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4 January 2017

To: All Councillors

As a Member or Substitute of the **Community & Environment Committee**, please treat this as your summons to attend the meeting on **Thursday 12 January 2017 at 6.00pm in the Council Chamber, Town Hall, Matlock.**

Yours sincerely

A handwritten signature in black ink, appearing to be "Sandra Lamb". The signature is fluid and cursive, with a large initial 'S'.

Sandra Lamb
Head of Corporate Services

AGENDA

1. APOLOGIES/SUBSTITUTES

Please advise Democratic Services on 01629 761133 or e-mail committee@derbyshiredales.gov.uk of any apologies for absence and substitute arrangements.

2. APPROVAL OF MINUTES OF PREVIOUS MEETING

27 October 2016

3. PUBLIC PARTICIPATION

To enable members of the public to ask questions, express views or present petitions, **IF NOTICE HAS BEEN GIVEN**, (by telephone, in writing or by electronic mail) **BY NO LATER THAN 12 NOON OF THE WORKING DAY PRECEDING THE MEETING.**

4. INTERESTS

Members are required to declare the existence and nature of any interests they may have in subsequent agenda items in accordance with the District Council's Code of Conduct. Those interests are matters that relate to money or that which can be valued in money, affecting the Member her/his partner, extended family and close friends.

Interests that become apparent at a later stage in the proceedings may be declared at that time.

5. QUESTIONS PURSUANT TO RULE OF PROCEDURE NUMBER 15

To answer questions from Members who have given the appropriate notice.

Page No.

6. EMPLOYMENT SITES REGENERATION

4 - 73

A 10 minute presentation will be made by the Consultant, Thomas Lister Limited, prior to discussion of this item

To receive a report updating the Committee on progress since October 2016. Also, to note the comments on constrained availability of industrial land in the Derbyshire Dales, the consultants recommendations regarding Halldale Quarry, Cawdor Quarry and Middleton Road, Wirksworth and also progress with respect to the Ashbourne Airfield Industrial Estate Link Road.

7. DERBYSHIRE DALES BUSINESS SURVEY

74 - 126

To note the results of the Derbyshire Dales Business Survey October 2016 and to consider the recommendation to share the results with Derbyshire County Council's Digital Derbyshire programme.

8. WIRKSWORTH LEARNER POOL GRANT

127 - 128

To consider a proposal to provide a one-off grant of £4,000 to the Wirksworth Learner Pool Trust to enable improvements to be made to the facility.

9 PUBLIC CONVENIENCES STEP REVIEW

129 - 140

To consider approval of a fundamental review of 25 public conveniences by December 2017.

10. OUTCOME OF CONSULTATION ON PROPOSALS TO CHARGE FOR REPLACEMENT WASTE CONTAINERS

141 - 148

To consider the outcome of the consultation and to recommend changes to the current service in respect of charging for replacement containers/bin liners, the withdrawal of the annual supply of black bags and the introduction of new charges as outlined in the report.

11. WASTE & RECYCLING COLLECTION CONTRACT CUSTOMER SATISFACTION

149 - 153

To note the results of the customer satisfaction surveys undertaken on performance of the Waste and Recycling services in 2016/17.

- 12. IMPLEMENTATION OF PARKING POLICY 2013 - UPDATE** **154 - 167**
To receive an update on progress made in implementing the recommendations identified in the Car Parking Review 2013 and consider a proposal to undertake a further review of the Derbyshire Dales Off-Street Parking Places Order during 2017.
- 13. WHITWORTH TRUST GRANT** **168 - 170**
To consider a proposal to reduce the grant awarded to Whitworth Trust from April 2018 for the maintenance of Whitworth Park.
- 14. MATLOCK BOWLS CLUB GRANT** **171 - 173**
To consider a proposal to award a further one year grant of £2,000 in 2018/19 to Matlock Bowls Club, when the current grant, agreed until 2017/18, expires.

Members of the Committee - Councillors Jason Atkin, Jennifer Bower, Richard Bright, Sue Bull, Martin Burfoot, Albert Catt, Phil Chell, Ann Elliott, Vicky Massey-Bloodworth, Tony Morley, Joyce Pawley, Mike Ratcliffe, Lewis Rose, OBE, Andrew Statham (Vice Chairman), Colin Swindell, Philippa Tilbrook, Jo Wild (Chairman)

Substitutes - Councillors Deborah Botham, David Chapman, Tom Donnelly, Richard FitzHerbert, Steve Flitter, Alyson Hill, Susan Hobson, Neil Horton, Angus Jenkins, Tony Millward, BEM, Jean Monks, Garry Purdy, Irene Ratcliffe, Mark Salt, Jacquie Stevens, John Tibenham

COMMUNITY AND ENVIRONMENT COMMITTEE
12 JANUARY 2017

Report of the Head of Regeneration and Policy

EMPLOYMENT SITES REGENERATION

PURPOSE OF REPORT

To report progress to date on developing the new approach to regeneration approved by Members in October 2016 focusing on District Council involvement in the direct delivery of business workspace and associated infrastructure.

RECOMMENDATIONS

1. The report 'Review of Approach to the Delivery of New Employment Floorspace in Derbyshire Dales' is received
2. The seriously constrained availability of industrial land in the Derbyshire Dales is noted
3. The consultant's recommendations with regard to Halldale Quarry, Cawdor Quarry and Middleton Road Wirksworth are noted
4. Interventions to facilitate the provision of new workspace are brought to Members at a future meeting of the committee for recommendation to Council
5. Progress with respect to the Ashbourne Airfield Industrial Estate Link Road is noted

WARDS AFFECTED

All

STRATEGIC LINK

Economic development is highlighted in the Corporate Plan 2015-2019 as the District Council's highest priority. *Business growth and job creation* is the top priority, following extensive public consultation confirming that a thriving district is residents' overriding wish. The District Council's vision is for a Derbyshire Dales with high-wage, high-skill jobs.

1 BACKGROUND

- 1.1 Work to develop a new approach to employment sites is underway, this being the one element of the Derbyshire Dales Economic Plan that had made only limited progress when the Community and Environment Committee last met.
- 1.2 A Members Workshop held on 4 October 2016 heard that local businesses are seriously constrained by a lack of small, modern, high quality industrial units. As a result, some businesses are already moving out of the district, and

others that could potentially grow here (or relocate to the Dales from surrounding cities) are unable to do so at present.

- 1.3 Evidence from the Derbyshire Dales Business Survey confirms the need and demand for more high-quality workspace in the district (see report elsewhere on this agenda). Because the market is failing to deliver this employment space, District Council interventions are being developed to speed up the delivery of employment land and workspace. As previously reported, options might include loans to developers to make land ready for development and accelerate the provision of business units (recoverable once they start getting rental income from business lets); up-front (forward) purchase of business units (to be let and or sold on once tenants move in); and purchasing sites and building/letting units ourselves (or, more realistically, in partnership with a developer partner).

2 REVIEW OF EMPLOYMENT SITES IN CENTRAL DALES

- 2.1 The Economic Plan highlights five key employment sites in the Dales:

- Ashbourne Airfield Industrial Estate
- Cawdor Quarry, Matlock
- Riverside Business Park, Bakewell
- Halldale Quarry, Matlock
- Middleton Road quarry, Wirksworth.

- 2.2 These sites, as Members will be aware, present challenges. Many are former quarry sites, and therefore suffer to different degrees with topography, ground conditions, contamination and access problems which affect development viability. All are in private ownership, which limits the scope for intervention. Developer interest in such sites currently centres largely around housing provision (employment provision is secondary). There is also a danger with these (and other) sites posed by the present Permitted Development Rights, which automatically allow office to residential conversion in many cases.

- 2.3 In order to inform the options being developed to accelerate workspace provision on these challenging sites, a commercial property consultant was commissioned to review approaches to delivering new employment floorspace in the Derbyshire Dales. The consultants (Thomas Lister Ltd.) completed their commission in November 2016, and the full report is attached at Appendix 1. The report focuses on sites in the central Derbyshire Dales. Ashbourne Airfield is undergoing separate work, and Bakewell Riverside was at the time of commission at an uncertain stage; therefore the report focuses on Cawdor Quarry, Halldale Quarry, and Middleton Road.

- 2.4 The report confirms the need for industrial premises and, to a lesser degree, offices, in the Derbyshire Dales. It identifies that there has been an average take-up of industrial accommodation of 1,278 sq m per annum over the past five years compared to an existing vacant stock of 1,944 sq m representing around only 1.5 years supply at current take-up rates.

- 2.5 **Availability of industrial accommodation is seriously constrained such that historic levels of take up are unable to be met.** The report indicates a significant lack of good quality industrial premises and confirms significant levels of unfulfilled enquiries – particularly for companies seeking smaller workshop premises across the area – with competition for properties when they become available.
- 2.6 The report identifies an estimated 2.22 years supply of office accommodation at current take up rates. However, there is a mismatch between demand and available supply in terms of location and specification.
- 2.7 Steps to bring forward the delivery of key employment sites are important in both the retention of existing businesses within the District as well as attracting new investment. The report is therefore clear that **bringing forward the employment allocations at Halldale Quarry, Cawdor Quarry and Middleton Road is of high importance to the economy of the Derbyshire Dales.** It recommends that measures are put in place to deliver employment provision to meet market demand – with serviced and remediated sites made available for immediate development, and where possible that an initial phase of speculative development is also progressed to confirm demand.

