



Ross Enterprise Park Phase 1; Construction Phase

Decision maker: Cabinet Member Community Services and Assets

Report by: Director for Growth

Classification

Open

Decision type

Key

This is a key decision because it is likely to result in the council incurring expenditure which is, or the making of savings which are, significant having regard to the council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.

Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Wards affected

Old Gore; Penyard; Ross East; Ross West;

Purpose

To approve the expenditure of up to £7.229 million of allocated capital funding to progress delivery of Ross Enterprise Park (phase 1) into the next phase of construction, and to undertake procurement for a main contractor and other essential suppliers to deliver those works.

Recommendation(s)

- a) **To approve expenditure of up to £7.229 million for construction works as set out in Appendices 1 to 3 and associated activity to secure delivery of phase 1 development of Ross Enterprise Park; and**
- b) **to delegate to the Director for Growth authority for all operational decisions necessary to deliver the works in (a), including the agreement and implementation of a suitable procurement strategy to secure the necessary suppliers.**

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 the 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 tenant requisite notice.
4. The site has benefited from planning permission approved by the Planning and Regulatory Committee on 21 February 2018, and that consent will expire if not implemented before February 2026, 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. Phase 1 of the project will deliver an initial four 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. The site will be constructed to ground level, including services, road and drainage infrastructure, and marketed as serviced plots for subsequent development by others. Phase 1 will also include all public highway and active travel improvements necessary to satisfy planning obligations.
7. A design phase, now nearing completion and the outcome resulting from a [previous decision in February 2024](#), has seen previous feasibility and design work adopted and improved upon, and developed to a fully detailed RIBA stage 4 standard suitable for construction and discharge of planning requirements. The resulting design package will feed into a procurement process to appoint a main contractor along with other essential providers to progress delivery into the construction phase.

8. This decision seeks approval to commission the construction-phase work. The works to be included will include a new junction off the A40, earthworks, drainage, utility and highways works necessary to open up the Enterprise Park, secure the planning consent and create circa four acres of development-ready land. The wider site infrastructure and highways work delivered will then allow the full scheme to be subsequently developed in future phases that meet the market demand.

Community impact

9. 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.
10. The proposed development is also supported by the Ross on Wye [Neighbourhood Development Plan](#).

Environmental Impact

11. Herefordshire Council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment. The environmental impact of this proposal has been considered through the service specification and includes appropriate requirements on the contractor/delivery partner to minimise waste, reduce energy and carbon emissions and to consider opportunities to enhance biodiversity. This will be managed and reported through the ongoing contract management
12. In commissioning the construction delivery partners 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 also aim to achieve high levels of environment best practice building on the standards established on the Hereford Enterprise Zone. state how this decision / proposal seeks to deliver the council's [environmental policy commitments](#) and aligns to the following success measures in the County Plan.
13. The proposed scheme also includes a wetland/ landscaped buffer zone between current residential areas and the employment land, and active travel networks linking to Ross on Wye town centre.

Equality duty

14. Due to the potential impact of this activity being low, a full Equality Impact Assessment is not required. However the following equality considerations have been taken into account as part of the strategy behind this decision.
15. Central to the strategy for developing the site are the aims of supporting the development/ expansion of businesses in the area and the creation of inclusive employment opportunities for people within the region taking up employment with them.
16. The buildings and surrounding infrastructure constructed by third parties following sale of the development-ready plots will be controlled under the building regulations, specifically part M.

Part M of the regulations specifically will provide a mechanism to ensure that the buildings (and therefore the employment opportunities within them) are physically accessible to all.

17. The designs for the public infrastructure serving the development incorporate new active travel routes for walking, cycling and other wheeled options, a pedestrian/cycle-friendly reduced speed limit within the highway and provision for public transport links.

Resource implications

18. The Capital Programme Review decision taken by the full council on 8 December 2023 included a £12 million allocation from the capital receipt reserve to support the development of employment land and business incubation space in the county [Report Template Cabinet \(herefordshire.gov.uk\)](https://www.herefordshire.gov.uk). £8m of this total was allocated for Ross Enterprise Park and the other £4 million to deliver employment land and business incubation space in other market towns.
19. A key decision taken in [February 2024](#) approved expenditure of an initial £550,000 capital in order to complete necessary site investigations, progress design to RIBA stage 4 (detailed engineering-level design) and discharge pre-commencement planning matters. A subsequent non-key decision authorised a further sum of £221,000 to progress underground service diversions as essential enabling work ahead of the main construction phase. This report concerns expenditure of the remaining £7.229 million balance from the original £8 million capital allocation.
20. The commissioning of a construction contractor and any other procurements necessary will be undertaken in line with the Council's Contract Procedure Rules with support from the Commercial Services and Legal teams. The most appropriate strategy for procurement will be established through collaboration with the appointed professional support consultants and informed by market engagement.
21. Delivery of the works will be supported by the directorate project management team, funding for which is accounted for in the capital budget.
22. The Economic Development Inward Investment budget will be utilised to market the site, there is already a high demand and we receive enquiries on a weekly basis. Like the Hereford Enterprise Zone, it is likely that the majority of the plots will be sold freehold and future occupiers will be responsible for the management of their own site. A form of management company is proposed (detail to be developed) funded by the freehold occupiers to manage and maintain shared spaces and facilities.

