects are expected to be felt predominantly in terms of monitoring, reporting and branding arrangements, as well as flexibility associated with the change control process. Any further updates received regarding the amended scheme will be shared in due course, noting a revised and consolidated Memorandum of Understanding (MoU) will be issued by the UK Government, with a legal review, prior to completion.

Ollerton Project

Design Updates

- 1.5 Following the most recent update to Cabinet in April 2025, the Ollerton Regeneration scheme has progressed through the Royal Institute of British Architects (RIBA) Stage 3 Developed Design stage, creating a fully integrated design ready to submit to planning and to progress into the next stage (RIBA Stage 4). It is anticipated that the project will submit the planning application in October 2025, following Full Business Case (FBC) approval.
- 1.6 Ensuring that the FBC is robust and that the scheme being designed is affordable, has been the key foundation of this project, and the underlying root to the design decisions made to date. As reported to Cabinet previously, final match funding needs remain outstanding, largely due to the withdrawal of Nottinghamshire County Council from the scheme (and subsequently their significant capital contribution).
- 1.7 In order to ensure the project is financially viable and FBC approval can be obtained, the project team have explored all options to reduce costs on the layout whilst balancing the project's overarching objectives. This includes a series of design changes and a focus to improve access to public services and create additionality within the town centre. The changes made to project scope due to their cost saving benefits include:
- I. The removal of the eastern connectivity, from the centre of the development to Sherwood Drive.
 - II. Separation of the cinema and café building block from the public sector hub building, also incorporating the SME space and retail units fronting Forest Road.
 - III. Reducing part of the main building containing the public sector hub space from two-storey in height to ground floor only. The retail units and SME space fronting Forest Road will remain as two-storey.

IV. Phasing the construction of Building 2, which contained the food and beverage unit and the retail units. Building 2 will, however, be included within the planning application for outline consent, with the remainder of the site being submitted for full consent.

1.8 An exhibition of the final designs was held for the Ollerton community on 11 September at the Town Hall, with members of the project team and the Town Council present, to answer any questions in advance of submitting the planning application. The final visuals have also been shared on the council's website.

1.9 A Member's Briefing Session is also scheduled to present the final plans following Cabinet (14 October), and in advance of submitting the planning application.

Forest Centre Acquisition

1.10 The project involves the acquisition of the Forest Centre (alongside the Town Hall and former Lloyds Bank) within the project's land assembly. The full details for paragraphs 1.10 and 1.11 are contained within the Exempt Appendix.

1.11 It has been recommended (within existing delegated powers) that any further UKSPF/REPF funds that may become available within the 25/26 financial year, will be used to finance the Forest Centre purchase, or other Ollerton scheme expenditure, in replacement for LUF grant, due to UKSPF/REPF funding timescales, and to demonstrate effective use of funds.

1.12 It should be noted that the above recommendation would result in the Council purchasing the Forest Centre unit, in advance of obtaining planning permission, and FBC approval. This recommendation would supersede a previous decision taken by Cabinet in June 2024, where it was agreed that further scheme budgets would not be established within the capital programme, until the planning permission is granted, the FBC is approved, and the completion of land acquisitions.

1.13 The Forest Centre will be secured and managed as a vacant unit by the Corporate Property team (similarly to the former Lloyds Bank unit), as part of their commercial portfolio, until demolition. It therefore remains a risk that should the project not progress due to any unexpected changes in local appetite to deliver the scheme, Newark and Sherwood District Council will need to explore alternative uses for both units, factoring in significant refurbishment and renovation costs. This is considered a low risk, given Newark and Sherwood District Council's unwavering commitment to the Ollerton scheme, and desire to see this transformational project realised.

Ollerton and Boughton Town Council

1.14 Ollerton and Boughton Town Council (OBTC) remain fully committed and engaged with the development of the scheme, confirming this at their Town Council meeting on 12 June 2024. OBTC are actively involved in ensuring the space within the new public hub is suitable for their needs, and that of their community.