Possible interventions to provide new workspace

- 2.8 Approaches undertaken by other local authorities to deliver workspace in rural areas are summarised in the report. These include:
- i. *Direct Delivery by Local Authority* – with lower borrowing costs than private sector developers and no requirement to generate an upfront profit, then the returns to Local Authorities may create a reasonable revenue stream to repay borrowing and generate longer term revenue – particularly if account may be taken of Business Rates uplift
 - ii. *Provision of Loan Funding to Developers to Develop New Floorspace or Service and Remediate Employment Sites* – to offer loan funding to developers to bring forward employment floorspace or site servicing on competitive (but State Aid compliant) terms, there would be a need to link repayment to occupation or sale and for the loan to be secured against a first charge on the property.
 - iii. *Local Authority Entering into a Forward Purchase of all or part of an Employment Scheme* – such an approach passes delivery risk to the developer, and the Local Authority would have the benefit of an income-producing investment which would establish demand on a site.
 - iv. *Working with a Developer to Secure Local Growth Fund Support* – such funding would support viability but will be subject to State Aid limits.
 - v. *Local Authority Pre-Letting of Part* – whilst such an approach would impose a revenue commitment on the Local Authority, such costs would be off-set by the revenue generated by sub-letting and wider economic benefits generated by the securing of new employment floorspace.

- 2.9 The report recommends that such approaches should be considered by Derbyshire Dales District Council as a means of accelerating delivery of employment space within the district on a case by case basis. Proposals to take forward such approaches will therefore be developed and brought to a future meeting of this committee.

Site specific recommendations

2.10 *Halldale Quarry*

- i. Proposals for new office development within the heart of the residential scheme would not accord with assessed demand given the location of the scheme outside the main settlement and surrounding land uses. It is considered that office development would be unviable.
- ii. Instead, it is considered that workshop units will give the flexibility to accommodate B1(a),(b) & (c) uses within an economical scheme that will improve both demand and viability.
- iii. An alternative location could be identified on the periphery of the residential area to minimise the impact of employment use on surrounding residential areas, and to increase demand by making the alternative allocation more accessible to commercial vehicles.
- iv. It is important that any area allocated for employment uses is remediated, serviced and properly marketed early within the development scheme. Given the location of the former Halldale Quarry site, it is considered that the site would benefit from an element of speculative development to attract employers to this location.

2.11 *Cawdor Quarry*

- i. The site is considered an attractive employment location due to the prominent location and proximity to the A6 on the edge of Matlock.
- ii. It is recommended that any developer proposals for an incubator / managed workspace centre as a smaller employment provision should be resisted due to the provision of existing facilities within properties such as Cromford Mill.
- iii. Instead, it is recommended that the District Council should seek an alternative and larger employment allocation within sites adjacent to the railway line at the front of the site to provide a barrier between the railway and residential uses.
- iv. It is also considered that the scheme would benefit from the development of a phase of speculative workshop premises on a similar basis to the Halldale Quarry site but potentially of a slightly higher quality to reflect the better location of the Cawdor Quarry site for employment uses.

2.12 *Middleton Road, Wirksworth*

- i. Proposals provide for a 2ha employment site which would be accessed through the existing Ravenstor Industrial Estate. The site would be accessed through a proposed new dedicated access road to the employment area.

- ii. On the basis that the site is accessed through an existing industrial estate – the site is considered the most suitable for accommodating B2 general industrial uses compared with Halldale and Cawdor where light industrial uses would be more appropriate given the closer relationship to adjoining residential uses.
- iii. In order to be effectively marketed for employment uses, it is considered that it will be necessary for the new access road to be completed, the site remediated and onsite infrastructure put in place such that plots are available for immediate development. It would be considered difficult to effectively market unserviced employment sites in this location due to the lack of prominence and significant lead-in time to bring forward development.

3 ASHBOURNE AIRFIELD INDUSTRIAL ESTATE LINK ROAD

3.1 The actions approved by the Community and Environment Committee on 27 October 2016 are being progressed:

- An Invitation to Tender has been advertised (procurement led by Derbyshire County Council) for the preparation of a detailed design, cost estimate and tender pack for the proposed new link road and access (to be funded by the private sector, District Council and County Council)
- An Invitation to Tender has been advertised (procurement led by Derbyshire County Council) for investigation works to establish the condition of the District Council-owned final 300m stretch of Blenheim Road (to be funded by the District Council)
- A request for quotation has been issued by the District Council for provision of consultancy services to the District Council in support of the delivery of new infrastructure and employment provision at Ashbourne Airfield Industrial Estate (to be funded by the District Council)

3.2 Appointments are anticipated on all three commissions by 23 December 2016 with work commencing in the New Year. The first two elements are expected to be completed by the end of March 2017.

3.3 Following the completion of design work, the next stages would include securing agreements as to land transfer and funding prior to the Stage 2 Local Enterprise Partnership submission and subsequently letting a construction contract. Any works to the District Council's 300m stretch of Blenheim Road would need to be carried out in parallel with the latter so both road lengths are brought forward in similar adoption timescales.

4 MEMBER REPRESENTATIVES' COMMENTS

4.1 Place Shaping – Councillor Tony Morley

I fully support the officer recommendations 1 to 5. The lack of regeneration sites is a serious constraint to businesses who wish to grow and remain within the Derbyshire Dales. I believe that intervention at this stage could prove to be pivotal in the retention and support of businesses within the Derbyshire

Dales. I do not believe that maintaining the status quo is an option if we are to create numbers of reasonably well paying jobs.

The opportunity for Derbyshire Dales District Council to generate income via business rates growth should not be underestimated and I believe that investment in development sites at this point may well produce a significant payback over time.

5 RISK ASSESSMENT

5.1 Legal

There are no legal risks arising from the report at this stage.

5.2 Financial

Funding to develop the approaches identified in the report is available from the approved Economic Development Reserve; therefore the financial risk at this stage is assessed as low. However, the potential resource implications of any future infrastructure and workspace development will need to be considered and the financial risk may change at that time.

5.3 Corporate

The risk of progressing the options identified will need to be managed. Overall, the corporate risk is assessed as Medium at present.

6 OTHER CONSIDERATIONS

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

C&E Employment Sites Jan2017.docx

CONTACT INFORMATION

Steve Capes, Head of Regeneration and Policy
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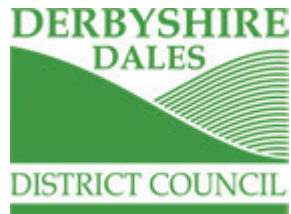
BACKGROUND PAPERS

- Derbyshire Dales Economic Plan, September 2014
- Community and Environment Committee, 27 October 2016: Derbyshire Dales Economy
- Community and Environment Committee, 27 October 2016: Ashbourne Airfield Link Road

ATTACHMENTS

Appendix 1 Review of Approach to the Delivery of New Employment Floorspace in Derbyshire Dales, November 2016 (Thomas Lister Ltd.)

BACK TO AGENDA



**Review of Approach to the Delivery of
New Employment Floorspace
in Derbyshire Dales**

On Behalf Of

**Derbyshire Dales District Council
Town Hall
Bank Road
Matlock
Derbyshire
DE4 3NN**

November 2016

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APPENDICES

I	CONSULTATION RECORD SHEET
II	DERBYSHIRE DALES BUSINESS SURVEY 2016
III	EXAMPLE – APPRAISAL INDUSTRIAL-OFFICE
IV	EXAMPLE – APPRAISAL INDUSTRIAL-WORKSHOP

EXECUTIVE SUMMARY

Thomas Lister are appointed by Derbyshire Dales District Council (DDDC) to provide advice in relation to the consideration of potential options to support the delivery of new workspace within key employment land allocations within the District at the following;

- Halldale Quarry, Matlock
- Cawdor Quarry, Matlock
- Middleton Road, Wirksworth

The above schemes each comprise of major mixed use schemes which are being brought forward through the planning process and where there are ongoing discussions with the landowner in respect of the nature, scale and form of the employment element of the project.

The report covers the following key elements in order to inform ongoing discussions between DDDC and the landowners;

- a. An update on demand for employment floorspace across the District – with particular reference to the nature of floorspace where there is identified demand.
- b. To review current development proposals for each of the 3 identified schemes in the context of identified demand.
- c. To outline the approaches taken to the delivery of employment workspace in other areas with similar characteristics as Derbyshire Dales and comprising mixed use housing schemes.
- d. Based upon the above, to provide recommendations as to the size, scale and nature of employment floorspace within the existing Local Plan allocations for the 3 subject sites.

The main centres of Matlock, Bakewell, Ashbourne and Wirksworth each provide market towns providing local facilities with Matlock and Bakewell being situated adjacent to the A6 which provides the principal spine road through the District and linking with Derby to the South and Manchester to the North.

Market Assessment

An assessment of demand is undertaken through evidence of transactions recorded through the CoStar and EGi databases together with consultations undertaken with property agents and property managers across the area. The assessment also considers the results of a business survey across the Derbyshire Dales undertaken by M.E.L. Research in September 2016.

