



Report to: Cabinet Meeting - 24 February 2026

Portfolio Holders: Councillor Claire Penny, Sustainable Economic Development
Councillor Lee Brazier, Housing

Director Leads: Matt Lamb, Director - Planning and Growth
Suzanne Shead, Director - Housing, Health and Wellbeing

Lead Officers: Neil Cuttell, Business Manager - Economic Growth and Visitor Economy
Cara Clarkson, Business Manager - Healthy Places
Sarah Hesselbee, Economic Development Grants and Programmes Manager

Report Summary	
	<p>Open Report / Key Decision</p> <p><i>There is an exempt version of this report which contains exempt information as defined under Schedule 12A of the Local Government Act 1972, Paragraph 3 under which the Cabinet has the power to exclude the press and public if it so wishes.</i></p>
Type of Report	<p><i>It is considered that the need to treat the information in this report as exempt outweighs the public interest in disclosure because it contains information which is both commercially sensitive as well as financial or business affairs not yet publicly discussed, relating to the organisations referenced throughout the report. This information has been redacted or excluded in this open report.</i></p>
Report Title	Local Regeneration Fund and Newark Capital Projects Update
Purpose of Report	To provide an update to Cabinet on the delivery of the Local Regeneration Fund and Newark capital projects.
Recommendations	<p>It is recommended that Cabinet:</p> <ul style="list-style-type: none">a) note the project and funding updates as detailed throughout this report;b) .c) .d) . <p><i>(Recommendations b, c and d are commercially sensitive and appear only in the exempt report)</i></p>

Newark Cultural Heart Market Place (Local Regeneration Fund)

- e) agree to delegate the approval of the Newark Cultural Heart Market Place Improvement Scheme Full Business Case (FBC) to the council's Section 151 Officer, in consultation with Newark Town Council, as noted in 2.9 of this report;
- f) note that the agreed Newark Cultural Heart Market Place Improvement Scheme capital budget of £3.61m will be available upon approval of the FBC and financed in full by UK Government Local Regeneration Fund grant;

20 Minute Cycle Town (Local Regeneration Fund)

- g) note the completion of the 20-minute cycle town project and agree to de-commit remaining Section 106 match contributions, with future reallocation to be dealt with via the council's Developer Contributions Group, as set out in 2.12 of this report;

Ollerton Regeneration Scheme (Local Regeneration Fund)

- h) agree to accelerate £200,000 of capital funding (fully funded by LRF grant monies) within the approved programme and add this to the proposed capital budget for 2026/27, to progress essential works associated with the Ollerton regeneration scheme ahead of completion of legal agreements and confirmation of planning consent, as set out in section 2.15 of this report;
- i) delegate authority to the Council's Section 151 Officer to enter into a Grant Funding Agreement with the East Midlands Combined County Authority (EMCCA), up to the value of £750,000 to unlock additional investment towards the Ollerton project, as noted in 2.16 of this report;
- j) approve the addition of £750,000 within the council's capital programme to facilitate recommendation i) above, fully funded by EMCCA grant monies;

Yorke Drive

- k) delegate authority to the council's Section 151 Officer to enter into a Grant Funding Agreement with the East Midlands Combined County Authority (EMCCA), up to the value of £1,000,000 to unlock additional investment

	<p>towards the Yorke Drive project, as noted in 2.17 of this report;</p> <p>l) approve the addition of £1,000,000 within the council's capital programme to facilitate recommendation k) above, fully funded by EMICCA grant monies; and</p> <p><u>St Marks Place</u></p> <p>m) note the completion of the related feasibility and due diligence work for St Marks Place, acknowledge the options and associated costs and risks as noted in 2.19 of this report and agree to pause any further feasibility activity at this stage, with future progression contingent upon securing external funding or a material change in market conditions.</p> <p><u>Fund Governance</u></p> <p>n) to delegate authority to the Section 151 Officer to approve any future amendments to the Newark Town Board's Local Assurance Framework, as may be required to reflect updated guidance and policy changes set by the Ministry of Housing Communities and Local Government.</p>
Alternative Options Considered	<p>There remains an option not to proceed with the delivery of selected projects within the Local Regeneration Fund or wider capital programme referenced in this report, however it would be considered a missed opportunity to deliver transformational and long-awaited change within Newark and Sherwood. Similarly, with a requirement for Local Regeneration Fund grant to be spent by 31st March 2028, there remains an elevated risk that withdrawal of any project at this stage within the programme, may result in the loss of investment funds.</p>
Reason for Recommendations	<p>Through access to vital grant funding and participation in the Local Regeneration Fund programme, the council is presented the opportunity to deliver a number of the priority projects identified within the Community Plan, supporting transformational change for communities, residents and businesses.</p>