1.15 Upon commencement of RIBA 3 activities, instruction was given to secure OBTC agreement through a formal set of Heads of Terms, providing further detail and clarity on their space, terms and service charge contributions. It is recommended that Cabinet delegate the finalisation and execution of the Agreement for Lease with OBTC (and any other legal agreements needed) to the Director of Planning and Growth. This would be

completed following agreement of the Heads of Terms, and in advance of securing planning consent, to mitigate further delays. This is an amendment to a previous cabinet decision which stipulated finalisation of legals in advance of the planning application submission. This change in approval is sought to mitigate further delays and prevent a bottleneck in the projects progress due to the execution of legal documents.

- 1.16 The Agreement for Lease will be conditional on securing planning consent; execution of the construction contract; and delivery in accordance with Government grant conditions and in line with the agreed Heads of Terms

Business Case

- 1.17 Over recent months, the project team has continued to explore various opportunities to reduce project scope to create cost savings as much as reasonably possible, as detailed in the design change section. However, restricting the scheme further would impact on the project's core objective to deliver transformational change for the town centre and create improved access to services for the community. Revised project costings are contained within the Exempt Appendix. The project team has worked with key stakeholders to secure funding to meet this forecasted budget, however, there remains a projected financial shortfall in the FBC of c£1,330,000 (based on current estimated construction costs). The estimated scheme costs assume that for the proposed cinema, the operator will be responsible for all costs and the management of an internal fit out, with the Council only providing a building to 'shell' specification (a bare brick finish). No financial budgets have been included within the estimated project costs for any other internal fit outs, such as sound proofing, equipment, furniture and decorative finishes.
- 1.18 It is therefore recommended that Cabinet approves a financial contribution towards the Ollerton Regeneration scheme, to close the estimated forecasted scheme budget shortfall, financed through:
- £105,000 - Ollerton Hall Capital Receipts
 - £1,225,000 - Change Management Reserve
- 1.19 In addition to all other capital funding required to deliver the scheme, (with the exception of the proposed forward funding requests, including those noted in recommendations b and e of this report), the budget of £1,330,000 would be added to the Capital Programme, subject to planning consent being secured, the FBC being approved following previous delegated authority, and the finalisation of the necessary legal agreements.
- 1.20 For the avoidance of doubt, without a solution to the financial gap of £1,330,000, the FBC cannot be signed off. This would very likely cause significant delays to the programme which could result in the project not being able to defray the LUF 3 grant by March 2028 and limit project delivery.

RIBA 4

- 1.21 In addition to budget required for the purchase of the Forest Centre, a capital budget of £682,746 is required to progress scheme delivery, through RIBA Stage 4, to meet the overall March 2028 funding deadline. These costs would be financed by LUF 3 grant.

- 1.22 RIBA Stage 4 focusses on developing the technical aspects of the designs to produce the detailed drawings required by the construction team. This capital budget is required in advance of confirmation of planning permission, however, would not be set up within the capital programme until FBC approval is obtained.
- 1.23 It is recommended to progress with RIBA Stage 4 works following approval of the FBC but in advance of planning consent, to help mitigate further delays on the programme and upon the project's ability to defray the LUF 3 grant (now known as the Local Regeneration Fund), by March 2028.
- 1.24 The project team continues to work closely with key partners to identify any additional grant funding opportunities that may become available towards the scheme, with the view that there is potential to re-engineer further added value back into the scheme.