The market assessment, which provided particular focus on those premises (office and Industrial) comprising an area at or below 465 sq.m provides details of an average take-up

of **offices** of 1,370.5 sq m per annum over the past 5 years and this compares to an existing vacant stock of 3,040 sq m which was vacant at the date of the assessment. This represents an estimated 2.22 years supply of office accommodation at current take up rates. However, discussions with agents and property managers have indicated that **there is a mismatch between demand and available supply in terms of location and specification** which is considered to restrict take-up rates and maintain levels of vacant stock. Therefore it is reasonable to assume that the majority of enquiries for space are now unlikely to be met until existing space becomes available or more space is provided.

The assessment identifies that there has been an average take-up of **industrial** accommodation of 1,278 sq m per annum over the past 5 years compared to an existing vacant stock of 1,944 sq m representing around only 1.5 years supply at current take-up rates.

Availability of industrial accommodation is seriously constrained such that historic levels of take up are unable to be met. Discussions with agents have indicated a significant lack of good quality industrial premises and have confirmed significant levels of unfulfilled enquiries – particularly for companies seeking smaller workshop premises across the area – with competition for properties when they become available. A reduction in the take-up rates of both office and industrial properties is attributed to a lack of suitable vacant premises in the district.

The Business Survey undertaken in September 2016 identifies that 95 out of 221 respondents identifies growth requirements which totalled some 600 sq m for small and micro businesses, 4,250 sq m for medium to large businesses and up to 11 ha of sites for employment purposes. These requirements cannot currently be met within the District and therefore steps to bring forward the delivery of key employment sites are important in both the retention of existing businesses within the District as well as attracting new investment.

On this basis, the bringing forward of the employment allocations within major mixed use development schemes at Halldale Quarry, Cawdor Quarry and Middleton Road, Wirksworth within the Central area is of high importance to the economy of the Derbyshire Dales .

Each of the sites were previously allocated as predominantly employment sites but it has been accepted that the sites will only be viable as mixed use development sites which include significant elements of new residential development (making a major contribution to housing targets within the Local Plan) with reduced employment provision.

A review has been undertaken of the proposals for each of the 3 employment allocations and it is considered as follows;

Halldale Quarry Site

- Proposals for new office development within the heart of the residential scheme do not accord with our assessment as to demand given the location of the scheme outside the main settlement and surrounding land uses.
- An alternative location could be identified on the periphery of the residential area to minimise the impact of employment uses on surrounding residential areas and to increase demand by making the alternative allocation more accessible to commercial vehicles.

- It is considered that office development will be unviable but an alternative form of workshop unit would give the flexibility to accommodate B1(a),(b) & (c) uses within a more economical scheme will improve both demand and viability.
- It is important that any area allocated for employment uses is remediated, serviced and properly marketed early within the development scheme. Given the location of the former Halldale Quarry site, it is considered that the site would benefit from an element of speculative development to attract employers to this location.

Cawdor Quarry Site

- The site is considered an attractive employment location due to the prominent location and proximity to the A6 on the edge of Matlock.
- It is recommended that developer proposals for an incubator / managed workspace centre as a smaller employment provision should be resisted due to the provision of existing facilities within properties such as Cromford Mill.
- It is recommended that DDDC should seek an alternative and larger employment allocation within sites adjacent to the railway line at the front of the site to provide a barrier between the railway and residential uses.
- It is also considered that the scheme would benefit from the development of a phase of speculative workshop premises on a similar basis to the Halldale Quarry site but potentially of a slightly higher quality to reflect the better location of the Cawdor Quarry site for employment uses.

Middleton Road, Wirksworth

- Proposals provide for a 2ha employment site which would be accessed through the existing Ravenstor Industrial Estate. The site would be accessed through a proposed new dedicated access road to the employment area.
- On the basis that the site is accessed through an existing industrial estate – the site is considered the most suitable for accommodating B2 general industrial uses compared with Halldale and Cawdor where light industrial uses would be more appropriate given the closer relationship to adjoining residential uses.
- In order to be effectively marketed for employment uses, it is considered that it will be necessary for the new access road to be completed, the site remediated and on-site infrastructure put in place such that plots are available for immediate development. It would be considered extremely difficult to effectively market unserviced employment sites in this location due to the lack of prominence and significant lead in time to bring forward development.

The report considers the approach undertaken by Local Authorities to support the delivery of employment sites and floorspace in rural areas where such development is considered to be unviable for private sector delivery. Approaches undertaken in other areas are summarised as follows;

- i. *Direct Delivery by Local Authority* – such an approach may benefit from grant funding through the Local Growth Fund – it is recognised that with lower borrowing costs than private sector developers and no requirement to generate

an upfront developers profit then the returns to Local Authorities may create a reasonable revenue stream to repay borrowing and generate longer term revenue – particularly if account may be taken of business rates uplift.

- ii. *Provision of Loan Funding to Developers to Develop New Floorspace or Service and Remediate Employment Sites* – To offer loan funding to developers to bring forward employment floorspace or site servicing on competitive (but state aid compliant) terms which will link repayment to occupation or sale and secured against a first charge on the property.
- iii. *Local Authority Entering into a Forward Purchase of Employment Scheme* – Such an approach will pass delivery risk to the developer and the Local Authority will have the benefit of an income producing investment which would establish demand on a site – and potentially have the benefit of servicing other employment areas.
- iv. *Working with a Developer to Secure Local Growth Fund Support* – Such funding will support viability but will be subject to state aid limits.
- v. *Local Authority Pre-Letting of Part* – Whilst such an approach will provide a revenue commitment to the Local Authority – such costs will be off-set by the revenue generated by sub-letting and wider economic benefits generated by the securing of new employment floorspace.

Such approaches should be considered by Derbyshire Dales DC as a means of accelerating delivery of employment space within the District.

On the basis of the above, the delivery of new employment floorspace on each of the 3 allocations at Halldale and Cawdor Quarries and Middleton Road, Wirksworth are of high importance in meeting the growth requirements of existing businesses within the Derbyshire Dales such that the businesses do not require to relocate to meet their property requirements. Whilst DDDC have recognised that the introduction of significant residential development is required to support project viability – it is important that measures are put in place to ensure that the employment provision is appropriate to meet market demand – with serviced and remediated sites made available for immediate development and where possible that elements of speculative development are provided to meet an existing demand.

1.0 Introduction

- 1.1 Thomas Lister are appointed by Derbyshire Dales District Council (DDDC) to provide advice in relation to the consideration of potential options to support the delivery of new office and workshop accommodation within key employment land allocations within the District at the following;
- Halldale Quarry, Matlock
 - Cawdor Quarry, Matlock
 - Middleton Road, Wirksworth
- 1.2 The above schemes each comprise of major mixed use schemes which are being brought forward through the planning process and where there are ongoing discussions with the landowner in respect of the nature, scale and form of the employment element of the project.
- 1.3 The report will cover the following key elements in order to inform ongoing discussions between DDDC and the landowners;
- i. An update on demand for employment floorspace across the District – with particular reference to the nature of floorspace where there is identified demand.
 - ii. To review current development proposals for each of the 3 identified schemes in the context of identified demand.
 - iii. To outline the approaches taken to the delivery of employment workspace in other areas with similar characteristics as Derbyshire Dales and comprising mixed use housing schemes.
 - iv. Based upon the above, to provide recommendations as to the size, scale and nature of employment floorspace within the existing Local Plan allocations for the 3 subject sites.
- 1.4 It is reported as follows;

2.0 Commercial Property Market Overview

Overview of the Derbyshire Dales Property Market

- 2.1 Derbyshire Dales District area is approximately 306 square miles with an estimated population of 71,300. Matlock, Ashbourne, Bakewell and Wirksworth are the main towns. The District adjoins High Peak, Staffordshire Moorlands and East Staffordshire to the west and South Derbyshire, North East Derbyshire and Amber Valley Borough to the east.
- 2.2 The local economy has historically been based upon mineral extraction on account of the large amounts of natural resource within the area leading to a substantial number of quarrying activities. There are still active quarries within the area, however many have since ceased operation and subsequently contribute to Derbyshire Dales pipeline of development opportunities comprising some of the

area's largest development and regeneration projects for the delivery of both residential and employment floor space.

2.3 It is identified, across the wider Derbyshire Dales area, that there is an existing total floorspace of 75,000 sq.m of office accommodation following modest growth over the period since 2000. There is currently estimated a total of 353,000 sq.m of industrial floorspace within Derbyshire Dales, this however significantly less than an estimated 422,000 sq.m in the year 2000. (*Assessment of Housing and Economic Development Needs, September 2015 – GL Hearn based on 2012 figures*).

2.4 It is commented in relation to the principle centres as follows;

Matlock

- Matlock is located on the edge of the Peak District National Park and is the County Town of Derbyshire. The town is a thriving market town with a population of around 10,500.
- Located approximately equidistant between Sheffield and Derby, and 9 miles south west of Chesterfield, the Town has regular train services to Nottingham via Derby serviced by the East Midlands Train Local service with good road connections to Bakewell and Derby. There are also regular bus services to Sheffield and Derby.
- The town lies on the River Derwent and also being a former spa town benefitted from both the hydrotherapy industry and textiles manufacturing as several cloth mills were located on the river. Matlock is also home of Derbyshire County Council, Derbyshire Dales District Council and Matlock Town Council.
- There are several industrial estates in close proximity to Matlock centre including Limetree Business Park and Brookfield Industrial Estate both of which have high levels of occupancy.
- Office accommodation is principally situated toward the outskirts of Matlock with schemes including Ladygrove Mill, Speedwell Mill, Scholes Mill and Molyneux Business Park.