1.0 Background

1.1 Local Regeneration Fund

In September 2025, the UK Government announced the Local Regeneration Fund (LRF), as a single consolidated programme, comprising both the existing Towns Deal and Levelling Up Fund. Locally, the LRF programme includes the £25m awarded to Newark through the Towns Deal in 2021 and a further £20m awarded to Sherwood in 2023 through the Levelling Up Fund, to progress both Ollerton and Clipstone Regeneration projects.

1.2 The LRF is intended to support the regeneration of towns and communities by investing in projects that strengthen local economies and enhance places for residents to live, work and study. The LRF introduces revised monitoring, reporting and change-control processes which are intended to create improved flexibilities for local authorities to respond to local challenges and opportunities and drive forward the priority projects identified for the area. The LRF is administered by the Ministry of Housing, Communities and Local Government (MHCLG), with a revised Memorandum of Understanding (MoU) expected to be issued to the council in due course, to be finalised through the Section 151 Officer.

1.3 The Newark Town Board's Local Assurance Framework (LAF) clearly sets out the Board's role in oversee the Newark based projects within the LRF portfolio (former Towns Deal), as well as acting as the strategic decision makers for the new Pride in Place Programme (PiPP). It should be noted that the Board's governing role does not apply to the wider LRF portfolio of projects including both the Ollerton and Clipstone regeneration schemes.

1.4 To secure the £25 million allocation in 2021, the council worked closely with the Newark Town Board to submit a Town Investment Plan (TIP), based on the strategic case for change and interventions for town investment. The TIP identified the following priority projects for delivery across the town. These have since been approved by the UK Government, allowing capital works to progress through the £25m allocation:

- Newark Construction College (complete)
- Newark Air and Space Institute (complete)
- YMCA Activity Village (complete)
- 20-Minute Cycle Town (complete)
- Castle Gatehouse (live)
- 32 Stodman Street (live)
- Newark Cultural Heart Programme (pending)

1.5 As noted above, several of these projects have now successfully completed, with the benefits of investment experienced by local communities, residents and businesses as the programme's intended beneficiaries. Outcomes delivered to date include increased town centre vibrancy, improved offer and footfall driven by an expanded programme of events, and a growing number of people using community facilities such as the YMCA Activity Village, participating in activities that support pride in place and a stronger sense of community belonging. Additional outcomes include an increase in learners enrolling on and completing courses and achieving qualifications or licences that support long-term career progression and economic growth, particularly through the Air and Space Institute and Construction College. The programme has also supported increased active travel participation, demonstrated through the Brompton Bike hire scheme.

1.6 The council continues to work with key delivery partners to report the success of completed, live and pending projects to MHCLG and the Newark Town Board. Officers are currently in the process of refreshing all reporting metrics to measure the success

of investment, in accordance with additional guidance pending from MHCLG. The updated monitoring and reporting arrangements follow the scheme re-brand and changes announced by the UK Government in September 2025.

- 1.7 In addition to the projects that have completed within the town, three projects remain live or scheduled within the Newark-based LRF programme: 32 Stodman Street, Castle Gatehouse and the Market Place, Newark Cultural Heart. These projects are expected to complete ahead of the latest LRF expenditure deadline of 31 March 2028.

2.0 Proposals

2.1 Castle Gatehouse (Local Regeneration Fund)

Transformational plans as part of the Castle Gatehouse project are well underway following delays due to archaeology discoveries on site last year. The project is continuing to progress against the updated schedule, with works expected to complete late 2026.

Paragraphs 2.2 and 2.3 contain commercially sensitive information and only appear in the exempt report.

2.4 Stodman Street (Local Regeneration Fund)

Works to create new high quality residential and retail units at 32 Stodman Street are ongoing, with construction expected to complete in Summer 2026. This project will improve town centre vibrancy and offering, helping to diversify uses whilst also encouraging increased visitor spending and improved natural surveillance in the town. Positive interest has been shown to date by potential tenants, with a view that first tenants are likely to be secured over the coming months.

