

**8<sup>th</sup> July 2024**

**Agenda Item:**

**REPORT OF SERVICE DIRECTOR OF GREEN GROWTH, INVESTMENT AND  
ASSETS**

**NEWARK SOUTHERN LINK ROAD PHASE 2 - FINANCIAL CONTRIBUTION**

**Purpose of the Report**

1. This is a key decision (added to the forward plan on 2 May 2024), which seeks approval to transfer the £3m contribution to Newark and Sherwood District Council (NSDC) as Nottinghamshire County Council's contribution towards the Newark Southern Link Road.

**Information**

Policy Background

2. National policy highlights the importance of sustainable and effective transport infrastructure to connect people and places and support economic growth. The national **Transport Investment Strategy** emphasises the need for a more reliable, less congested transport network to build a stronger, more balanced economy that responds to local growth priorities. The Government's **Levelling Up** policy agenda similarly highlights transport infrastructure improvements as a key driver in supporting local growth.
3. The **Nottinghamshire Plan** sets out the Council's ambitions to improve transport connections and attract investment in infrastructure, the economy and green growth by ensuring that our transport options meet demand, protect our environment, and reduce carbon. Completion of the NSLR will help alleviate local traffic pressure and complement planned improvements to the Strategic Route Network (SRN) managed by National Highways including the A46 and A1 near Newark-on-Trent.
4. Improving access to training and jobs, and moving goods more efficiently, is also central to Nottinghamshire's economic recovery and levelling up agenda. The Council's **Economic Transition Plan** (ETP) looks to maximise opportunities for transport infrastructure improvements within Nottinghamshire and ensure those projects with secured funding are ready for delivery. To help deliver these priorities, the Infrastructure and Transport Programme Delivery team work closely with a range of partners and stakeholders.
5. The route of the NSLR has been safeguarded within **NSDC's amended Core Strategy** (adopted March 2019). The NSLR is also identified within the district's Infrastructure Delivery

Plan as 'strategic infrastructure' which is required to deliver planned housing and employment growth at key sites around Newark.

### Scheme background

6. The NSLR is a new 5km road which will connect the A1 at Balderton to the A46 at Farndon along the southern fringe of Newark. The new road will help unlock the delivery of the Sustainable Urban Extension (SUE) known as Middlebeck currently being developed south of Newark. This includes up to 3,150 new homes and has the potential to create up to 5,000 new job opportunities for the local area. Currently there is a planning restriction that stipulates no more than 599 houses can be occupied before this infrastructure scheme is complete. The planning permission for the site will also see the creation of two new primary schools, 45,000 sq. ft of retail, financial and restaurant floorspace, general industry, a medical centre and 200 acres of open space.
7. The new link road will provide local access and help alleviate traffic pressures within the town of Newark. Once fully operational, the new road would become adopted highway and the County Council would be responsible for the ongoing maintenance. The route of the new link road is shown in Appendix A and is being delivered in phases.
  - i. The **first phase** of the link road connecting Staple Lane to the south and Bowbridge Lane to the north has been constructed and is now open to vehicles. This was funded by the developer of the Middlebeck Scheme.
  - ii. The **second phase** of the link road is being promoted by NSDC. NSDC secured £20m worth of funding towards the completion of the southern link road through the Levelling Up Fund (the maximum amount that NSDC could apply for under the funding criteria). As with other significant construction projects, increasing construction costs have resulted in a funding shortfall.
8. This infrastructure scheme will ease congestion and journey time reliability in and around Newark, as well as providing enhanced cycle and footway networks in the local area. The congestion within the town has been a long-standing issue and this scheme would significantly assist with easing this. The NSLR will also support National Highways planned A46 improvements as this will form part of the key diversion route during those works.
9. The highway works to connect Staple Lane to Bowbridge Roundabout are complete and the final connection to the A1 is expected to be complete by the end of November 2024. The target dates for completing the remaining works are as follows:
  - Bowbridge Roundabout to Hawton Road – Q4 2025
  - Hawton Road realignment – August 2024
  - All structures completed by July 2025
  - Hawton Road to A46 – Q1 2026

### Funding

10. The Leader of County Council wrote to NSDC, setting out the Council's support for the scheme following its Policy Committee meeting of 17<sup>th</sup> June 2021. Following this, the County Council agreed in principle to contribute £3m capital funding to secure delivery of the scheme (January 2023).

11. The £3m contribution is to be funded from capital receipts. A capital budget provision has been included in County Council's medium term financial plan for this allocation. By unlocking a very significant number of houses this scheme will generate additional income to the County Council through Council Tax receipts. These are estimated at a £16m uplift over a 10-year window based on an average Band D property.
12. The County Council funding contribution was agreed on the basis that this is a capped amount of £3m to be provided in the financial year 2024/2025 and no further allocation of funds will be provided by the County Council towards the scheme.
13. Once adopted by the County Council the annual maintenance funding requirement will be met from the annual DfT maintenance allowance based on road lengths.

### Summary

14. County Council investment in this scheme will help secure an infrastructure package of £80m, unlock 3000 new homes and provide 5000 new job opportunities for Nottinghamshire residents and shows the Council's further commitment to those places in the County that have been identified as Priority Places for Levelling up by the Government.

### Next Steps

15. It is proposed that the £3m capital funding contribution should be released to NSDC subject to the conditions set out in paragraph 17 of this report and the County Council's letter to NSDC dated 18<sup>th</sup> January 2023.

### **Other Options Considered**

16. Not making this funding contribution would undermine the viability of this scheme and would have a detrimental impact on National Highways' planned A46 dualling around Newark if the NSLR is not available as an alternative to the existing A46 SRN route during construction of that scheme. The funding contribution has already been agreed in principle by the County Council and not making the contribution could damage the reputation of the authority and limit the ability of the developer to complete the development or to provide similar levels of ongoing fees and commuted sums for these works.

### **Reason/s for Recommendation/s**

17. To approve the transfer of the previously agreed £3m capital funding contribution to NSDC as the County Council's contribution towards the Newark Southern Link Road

### **Statutory and Policy Implications**

18. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

## **Financial Implications**

19. The financial implications are set out within the body of this report.

## **RECOMMENDATION/S**

It is recommended that the Cabinet Member for Transport and Environment:

- 1) Approves the transfer of £3m capital funding contribution to Newark and Sherwood District Council, as the accountable body for this project, for the Newark Southern Link Road.

## **Wayne Bexton, Director of Green Growth, Investment and Assets**

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## **Constitutional Comments (LW 11/06/2024)**

20. The recommendation falls within the remit of the Cabinet Member for Transport and Environment by virtue of their terms of reference.

## **Financial Comments (GB 12/06/2024)**

21. It is proposed that the £3m contribution to the Newark Southern Link Road project is funded from capital receipts that are already approved and included within the Transport and Environment portfolio capital programme.

## **Background Papers and Published Documents**

- Report to Policy Committee 17<sup>th</sup> June 2021
- Letter from the Chief Executive of Nottinghamshire County Council to Newark and Sherwood District Council dated 18<sup>th</sup> January 2023

## **Electoral Division(s) and Member(s) Affected**

- Farndon and Trent, Councillor Sue Saddington