Ashbourne

- Ashbourne is an historic market town located approximately 13.5 miles to the north west of Derby, just to the south of the Peak District National Park and is informally known as the gateway to the Peak District.
- Ashbourne has a population in the region of 9,000 and is historically the location of a meeting point of 6 main coaching routes which included the main London to Manchester route. The town is now a popular tourist location for visiting the Peak District, with much of the local offer within the town geared towards serving this clientele through the provision of tea rooms, restaurants and gift shops.
- The town has a substantial industrial area at the Ashbourne Airfield site, which is home to several operations of varying scales including Moy Park who produce

and distribute Poultry products throughout Europe and Vital Earth who produce composts and fertilisers.

- Ashbourne Airfield is subject to substantial redevelopment proposals for both residential and employment development uses. Phase 1 proposals include improvements to access to the existing Airfield Industrial Estate through the development of a new link road connecting to the A52 which will support the expansion of existing businesses. The link road will also service additional sites for employment uses totalling 8ha as well as serving the proposed new build residential elements of the scheme comprising 367 units. The Phase 2 allocation within the Draft Local Plan provides for a further 6-8ha of new employment land and 1,100 dwellings.

Bakewell

- Bakewell is a small market town with an approximate population of 4,000 people and is located 15 miles south west of Sheffield in the heart of the Peak District National Park.
- The Riverside Business Park is located just outside of the town centre which is home to a variety of businesses which includes significant employers, Thornbridge Brewery and construction company Pinelog, both of which are expanding businesses.

Litton Properties, owners and operators of the site have received planning approval for the redevelopment of part of the site to create replacement workspace on the site of older properties. The proposals in line with the conditions of the approval require the development of a new bridge access over the River Wye into the site. It is understood that grant funding is currently being sought in relation to the proposed scheme.

- It is understood that Litton Properties have existing negotiations with both major occupiers of the Estate (Thornbridge and Pinelog) regarding the expansion requirements of the businesses within the site.

Wirksworth

- Similar to the other centres within the Derbyshire Dales area, Wirksworth is a small market town of approximately 5,000 people and is located approximately 4 miles to the south of Matlock at the edge of the Peak District National Park.
- To the south of Wirksworth centre is the Kingsfield Industrial Estate which comprises several lower quality small scale industrial units.
- Immediately to the north of Wirksworth centre is the Ravenstor Road Industrial Estate, which consists of a mix of unit sizes and types, generally of a higher quality than the Kingsfield Industrial Estate with various organisations operating from the site including Technolog. The estate is currently fully occupied.
- Additionally the Cromford Mills Managed workspace facility is located in close proximity to Wirksworth and Matlock offering a cluster of creative industry workspace solutions as part of the Cromford Mills World Heritage site.

3.0 Demand For Employment Floorspace within Derbyshire Dales

- 3.1 The Derbyshire Dales Housing and Economic Development Needs Assessment (GL Hearn September 2015) was undertaken in the preparation of the Derbyshire Dales Local Plan Pre Submission Draft published August 2016) which covers the period from 2013 to 2033. The Draft Local Plan identifies requirement for a gross total of 15ha of employment land with existing allocated employment sites providing potential for development of up to 7.8ha and therefore a requirement for an additional 7.2ha of employment land to be brought forward within the plan period to 2033.
- 3.2 Detailed analysis of current demand and supply within the market place is discussed within the following sub-sections of the report.
- 3.3 Research is undertaken through information registered within the CoStar database and EGI and also through discussions undertaken with agents and property managers for existing schemes within the District. It is noted that despite a number of attempts to engage – a limited response was received from local agents and a substantive response was received from Fidler Taylor only.
- 3.4 It is commented in relation to each of the areas of research as follows;

Property Transactions Recorded within CoStar & EGI

- 3.5 The CoStar and EGI property databases records transactions which are identified by property agents and should be regarded as an indicator of levels of demand for property but should not be regarded as a comprehensive source of data – particularly in relation to smaller properties where there may not be a property agent involved within the letting process or where short term or flexible arrangements are entered into.
- 3.6 Analysis of completed deals on CoStar and EGI in respect of both office and industrial accommodation transactions within Derbyshire Dales for the period 1st June 2011 to the 1st June 2016 has identified the following transactional data.

a.) Office Take Up

Locality	No. of Transactions	Range of Unit Size (sq.m.)	Total Space Transacted (sq.m.)
Matlock/Wirksworth	36	5.2 – 422 (average 82)	2,960
Ashbourne	10	18.6 & 294 (average 106)	1,064
Hope Valley (Hathersage Hall Business Centre)	19	28 – 279 (average 87.5)	1,663

Hathersage (Heather Lane)	2	139	278
Bakewell	1	80	80
Total	68	Overall Average 99 sq.m.	6,045

(CoStar/EGI Property Database)

3.7 Further analysis of the above is provided as follows;

Year	Total Transactions	Total Take Up (sq.m.)
12 months to 1 st June 2012	24	2,384
12 months to 1 st June 2013	9	713
12 months to 1 st June 2014	20	1,808
12 months to 1 st June 2015	11	912
12 months to 1 st June 2016	4	229
Total	68	6,045

3.8 It is therefore identified that the total level of take up for the 5 years to the 31st May 2016 totalled 6,045 sq.m. This therefore provides for an average take up per annum of 1,209 sq.m.

3.9 The above clearly does not account for the substantial reduction in the level of take up in recent years whereby the year to 1st June 2016 totals a significantly reduced level of take up when compared with previous years.

3.10 It is considered that the significant drop in take up is as a result of falling levels of available accommodation both in terms of overall availability and availability of accommodation which meets the requirements of current demand. This is particularly evident following discussions with site operators and agents as discussed elsewhere in the report.

3.11 Take up therefore in the year to 1st June 2015 totalled 912 sq.m. and for the year to 1st June 2016, 229 sq.m. On the basis of an average take up totalling 48 sq.m. per month, average yearly take up is more accurately estimated to be in the order of 576 sq.m..

Discussions with Property Managers

3.12 Discussions undertaken with the managers of various managed office schemes within the area identified the following;

i. Cromford Mill - Cromford

Discussions were undertaken with the centre manager for Cromford Mill managed workspace. It was commented as follows;

- The operators of Cromford Mill sought pre-lets for several years prior to occupation.
- It is understood that approximately 678 sq.m. of lettable space became available as of January 2016 and that 402 sq.m. of accommodation has been let since this date.
- It is also understood that 232 sq.m. of open plan office comprising the top floor of the building is under offer by a single occupier. This prospective interest has not however been included within our calculation of office take up as negotiations have not concluded and a lease has not yet been agreed.
- Excluding the above on-going negotiations, Cromford Mill is currently at 60% occupation, this would substantially increase to around 93% if the above lease is completed.
- Accordingly, take up at Cromford Mill therefore stands at 402 sq.m..
- Specific unmet demand enquiries have not been provided through our discussions but understand that the majority of demand is for small scale units in the order of 19 sq.m. – 37 sq.m. per unit.
- There are proposals through a wider master plan for the Cromford Mills site to provide additional accommodation within future phases and these are likely to focus on the continued supply of small scale office provision.
- A conservative estimate, based upon discussions with Cromford Mill identifies a level of unmet demand for office accommodation in the order of 30% of current occupancy and therefore estimated to be 121 sq.m..

ii. Haarlem Mill - Wirksworth

Discussions were undertaken with the owner of the Haarlem Mill building and report on our findings as follows;

- Total property provides a total estimated lettable area of 1,282 sq.m., which is being converted to office uses on a phased basis. There is a current planning application for the conversion of a further 883 sq.m. within the Mill into office accommodation. A decision in respect of a planning application for the above is currently pending.
- The building has a current occupancy rate of 399 sq.m. and understand the units provided to be small scale offices of 46 sq.m. – 56 sq.m. within a total of 8 units which are currently all occupied.
- It is understood that the space benefitting from existing planning permission has been available for approximately 3 years.

- The building owner has reported that there are currently 3 identified tenants for the new accommodation (subject to planning) including a single occupier for a suite of 780 sq m.
- Unmet demand enquiries are understood to be from local businesses requiring larger better quality office accommodation.
- A total revised estimate of take up for the 3 year period is therefore in the order of 133 sq.m. per annum.
- The accommodation is available for a mixture of users and therefore does not limit occupation based upon specific business types.

iii. Scholes Mill – Tansley

The owner of this converted mill building also owns Haarlem Mill. The following points were discussed;

- The conversion of the Scholes Mill building into office accommodation completed 9 years ago.
- The building provides 964 sq.m. of lettable space split between 8 units of accommodation. 4 units are occupied by a single business with the remainder between 4 separate occupiers.
- The building is now 100% let with the final unit of accommodation being taken earlier this year.
- The take up in respect of this building was initially high; however the final unit remained vacant for several years until its recent occupation. Therefore it is estimated that take up for the 2 year period is in the order of 119 sq.m. and therefore 59.5 sq.m. per annum.
- Space is offered on general Full Repair and Insure (FRI) lease terms for periods of 2 years plus. Rental values being in the order of £54 sq.m..

iv. Molyneux Business Park – Darley Dale

Thomas Lister have contacted the owner/operator of the Molyneux Business Park. The following points were discussed;

- Business Park comprises refurbished historic accommodation providing for a mix of accommodation size and type.
- Space is offered on 'easy in - easy out' terms comprising 3 month's rent in advance with termination upon 3 months' notice. Rentals are on an all-inclusive basis.
- There is a total of 15 small scale office suites in the order of 18.5 sq.m – 46.5 sq.m there are additional larger workspace units from 139 sq.m – 353 sq.m.