2.5 Newark Cultural Heart Market Place (Local Regeneration Fund)

The Newark Cultural Heart programme comprises both a LRF revenue-funded town centre events programme and capital works to enhance the Market Place. The events programme will conclude on 31 March 2026, following the delivery of all planned events and the defrayment of remaining project funds. Cabinet may re-call that the Newark Town Board has agreed proposals to sustain the programme's legacy through a commitment of future events funding via the PiPP. Learning, evaluation and best practice gathered from the Cultural Heart events programme will inform the development of a focused PiPP events programme, ensuring it delivers the local intended benefits.

- 2.6 To deliver on the local aspirations and interventions set out within the 2020 TIP, Cabinet and the Newark Town Board previously agreed an Outline Business Case for the Market Place improvement scheme as a priority project for the town. The scheme seeks to improve the public realm and highway within the Market Place, creating a high-quality, functional and attractive space that supports the overarching vision for the town centre. Key objectives include increasing footfall, encouraging people to dwell and participate in events, and fostering community pride through an enhanced townscape. The project vision and guiding principles have been shaped through community consultation, with the aim of delivering a flexible and safe Market Place that retains its traditional market identity and supports a range of day-time and

evening uses, including events and alfresco dining. This includes for the Market Place to:

1. Retain its feel and ability to host markets of varying sizes alongside other activities.
2. Be safe and accessible.
3. Contribute to the attractiveness and use of the town at day and night, and throughout seasons.
4. Ensure it is sustainable and can be retained and maintained moving forward.
5. Be embraced and used by residents, workers, families and visitors.
6. Support its conservation status and the qualities of surrounding historic buildings.

2.7 The Market Place is owned by Newark and Sherwood District Council and leased long-term to Newark Town Council, which is responsible for the management and operation of the market service. The surrounding highway within the Market Place is owned by Nottinghamshire County Council. In recent months, the District Council, as Project Lead, has worked closely with the Town and County Council, strategic stakeholders and the Board to develop the project proposals and early design work.

- 2.8 Over recent months, the RIBA stage 2 designs for the project were presented and discussed by the Newark Town Board, following agreement of initial designs by Newark Town Council. Early designs have been developed based on the findings of community consultation exercises and the principles outlined above.
- 2.9 The project now progresses to RIBA Stage 3 (design) and approval of the projects Full Business Case (FBC) is required to unlock capital investment and continue driving forwards project delivery. It should be noted that there is a requirement for timely completion of the FBC in order to remain on track to achieve the 31st March 2028 grant funding spend deadline. It is therefore recommended that Cabinet agrees to delegate the approval of the Newark Market Place Improvement Scheme Full Business Case (FBC) to Newark and Sherwood District Council's Section 151 Officer, in consultation with Newark Town Council.
- 2.10 Once the FBC is assured and approved, the project will progress through the remaining RIBA stages in line with the identified capital funding of £3.61m, financed by LRF. Key risks associated with the project and budget include completing an updated lease with Newark Town Council prior to RIBA 4 contract award (June 2026) and delivery within funding timescales, considering potential phasing of construction works.
- 2.11 The Project Team will continue to ensure Cabinet, the Board, the local community and other key stakeholders are updated and engaged throughout the project lifecycle. Over coming months, the council will work closely with Newark Town Council to agree and finalise designs, reflecting their roles as key project delivery partners.
- 2.12 20 Minute Cycle Town (Local Regeneration Fund)

The 20 Minute Cycle Town was identified as a priority project in the TIP to create a visible hub of cycling activity and encouraging participation amongst all of the town's communities. This project is now complete, with bike hire available from each of the hubs across the town and the council will continue to seek reports from Brompton Bike regarding usage. It should be noted that Section 106 contributions were previously committed towards the project as match-funding in addition to the LRF grant, however, are no longer required as the project was delivered within the LRF grant envelope. It is therefore recommended that Cabinet de-commit this budget and the S106 contribution, to be re-allocated as necessary via the council's Developer Contributions Group.

