



**D2N2 Infrastructure and Investment Board
21 December 2017
Changes to the A46 Corridor Project**

Introduction

The A46 Corridor Project was included in the Local Growth Fund round 2 submission. The project was initially made up of 4 phases including the Cotgrave Town Centre, Cotgrave employment units, Bingham and RAF Newton elements. The first two elements of the project have both received stage 2 approval from the Infrastructure and Investment Board and are either complete (15 new industrial units at Cotgrave which are already 100% let) or well into delivery phase (Cotgrave town centre regeneration which will see the refurbishment of 9 retail units in Cotgrave town centre, the creation of business units above the shops, a new multiservice centre and extensive improvements to the public realm).

Rushcliffe Borough Council are now seeking approval from the IIB to divert the remaining £3.25m to two new elements at Bingham and Clifton. This proposal received the support of Rushcliffe Borough Council's Cabinet in November 2017, who are committed to the delivery of both schemes.

Rushcliffe Borough Council is endeavouring to support D2N2 deliver its housing and employment targets, as agreed between D2N2 and BEIS by offering this revised proposal, which actually delivers more than the original.

Original Project phases 3 and 4

The original allocation of Local Growth Fund 2 was:

- Land North of Bingham - £2.5m to contribute towards the car dyke flood mitigation work at Bingham; a key strategic site for Rushcliffe Borough Council delivering 1050 homes and approx. 1175 jobs
- RAF Newton - £750,000 to pay for the road widening required for the delivery of the employment land at this key strategic site for Rushcliffe Borough Council. The RAF Newton site would deliver 550 homes and 811 jobs.

Total projected outputs – 1,986 Jobs and 1,600 Homes

Reasons for Change

Land North of Bingham

The discussions with the Crown Estates (landowner) had previously identified an issue with the viability of the site due to the upfront infrastructure costs associated with the Car Dyke flood mitigation work. The Growth Deal funding was therefore secured. However when the land owner went out to procurement for a developer partner, it was identified that the scheme was viable and therefore did not require the £2.5m.

This is good news as the site is coming forward without the need for public sector intervention. A planning application for 350 homes has been received which is the first phase of the development which can happen prior to the completion of the car dyke flood mitigation work. In addition the employment lane was recently marketed and there has been some interest in that but no further details are known at this stage.



Rushcliffe Borough Council continues to work closely with Crown Estate and Barratt David Wilson (appointed developer partner) on this scheme.

RAF Newton

For the site at RAF Newton again the land owner had identified viability issues with delivery of the site associated with upfront infrastructure costs. Whilst the funding amount for this site (£750,000) was relatively small it would have enabled the widening of the access road to bring forward the employment land. However whilst the land owner is progressing the housing element of the scheme they are not focussed on the employment land and therefore the Council runs the risk that to continue with funding this work could result in funding the building of a 'road to nowhere'.

Due to the commitment Rushcliffe Borough Council has for the delivery of outputs and the desire to be transparent about this we are therefore recommending that this scheme not be pursued at this point.

Again whilst the employment land is not the focus the housing land is progressing and the landowner is pushing for the completion of the S106 agreement so that the site can progress to detailed planning application stage.

Rushcliffe Borough Council continues to work closely with the landowner on this scheme.

Proposed new projects

Chapel Lane, Bingham - £750,000 for 183 jobs

This site is adjacent to the land north of Bingham site and has recently been purchased by Rushcliffe Borough Council. This site is regarded as a significant strategic piece of employment land and is essential to both supporting the growth of local business through the delivery of employment units in Bingham, whilst also supporting the local retail sector.

The site is currently derelict apart from 1 industrial unit. The current proposed masterplan for the site includes:

- Retention of the existing industrial unit
- Construction of new industrial units
- New office space
- Leisure/secondary retail use

This revised allocation will ensure that there is continued funding allocated towards the development of employment land along the newly dualled A46; an important growth corridor for Nottinghamshire, whilst also supporting the vibrancy of the town. In addition this will now not only deliver infrastructure on the site (as was the case with RAF Newton) but will be part of a wider package that will deliver new industrial and office units to support the growth of existing and new businesses.

