

POLICY & FINANCE COMMITTEE

26 NOVEMBER 2020

NEWARK TOWNS FUND

1.0 Purpose of Report

- 1.1 To update Members on the Newark Town Investment Plan which was submitted to Government on 31 July 2020 and to seek appropriate budget to progress with feasibility work for the NSDC owned Great North Road Gateway Site (the Cattlemarket and Lorry Park site).

2.0 Background Information

The Towns Fund Submission

- 2.1 In accordance with national Towns Fund guidance, published in November 2019 and June 2020, the proposed Newark Town Investment Plan (TIP) was formally submitted to Government on 31 July 2020, the deadline for cohort 1. In addition to the unanimous support of the Newark Town Board, the proposed strategy and projects within the TIP were endorsed at briefing meetings with Newark & Sherwood District Council (NSDC) and all Town and Parish Councils within the TIP boundary.
- 2.2 It is understood that Newark was one of 13 towns nationally to submit its proposals as part of cohort 1 and was the only town in the East Midlands to do so. There remain 3 further opportunities for eligible towns to submit proposals in October 2020, December 2020 (a new cohort announced by government) and January 2021.

3.0 Updates and Proposals

Funding Announcements and a Decision on Newark

- 3.1 7 places within cohort 1 have been [announced](#), with negotiations now progressing to develop Heads of Terms and Business Case(s) with government. This includes Blackpool (£39.5m), Barrow-in-Furness, Darlington, Peterborough (£22.9m), Norwich, Torquay (£21.9m) and Warrington.
- 3.2 Following the Newark TIP submission a number of qualifications have been provided to the Government, who have been assessing the proposals. At the time of writing, we are yet to hear if the TIP asks will be supported. A decision is expected this month (November). Upon any announcement the Council will then be invited to negotiate and agree Heads of Terms with the Government, alongside a timetable to develop Business Cases within the next 12 months for all supported projects.
- 3.3 It remains hopeful that the Council will secure significant investment from the Towns Fund. The submission is strong, ambitious, transformative and importantly deliverable. This is reflected in feedback from the Government's own commissioned professional team via TIP 'check and challenge' sessions prior to formal submission. Upon agreement of Heads of Terms for Newark it is proposed that a revised and final TIP will be published, in consultation with the Economic Development Committee and Newark Town Board.

TIP Projects

- 3.4 The 18 November 2020 Economic Development Committee agenda provides updates on a number of TIP projects. For the purposes of this report focus is upon the Great North Road 'Gateway Site' which is in Council ownership (NSDC Gateway site).

3.5 International Air and Space Training Institute (IASTI)

Members will be aware that one of the key projects within the TIP was the IASTI, which formed part of proposals to provide, in conjunction with the Lincoln College Group, Aviation 360, a University Partner, and Military and Civil aviation industries, a new post 16 education facility for students to access ground, engineering, and pilot programmes. All partners have continued to progress with the project in anticipation of funding being secured. It is envisaged that the IASTI can be operational for virtual intakes as soon as September 2021, with the full facility to follow as soon as reasonably practicable, preferably on the Cattle Market/Lorry Park site.

3.6 Smart Innovation, Supply Chain & Logistics Enterprise Zone (SiSLog)

Members will recall that this is a project jointly developed between the Council, the University of Lincoln and the Universities for Nottingham. It is considered that there is a significant logistics and supply chain opportunity given the strategic significance of Newark to the road, rail, and air networks. The Council and Universities have now commissioned further work to understand how this potential can be identified, encouraged, supported, and funded to deliver a new Enterprise Zone in Newark. This work is expected back prior to Christmas 2020 and will be presented to the Economic Development Committee and Newark Town Board in due course.

3.7 Other Uses Supported by NSDC

Members will be aware of the Council's long-held aspirations, as identified in the Newark Destination Management Plan, Community Plan, TIP, and Economic Growth Strategy for a greater and diversified hotel presence in Newark. Hotel provision could commercially align with the proposed uses sought. In addition, student accommodation could likely be provided.

3.8 Current Uses on the Newark Gateway site.

Livestock Market

- 3.9 Members will be aware of the updates to the Economic Development Committee in September and November 2020 that following an open market process a third party has been identified who is willing to progress with a new Livestock Market at the Newark Showground site, a move that is supported by the Showground, this Council and the Newark Towns Board. This third party has confirmed that they have no wish to operate, either permanently or on an interim basis, on the exiting Cattle Market site.

