

Committee: **Executive Committee**

Date of meeting: **24th February 2021**

Report Subject: **Employment Park, Lime Avenue – Progress Update**

Portfolio Holder: **Cllr D Davies, Executive Member Regeneration and Economic Development**

Report Submitted by: **Owen Ashton, Service Manager Business & Regeneration**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
	10.12.20	09.02.21			06.01.21	24.02.21		

1. Purpose of the Report

- 1.1 The purpose of this report is to provide Members with a Progress Update on the Employment Park, Lime Avenue, Works Site, Ebbw Vale.

2. Scope and Background

Background

- 2.1 The Employment Park, Lime Avenue is a 4.38-acre site located at the south of the Works Site, Ebbw Vale. The site has planning permission for the construction of 6 units with a Net Development Area of approximately 17,755-sqm.
- 2.2 Funding of £2.58m has been secured from WEFO and attempts have been made to secure further funding from Welsh Government via Tech Valleys to deliver the approved scheme.
- 2.3 Following discussions with Tech Valleys and discussions with Coalfields Regeneration Trust (CRT) on other projects, CRT have made enquiries to deliver property related projects at the Works Site and expressed an interest in developing the Employment Park. Working collaboratively with the Welsh European Funding Office (WEFO), Welsh Government (WG) and CRT, Blaenau Gwent County Borough Council (BGCBC) has sought to develop a deliverable scheme at the site.

Current Position

- 2.4 Under the CRT delivery model, the site would be acquired by CRT and their internal Property Team design, procure and manage the works on site and, once constructed, the units are let with a proportion of any profits reinvested locally.

- 2.5 CRT propose that they will need to re-design the current approved proposal in line with similar developments that they have successfully delivered elsewhere. Detailed costs are currently being established, with an outline cost estimate in the region of around £8m. CRT are in discussions with Welsh Government to secure a Property Development Grant and utilising the WEFO funding to deliver the scheme.
- 2.6 Further work is needed to ensure a suitable and appropriate design at a gateway to the Works Site; this will be facilitated through the Planning process. Along with the designs of the buildings themselves, additional site investigation work will be required to inform the type of foundation required, both of which will have an impact on the cost of the scheme.
- 2.7 The parcel of land is owned freehold by BGCBC and discussions are ongoing with CRT to confirm the nature of the disposal. Likewise, further work is being undertaken to ensure that CRT activities complement the work of BGCBC Regeneration in relation to skills training and support for businesses
- 2.80 Fundamentally, the project represents an excellent opportunity to continue the development of the Works Site, delivering a collaborative project which will support local businesses and residents.

3. **Options for Recommendation**

- 3.1 Option 1 – Members to accept the content of the report.
- 3.2 Option 2 – Members to not accept the content of the report

4. **Evidence of how this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

- 4.1 This project supports the achievement of the Council's Corporate Plan 2020-22 Outcome Statements:
- Protect and enhance our environment and infrastructure to benefit our communities
 - Support a fairer sustainable economy and community
- 4.2 The Council's Well-being Plan for 2018-23 includes 5 Objectives. This project directly supports the objectives of creating 'safe and friendly communities' and 'forge new pathways to prosperity'.

5. **Implications Against Each Option**

5.1 ***Impact on Budget***

BGCB has already undertaken design work and site investigations and it is proposed that the costs which have already been incurred will be absorbed into the funding package for the project – this has been accepted in principle by CRT.

5.3 ***Risk***

Officers will continue to work with CRT, WEFO and the WG to mitigate risks to BGCB, much of which will be worked through the Planning approval process (as the current designs are proposed to be revised). Should the scheme not proceed, the expenditure which has already been incurred, including design work and site investigations, will need to be covered by existing budgets and the site will likely remain undeveloped for some time and the loss of the £2.58m from the area. Running alongside this, there is potential risk of reputational damage to the Council should the scheme not proceed, with the Council seen to be not 'delivering' a project – this could have implications for future funding for projects.

5.4 ***Legal***

A disposal agreement will need to be entered into with CRT which will be overseen by the BGCB Estates team.

5.5 ***Human Resources***

Staff within the Regeneration and Estates will work collaboratively to bring the scheme to fruition.

6. **Supporting Evidence**

6.1 **Performance Information and Data**

The project is based on a robust analysis of data and information which has established a demand for the project.

6.2 **Expected outcome for the public**

The project provides an excellent opportunity for existing and new businesses within Blaenau Gwent to establish and grow on the Works Site and for residents to access training locally.

6.3 **Involvement (consultation, engagement, participation)**

The project has the potential to deliver a key site forming part of the Works Masterplan, working with a Third Sector partner to provide premises for local businesses.

6.4 **Thinking for the Long term (forward planning)**

The project has the ability to increase the range of premises available to local businesses and a pathway for growth in the area.

6.5 **Preventative focus**

The project will ensure that WEFO funding of £2.58m is not lost to the area and a range of new premises are created for businesses and social enterprises.

6.6 **Collaboration / partnership working**

The project can be seen as an excellent example of collaborative and partnership working between BGCB, WEFO, Welsh Government and the Coalfields Regeneration Trust in delivering high quality premises that supports the regeneration of the county borough.

6.7 Integration (across service areas)

Consultation has been undertaken across Planning and Regeneration and the initial designs and development work has been completed by Tech Services.

6.8 EqIA (screening and identifying if full impact assessment is needed)

An Equalities Impact Assessment screening is currently being undertaken.

7. Monitoring Arrangements

7.1 To be confirmed.

Background Documents / Electronic Links

N/A