

Ross Enterprise Park Phase 1

Decision maker: Cabinet Member Community Services and Assets

Report by: Service Director Economy and Growth

Classification

Open

Decision type

Key

Wards affected

Old Gore; Penyard; Ross East; Ross West;

Purpose

To approve the expenditure of up to £550,000 (capital) to enable the development of Ross Enterprise Park, commissioning the detailed design work and any required surveys to inform a tender for the physical delivery of phase one of the approved scheme.

Recommendation(s)

That:

- a) To approve expenditure of up to £550,000 capital to deliver the detailed design stage of the proposed phase 1 development of Ross Enterprise Park;**
- b) Once detailed design stage completed, to approve and action the procurement of a contractor to complete the required works; and**
- c) To delegate all operational decisions to the Service Director for Economy and Growth in consultation with the Cabinet Member for Community Services and Assets to implement recommendations (a) and (b) including the award of the contract to the preferred bidder following conclusion of the procurement undertaken in accordance with the Contract Procedure Rules.**

Alternative options

- 1 Do nothing:** Do not develop Ross Enterprise Park and allow the market to meet the employment need of the Ross on Wye locality. This option has been discounted as there is an observed market failure for the delivery of new employment space of any scale within Herefordshire. The opportunity to obtain the benefits of the scheme would be lost. This is not recommended.
- 2 Utilise an alternative delivery model:** No other viable delivery models have been identified, but the proposed development model has been used with success at Skylon Park, Hereford Enterprise Zone. Efforts have been made to secure gap funding and Enterprise Zone status from Her Majesty's Government however as a result of the highly competitive nature of the initiatives, those applications

were ultimately unsuccessful. This is not recommended.

Key considerations

- 3 Ross Enterprise Park is one of the largest strategic employment sites in Herefordshire. It is a well situated site with excellent road transport links including easy access to the M50 (Midlands/South West), A449 (M4 corridor/Wales/South West) and the A49 (Marches/West Midlands/North West). The 15 hectare site, is allocated to provide 10 hectares of employment land that could in the fullness of time accommodate 29,400 square metres of new employment floor space and support up to 1,000 jobs, whilst supporting the growth of the local and wider economy. The entire site is in council ownership and vacant possession is available on providing the small holding tenants three months' notice.
- 4 The site has benefited from planning permission approved by the Planning and Regulatory Committee on 21 February 2018, and that consent will, if not implemented, expire on the 22 September 2025 meaning that physical work on site must commence before that date.
- 5 The [Herefordshire Economic Plan](#) identifies a critical need for employment land in strategic locations to support the growth of higher value jobs in the county. There remains a strong demand for employment land in Ross in Wye, with a number of local employers stating they will have to consider relocating out of the county if their growth needs can't be accommodated locally. The need/ demand for the development of the site was strongly supported in the [Ross on Wye Market Town Investment Plan](#), which identifies the need for additional employment land as the highest local priority, addressing the 10 year market failure to establish new land.
- 6 The proposed project will deliver as the initial phase 4 development plots of circa 1 acre each, dependent on the end mix of uses between office and light industrial space, delivering between 77,000 and 100,000 sq ft of floorspace and between 150 and 600 jobs.
- 7 This decision seeks approval to commission the detailed work be undertaken. The works to be included in the detailed design and subsequent delivery (subject to a separate decision) will include a new junction off the A40 , earthworks, drainage, utility and highways works to open up the Park and create 4 acres of development ready land. This will allow the scheme to be developed in phases that meet the market demand.
- 8 Work during this design stage (completing RIBA 4a), will be undertaken by a suitable provider(s) procured in accordance with the council's Contract Procedure Rules.
- 9 Once this design work has been completed a second decision will be brought forward to seek approval to implement the project.

Community impact

10. As outlined above, the project will meet the priorities of the Herefordshire Economic Plan and the Ross on Wye Market Town Investment Plan, in establishing employment land at a key strategic location in the county. The project also meets the administration's priorities to create higher value employment opportunities for local people.
11. The proposed development is also supported by the [Ross on Wye Neighbourhood Development Plan](#).

Environmental Impact

12. In commissioning the design team, we will ensure the highest possible environmental standards are achieved within the available budget. We will also seek assurances from any future businesses acquiring and developing the plots that they are also aim to achieve high levels of environment best practice building on the standards established on the Hereford Enterprise Zone.
13. The proposed scheme also includes a wetland/ landscaped buffer zone between current residential areas and the employment land, and active travel networks into and out from Ross on Wye town centre.

