

## **D2N2 INFRASTRUCTURE AND INVESTMENT BOARD (IIB)**

**January 2018**

### **N2 Towns Programme**

#### **1. Background**

In February 2015 DCLG awarded D2N2 Grant Funding to deliver the approved schemes on the Local Growth Fund (LGF). The LGF comprises of 52 schemes and runs until March 2021.

In March 2015 D2N2 and Derbyshire County Council issued the LGF Local Assurance Framework which sets out the procedures for managing and approving projects.

In April 2015 D2N2 appointed Derbyshire County Council as the Accountable body to administer the Local Assurance Framework.

#### **2. Scheme Overview**

The “Unlocking Growth in N2 Town Centres” Programme will deliver a set of physical improvements within key town and local centres across Nottinghamshire, designed to stimulate economic growth.

This is a programme comprising of a series of individual projects (currently 7) across the towns in Nottinghamshire as opposed to one project. This approach provides flexibility to develop a number of projects and bring them forward as they become ready to deliver.

A number of similar projects have already been funded and delivered in past years from the Local Growth Fund, these include Ada Lovelace and Bulwell Market.

The programme promoter is Nottinghamshire County Council who will take overall responsibility for the programme and work to bring forward a business case for each individual project ensuring they are all fully compliant with the Local Assurance Framework.

Below is a summary of the projects currently included in the Programme:

- Kirkby Leisure Centre and Town Centre Re-development (Ashfield DC)
- Reinvigorating Upper Bridge Street in Worksop (Bassetlaw DC)
- Beeston Square Phase 2 Redevelopment (Broxtowe BC)
- Arnold Market / Arnold Town Centre (Gedling BC)

- Carlton Square (Gedling BC)
- Mansfield Old Town Hall Redevelopment (Mansfield DC)
- Newark Buttermarket Redevelopment (Newark & Sherwood DC)

Each of these projects are now being progressed into individual final submissions, being developed in parallel to this Programme submission to the LEP and in accordance with the LEP's LAF and specifically, each requested to offer a detailed "Green Book" compliant business case and value for money assessment. It is anticipated that these will be concluded early in the 2018 calendar year. It will be noted that a number are seeking early spend, facilitated from the 2017/18 financial year.

The N2TC Programme approach offers significant flexibility in delivery, and further projects exist in the pipeline. These require further development but offer a healthy indication of demand, with all the projects combined potentially able to spend £10.7M of LGF resources, over £3M more than is available at the present time.

Each of these is subject to review and one or more of these projects will be brought forward to facilitate the Programme spending to target and to fulfil the expectation of the jobs created target. Specifically, the projects within the pipeline currently include:

- Stockwell Gate Mansfield ( Mansfield DC)
- Newark Gateway (Newark & Sherwood DC)
- Bingham Town Centre (Rushcliffe BC)
- Tudor Square West Bridgford (Rushcliffe BC)

### **The specific objectives for the programme are:**

The Unlocking Growth in N2 Town Centres programme will deliver a set of high quality town centre improvements, bringing forward in each case a unique customer-rich, mixed-use environment in which town centre businesses can prosper, offering sustainable employment opportunities and growth. Revitalised town centres will stimulate additional economic investment from the private sector by providing attractive town centres and a varied market offer, including high quality retail, leisure, residential and commercial provision.

Recognising that each town centre will have its own unique circumstances and considerations, the N2TC Programme aims to address a number of inter-related issues which are generally manifest in town centres across the area, summarised as follows:

- **Changing Shopping Habits.** Due to a number of factors, town centres face reducing footfall, an increase in vacant units, low investment and a resulting poor perception of the environment.

- **Vacant Premises.** Vacant units spoil the experience of town centre users and existing premises might not meet the requirements of potential new occupants.
- **Balance of Uses.** The balance of uses within a town can be undermined by the predominance of a particular type of use or single retail offer. An uneven spread of services and the retail offer across a town centre leads to uneven footfall and can threaten business viability.
- **Planned Growth.** Town centres will need to adapt to and accommodate changes in the levels of employment and housing development in the wider area, as promoted by the private sector.
- **Accessibility.** Poor links into and around the town centres, parking issues, (a lack of) pedestrianisation, traffic circulation and congestion can result in a reluctance to visit.
- **Appearance.** Increasingly unattractive environments contribute to reductions in footfall into the town centres.