2.13 Ollerton and Clipstone Regeneration Schemes (Local Regeneration Fund)

Plans for both Ollerton and Clipstone regeneration schemes are progressing, aiming to deliver transformational change in Sherwood through the award of £20m LRF grant funding. Key risks for both projects continue to be monitored and managed by the Project Teams, noting the requirement for grant monies to be spent by 31 March 2028.

2.14 The Ollerton project is now within RIBA stage 4 (detailed design stage) following approval of the Full Business Case in October 2025. The planning application for the site was submitted in November 2025, with the outcome of planning anticipated to be issued in Spring 2026.

2.15 As previously agreed by Cabinet, the full capital budget for the Ollerton project will be made available upon completion of legal agreements and confirmation of planning consent. However, to mitigate an emerging risk of delay caused by necessary sub-station diversion works, £200,000 of the approved budget now needs to be brought forward and made available immediately, ahead of planning consent and legal finalisation. This will enable the sub-station works to commence earlier than originally scheduled, ensuring progress remains aligned with the 31 March 2028 spend deadline. This amount is fully accounted for within the existing approved project budget and will be funded entirely by LRF grant monies.

2.16 Over recent months, the East Midlands County Combined Authority (EMCCA), invited the council to submit proposals for additional investment in key capital initiatives that deliver on regional priorities. Locally, this included the Ollerton project noting the alignment of the schemes objectives towards EMCCA's investment programme. EMCCA has since ringfenced an award of £750,000 of capital grant monies towards the project, to provide additionality through the provision of market-stalls and further public realm improvements. As these works are outside of the scope of the current budgeted project, the additional investment from EMCCA provides an opportunity to enhance the offer for the local community. To unlock this funding, it is recommended that delegated authority is granted to the council's Section 151 Officer to enter into a Grant Funding Agreement with EMCCA (up to the value of £750,000), and for the additional budget to be added into the council's capital programme.

2.17 Yorke Drive

EMCCA has also supported a proposal for further investment towards the Yorke Drive project, noting the alignment of the schemes objectives towards EMCCA's investment priorities. A ringfenced award of £1,000,000 of capital grant monies has been made for the project, to provide additionality to the scheme through the provision of PV/battery installations for the 74 affordable homes, with remaining funds contributing to the costs of the sports pavilion and playing pitches. The PV/battery installations will significantly contribute towards tackling fuel poverty within the community and result in tangible reductions in utility bills. To unlock this funding, it is recommended that delegated authority is granted to the council's Section 151 Officer to enter into a Grant Funding Agreement with EMCCA (up to the value of £1,000,000), and for the additional budget to be added into the council's capital programme.

2.18 Following planning consent last year, the project team continue to progress with the discharge of conditions. It is anticipated that the last remaining conditions will be discharged over the next few months, enabling a start on site in Spring. In the meantime, existing tenants located within the early phases of the decant programme (phases 1 and 2) which expressed a preference to leave the estate rather than wait for a new home to be built, are being actively moved. It is expected that the remaining tenants in phases 1 and 2 will be moved by this summer. Early moves are to facilitate vacant possession of the land and avoid a compulsory purchase order/legal action being required. A further report will be brought back to Cabinet in spring confirming final costs for the capital programme and the construction timelines.

2.19 St Marks Place

Feasibility and due diligence work for St Marks Place have been undertaken, as previously agreed by Cabinet in 2024. The council has reviewed the options available and the associated costs and risks. This exercise and analysis highlight a significant funding gap and market uncertainty, compounded by factors such as Local Government Reorganisation and grant unavailability. Considering this, it is recommended that Cabinet note the completed work and agree to pause any further feasibility activity associated with St Marks Place at this stage, effectively concluding work at RIBA Stage 1.

2.20 This approach prioritises investment to where it can deliver the greatest impact, maintaining flexibility to respond to future opportunities, and ensuring that any progression of the project is contingent upon securing external funding or a material change in market conditions. Should such opportunities arise, renewed feasibility work will be brought back to Cabinet for consideration, ensuring transparency and alignment with the council's long-term vision for vibrant and sustainable town centres.

