

HIGH PEAK BOROUGH COUNCIL

Report to Economy and Growth Select Committee 8 February 2018

TITLE:	Bingswood Industrial Estate – Access and Infrastructure for Employment
EXECUTIVE COUNCILLOR:	Councillor Kemp – Executive Councillor for Regeneration
CONTACT OFFICER:	Pranali Parikh – Regeneration Manager
WARDS INVOLVED:	Whaley Bridge

Appendix 1 - Bingswood Industrial Estate Masterplan

1. Reason for the Report

The report sets out the results of long-running negotiations with owners of businesses at Bingswood Industrial Estate in Whaley Bridge. The negotiations have been aimed at securing a financial commitment from the businesses to build a new bridge and associated infrastructure to improve access on to the estate and reduce HGV traffic in the town centre. Under current funding rules the project requires a mixture of public and private funding in order to gain the essential external support. The D2N2 Local Enterprise Partnership (the LEP) has made it clear that any public funding must be matched by a significant contribution from the private sector beneficiaries of the investment. The report states that the businesses are not willing to make this contribution and therefore the recommendation is to close the project to build a bridge connecting the northern part of the industrial estate via a bridge across the River Goyt.

2. Recommendation

- 2.1 That no further work is committed to the concept of a public/private sector solution for construction of a new access bridge to the estate near Tesco, to highways adoption standards.
- 2.2 That Council support is switched to assisting individual landowners to bring forward a less ambitious scheme that may deliver at least some improvement to the access issues.

2.3 That the Council continues to work with existing businesses on the Bingswood estate to facilitate and encourage growth, and to develop resilience to potential disruption which might be caused if the existing bridge fails.

3. **Executive Summary**

3.1 The provision of a new access to the Bingswood Industrial Estate has been a long-standing aim of the Council. It is identified as a key priority project in the Council's Growth Strategy that promotes the development and delivery of employment sites along the A6 Enterprise Corridor.

3.2 The project is to create a new access to the estate in order to ensure the future of business in this location. The current access is through a narrow bridge from the south. The existing access creates traffic congestion in the town centre and results in HGV movements across the heritage canal basin and a residential area.

3.3 The existing estate is currently home to 17 businesses, predominantly in the engineering and manufacturing sectors currently employing approx. 200 people from the local area.

3.4 The Council has spent many years on the project, successfully secured the land for the bridge, carried out design and feasibility work, and negotiated with a variety of funders during that time; principally, East Midlands Development Agency, Derbyshire Economic Partnership, Derbyshire County Council and D2N2 Local Enterprise Partnership LEP). However, the LEP has made it clear that because of State Aid rules significant contributions from private sector beneficiaries are a requirement of receiving a grant funding offer.

3.5 A key point is that there can be little doubt that should the proposed bridge be built then the asset value of the business premises will increase and those businesses would also be relieved of some inevitable repair costs and risks to business continuity should the existing privately owned bridge fail.

3.6 Various discussions have taken place with the local businesses over a long period of time in order to bring about agreement for a joint venture. All these discussions have failed to get the support of a majority or even a strong minority. A last attempt was made to do so recently, but those businesses present confirmed that they would prefer to maintain the existing bridge as the need arose and not invest in a new bridge. Consequently it is not possible to secure the public funding required to carry out further design work so any further work on the project must conclude.

3.7 Under the terms of the section 106 agreement negotiated in 2009 the Council owned the land for the northern footing subject to a contract for the construction of a new bridge being let by March 2019. It is clear that as a result of the recent negotiations this is now not possible. Consequently the ownership of the land will revert to the previous owners on 9th March 2019.

3.8 Currently the Council has an option to purchase the United Utilities land for the bridge footing on south side. This is due to expire at the end of March 2018. United Utilities have indicated that should the sale not complete by this date,

the land will be offered for sale on the open market.

4. **How this report links to Corporate Priorities**

- 4.1 Work to support existing businesses identify opportunities for growth will meet the corporate aims to Support Economic Development & Regeneration. Specifically, it will meet corporate objectives to encourage business start-ups and enterprises. Use of the S106 contribution as grant funding to support local groups will help create flourishing town centres that support the local economy, and promote tourism.

5. **Options and Analysis**

- 5.1 Option 1 – Continue the project as it is. This is not possible without significant financial support from the businesses who will benefit from the project. This support is not in place and therefore any public funding bid will fail. Consequently it would be a poor use of public resources to continue to pursue this option. **This option is not recommended.**

Option 2 - Close the project and end the option of a new bridge but work with existing businesses on the estate to support options for growth on or off site.