Land South of Clifton - £2.5 million for 2,000 jobs and 3,000 homes

Land South of Clifton is a key strategic site for Rushcliffe, but also with its size and proximity to the City, also for Nottinghamshire County and Nottingham City Council as well. The site will deliver 3000 homes, 20 ha of employment land and approx. 2000 jobs (developer estimates is 4000 jobs). A planning committee meeting is planned for January 2018 to decide the outcome of the outline planning application for the site.



Rushcliffe Borough Council has established a Clifton Development Board to bring together key stakeholders to bring forward development on the site. Membership of the board includes the land owners, developer (CWC Group), Nottinghamshire County Council and Nottingham City Council. This group has been provided assurances by the land owners that the development of the site, particularly the employment land, will move quickly once planning permission is received (letter from CWC attached as appendix 1).

It is proposed that the £2.5m funding will be used to contribute to electrical servicing on the site (total cost is approx. £4.5m) which will accelerate the development of both housing and employment land.

Without this intervention the developer would not be able to accommodate the full upfront costs for this work. They would pay approx. £700,000 to install a small amount of the power supply onto site which would allow a pocket of commercial and housing development to proceed. The remaining electrical servicing would then only be delivered when a return was received from this first phase of development. This would delay the delivery of the remainder of the housing and employment land by 2 to 3 years.

If funding is not secured for the Clifton development there is a risk that this strategically important site will be significantly delayed or will not be delivered. This means that:

- The outputs agreed with DCLG as part of the original application are not delivered. Including Clifton means that the targets are exceeded.
- This site will not contribute to the LEP's Strategic Economic Plan targets for the delivery of 55,000 jobs and accelerating the delivery of 77,000 new homes.
- The targets for the Greater Nottingham Housing Market Area are not met as Clifton is one of the biggest sites.
- There could be unauthorised development elsewhere in the Borough and the GNHMA.

There is an option that this funding is delivered as a recyclable loan to the developer. This would mean that the money is paid back therefore further enhancing the value for money of this proposal. It also means that the funding can contribute towards the delivery of further projects in Rushcliffe and the wider D2N2 area. This could include speculative development at the land south of Clifton site.

Summary

In identifying these alternative schemes the Borough Council has worked closely with the LEP and partners which will deliver:

- 2183 jobs an increase of 197 jobs (9.9% increase)
- 3000 homes an increase of 1400 homes (87.5% increase)

Whilst the proposal includes the reallocation of funding to different schemes the principles remain the same as the original application, including:

- The acceleration of delivery of housing and employment land at key strategic sites in the Borough along key arterial routes
- The allocation of funding for the onsite infrastructure work that will maximise and capitalise on the investment already made by Government in the strategic growth corridors – A46 and now also the A453.



Finally it is important to reiterate that this reallocation is due to the success of the original 2 schemes that no longer require public sector investment to bring forward housing. This is a positive news story for Rushcliffe and the D2N2 area and means that this funding can now be used to bring further benefit to the area.

Rushcliffe Borough Council is seeking the approval of the IIB to move to full business case stage to work up the detail of these revised schemes. This could be presented in February/March 2018.



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Our Ref: 24005/Graham/TC/HC
16 November 2017

Dear Allen

The CWC Group are the appointed developer partner for the employment land at land South of Clifton. We have extensive experience of employment uses delivered on sites across the country. We are a locally based company and therefore have a good understanding of the site and the potential end users.

We have been working closely with Rushcliffe Borough Council on options for the use of the growth deal money at the site that would bring forward both the housing and employment land. Development of the site includes significant upfront infrastructure costs and it is anticipated that the growth deal funding would contribute towards these. This infrastructure would then service the whole site.

We have undertaken a great deal of preparatory work to understand costing, timescales and phasing of the development, this is all being carefully considered when reviewing options with the Borough Council.

Assuming planning permission is granted and the growth deal funding is secured CWC group intend to move quickly to get work started on the site. We will use our best endeavors to ensure that the funding allocated is spent by the end of March 2019 to fit with current LEP timescales.

Yours sincerely

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