



Report to: Cabinet Meeting: 9 June 2026

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Report Summary	
Type of Report	Open Report with exempt appendix / Key-Decision
Report Title	Local Regeneration Fund Update
Purpose of Report	To provide an update and recommendations relating to the projects within the Local Regeneration Fund (LRF) programme.
Recommendations	<p>That Cabinet:</p> <p>a) note the updates associated with the LRF projects, as detailed throughout this report.</p> <p><u>Stodman Street Re-Development</u></p> <p>b) approve a revenue budget from the Change Management Reserve as detailed in the exempt appendix to the report;</p> <p><u>Castle Gatehouse</u></p> <p>c) approve an additional capital budget of up to £1,500,000, funded by the Change Management Reserve, as detailed in 1.5 of this report.</p> <p><u>Ollerton Regeneration</u></p> <p>d) agree to commit £500,000 capital monies (fully funded by the LRF grant and NSDC committed Reserves) within the existing approved programme and add this to the proposed capital budget for 2026/27 to progress essential enabling works ahead of the completion of legal agreements and confirmation of planning consent, as set out in paragraph 1.7 of this report.</p>

<p>Alternative Options Considered</p>	<p>There remains an option not to proceed with the delivery of the projects within the LRF programme. This is not recommended as it would present a missed opportunity to deliver transformational and impactful change for the local community and to accelerate local economic growth.</p>
<p>Reason for Recommendations</p>	<p>The projects detailed within this report deliver on the LRF strategic objectives set by the UK Government, as well local the ambitions set out within the Community Plan. This includes driving improved health and wellbeing through the creation of community infrastructure and cultural/leisure opportunities as well as and opportunities for local people through skills and employment-based interventions and unlocking long-term sustainable economic growth.</p>

1.0 Background

1.1 In 2020, Newark was awarded £25m through the UK Government’s Towns Deal to support the delivery of several transformational capital projects across the town. The fund aims to boost economic regeneration, infrastructure, and skills in over 100 towns across the UK. The local priority projects are underpinned by a 30-year Town Investment Plan (TIP), developed in partnership with the Newark Town Board at the time.

In addition to the Towns Deal, Newark and Sherwood District Council (NSDC) was awarded £20m through the UK Government’s Levelling-Up Fund 3 (LUF 3) to support the delivery of the ‘Shaping Sherwood’s Revival scheme’. This scheme comprises two local priority place-shaping projects including the redevelopment of Ollerton Town Centre and the Clipstone Regeneration project. Cabinet will re-call that this award was announced by the UK Government on an in-principle basis in late 2023. It should be noted that as a result of both the programme onboarding process and subsequent delays due to a national review of the LUF 3 programme at the time, planning and project development works for both the Ollerton and Clipstone projects were significantly restricted throughout 2024 and early 2025, until the LUF 3 grant was agreed. In April 2025, SDC received formal confirmation of the £20m funding from the Ministry of Housing, Communities and Local Government (MHCLG) (with a revised spend deadline of 31st March 2028), allowing both feasibility and development works to continue over recent months.

More recently, in September 2025, MHCLG announced the new ‘Local Regeneration Fund’ (LRF), consolidating the LUF 3 and Towns Deal into a single funding stream. The aim of merging these programmes is to provide greater flexibility to local authorities to drive growth, reflected in the updated scheme prospectus.

A list of all projects supported by the LRF within Newark and Sherwood (totalling £45m) is provided in Table 1 below, alongside the status of delivery.

Table 1. LRF Projects Newark and Sherwood

Local Regeneration Fund Project	Status
Air and Space Institute (ASI)	complete
YMCA Activity Village	complete
20 Minute Cycle Town	complete
Construction College	complete
32 Stodman Street	scheduled/ongoing
Newark Cultural Heart (Events and Market Place Improvement Scheme)	scheduled/ongoing
Castle Gatehouse	scheduled/ongoing
Ollerton Town Centre Regeneration	scheduled/ongoing
Clipstone Regeneration	scheduled/ongoing

All LRF grant monies (totalling £45m) must be spent by no later than 31st March 2028, in line with the funding conditions set by MHCLG. Four LRF projects have now successfully completed (as noted above) providing enhanced skills, leisure and cultural opportunities for local communities and residents. Further updates relating to the delivery of the remaining scheduled/ongoing projects within the LRF programme, are provided throughout this report.

Members will be aware that as part of the then-Governments Levelling Up Fund, NSDC also competitively secured, alongside partners, £25m towards the Newark Southern Link Road. Whilst sitting outside what is now known as the LRF, this was part of the package of projects stemming from the Newark Town Investment Plan. The SLR was completed and opened to traffic last month, addressing traffic congestion and unlocking new homes, employment land and the Country Park.