Equality duty

14. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to –

 - a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
16. An Equality Impact Assessment will be undertaken during the design phase to ensure that the development is open, accessible and inclusive for all. In line with the council's Equality Policy, when designing infrastructure schemes and redesigning the public realm in our city and town centres, we will work with user groups to ensure that the design improves access for all. And, in all our proposals, we will aim for the highest level of accessibility.

Resource implications

17. The Capital Programme Review decision taken by the full council on 8 December 2023 included a £12m allocation from the capital receipt reserve to support the development of employment land in the county ([Report Template Cabinet \(herefordshire.gov.uk\)](https://www.herefordshire.gov.uk/Report-Template-Cabinet)). With £8m being allocated for this project and the other £4m to deliver employment land in market towns.
18. The following decision seeks approval to spend up to £550K to undertake the detailed design stage of the project, and to meet project management costs. All procurements will be undertaken in accordance with the council's Contract Procedure Rules. The required works will take Phase 1 up to RIBA Stage 4 technical design stage (construction ready), including surveys to support design development and discharge of planning conditions, and fees for necessary statutory applications and consents. This builds on previous work commissioned by the council (£341k), required to seek planning approval and surveys of the site. The proposed phasing of the development of the site (in line with the available budget) will require some changes to the original design.

Capital cost of project	2023/24	2024/25	Total
Detailed Design	£50,000	£450,000	£500,000
Project Management Office	£5,000	£45,000	£50,000
TOTAL	£55,000	£495,000	£550,000

Funding streams (indicate whether base budget / external / grant / capital borrowing)	2023/24	2024/25	Total
Capital Receipts Reserve	£55,000	£495,000	£550,000
TOTAL	£55,000	£495,000	£550,000

Legal implications

19. All procurement relating to the recommendations must be undertaken in accordance with the Council's Contract Procedure Rules.

Risk management

20. The following are the key risks associated with the project. The project will be supported by the Project Management Office with risks and issues tracked via the Verto project management system and at monthly project and programme board meetings.

Risk / opportunity	Mitigation
No demand for development plots once established.	There has been a 10 year market failure to establish new employment land in Ross on Wye. The need for land has been evidenced in the council's Levelling Up Fund application, subsequent review by CBRE on behalf of the council, and in the Local Plan review evidence base.
The first 4 acres of development cannot be delivered within the £8m budget allocation.	The budget requirement has been identified through an extensive review by CBRE, commissioned by Herefordshire Council. The review considers a cost review of all information established to date. This will be further reviewed through the detailed design stage and market tested through procurement.
The detailed design stage costs exceed £550K.	The detailed design stage requirements have been assessed and identified in the CBRE report.
Delays to the project increase costs	The detailed design stage needs to be commissioned as soon as possible to ensure the project can proceed within the required timeframe.

Consultees

21. A political group consultation has been undertaken which Cllr Hitchiner and Cllr Stark attended. Both expressed support for the proposed development recognising the need for employment land in the area, but also how the development of the wider site can make a significant contribution to housing and employment for the county as a whole. That the value for money of this first phase needs to be considered as a first step in bringing forward the wider site. There was strong support for reducing the speed limit to 40mph on the relevant section of the A40 to aid safety both for the employment land site and nearby residential developments. The development should also be utilised to enable a number of businesses to grow, creating employment rather than becoming a larger distribution location.

Appendices

None

Background papers

None

Report Reviewers Used for appraising this report:

Please note this section must be completed before the report can be published

Governance

John Coleman

Date 16/01/2024

Finance	Karen Morris	Date 24/01/2024
Legal	Emma-Jane Brewerton	Date 22/01/2024
Communications	Luenne Featherstone	Date 16/01/2024
Equality Duty	Harriet Yellin	Date 16/01/2024
Procurement	Lee Robertson	Date 23/01/2024
Risk	Kevin Lloyd	Date 16/01/2024

Approved by	Ross Cook	Date 02/02/2024
-------------	-----------	-----------------

[Note: Please remember to overtype or delete the guidance highlighted in grey]

Please include a glossary of terms, abbreviations and acronyms used in this report.