2.21 Funding Governance

As noted in 1.3, several projects outlined within this report are governed by the Newark Town Board with an award of grant funding through the LRF. This includes 32 Stodman Street, Castle Gatehouse and the Newark Cultural Heart scheme, in addition to all activity to be funded through the Newark Pride in Place Programme (PiPP). The Newark Town Board's Local Assurance Framework (LAF) sets out the

governing role of the Board and ways of working based on guidance set by MHCLG and was formally implemented following Cabinet approval in November 2025. To enable the LAF to be continually reviewed and updated in line with policy changes made by MHCLG in relation to the PiPP/LRF programmes, it is recommended that delegated authority is given the council's Section 151 Officer to approve any necessary amendments to the LAF in accordance with the latest funding prospectus' and UK Government guidance.

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.

Implications Considered			
Yes – relevant and included / NA – not applicable			
Financial	Yes	Equality & Diversity	N/A
Human Resources	N/A	Human Rights	N/A
Legal	Yes	Data Protection	N/A
Digital & Cyber Security	N/A	Safeguarding	N/A
Sustainability	N/A	Crime & Disorder	N/A
LGR	N/A	Tenant Consultation	N/A

3.1 Financial Implications (FIN25-26/8593)

3.2 Newark Town Investment Plan Projects

Stodman Street and Castle Gatehouse are well underway, with a brief description of progress at 2.1 and 2.2. Expenditure continues to be closely monitored by the relevant project teams.

Newark Cultural Heart events programme is nearing completion, with all LRF grant due to be spent, along with UK Shared Prosperity Fund (UKSPF) and PiPP grant as follows:

Cultural Heart Events	£
LRF Grant	600,000
UKSPF	66,112
PiPP	50,000
Total	716,112

Newark Market Place Improvement has total funding for feasibility of £241,737, made up as follows:

Market Place	£
LRF Grant	93,737
Existing revenue budgets	8,000
Reserves	140,000
Total	241,737

The FBC represents the final stage of the feasibility process. A budget of £3,610,000 has been allocated within the 2026/27 Capital Programme, fully funded by grant. This funding will become available once the FBC receives approval.

The Cycle Town scheme was set up as follows:

Cycle Town	£
LRF Grant	200,000
S106 Contribution (Transport)	45,900
Capital Receipts	4,100
Total	250,000

The scheme was successfully delivered with the LRF grant only, therefore the £50,000 is no longer required in the Capital Programme. This means that the £4,100 is decommitted from Capital Receipts for us on other capital expenditure, and the S106 contribution be de-committed allowing the internal Developer Contributions meeting being able to reconsider the use of this Transport receipt which has no time limit restrictions.

3.3 Ollerton Regeneration

An update on progress is shown in paragraph 2.13 to 2.14. This proposes to accelerate £200,000 of capital funding to progress essential works associated with the Ollerton regeneration scheme ahead of completion of legal agreements and confirmation of planning consent as previously reported. This is not additional budget; it's accelerating the spend to ensure the works do not affect the critical path.

This has been included in the proposed 2026/27 Capital Programme budget earlier on this agenda. The total amount of Capital made available is detailed in the exempt item.

As per paragraph 2.16, additional funding has been secured from EMCCA for Ollerton, therefore subject to approval to enter into a grant funding agreement, the budget approved at Cabinet 14 October 2025 will be increased by £750,000.

3.4 Further detail can be found in the exempt report.

3.5 Yorke Drive

The Council had also secured EMCCA grant money for Yorke Drive Regeneration. Subject to approval to enter into the grant agreement, £1,000,000 will need to be added to the Capital Programme

Further detail can be found in the exempt report.

3.6 St Marks Place

A budget of £145,000 was made available from the change management reserve for feasibility and due diligence work in relation to St Marks. £100,000 has been spent and it is now proposed to pause with future progression contingent upon securing external funding or a material change in market conditions as per paragraph 2.19. The remaining £45,000 will be de-committed in the Change Management reserve.

3.7 Legal Implications - LEG2526/6947

3.8 The projects referenced within the report are funded from a number of sources. Compliance with any funding conditions must be ensured. Details of budgetary approvals required are set out within the report.

3.9 Legal support will be provided to facilitate the further drafting of agreements with EMCCA.

3.10 As detailed within the report the appropriate planning and any other regulatory permissions will or have been obtained.

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 Investment Plan 2020](#)
- [Local Regeneration Fund Prospectus](#)
- [Newark Pride in Place Regeneration Plan 2026-2036](#)