Clipstone Project

- 1.25 The Clipstone regeneration scheme, located on Mansfield Road, continues to operate in 3 core phases, aiming to provide employment opportunities through the development of commercial units at the Clipstone Holdings Site (Phase 1), an enhanced sports and leisure facility (Phase 2) and an improved educational and visitor offering at Vicar Water Country Park (VWCP) (Phase 3). Updates with each of the three phases include:
- 1.26 Phase 1 - Tenders for the main construction contract closed on the 26th September 2025 with 13 companies attending the site visit. The start of works on site is programmed for January 2026.
- 1.27 Phase 2 - The Council continues to work in partnership with Clipstone Miners Welfare Community Trust (CMWCT) to support delivery of the proposed new sports and leisure offering. Subject to project development and future agreement by the Council this would entail a grant award from the Council to the CMWCT to passport LUF grant and any other agreed scheme contributions. This scheme is being delivered through a land swap transaction with Welbeck Estates, the Colliery landowners. Welbeck are providing CMWCT with 10.2ha of Colliery land to the South East of the Headstocks in exchange for the current CMWCT land at the Lido site in Clipstone. This would allow the Miners Trust to expand their sports provision offer at the former Colliery site and provide Welbeck land for housing development at the Lido site. This deal is subject to both proposed developers receiving planning permission, expected Autumn 2025, in addition to CMWCT acceptance of NSDC and government grant conditions for funding to be released. These conditions remain subject to project development to ensure all deliverability aspects of any potential future grant can be met.
- 1.28 Phase 3 - This phase provides an enhanced visitor centre, café and Rangers' facilities, with improved wayfinding within Vicar Water Country Park (VWCP). Planning submission is expected early 2026 with development commencing summer 2026. Negotiations continue with Welbeck estates regarding the Council buying out the current lease for VWCP.
- 1.29 A full report detailing progress made, updated programme timelines and costings will be presented to the next Cabinet meeting, scheduled 11 November 2025.

2.0 **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.

Legal Implications - LEG2526/1834

- 2.1 The execution of a memorandum of understanding by Government for any funding streams noted within this report would provide assurance to the Council regarding funding commitment, although it does not create a legal obligation.
- 2.2 Cabinet is the appropriate body to consider the content of this report.

Financial Implications (FIN25-26-944)

Ollerton

- 2.3 Since the report to Cabinet in June 2024, the following budget is available for revenue to take the project up to RIBA 4. The increase from the previously reported £394,559 to the £1,206,559 below have been met from both Shared Prosperity Fund (UKSPF) and from the LUF Grant. Full Financial Implications are located within the Exempt Appendix.

Revenue and funding sources	£
NSDC Reserves	23,255
Third Party Contribution	5,000
UKSPF	511,650
S106	31,654
LUF Grant	635,000
Total Revenue	1,206,559

- 2.4 The holding costs for the property are expected to be in the region of £40,000 (revenue) depending on the time the property is held before the capital works start. This can be built into 2026/27 budget process.
- 2.5 It is also recommended that a budget be made available in 2025/26 to progress scheme delivery, through RIBA Stage 4. This will only be spent once the FBC approval is in place but will need to be available in advance of planning permission and finalisation of Legals. The Capital budget of £682,746 is required and will be financed by the LUF grant.

Clipstone Phase 1

- 2.6 Budget is available in the Capital Programme and profiled assuming the start on site in January 2026. The current year budget and progress updates are included in the quarterly budget monitoring reports.

Clipstone Phase 2 and 3

- 2.7 Since the June 2024 report, the following revenue funding available for Clipstone. The increase has been met from additional capacity funding and LUF Grant.

Revenue	Clipstone Phase 2/3
UKSPF	31,377
Capacity Funding	255,000
LUF Grant	321,000
Total Revenue	607,377

- 2.8 Any updates to be made to the Capital budget request and funding will be reported to Cabinet in November 2025.

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 Fund Round 3

Levelling Up White Paper, 2022

Levelling Up Fund Prospectus and Guidance, 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

Cabinet Report, Sherwood Levelling Up 3 Update – Ollerton & Clipstone, March 2024

Cabinet Report, Sherwood Levelling Up 3 Update 2 – Ollerton & Clipstone, June 2024

Cabinet Report, Levelling Up Fund (LUF) 3 Update, July 2024

Cabinet Report, Sherwood Levelling Up, Long Term Plan for Towns Fund and UKSPF / UKRPF Fund Update, November 2024

Cabinet Report, Levelling Up 3 Programme Update, December 2024

Cabinet Report, Levelling Up 3 Programme Update, April 2025