Officers will work to support business expansion both on and off the Bingswood estate, working with businesses to secure funding for growth and identify alternative sites for expansion.

This is the recommended option.

6. **Implications**

- 6.1 Community Safety - (Crime and Disorder Act 1998)
No implications
- 6.2 Workforce
No implications
- 6.3 Equality and Diversity/Equality Impact Assessment
Equality and Diversity Impact will be considered as part of any ongoing work.
- 6.4 Financial Considerations
As per the report in April 2016.
- 6.5 Legal
None
- 6.6 Sustainability
No implications

6.8 Risk Assessment

The key risk is that business growth is restricted if the existing bridge fails

- Officers will work with businesses to secure funding for growth, and identify and bring forward alternative sites for expansion.

7.0 **Background**

7.1 The provision of a new access to the Bingswood Industrial Estate has been a long-standing aim of the Council. It is identified as a key priority project in the Council's Growth Strategy.

7.2 Work undertaken to date includes:

2003 - Bridge Design. Detailed constructional drawings were completed by Scott Wilson towards the end of 2003 and formed the basis of the planning approval in 2005.

2005 -Planning permission for a single span bridge was granted (ref HPK/2005/0152 full application). The application has expired and has not been renewed.

2006- A S106 Agreement for £100,000 was negotiated as part of planning application HPK/0003/9795 to contribute to a new bridge access to the Bingswood Industrial Estate, Whaley Bridge. £7,000 was subsequently spent on preliminary work in 2006, leaving £93k outstanding, together with approximately £21k interest. The S106 Agreement between the Council and Tesco contributing to the proposed employment project at Whaley Bridge expired 9/8/2015 and under the terms of the agreement the outstanding balance was returned. A report was prepared for the Executive in July 2015 to update the councillors regarding this.

2007- Approval In Principle (AIP) was undertaken by Scott Wilson (reviewed 2010) to check the design and technical specification of the bridge to ensure compliance with building and technical standards and obtain an AIP from Derbyshire County Council.

2009 - Masterplan and Development Appraisal - a masterplan for the area was completed in April 2009 by Broadway Malyan. The Masterplan focuses heavily on the solutions for the existing estate and creation of a new access bridge and road over land owned by United Utilities. The plan sets out a number of options for the delivery of the bridge, development of additional employment land opened up, and the enhancement of trading conditions on the existing estate.

2015 - An outline funding bid for £3.28m for delivery of the bridge was submitted to the D2N2 Local Economic Partnership (LEP) in 2015. The bid was unsuccessful.

2016 - In April 2016 Tesco agreed to waive the interest of £20,825.78 on the outstanding amount on the condition that this money is used for the bridge or if it is not possible to spend the sum within five years to ensure the bridge is constructed then the money should be set aside for grants to local groups to benefit their communities. A tender exercise was undertaken in 2016 for the revision of bridge engineering design and Approval in Principle (AIP). The Tender for the AIP and engineering design exceed the budget available. The lowest quote was in the region of £60,000 exceeding the £21,000 available and procurement was suspended.

2017- An option arrangement was negotiated with UU for the purchase of the land for the bridge footing (south side). This option expires March 2018. Active and direct engagement with businesses has taken place.

The Chair and Director of D2N2 LEP visited the site in December 2016 and November 2017 and stated that more active and direct involvement from businesses in funding the project would be needed to secure public funding. The Council held a series of meetings with the businesses and a draft memorandum of understanding was considered for all partners to work together.

- 7.6 The S106 agreement currently in place to allow the Council to access land adjacent to the Tesco site, requires that the tender for construction is let by 2019 or ownership of the land required for the bridge footing (north side) reverts to High Peak Developments.
- 7.8 Given the time constraints imposed by the S106, the deadline for the option to purchase the United Utilities site, and critically the unwillingness of the business beneficiaries to contribute to the scheme it is clear that the project cannot be delivered in the timescales available and is therefore recommended for closure.
- 7.9 Following the meeting with businesses in November 2017, Council has invited interested businesses to engage in conversation regarding growth potential of the businesses on the estate and how Council may support them. According to the current Local Plan policies, the provision of new access to the Bingswood Industrial Estate needs to be constructed before any further development of the site.

Dai Larner
Executive Director - Regeneration

Background Papers

April 2016 report to Corporate
Select

[https://democracy.highpeak.gov.uk/
Data/Corporate%20Select%20Com
mittee/201604111830/Agenda/107_
whaley_bridge_report_0.pdf](https://democracy.highpeak.gov.uk/Data/Corporate%20Select%20Committee/201604111830/Agenda/107_whaley_bridge_report_0.pdf)

Appendix 1

Contact details

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