- 3.10 The current Cattle Market site is vacant and redundant. In the interests of reducing holding costs for the Council and preparing the site for redevelopment it is recommended that funds are made available for Officers to tender for the demolition and secure holding of the existing cattle market site. Projected likely costs are provided via a separate exempt **Appendix 1** in the interests of ensuring parties who may submit tender(s) are unaware of the available Council budget.

The Lorry Park

- 3.11 Members will be aware that the lorry park remains important for the area, in terms of both servicing demand via the strategic road network and in terms of its fee performance for the Council. The third party interested in relocating the Cattle Market and Newark Showground themselves have expressed a desire to see the relocation of the lorry park to the showground if possible and desirable from the District Council's perspective. This is also consistent with the Newark TIP proposals should the IASTI, hotel and other gateway development be secured.
- 3.12 As Members will be aware it will be necessary, if the Council is to consider the relocation of the lorry park, for feasibility work to be undertaken in order to understand the acceptability (in planning, highways, drainage, and utility terms) and costs of its relocation. It will be equally necessary to liaise with users in the case of lorry drivers. In order to allow the Council to make a future decision on this issue it recommended that a budget be made available for Officers to undertake necessary feasibility work regarding relocation, including any associated likely costs and timetable.

Redevelopment of the Great North Road Gateway

- 3.13 The above feasibility work on relocating uses will need to be progressed alongside feasibility work for the technical ability and capacity of the current Gateway Site to accommodate a range of aspirations. The critical works in the first instance include planning, highways and utility assessments. These are proposed to be commissioned as soon as possible in order to inform next steps.
- 3.14 As identified above the Lincoln Colleague Group (LCG) continue to progress at pace with the IASTI, with education pathways and industry discussions working towards a virtual student intake as soon 2021, well in advance of any new physical facility. It is expected that the LCG will be in a position to progress with negotiations to provide the facility on NSDC land in earnest. Such negotiations will progress alongside the feasibility work referred to at paragraph 3.13 above.
- 3.15 In addition to feasibility work at paragraphs 3.10 and 3.13 above it is recommended that budget be made available, should feasibility conclusions support, for Officers to progress with delivery options for the redevelopment of the Newark Gateway Site. This will include progressing with IASTI and SiSLog discussions, alongside legal, financial, and procurement advice for turning the Newark TIP aspirations into a reality. The recommend budget is provided via the separate exempt report.

4.0 Equalities Implications

4.1 As capital projects, each of the proposals detail will be required, if and when they progress to have regarding to equalities and access implications.

5.0 Digital Implications

5.1 Each of the potential projects identified will secure appropriate digital infrastructure, skills and future innovative and creative employment opportunities as part of their key objectives. They will be identified if, and, and when they progress.

6.0 Financial Implications (FIN20-21/8691)

6.1 The costs of demolishing the Cattle Market site would need to be added to the Capital Programme; financed by borrowing and the implications of such have been assessed in **Appendix 1**.

6.2 The report proposes the following feasibility studies:

- The relocation of the existing Cattle Market/Lorry Park; and
- The redevelopment of the site following demolition

It is expected that some future revenue costs will be provided by any Newark Towns Fund agreed Deal with Government. In the absence of any Deal the costs of these studies will need an associated revenue budget that can be funded from the Change Management Reserve.

7.0 Community Plan – Alignment to Objectives

7.1 The Newark TIP is a direct intervention of such scope and breath that it will significantly contribute to delivering all of the Council’s Community Plan objectives.

8.0 RECOMMENDATIONS that:

- (a) Members note the ongoing negotiations with Government to secure a capital contribution from the Towns Fund of up to £25m;**
- (b) Members agree the allocation of budget outlined in the exempt report to secure the demolition and secure holding of the existing Cattle Market site;**
- (c) Members agree the allocation of budget outlined in the exempt report to undertake feasibility work on the relocation of the Cattle Market and Lorry Park to Newark Showground or other identified site(s); and**
- (d) Members agree the allocation of budget outlined in the exempt report to undertake feasibility work on developing the Newark Gateway Site (the exiting Cattle Market and lorry park), including the delivery of the Newark Town Investment Plan aspirations.**

Reason for Recommendations

To continue the development the Newark Towns Strategy and Investment Plan.

Background Papers

Nil.

For further information please contact Matt Lamb on Ext. 5842

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