- Discussions reveal that there is significant demand in respect of the small unit accommodation with a total of 2 enquiries per week for the small scale space, with 3 let since the start of August 2016 and a further unit set to complete prior to the end of the month.
- It is understood that a lease has recently been taken for a 139 sq.m workspace unit and there are on-going enquiries for two separate units comprising space in the order of 353 sq.m and 297 sq.m respectively.
- There is therefore now limited availability at the business park such that the owner is considering the conversion of additional accommodation on site to meet, in particular, demand for small scale accommodation at less than 46.5 sq.m.
- The majority of demand is for space which is occupied by administrative users and small scale businesses which need to operate from dedicated space instead of a home office.
- The business park has largely maintained an occupancy level at 95% plus for over 5 years.
- Although the information gathered from the owner of Molyneux Business Park does not provide specific reference to levels of take up and demand we are able to provide a conservative estimate in respect of take up levels. This is estimated to be in the order of 200 sq.m per annum.
- Current vacancy is therefore estimated to be in the order of 650 sq.m (although as discussed with strong interest in this available accommodation at present). Additionally this space is considered to be 'dual purpose' i.e. offers flexibility in use for both office and workshop based occupiers.

3.13 Thomas Lister are required however to also consider the additional evidence which has been obtained through contacting centre operators and therefore need to add these estimated take up rates to the above, these summarised as follows;

- Cromford Mill – take up totalling 402 sq.m. per annum.
- Haarlem Mill – take up totalling 133 sq.m. per annum.
- Scholes Mill – take up totalling 59.5 sq.m. per annum.
- Molyneux Business Park – take up totalling 200 sq.m per annum.

3.14 Total take up at the above identified schemes provides for take up of 794.5 sq.m. per annum.

3.15 Therefore the totality of take up is estimated at 1,370.5 sq.m. per annum. This does provide for an optimistic view of demand on the basis of averaging take up rates identified from the CoStar and EGI data whereby the evidence suggests a substantial reduction in take up within the 12 months to June 2016. Additionally the take up evidence is also based on anecdotal evidence provided by centre operators such that there is no hard evidence provided in support of the information provided. Therefore

the data provided should be treated with a certain element of caution when applying the verbal confirmation of take up levels to empirical evidence of recorded transaction data.

- 3.16 Evidence suggests that there is an identifiable preference for accommodation at less than 185 sq.m.. The data provides evidence that all but one of the transactions recorded was for small unit accommodation at less than this size.
- 3.17 This is generally supported by evidence gathered directly from the various converted mill buildings where there is identifiable preference for smaller unit accommodation.
- 3.18 General take-up characteristics align with the recorded findings of the Derbyshire Dales Housing and Economic Development Needs Assessment September 2015 (GL Hearn) which identifies the following key principles in respect of office market take up for Derbyshire Dales;
- i. 72% of transactions being for units of 185 sq.m. or less
 - ii. 25% of transactions being for units of between 185 sq.m. and 465 sq.m.
 - iii. The remaining 3% it is assumed relates to office accommodation in excess of these areas.
- 3.19 From the above report it is further confirmed that historic trend data identifies the central Dales area (Matlock / Wirksworth) as being the main area of focus in respect of office floorspace take up accounting for 57% of office floorspace taken for the period 2006 to 2014.
- 3.20 The most recent take-up evidence identified above therefore largely aligns with the historic data as demonstrated within the latest Housing and Economic Development Needs Assessment report, September 2015.

b.) Industrial/Workspace Take Up

- 3.21 Utilising the same search criteria as identified in respect of office accommodation, recorded leasehold transactions for industrial/workspace units are as follows;

Locality	No. of Transactions	Range of Unit Size (sq.m.)	Total Space Transacted (sq.m.)
Matlock/Wirksworth	24	30 - 465 (average 190)	4,550
Ashbourne	5	111 - 395 (average 259)	1,294
Bakewell	2	187 - 359 (average 273)	546
Total	31	Overall Average 206 sq.m.	6,391

(CoStar/EGI Property Database)

3.22 Further analysis of the above is provided as follows;

Year	Total Transactions	Total Take Up (sq.m)
12 months to 1 st June 2012	7	1,336
12 months to 1 st June 2013	8	1,512
12 months to 1 st June 2014	8	1,535
12 months to 1 st June 2015	5	1,342
12 months to 1 st June 2016	3	666
Total	31	6,391

3.23 A total of 31 transactions recorded for the period 1st June 2011 to 1st June 2016.

3.24 Historically the level of take-up is in the order of 1,500 sq.m per annum (for the period of 31st May 2011 to 1st June 2015). This however has substantially decreased for the year to 1st June 2016 dropping to a total of 666 sq.m of take-up. Average take-up for the period as identified is in the order of 1,278 sq.m per annum.

3.25 It is considered that the significant drop in take up is as a result of falling levels of available accommodation both in terms of overall availability and availability of accommodation which meets the requirements of current demand. This is particularly evident following discussions with site operators and agents as discussed elsewhere in the report.

3.26 There is evident demand for small scale industrial accommodation but simply a lack of available accommodation to meet this demand. This has therefore substantially affected the level of take-up. It is evident that there continues to be on going demand as discussed with agents and site operators in this regard.

3.27 Clearly the evidence identifies that take up levels for office accommodation, comprise a higher number of transactions but a lower total volume of floorspace. This therefore strongly indicates that requirements for office accommodation are for small scale units and workshop/industrial space is for larger unit accommodation.

3.28 Average office accommodation requirements over the study period are for units at 88 sq.m and for industrial accommodation at 208 sq.m.

3.29 There is a particular geographical focus for accommodation at less than 465 sq.m. being principally within the Matlock and Ashbourne areas.

3.30 Reviewing the Derbyshire Dales Housing and Economic Development Needs Assessment September 2015 (GL Hearn), shows historic trend data identifying that Ashbourne is traditionally the main focus for industrial/workspace accommodation transactions accounting for 34% of all industrial deals with Matlock second at 32%.

Both Hope Valley and Bakewell accounting for 13% each and Buxton and Belper at 5% and 1% respectively.

- 3.31 Matlock and Wirksworth accounts for the largest volume of floorspace transacted for small scale workspace/industrial units. It is also evidenced that industrial/workspace accommodation within Matlock is generally for smaller units when compared with locations such as Ashbourne.
- 3.32 Ashbourne is considered a beneficial location for larger occupiers given its proximity to the A52 and therefore good accessibility and relative ease in the movement of goods and materials

4.0 Discussions with Agents and Operators

- 4.1 It is sought to establish an up to date position in respect of known demand enquiries and general perceptions in respect of market conditions for small scale office and workspace/industrial accommodation. Therefore contact has been made with agents active within the area as well as operators of various facilities to establish an up to date position.
- 4.2 The most substantive discussions were held with Fidler Taylor comprising of a residential and commercial agent based in Matlock.
- 4.3 Fidler Taylor are the predominant local commercial agency within the Derbyshire Dales area and have offered the following summary information;

Industrial

- There is a strong level of demand enquiries for small scale industrial/workspace accommodation currently within Derbyshire Dales which cannot currently be met.
- Most enquiries received are for properties in the range of 185 sq.m. to 279 sq.m.. Available space generally is taken quickly when it becomes available.
- They note that a modern workshop unit of 185 sq.m. unit was recently let at a rental equating to £108 per sq.m. which reflects the shortage of supply of industrial accommodation of this size.
- There are the occasional enquiries for properties in excess of 465 sq.m.. Larger enquiries such as these are generally for relocation requirements of businesses already within the Derbyshire Dales area.
- It was considered that many businesses requiring new premises would not bother enquiring given the lack of supply within the area.
- It was noted during the discussion that an ideal location for the provision of good quality industrial/workspace accommodation might be on the Cawdor Quarry site. Particularly the areas of the site in relative proximity to Matlock town centre.

Office

- Little demand for office accommodation within the area.
 - Majority of occupiers prefer to seek workspace accommodation where space can be let at cheaper rates but provides for opportunity to convert all or some space into office use or provides for flexibility in accommodation accordingly.
 - The last 'significant' requirement for office accommodation within the area was for Acclaim Housing Group (formerly Dales Housing) which took several units at the Scholes Mill building in the order of 279 sq.m. approximately 5 years ago.
- 4.4 Overall Fidler Taylor identify that there is little requirement for office accommodation within the Derbyshire Dales area but that there is requirement for small scale workspace/industrial units – such enquiries unable to be met given current lack of availability.
- 4.5 Additionally, Fidler Taylor were unable to provide estimation of levels of unmet demand for the purposes of detailed analysis.
- 4.6 Contact has attempted to be made with other agents active within the area but have at the time of writing been unable to obtain any additional information from these sources. These agents include;
- Salloways – Derby based commercial agency which covers the wider Derbyshire area.
 - Milner Commercial – Derby based commercial agency which covers the wider Derbyshire area.
 - BB&J Commercial – Derby based commercial agency which covers the wider Derbyshire area.
 - Richard Savage Commercial – Thought they were not well placed to offer information in respect of local market characteristics given they are not particularly active within the Derbyshire Dales area.
- 4.7 Market insight has also sought to be obtained through individuals and organisations whom provide business support functionality within the locality and report on these discussions as follows;

Heather Bradford – Derbyshire Dales Business Advisor

- Majority requirement for small scale workspace/industrial units comprising 93 sq.m. – 139 sq.m..
- Requirements therefore are focused on small sub-dividable workspace units at ground floor with level access and potential for some small scale office space contained within.

