

**DERBYSHIRE COUNTY COUNCIL**

**CABINET MEETING**

**11 February 2014**

Report of the Strategic Director - Economy, Transport and Environment

**MARKHAM VALE ENVIRONMENT CENTRE EXTENSION  
(ECONOMY, TRANSPORT AND ENVIRONMENT)**

- (1) **Purpose of the Report** To seek approval:
- i. for the acceptance of a European Regional Development Fund (ERDF) grant offered by the Department for Communities and Local Government (DCLG) for the extension of the Markham Vale Environment Centre;
  - ii. for the allocation of match funding from the Council;
  - iii. to appoint a Design and Build contractor;
  - iv. for the development of a business support programme via a revenue contribution; and
  - v. for the addition to the Capital programme 2013/14.

(2) **Information and Analysis** Markham Vale Environment Centre (MVEC) is the flagship business centre and a critical component in the development of Markham Vale Business Park, adjacent to junction 29A of the M1. The MVEC, at present, is a 8,800 sq ft building providing fully sustainable and environmentally friendly workspace. It provides a niche in the sub-regional property market, through the provision of exemplar environmental standards and the on-site generation of renewable energy, supporting and encouraging more businesses / developers to adopt these standards in their premises.

All the current and planned premises available on the wider Markham Vale Business Park are single occupancy buildings. This makes the convenient and central location of the MVEC a critical focal point for new businesses planning to relocate on to Markham Vale Business Park. Businesses have used the Centre for training and recruiting staff prior to location on the site; for conducting meetings and planning relocation strategies, thus proving a vital component in attracting investment and creating local employment.

The MVEC currently offers: 14 workshops; 'hot desk' facilities; business advice and administrative support to meet the specific needs of companies in the environmental technology sector. Amenities include exhibition space, conference and training facilities, and full broadband connections. It has now been fully operational for 6 years and is well established. The high occupancy rate has consistently proven the demand for more space.

The proposal for extending the MVEC is to complete the vision of the original business plan, expanding the site through much needed grow-on industrial and office space. The extended facility will also allow for additional businesses to locate onto the site and will increase the Centre's ability to operate as a hub for the wider Markham Vale Business Park as development continues over the coming years.

Therefore, the County Council plans to construct a new building of 8,800 sq ft to extend the existing MVEC. The County Council also foresees that its tenanted businesses will be supported to grow and populate some of the larger units of above 5,000 sq ft delivered as part of the wider developments taking place across the Markham Vale Business Park. The Chief Executive has provisionally accepted the DCLG offer of an ERDF grant under delegated powers, due to the arrival of the contract documents.

The MVEC will utilise some of the exemplar green energy and sustainable practices within the building, such as solar panels and a 'grey' water recycling facility to filter rain water from the roof. The capital build will be managed jointly with Henry Boot Developments Ltd, the County Council's development partner for the wider Markham Vale Business Park site, and delivered through its contractor framework arrangement. Outline planning permission for the extension of the MVEC has been secured and the new Centre will be fully operational by March 2015.

Alongside the capital investment, the County Council will run a revenue project to support the business in the Centre to prepare for expansion and support new businesses within the environmental goods and service sectors. This will be delivered through a range of business support workshops on site, providing advice on environmental efficiency and supporting new businesses to locate or start up in Derbyshire.

**(3) Financial Considerations** The DCLG has made an ERDF grant offer of £611,520 (£533,120 capital and £78,400 revenue), with match funding of £363,480 from the County Council towards total project costs of £975,000 (£850,000 capital, £125,000 revenue).

The County Council's match funding of £316,880 capital and £46,600 revenue will be allocated from the 2013/14 Regeneration budget and any balance from Departmental General Reserves.

In order to comply with the business support element of the project, it will be delivered through a private sector provider. This will be procured through the Source Derbyshire.

The County Council is responsible for the management of the Environment Centre currently and will include the new extension when operational.

In preparing this report the relevance of the following factors have been considered: prevention of crime and disorder, equality and diversity, human resources, environmental, health, property and transport considerations.

(4) **Call-In** Is it necessary to waive the call-in period in respect of the decisions being proposed within this report? No.

(5) **Key Decision** No.

(6) **Background Papers** These are held on file in the Economic Regeneration Service. Officer contact details - Nawaz Khan extension 38481, Peter Storey, extension 35417.

(7) **OFFICER'S RECOMMENDATIONS** That Cabinet:

- 7.1 Notes the formal acceptance of the Department for Communities and Local Government offer of a European Regional Development Fund grant of £611,520 by the Chief Executive under delegated powers.
- 7.2 Approves the allocation of match funding of £316,880 capital and £46,600 revenue budget from the 2013/14 Regeneration budget and any balance from the Departmental General Reserves.
- 7.3 Approves the appointment of a Design and Build Contractor using the existing Framework Contract operated for the Markham Vale project.
- 7.4 Approves delivery of the business support element of the project through procurement of a private sector delivery partner through Source Derbyshire.
- 7.5 Adds the scheme to the Capital Programme 2013/14.

**Mike Ashworth**  
**Strategic Director for Economy, Transport and Environment**