

## **HAMBLETON DISTRICT COUNCIL**

**Report To:** Cabinet  
5 December 2017

**Subject:** LEEMING BAR STRATEGIC EMPLOYMENT SITE

**Bedale Ward**

**Portfolio Holder for Economic Development and Finance: Councillor P Wilkinson**

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### **1.0 PURPOSE**

1.1 The purpose of this report is to:

- update Cabinet about the investigatory work that has been undertaken in order to support a proposed new strategic employment site at Leeming Bar and evidence its deliverability;
- highlight the next steps and to request approval for funding to progress these activities;
- investigate the business case for Council involvement in implementation.

### **2.0 BACKGROUND**

2.1 The Council is preparing a new Local Plan that will, amongst other things, set out its economic growth ambitions to 2035. Once adopted, the Local Plan will be a key tool, which will underpin the priorities of the Council's Economic Strategy and the Inward Investment Strategy.

2.2 Local Plans must be evidenced based, robust and capable of delivery. As part of the process the Local Plan will be subject to detailed scrutiny and challenge at the examination stage.

2.3 The longer terms analysis of the Hambleton Economy, reveals a number of challenges and weakness, which without intervention will result in the economy stagnating and lagging behind growth at a regional and national level. To address this it will be necessary that we offer employment land with appropriate infrastructure, scale and presence to facilitate the growth needs of both our indigenous businesses and to attract inward investment.

2.4 As a result, the Planning and Business and Economy Teams were asked to investigate the potential inclusion of a strategic site at Leeming Bar. This work identified a potential site which could be developed in a phased approach with an initial allocation of 15.8 Ha's in the new Local Plan (see plan in Appendix 1).

2.5 The following investigations have been undertaken:

- An Indicative Masterplan for the site has been prepared, for the purposes of assessing the site, together with options for phasing.
- Environmental and Ecology Review and Report.
- Highways Assessment Technical Note
- Flood Risk Constraints and Drainage Strategy
- Utilities Opportunities and Constraints Technical Note
- Infrastructure and speculative building costings have been prepared
- Review of Land Title
- Discussions with landowners to establish their willingness to include their land in the Local Plan and to sell land for employment uses.
- An independent, high level viability assessment.

### **3.0 CONCLUSIONS FROM THE INITIAL INVESTIGATIONS**

- 3.1 The initial investigatory work suggests that there are no constraints preventing the site coming forward for employment purposes.
- 3.2 With respect to environment, ecology, surface water, utilities (gas, electricity and BT) and the ethylene pipeline, generally there are no issues which cannot be dealt through the design. In relation to electricity there is a need to firm up NEDL's proposals for servicing the site and potential diversion of apparatus.
- 3.3 In respect of highway issues both in design and trip generation terms, the advice provided by the Council's consultants is that an access from either Leases Road or the new bypass would be acceptable. NYCC have concerns about access from the bypass and has indicated a preference for the Leases Road option and further discussions are required with NYCC on this aspect.
- 3.4 Yorkshire Water believe there is sufficient capacity in the foul network and at the sewage treatment works to cater for the predicted site generated foul water and trade effluent. Previous experience suggests further work with Yorkshire Water is required on this aspect.
- 3.5 All land owners support the inclusion of their land in the Local Plan, with the exception of the land owner who owns land in the very north east corner of the site, with whom we have not been able to make contact.
- 3.6 Work undertaken to investigate the financial viability of the site has shown that there are viable delivery models, which could generate an acceptable developer profit, but these would require public sector intervention. Officers believe the level of intervention required would not be un-reasonable, bearing in mind the likely job outputs that such a site could generate for a public sector funding partner.

### **4.0 NEXT STEPS / FURTHER WORK REQUIRED**

- 4.1 The investigatory work to date has been high level but invaluable to our understanding of the critical technical and financial issues associated with the potential development of the Leeming Bar Aiskew Moor Site.
- 4.2 The approach taken with the investigations is incremental, minimising the financial risk to the authority whilst ensuring we have sufficient information to allow key decisions to be made that support the delivery of the Local Plan and potential delivery of the Leeming Bar Site.
- 4.3 As a result of the above work it is clear that the following further work is required to give confidence about the deliverability and viability of the Leeming Bar Aiskew Moor Site and to investigate if there is a business case for Council involvement in the development. Some of this due diligence work can be undertaken by officers, some will need to be done through the engagement of external support and progressing utility enquiries. The work includes:
  - **Market Demand** – further research to update our intelligence from our indigenous businesses about their future growth plans and external market research to support our understanding of the potential inward investment opportunity.
  - **District Auditor Land Valuation** – securing a formal land valuation for the Leeming Bar Aiskew Moor Site.