- The majority of enquiries are from small internet based businesses which have outgrown their home office environment and need accommodation for the storage of goods and materials.
- Requirements are for accommodation across the Derbyshire Dales area. There is particular correlation between accessible locations in terms of the movement of goods and materials and unit location in close proximity to key centres including Ashbourne, Matlock, Bakewell and Hope Valley/Hathersage.
- Discussions reveal that there is ongoing requirement from 3 separate businesses for industrial/workspace totalling 836 sq.m.. These businesses currently operating from constrained accommodation within Derbyshire Dales but unable to move due to lack of availability.
- Enquiries in respect of office accommodation are very sporadic but when received are generally for small scale provision.
- Generally it is understood that businesses already located within the Bakewell and Matlock areas would potentially locate within either of these given their relative proximity.
- Ashbourne businesses tend to remain located within Ashbourne.
- Hope Valley and Hathersage businesses tend to remain within this area.
- Additionally it is understood that the Hope Valley/Hathersage area is attractive to companies looking to locate/re-locate from west and south west Sheffield and therefore proves to be a popular location in this regard.

4.8 In respect of unmet demand enquiries from the above discussions it is estimated that there is a current level of unmet demand within Derbyshire Dales as follows;

Office

- A total of 1,236 sq.m.. However it is necessary to deduct 790 sq.m. from this total (referring to a single occupier requirement at Haarlem Mill) as this requirement is in excess of the identified report parameters. Therefore the revised total is at 446 sq.m..

Industrial/Workspace

- A total of 836 sq.m. is estimated to be currently unmet in respect of industrial/workspace accommodation requirements following discussion with Heather Bradford.
- Additionally it is estimated that there is approximately 93 sq.m of unmet demand at the Molyneux Business Park based upon ongoing demand enquiries for space up to 46.5 sq.m on a weekly basis. Since the recent letting of accommodation on site the business park is currently unable to cater for these very small enquiries until additional accommodation is converted for this purpose.

- Therefore existing unmet demand is likely to increase until such a time additional space is made available or occupiers find alternate locations.
- Total unmet demand is conservatively estimated to be 929 sq.m. This total does not account for indicated levels of demand for small scale industrial accommodation as provided during discussion with Fidler Taylor.
- Fidler Taylor were not able to provide any demand enquiry evidence to support the anecdotal information as provided and therefore it is not possible to include additional data from these sources.

Derbyshire Dales Business Survey

- Additional to the above a review of a business survey undertaken by M.E.L Research, in October 2016 and covering the whole of the Derbyshire Dales area has been undertaken. The report sought to identify an understanding of current business premises suitability and potential future accommodation requirements.
- A total of 783 businesses within the district area were approached with a total survey sample (number of responses) being 224. Of these it is identified that 93% were either small or micro in size, with the largest proportion of responses coming from businesses within the manufacturing and engineering sector (30%) followed by service sector (13%) and both creative and digital and construction with 9% respectively.
- The results of the survey identify the following key findings;

Current Premises

- i. Common factors restricting the operation of the businesses whom responded include inadequate broadband availability (35%), inadequate parking for staff and/or customers totalling (46%) and size of premises (22%).
- ii. Property size restrictions appear to be an issue primarily for those businesses operating in the food and drink sector (42%), manufacturing and engineering (26%) and service sector (24%). 21% of micro and 30% of small businesses who responded report that the size of their current premises are restricting the operation of their business.
- iii. Around a third of respondents envisage that their current premises will only be adequate for a further two years or less and a further 20% indicating that their premises will only be adequate for a maximum of 5 years.
- iv. Therefore in respect of point iii. over 50% of all business respondents envisage that their current premises will no longer be suitable in five years' time. This from a base size of 205 businesses and therefore over 100 businesses will require additional space either through

expansion of existing accommodation or occupying different, larger premises within this timeframe.

Future Accommodation Requirements

- v. 43% of businesses currently have plans to expand their business, this from a bass response of 221 and therefore accounting for a total of 95 businesses.
- vi. A total of 26 small businesses and 62 micro businesses are currently looking to expand.
- vii. 44% of office space occupiers (31 businesses) are looking to expand and 52% of industrial premises occupiers (17 businesses) are looking to expand their premises.
- viii. Of the total businesses looking to expand 64% (56 businesses) require new premises, with half of these requiring additional land to expand. Additional land requirements vary between 2,186 sq.m to 2 hectares but were typically at 0.4 hectares.
- ix. 27% of respondents require industrial premises comprising 9% general industrial and 18% light industrial respectively.
- x. 21% require new office accommodation with specific requirement from 18% for unserviced and 3% serviced office space.
- xi. 41% of respondents (23 businesses) identify requirement for other types of premises. These include combinations of different types of workspace such that these would combine office and warehouse/industrial space within the same building.
- xii. Of those businesses that require new workspaces it is understood that there is the following requirement;
 - 21% (12 businesses) need small premises of between 1 and 100 sq.m
 - 30% (17 businesses) require accommodation of 101 – 500 sq.m, and
 - A third (18 businesses) require larger premises in excess of 501 sq.m
- xiii. The majority of businesses at 44% require high quality accommodation, with 32% requiring average/good quality and the remainder with low quality requirements or did not specify.
- xiv. The most attractive areas in terms of businesses seeking to expand include Darley Dale, Bakewell, Ashbourne and Matlock.

xv. 40% of respondents who have plans to move or expand would seek to do so in the next 2 years if suitable premises become available.

- Analysis of the above therefore provides for the following key findings;

Additional Land Requirements

- Of a total 56 businesses looking to expand and 50% of these requiring additional land, this provides for a total conservative land requirement of 11 ha. This based on a total of 28 businesses requiring an identified average of 0.4 ha each.
- It is not identified within the above survey but considered entirely plausible that businesses would ideally require additional land adjacent or in close proximity to their existing premises. The availability of such land is obviously limited by the specific location of their business operation and therefore the ability to acquire land of this nature.
- Businesses will therefore typically consider the suitability of operating from multiple sites or will seek to consolidate and locate in a single location, depending on specific business operational requirements.

Premises Requirements

- There are a total of 12 businesses requiring new small premises, assuming a mid-range average requirement of 50 sq.m each, there would be a total requirement of 600 sq.m.
- A total of 17 businesses require medium size accommodation. Assuming a mid-range size requirement of 250 sq.m, this represents a total requirement of 4,250 sq.m
- A total of 18 businesses require accommodation in excess of 500 sq.m. Assuming a lower range requirement at 500 sq.m this represents a total conservative requirement of 9,000 sq.m.
- There is an identified total of 12 businesses requiring in excess of 1,000 sq.m. Assuming a lower range requirement at 1,000 sq.m per business this represents a conservative estimated total requirement of 12,000 sq.m.
- There is a predominant requirement for high quality and good quality accommodation, over 76% of respondents identifying such a need. These requirements are focused around the most established localities within the Derbyshire Dales area and include Darley Dale, Bakewell, Ashbourne and Matlock.
- The above provides for a clear indication in respect of potential emerging requirements for new accommodation and also additional land requirements. Most notably this reflects a key requirement for good and high quality accommodation, with a predominant need for industrial (light and general) and workshop type accommodation.

- Over 50% of total space requirements (in terms of business numbers requiring space) are for accommodation at less than 500 sq.m, this typically reflective of the nature of most businesses within the District area.
- At present there is a substantial lack of available premises or development land to accommodate the above identified requirements. This issue will continue to be compounded as the key two and five year timescales for business growth aspirations move closer.
- There is therefore substantial risk of businesses seeking alternate accommodation and land outside of the District area. Particularly where business planning pressures will require a significant lead time for the finding of suitable existing accommodation or land which can accommodate new development for business growth. This typically at a minimum of 12 months and more typically at 18 months.
- On this basis therefore those businesses with aspirations for growth which include new premises or land will start to consider these requirements in the very short term and seek to identify their options. Therefore the current availability of premises and land will have a substantial impact upon the retention of these businesses within the Derbyshire Dales area.
- It is considered likely that the number of actual demand enquiries within the market place will substantially increase within the next 12 – 18 months, particularly where businesses will seek to instruct agents to identify potential options.
- A key requirement therefore for the retention of these businesses is opportunity to accelerate delivery of both existing premises and land for development which can accommodate the identified short to medium term business accommodation requirements.

4.9 *Notes from these discussions are attached at Appendix I and a copy of the Derbyshire Dales Business Survey is attached at Appendix II.*

5.0 Supply – Office Accommodation

5.1 We have previously identified that the totality of office accommodation within Derbyshire Dales is in the order of 75,000 sq.m. This is based upon VOA dataset information 2012 and provides for the most up to date series of information on this basis.