1.2 **32 Stodman Street**

Works on site to create a new, high quality residential and retail offer at 32 Stodman Street are expected to complete within the coming months. The project will provide 29 high-quality residential homes in the heart of Newark, bringing a new town centre housing offer. Additionally, through the creation of new retail units, the project will enhance Newark's economic offer with the aim of attracting more people into the town centre and diversifying local retail provision. It is positive to report that a high-level of interest has been shown in both the retail and residential units, with retail tenants now either secured or with the Council in continued discussions and negotiations with potential tenants.

1.3 Please refer to the exempt appendix.

1.4 **Newark Cultural Heart Market Place Improvement**

The Market Place Improvement scheme aims to upgrade the public realm within the Market Place, supporting the improved appearance of the town centre and creating a flexible and functional space to continue to host events and community activities. The project will help to drive economic growth in the town, fulfil the

potential of Newark's natural advantages and increase town centre footfall and vibrancy through an improved public space that attracts both visitors and residents. The scheme now progresses towards RIBA stage 4 (detailed design stage), following recent approval of the projects Full Business Case (FBC). Works are expected to commence on site in January 2026 and complete in early 2027. NSDC will continue to work closely with Newark Town Council and other key stakeholders to progress the delivery of the project within the available budget.

1.5 **Castle Gatehouse**

This transformational project will secure the castle's future, deliver an improved public access and visitor experience and enhance and protect the surrounding gardens and green space. As previously identified, this project is extremely challenging; the site is a scheduled monument subject to strict regulations, the castle itself is grade I listed, and the gardens are grade II listed. An archaeological watching brief is required for all ground works, and some parts of the historic structure are only able to be assessed fully once scaffolding is in place.

Over the last six months, two unexpected and potentially significant archaeological findings have been revealed as a result of this project. The first was a medieval wall, probably a retaining wall which indicates the medieval castle was surrounded by a dry ditch rather than a moat. Further exploration in this area led to the discovery of a pit at the base of two garderobe chutes, which has detailed stonework and has been capped with a millstone. The second is a well, situated in the centre of the Gatehouse, an unusual location which requires further investigation. Both discoveries are being researched by the archaeological team and our academic experts and will improve and update our understanding of the Castle's history.

Additionally, now that the scaffolding has been erected to the full height of the Gatehouse, an inspection of its chimney has revealed a large crack and severe deterioration of the stonework. This has necessitated a carefully documented rebuild of the chimney to ensure it remains both safe and conserved for the future. These challenges have inevitably led to some significant delays on site, and NSDC continues to work closely with the contractor to reduce the impact of these on both cost and budget.

It is anticipated that an additional budget of up to £1,500,000 will be required to deliver Phase 1 of Castle Gatehouse Project; the final figure will be dependent on detailed costings and interlinked funding streams as set out in 1.6 below, and opportunities to reduce the cost will continue to be explored. It is therefore recommended that Cabinet approves an increase of the project's capital budget of up to maximum of £1,500,000, to be funded from the Change Management Reserve.

With consideration of all external funding awarded, the estimated contribution from NSDC to this project remains at just 33%. It should be noted that the Full Business Case demonstrates increased value for money, a strong benefit cost ratio as required and improved social value outcomes.

1.6 Please refer to the exempt appendix.

1.7 **Ollerton Regeneration**

The Ollerton regeneration project will deliver transformational change for the town centre, including a mixed-use scheme which comprises of a public sector hub; 2-screen cinema and café space; retail units; office space; and three affordable homes, surrounded by new public realm.

The project is approaching the end of RIBA 4 works (detailed design stage) with the determination of the planning application anticipated in June 2026. Legal agreements are advancing with Ollerton and Boughton Town Council and with Willmott Dixon, where we expect to be in a position to enter into the construction contract in Summer 2026. A cinema operator has now been secured following a full tender process and the Heads of Terms are being finalised, with the associated contract documents expected to be signed in Summer 2026.

As previously agreed by Cabinet, the full capital budget for the Ollerton project will be made available upon:

- a) Finalisation of land acquisition and associated legal agreements
- b) Confirmation of planning consent for the scheme
- c) Approval of the Full Business Case
- d) Confirmation of a fully funded scheme within the approved capital budget

Both c and d above are now resolved, with a and b outstanding and due to be finalised over the coming months. To mitigate against delays associated with utility installations, client-side consultants and cinema fit-out design works, £500,000 of the approved budget is required to be forward-funded ahead of planning consent and legal finalisation. This will enable advanced orders to be placed with the utility providers and design works to be undertaken for the interior of the cinema and café space with the preferred operator's consultants. This will mitigate against potential delays and ensure the project remains aligned with the 31 March 2028 LRF spend deadline and in accordance with the critical path. This amount is fully accounted for within the existing approved project budget and will be funded by LRF grant monies.