Each town / service centre's needs are unique and the Programme has been designed to offer the required flexibility with projects developed and submitted into the Programme by the local partners, headed-up by the respective District Councils. The total programme cost is £20,025,737 with an LGF allocation of £7,625,000 and is funded as follows:

Project Title	Applicant	Match Funding	LGF contribution	Total Cost
Kirkby LC	ADC	8,110,000	1,500,000	9,610,000
Worksop TC	BaDC	1,800,000	1,800,000	3,600,000
Beeston TC	BrBC	400,000	750,000	1,150,000
Arnold Mkt	GBC	1,100,020	1,250,000	2,350,020
Carlton Square	GBC	265,717	350,000	615,717
Mansfield TH	MDC	700,000	700,000	1,400,000
Buttermarket	NSDC	650,000	650,000	1,300,000
<b>Totals</b>		<b>13,025,737</b>	<b>7,000,000</b>	<b>20,025,737</b>
<b>Total LGF Allocation</b>			<b>7,625,000</b>	

These figures and confirmation of match funding will be subject to checks and balances via the Final Business Case submissions made to the County Council and will be facilitated in line with the LAF process with the support of a commissioned external consultancy and the results will be made available to the LEP through regular monitoring.

### 3. Approvals and Procurement

Each project within the programme will need to demonstrate that they have the necessary approvals and have been through procurement to undertake delivery of their scheme as part of their Business Case.

### 4. State Aid

Each project will also need to demonstrate that it is state aid compliant.

### 5. Business Case

Given that this is a programme not an individual project, each project within the programme will undergo a separate business case review in line with the Local Assurance Framework.

Nottinghamshire County Council will take responsibility as accountable body for this programme, they will also appoint independent consultants to support them in reviewing each business case in terms of its value for money impact similar to all other LGF funded projects.

The LEP will work with the applicant to ensure consistency and compliance with the Local Assurance Framework and will monitor and report progress back to the IIB.

### 6. LGF Delivery Programme

Project Title	Applicant					
		17-18	18-19	19-20	20-21	Total
Kirkby LC	ADC	910,000	88,500	206,500	295,000	1,500,000
Worksop TC	BaDC		900,000	900,000		1,800,000
Beeston TC	BrBC	75,000	400,000	275,000		750,000
Arnold Mkt	GBC	1,250,000				1,250,000

Project Title	Applicant					
		17-18	18-19	19-20	20-21	Total
Carlton Square	GBC	35,000	95,000	220,000		350,000
Mansfield TH	MDC		630,000	70,000		700,000
Buttermarket	NSDC			500,000	150,000	650,000
<b>Totals</b>		<b>2,270,000</b>	<b>2,113,500</b>	<b>2,171,500</b>	<b>445,000</b>	<b>7,000,000</b>
<b>[LGF Available]</b>						<b>7,625,000</b>
<b>LGF Remaining</b>						<b>625,000</b>

## 7. Outputs and Outcomes

The key consideration for the N2TC Programme is the delivery of a Jobs Created output, anticipated at 665. From the prioritised projects, a target total of 612 jobs has been developed. Breaking this down as follows:

Project Title	Applicant	Jobs
Kirkby LC	ADC	78
Worksop TC	BaDC	158
Beeston TC	BrBC	300
Arnold Mkt	GBC	32
Carlton Square	GBC	4
Mansfield TH	MDC	20
Buttermarket	NSDC	20

<b>Total</b>	<b>612</b>
<b>[LGF Programme target</b>	<b>665]</b>

Including the pipeline projects, a total of 1,043 jobs may be created. In order to ensure the jobs' count is credible and additional, each project will be required to offer clear details as to how they intend to count and monitor the jobs created.

## 8. Local Assurance Framework

Currently given that this is a programme it is not yet compliant with the Local Assurance Framework. However each individual project within the programme will

develop a fully compliant Business Case which will be assessed by the applicant with support from the LEP to ensure compliance.

It is recommended that in order to take forward the programme the following conditions are put in place to provide reassurance of LAF compliance:

- Each project will have to complete a business case that is LAF compliant as part of the funding agreement. Payment of funds will be subject to compliance of this condition.
- A programme board is established by the applicant with representation from the LEP to oversee delivery of the programme
- A representative of the programme board attends and feeds back progress to the IIB officers group
- Quarterly reports to the IIB in 2018/19 on delivery

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