5.2 Previously reported data based upon 2008 VOA intelligence provided estimation of geographic split of office accommodation as follows;

Location	% of Total Accommodation
Ashbourne	6%
Matlock and Surrounding Area	64%
Bakewell	16%
Remainder	14%
Total	100%

5.3 There is a clear indication that the majority of existing supply is concentrated within the market towns and commercial areas, most notably Matlock. This clearly shows the importance placed upon the location of office accommodation in relation to key urban locations even within a predominantly rural setting.

5.4 The predominant location of office accommodation in Matlock is commensurate with the town's strategic role as the district's administrative centre.

Office Availability

5.5 The following table utilises search results for current office availability for units less than 465 sq.m. within the Derbyshire Dales sub-market area.

Building Address	Building Name	Building Park	Town	Year Built	Total Available Space sq.m.
2 Clifton Rd	Spire House	Waterside Business Park	Ashbourne	2010	188
Limetree Rd		Lime Tree Business Park	Matlock	1995	64
Limetree Rd		Lime Tree Business Park	Matlock	1995	87
North Church St	Cambridge House		Bakewell	1950	177
37 Windmill Ln	St Monicas House		Ashbourne	1949	120
Old Coach Rd	Speedwell Mill		Matlock	1830	583 (total across 4 suites)
Ladygrove Road	Ladygrove Mill		Matlock		80 (total across 6 suites)
Firs Parade	Cannongate House		Matlock		148
Coldwell Street	Newbridge Works		Wirksworth		56
Derby Road		Midbrook Court	Ashbourne		803 (4 units new build)
Radbourne		Silverhill Court	Ashbourne		145 (3 units)
Main Road (Unit 2)		Waterside Business Park	Ashbourne		69
Pilsley Lane	Broomes Barn		Bakewell		151
Whitworth Road	Darley Dale	Molyneux Business Park	Matlock		325
Total					2,996

(CoStar/EGI Property Database)

- 5.6 We have sought to divide available space at the Molyneux Business Park by 50% given the dual purpose nature of the space available for both office and workshop/industrial use such that availability is not double counted at this location.
- 5.7 Although the above provides for an indication of current availability it does not account for all office availability within the area as not all premises available are recorded on either the CoStar or EGI databases.
- 5.8 It is previously reported that there remains unit availability as part of the Cromford Mills site. The location offers fully serviced and supported individual suites, on flexible lease terms as part of the recently refurbished Cromford Mill buildings just outside of the small settlement of Cromford and 1 mile north east of Wirksworth.
- 5.9 Availability of space at Cromford Mill totals 44 sq.m. (this excludes the 232 sq.m. of space currently under offer).
- 5.10 It is understood that there is no unit availability as part of the Scholes Mill building and similarly there is currently no availability at Haarlem Mill with 883 sq.m. of office accommodation subject to planning approval with occupiers ready to take space when this becomes available.
- 5.11 Geographically, current availability is split as follows;

Matlock

(for the purposes of geographical search area, Matlock also includes for accommodation availability within surrounding environs to include Wirksworth, Cromford and Darley Dale)

Established office locations providing small scale office/workspace suites as follows;

- *Speedwell Mill* – 583 sq.m. of flexible office accommodation as part of an established office conversion of a former mill building. Space offered on a flexible basis with potential, subject to requirement, for serviced suites. Space offered as a whole or sub-divided depending on occupier requirements.

The above space offered from £91.50 per sq.m. but subject to increase depending on the level of flexibility sought in respect of lease term, required level of fit out and whether serviced accommodation is required.

- *Limetree Business Park* – 64 sq.m. of floor space available.
- *Limetree Business Park* – 87 sq.m. of floor space available.

Limetree Business Park units are offered on flexible lease terms and provide modern good quality small business and office units in a convenient location for Matlock centre.

Quoting rents for these units in the order of £83 per sq.m..

- *Cromford Mill* – As identified above providing high quality office accommodation geared towards creative, digital, technology, media and service industry businesses.

Quoting rents on an all-inclusive and fully serviced basis are at £215 per sq.m..

- Ladygrove Mill – 80 square metres of flexible office accommodation as part of an established office suite comprising the conversion of an historic mill building.

Quoting rents are in the order of £129 per sq.m.

- Cannongate House – Providing established office accommodation on first floor level within the town centre.

Quoting rents on a standard FRI lease are in the order of £67.50 per sq.m

Molyneux Business Park – As previously discussed it is understood following discussion with the landowner/manager that there is currently available a total of 650 sq.m of accommodation split between two units. This accommodation providing for dual purpose use such that it can be used for both office and industrial/workshop occupation.

In order to not double count availability, the available accommodation is split equally between office and workshop/industrial use and is therefore reduced to 325 sq.m. representative of each use type.

Quoting rents are in the order of £86 per sq.m on flexible terms but exclusive of rates.

Ashbourne

Two identified available units, each described as follows;

- *Unit 2 Spire House, Waterside Business Park* – A unit of 188 sq.m. forming part of a modern business and retail park within close proximity to the A52.

The above unit providing for good quality accommodation including comfort cooling, Cat 5 data cabling, kitchenette, shower, toilets and dedicated parking. Flexible lease terms offered.

Quoting rent in respect of the above is £133 per sq.m..

- *St Monica's House* – a former nursery converted into office accommodation.

Information is limited in respect of this unit where lease terms are not currently available and therefore cannot be commented upon.

Midbrook Court – Currently being constructed on site new build office accommodation providing a total of 803 sq.m across four units of accommodation. Built to the latest building regulations and construction standards.

Quoting rents are in the order of £108 per sq.m on a standard FRI lease.

Silverhill Court – Converted former barn into good quality small scale office accommodation. This located in Radbourne on the outskirts of Ashbourne. Benefits from shared car parking area for 50 vehicles.

Quoting rents are in the order of £118 per sq.m on a standard FRI lease.

Bakewell

- *Cambridge House, North Church Street* – 177 sq.m. of flexible office accommodation available within an edge of centre location.

The above unit providing for available office accommodation as a whole or can be sub-divided depending on occupier requirements. The accommodation is located to the north western fringe of Bakewell centre.

Lease terms of 3 years are sought for the premises as a whole or shorter flexible terms can be negotiated for smaller unit accommodation.

Quoting rents are £97 per sq.m..

- 5.12 Therefore reflecting the above office space availability, to include the CoStar/EGI search and units available as part of Cromford Mill, it is reported that a total of **3,040 sq.m.** of office space at less than 465 sq.m. per unit being currently available within the Derbyshire Dales area.
- 5.13 The following section of the report seeks to identify a basis for determining a level of current industrial availability at less than 465 sq.m.. It is therefore reported as follows;

6.0 Supply of Industrial/Workspace Accommodation

- 6.1 We have previously identified that the totality of industrial and workshop accommodation within Derbyshire Dales is in the order of 353,000 sq.m. This is based upon VOA dataset information 2012 and provides for the most up to date series of information on this basis.
- 6.2 Previously reported data based upon 2008 VOA intelligence provided estimation of geographic split of industrial/workshop accommodation as follows;

Location	% of Total Accommodation
Ashbourne	25%
Matlock and Surrounding Area	33%
Bakewell	12%
Remainder	30%
Total	100%

- 6.3 There is a clear correlation therefore for the location of industrial accommodation within and around the market towns of the district. There is a particular focus in respect of larger unit accommodation being located within Ashbourne given its relative proximity to the A52 and therefore attractiveness on the basis of accessibility and distribution of goods/materials.

Industrial/Workshop Availability

6.4 As per the search criteria for office accommodation discussed above the following table utilises search results for current industrial availability for units less than 465 sq.m. within the Derbyshire Dales sub-market area.

Building Address	Building Name	Property Type	City	Year Built	Total Available Space sq.m.
Hall Ln	Rear Of Hall	Industrial	Ashbourne	1950	237
Rodsley Lane	Woodhouse Court	Industrial	Ashbourne		964 (3 units available)
Derby Road	The Kingsfield Industrial Estate (unit 3)	Industrial	Matlock		418
Molyneux Business Park		Industrial	Matlock		325
Total					1,944

(CoStar/EGi Property Database)

6.5 Current small unit industrial/workspace accommodation currently available is located within / around Ashbourne and Matlock and are detailed as follows;

Hall Lane

Unit comprising 237 sq.m. of storage space or low grade industrial accommodation. The premises are located to the north eastern edge of Ashbourne centre and are offered on flexible lease terms. The ingoing tenant being responsible for interior repair and decoration and contribution towards building insurance.

Quoting rent in respect of this unit is £27.45 per sq.m..

Rodsley Lane – Woodhouse Court

Three units comprising a total of 1,741 sq.m of accommodation, the sizes of which are as follows;

- Unit G – 232 sq.m
- Unit C – 249 sq.m
- Unit A – 483 sq.m

There is an additional unit available which is 777 sq.m as part of the Woodhouse Court complex. This is a scheme of several interconnected steel portal framed industrial units.

Space is offered on 'easy in – easy out' terms and quoting rents are at £32 per sq.m for the smaller units and £27 per sq.m for the larger unit.

Kingsfield Industrial Estate – Derby Road

A single unit comprising a total of 418 sq.m of accommodation. This is a detached industrial/warehouse unit of steel portal frame construction with steel profile clad elevations beneath a pitched asbestos roof incorporating translucent roof lights.

Internally the unit benefits from concrete floor, gas fired warm air blower, concertina loading doors and intruder alarm. The scheme comprises a series of detached and interlinked industrial units. Some benefitting from internal refurbishment and recent improvements.