1.8 **Clipstone Regeneration**

The Clipstone Regeneration project, located on Mansfield Road will provide new employment opportunities through the development of up to 30 commercial units at the Clipstone Holdings Site (Phase 1), an enhanced neighbouring sports and leisure facility (Phase 2) and the potential additional inclusion of an improved educational and visitor offer at Vicar Water Country Park (VWCP) (Phase 3). Whilst the site is known across the three phases detailed it is important to note that the Clipstone LRF project is views as a single entity by the UK Government, who do not distinguish between phases and outcomes achieved across the individual phases. The LRF grant is instrumental in accelerating this scheme as a key source of funding, with additional match-funding provided by the Council amongst other

investment sources. The project proposes to generate new employment, supporting economic growth through job creation and productivity and provide enhanced opportunities for residents to participate in cultural and leisure opportunities.

Preparations for the delivery of Phase 1 (commercial units) are progressing, with works expected start on site later this year, following completion of the construction tender exercise. It is anticipated that works will complete by the end of 2027, with the project managed by NSDC’s internal capital projects team.

Phase 2 Clipstone (sports and leisure) will be led by the Clipstone Miners Welfare Community Trust (CMWCT) as eventual owners of the site and end operators of the facility. CMWCT will continue to work in partnership with Welbeck Estates and NSDC as regeneration partners. The new site will replace the existing sports offer at the former Lido Site in Clipstone, Mansfield and delivery is dependent on the completion of a land swap deal of these two sites between CMWCT and Welbeck Estates. Planning permission has been granted by NSDC for the new sports site, and the application for redevelopment for housing on the former Lido Site is anticipated to be determined by Mansfield District Council (as the respective Local Planning Authority) in May 2026.

The CWMCT continues to work with a specialist consultancy to provide a comprehensive cost plan to deliver the sports facility (Phase 2). These costings will feed into the ongoing development of a Business Case for the scheme, led by CMWCT as an essential requirement of the funding set by NSDC as Accountable Body for the LRF. Further updates regarding all three phases of the Clipstone Regeneration scheme and proposed next steps will be presented to Cabinet next month, including scope, costings, key risks and potential interdependencies across the wider LRF programme.

- 1.9 All projects within the local LRF programme continue to be monitored and managed by individual Project Teams, with ongoing mitigation of the key delivery related risks outlined within this report. Additional oversight is provided at a programme-level by the Programmes Manager, ensuring ongoing compliance with funding requirements and policy objectives set by MHCLG.

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.

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
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2.1 **Legal Implications - LEG2627/7298**

Cabinet is the appropriate body to consider the contents of this report, with some elements for noting. The Council's Legal team are involved in assisting and advising on the individual projects included in this report and any new streams of work identified will need to be referred to the responsible Legal Officer to provide further assistance.

Specific implications relating to individual projects below are outlined below:

Castle Gatehouse - Legal Services will need to be instructed in relation to any agreements or arrangements in respect of any additional funding streams identified.

2.2 **Financial Implications (FIN26-27/825)**

Stodman Street

Provided in Exempt Appendix.

Newark Cultural Heart Market Place Improvement

Works up to and including RIBA Stage 3 are nearing completion, with estimated expenditure of approximately £230,000. The Business Case has now been approved, enabling progression to RIBA Stage 4, funded from the Capital Programme budget of £3,610,000, fully funded by the LRF grant. It is anticipated that around £10,000 of the RIBA Stage 3 allocation can be returned to the Change Management Reserve.

Castle Gatehouse

Increasing the budget by £1,500,000 will result in the overall budget total being £8,064,860, financed by:

- Towns Fund Grant £3,310,000
- NLHF £1,253,620
- Change Management Reserve (approved 18.02.25) £1,000,000
- Change Management Reserve (proposed) £1,500,000
- NSDC Borrowing £981,240

Ollerton Regeneration

The budget for the full scheme was approved as part of the Capital Programme for the period 2026/27 to 2029/30. Progression beyond RIBA Stage 4 is subject to the conditions set out in paragraph 1.7. While these conditions are still in the process of being concluded, it is recommended that expenditure of £500,000 of the budget is used for utility installations to maintain progress on the critical path. The remaining capital budget will not be used until such time as the requirements to proceed further have been satisfied.

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.

None