Capital cost of project		2025/26	2026/27	Future Years	Total
		£000	£000	£000	£000
Construction-phase expenditure, including internal staff and project management costs		4,173	3,056	0	7,229
TOTAL		4,173	3,056	0	7,229

Funding streams (indicate whether base budget / external / grant / capital borrowing)		2025/26	2026/27	Future Years	Total
		£000	£000	£000	£000
Capital funding allocation		4,173	3,056	0	7,229
TOTAL		4,173	3,056	0	7,229

Legal implications

23. The Property and Legal teams have been and will continue to be closely involved in managing the relationship with existing tenants of the council-owned land as the project moves into the construction phase.
24. All procurement activity will be carried out in accordance with the council's Contract Procedure Rules and the Procurement Act 2023.

Risk management

25. Risks will be captured and managed through the council's project management framework and a project risk register maintained with regular review. In the case of significant risks the project risk register will feed into the service and corporate risk register.
26. The following risks and mitigations have been taken into account when considering the spend of the capital budget:

Risk	Mitigation
Lack of 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. Monitoring of the local economy and market will continue.
Phase 1 development (4 acres) cannot be delivered within the budget allocation (£8m)	The budget requirement has been identified through an extensive review of the scheme by CBRE in 2023, commissioned by Herefordshire Council. This data has been refined and developed during the design phase to ensure robustness as far as possible and to factor in economic conditions since the original projections. A value engineering process starting with the CBRE review and continuing into design also sought to identify efficiencies through re-defining site levels and establishing an appropriate speed limit on the abutting highway. Appointed cost consultants will continue to monitor costs through procurement and construction.
Existing fibre cables crossing site entrance	Early engagement with the telecoms operator leading to diversion of the cables during the pre-construction phase.
Existing farm tenant/farm shop in-situ	Positive engagement and forward planning via Property Estates and Legal teams
Expiry of planning permission	Commencement of construction phase as per this report.
40mph speed limit a requirement for rationalised highways access	Engagement with highways department. Early attention to TRO process. Co-ordination with adjacent housing development which also benefits from a reduced speed limit.
Highways work to Over-Ross roundabout to satisfy planning consent	Close engagement with planning and highways agency over requirements and timing

27. The risks identified in this report have been appropriately recorded on the relevant risk register and escalated in line with the Council's Risk Management Strategy. Governance and monitoring arrangements are in place to ensure these risks are actively managed throughout the delivery of the project.

Consultees

28. This development is one of the key aspirations emerging from the Market Town Investment Plan developed in partnership with Ross Town Council. The plan was informed by consultation with a well-represented steering group of local and county Councillors. A series of meetings and a town 'walk through' helped to establish an emerging list of projects and the basis for further and wider engagement with a number of local stakeholders. Further engagement meetings with the Town Council in the early stage of the commission also refined understanding of the objectives of the Town investment Plan process and provided the basis for expanded engagement into the wider community stakeholders relating to the projects listed.
A Town Stakeholder Zoom meeting was held in 2020 to which all those identified were invited; this meeting was chaired by a Town Councillor and included some twenty stakeholders. The meeting identified a number of themes for the Town Investment Plan to consider and develop. Principal amongst these themes were concerns in relation to the availability of employment land for local businesses, and the need to maintain and develop facilities and offerings in relation to tourism. A number of thematic meetings with relevant stakeholders were held to consider the key themes in more detail and identify the vision, strategic objectives and project ideas for inclusion in the Plan. In parallel there was extensive consultation with potential delivery and funding partners. This has included engagement with private landowners, local businesses, developers and county-wide and regional sector representatives.
29. Cabinet Members for Community Services and Assets and Economy and Growth have been regularly briefed on project progress and are fully supportive with regards realisation of the original project objectives.
30. The project was initiated following a [previous decision in February 2024](#) which approved the commencement of the design and procurement stages. The Political Group Consultation carried out to inform that decision remains equally valid for this decision to continue into the next stage, and so that consultation has not been repeated.

Appendices

Appendix 1: Phase 1 Site Plan

Appendix 2: Phase 1 Civils Strategy Plan

Appendix 3: Phase 1 S104 Layout Plan

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 04/07/2025

Finance	Karen Morris	Date 25/06/2025
Legal	Sean O'Connor	Date 23/06/2025
Communications	Luenne Featherstone	Date 23/06/2025
Equality Duty	Harriet Yellin	Date 20/06/2025
Procurement	Nena Beric	Date 02/07/2025
Risk	Paige McInerney	Date 01/07/2025

Approved by	Ross Cook	Date 30/06/2025
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Please include a glossary of terms, abbreviations and acronyms used in this report.