- **Highways Access** - meeting with North Yorkshire County Council on a highways access from the bypass and in any event to secure a definitive position.
- **Yorkshire Water Trade Effluent** – securing a definitive position through a formal application for a trade effluent discharge into Yorkshire Waters sewerage network.
- **Utilities Generally and Specifically NEDL Electricity Supply and Potential Diversion of Apparatus** – to date we have progressed preliminary enquiries with the utility companies. To give greater confidence the proposal is to secure a Budget Estimate for all design, construction and diversion costs based on the preliminary design.
- **Complete The Title Review**

4.4 The intention is to complete this work by the end of February 2018 which would include whether there is a business case for Council involvement in implementation of the project.

## 5.0 LINK TO COUNCIL PRIORITIES:

5.1 A key strategic priority for the Council is driving economic vitality. Unlocking the growth potential through the development of a strategic employment site at Leeming Bar will have a direct and positive impact on employment and business growth for the district. Leeming Bar is recognised by the Council as a strategic location for businesses and employment and the project is identified in the Hambleton Economic Strategy – A Place to Grow, for delivery under the priority theme ‘Driving Growth’, project G4 (a).

5.2 The York, North Yorkshire and East Riding Local Enterprise Partnership puts an emphasis on developing the growth corridor located around the A1(M), A19 and East Coast mainline and identifies within their Strategic Economic Plan support for the sectors associated with food manufacturing, agri-tech and bio-renewables. This should give comfort that the LEP, from a policy and priorities position are able to support the strategic employment site at Leeming Bar.

## 6.0 RISK ASSESSMENT:

6.1 There are no strategic level risks in approving the recommendations.

6.2 The key risk in not approving the recommendation as shown below:-

<b>Risk</b>	<b>Implication</b>	<b>Prob*</b>	<b>Imp*</b>	<b>Total</b>	<b>Preventative action</b>
The technical, financial and demand evidence remains inconclusive.	Could impact on the ultimate approval of the Local Plan.	4	5	20	Approve additional investigatory work and funding needed to progress.

Prob = Probability, Imp = Impact, Score range is Low = 1, High = 5

In summary there is a higher risk in not approving the recommendations

## 7.0 FINANCIAL IMPLICATIONS:

7.1 During the next stage the following funding will be required to undertake the work identified in Section 4.3 of this report.

<b>Activity To Be Funded</b>	<b>Amount of Funding Required (excl VAT)</b>
Market Demand (external support)	up to £20,000
District Auditor Land Valuation	£5,000
Highways Access	£1,000
Yorkshire Water Trade Effluent	£4,000
Utilities Generally and Specifically NEDL Electricity Supply and Potential Diversion of Apparatus	£4,000
Complete The Title Review	£500
Third Party Charges (from utility companies to prepare C3 estimates)	up to £9,000
<b>Totals</b>	<b>up to £43,500</b>

7.2 Costs of undertaking the above work will be funded from the Economic Development Fund.

### **8.0 LEGAL IMPLICATIONS:**

8.1 Legal documentation will need to be drawn up covering the appointment of consultants and the delivery of investigatory services by utility companies.

### **9.0 EQUALITY/DIVERSITY ISSUES:**

9.1 The recommendations proposed within this report have no impact on equality or diversity.

### **10.0 RECOMMENDATION:**

10.1 It is recommended that:

- (1) a budget of up to £43,500 be allocated to cover the investigatory services as identified in Section 4.3 of the Cabinet report and for this to be funded from the Economic Development Fund; and
- (2) a further report be brought to Cabinet on the business case for Council involvement in the implementation of the project.

HELEN KEMP  
DIRECTOR OF ECONOMY AND PLANNING

**Background papers:** WSP Feasibility Investigations, Keppie Massey Financial Viability Investigations and The Archaeological, Ecology and Flood review undertaken by HDC.

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