Quoting rents are at £41 per sq.m for this unit.

Molyneux Business Park – Matlock

As previously discussed it is understood following discussion with the landowner/manager that there is currently available a total of 650 sq.m of accommodation split between two units. This accommodation providing for dual purpose use such that it can be used for both office and industrial/workshop occupation.

In order to not double count availability, the available accommodation is split equally between office and workshop/industrial use and is therefore reduced to 325 sq.m. representative of each use type.

Quoting rents are in the order of £86 per sq.m on flexible terms but exclusive of rates.

- 6.6 Total availability of small scale industrial/workspace accommodation is therefore in the order of 1,944 sq.m..

7.0 Analysis of Demand and Supply

Offices

- 7.1 Analysing the established evidence in respect of demand and supply, a summary position of the key areas of mismatch between these is provided and would report as follows;
- i. Overall level of office take up recorded per annum is 1,370.5 sq.m.
 - ii. Current levels of available office floor space are 3,040 sq.m.
 - iii. Using VOA data and information as previously reported in the Housing and Economic Needs Assessment (September 2015) as well as data from both CoStar and EGI it is estimated that accommodation below 465 sq.m represents approximately 60% of total office accommodation (45,000 sq.m) within the district. On this basis the void rate in respect of offices is currently 7%.

- iv. In terms of years supply of office accommodation (within the identified search parameters) this is estimated at 2.22 years.
 - v. Current unmet demand is estimated to be 446 sq.m.
- 7.2 Further analysing the above identified headline figures it is able to identify additional trends in respect of office demand and supply.
- 7.3 From the 67 recorded office lease transactions utilising the CoStar and EGI property databases and direct discussions undertaken, 63 were for space below 185 sq.m. with only four occupiers taking space in excess of this at between 190 and 422 sq.m
- 7.4 Current availability of office accommodation identifies a total of 18 units below 185 sq.m. with the remaining 5 between 185 and 465 sq.m. (this including availability at Cromford Mill).
- 7.5 Take up evidence shows a particular requirement for small scale accommodation within the Matlock and surrounding area where previously available good quality office floorspace has proven popular, remains in occupation and is therefore not available.
- 7.6 Although there is, for the short term, adequate availability to meet demand enquiries it is considered likely that there is not the right availability of individual unit accommodation within the right locations. Therefore it is reasonable to assume that the majority of enquiries for space are now unlikely to be met until existing space becomes available or more space is provided.

Industrial

- 7.7 Analysing the established evidence in respect of demand and supply, provides a summary position of the key areas of mismatch between these and would report as follows;
- i. Overall level of industrial take up recorded per annum is 1,278 sq.m.
 - ii. Current levels of available industrial floor space are 1,944 sq.m.
 - iii. Using VOA data and information as previously reported in the Housing and Economic Needs Assessment (September 2015) it is estimated that accommodation below 465 sq.m represents approximately 35% of total industrial/workshop accommodation (123,550 sq.m). On this basis the void rate for this kind of accommodation is currently between 1 and 2%.
 - iv. There is currently 1.52 years supply of industrial/workshop accommodation at a unit size of 465 sq.m. or less.
 - v. Unmet demand is estimated at 929 sq.m.
- 7.8 Analysing the established evidence in respect of demand and supply enables a summary position to be identified in respect of the key areas of mismatch. It is reported on these as follows.

7.9 Availability of industrial accommodation is seriously constrained such that historic levels of take up are unable to be met. There are only 6 available units of accommodation located within Ashbourne and Matlock.

7.10 Existing industrial accommodation requirements are understood to be for units in the order of 279 sq.m. as per our discussions with both Fidler Taylor and Heather Bradford. Current availability, although of sufficient size is extremely limited and is unlikely to satisfy existing unmet demand fully and does not provide for a sustainable provision of available accommodation into the future.

8.0 Assessment of Current Rental and Capital Values

8.1 Utilising the evidence gathered through assessment of recorded transactions from the CoStar property database and additional intelligence gathered through discussions as noted previously, commentary is provided in respect of achieved rental values for both office and industrial units and report on these as follows;

Office – Rental Values

Sign Date	Address	City	Floor	Total Area Leased sq.m.	Rent per sq.m.	Lease Type
02/05/2016	Main Rd (Hathersage Hall Business Centre)	Hope Valley (Hathersage)	GRND	64	£161	
12/02/2016	2 Dig St (Town centre)	Ashbourne	1-2	81	£98	FRI
01/12/2015	Lumsdale Rd (Tansley Wood Mills)	Matlock	GRND	50	£98	
01/12/2015	Lumsdale Rd (Tansley Wood Mills)	Matlock	1st	50	£98	
01/05/2015	5A St John St (Town centre)	Ashbourne	1st	85	£84	
01/04/2015	Ladygrove Rd (Ladygrove Mill)	Matlock	GRND	25	£131	
01/04/2015	Ladygrove Rd (Ladygrove Mill)	Matlock	GRND	9	£229	
01/04/2015	Ladygrove Rd (Ladygrove Mill)	Matlock	GRND	15	£182	
01/04/2015	Ladygrove Rd (Ladygrove Mill)	Matlock	1st	11	£209	
01/04/2015	Old Coach Rd (Speedwell Mill)	Matlock	1st	141	£86	
02/03/2015	Old Coach Rd (Speedwell Mill)	Matlock	2nd	141	£108	
01/03/2015	The Glass House Main Rd (Hathersage Hall Business Centre)	Hope Valley (Hathersage)	GRND	82	£188	
01/02/2015	Main Rd (Hathersage Hall)	Hope Valley (Hathersage)	1st	64	£187	

Sign Date	Address	City	Floor	Total Area Leased sq.m.	Rent per sq.m.	Lease Type
	Business Centre)					
28/1/2015	Heather Ln (Hathersage Business Park)	Hope Valley (Hathersage)	GRND,1	279	£108	
01/10/2014	Ladygrove Rd (Ladygrove Mill)	Matlock	1st	15	£152	
07/08/2014	Main Rd (Hathersage Hall Business Centre)	Hope Valley (Hathersage)	GRND,1	65	£138	IRI

(All of the above transactions are for office accommodation of less than 465 sq.m. and for transactions between 31st May 2014 and 1st June 2016 - CoStar)

- 8.2 Analysing the summary information in the table above determines the following key information in respect of rental values for office accommodation within the Derbyshire Dales area;
- 8.3 Average rental values are in the order of £141 per sq.m., this does however include for some high values recorded and noted as follows;
- 8.4 Rental values of between £131 and £229 per sq.m. are being achieved at the Ladygrove Mill scheme. It is understood however that this represents a premium paid for space offered on flexible, serviced terms with rental levels being on an all-inclusive basis. Additionally rental values are substantially higher on a per sq.m. basis for the very small units of accommodation as identified.
- 8.5 Similar values are also recorded in respect of Cromford Mill on the basis of fully inclusive, serviced office accommodation at rental values in the order of £215 per sq.m..
- 8.6 On the basis of the above table, serviced office accommodation attracts a rental value in the order of £131 sq.m. to £215 sq.m..
- 8.7 More typical rental values therefore might be considered in the order of £84 - £108 per sq.m. for office accommodation offered on standard terms and without additional services or inclusive packages.
- 8.8 The following will seek to analyse rental values achievable on a geographic basis;

Matlock and Surrounding Area

- 8.9 The majority of identified comparables provided in respect of Matlock comprise accommodation being taken forming part of the Ladygrove Mill complex as identified above. These commanding higher values than the majority of other recorded transactions on account of the flexible lease terms and all-inclusive basis of rentals offered.
- 8.10 Other recorded leasehold transactions include premises comprising units forming part of the Speedwell Mill office scheme. These achieving values in the order of £86 - £108 per sq.m.. This representative of unit accommodation within an established

office suite complex where space is let on a flexible basis. It is understood that these units are not serviced and not offered on a fully inclusive basis.

- 8.11 It is noted that all of the accommodation taken as identified above is located within former mill buildings and all located between 1 and 2 miles outside of the centre of Matlock.

Hope Valley

- 8.12 Four of the five units of accommodation taken within Hope Valley form part of the high quality redevelopment and conversion of the Hathersage Hall Business Centre, comprising a complex of former farm buildings.
- 8.13 It is understood that the completed units in this location provide for particularly high quality office accommodation located just to the eastern fringe of the centre of Hathersage and located directly on the A6187 which is less than 10 miles to the south west of Sheffield. The location also benefits from regular rail connections to both Sheffield and Manchester.
- 8.14 All units comprising this scheme are fully let with those identified within the above table achieving rental values of between £138 per sq.m. - £188 per sq.m.. Leases are understood to be offered on standard lease terms.

Ashbourne

- 8.15 Two office units have been taken located within the town centre of Ashbourne comprising self-contained office units above ground floor retail. These units comprising standard levels of accommodation and offered on the basis of standard rental terms.
- 8.16 The two units as described above achieving rental values in the order of £86 - £97 per sq.m..

Industrial/Workspace – Rental Values

Sign Date	Start Date	Address	City	Floor	Total Leased sq.m.	Rent sq.m.	Lease Type
27/11/2015	27/11/2015	Moor Farm Rd (Ashbourne Airfield)	Ashbourne	GRND	395	Not Provided	
01/07/2015	01/07/2015	Chesterfield Rd	Matlock	GRND	79	£57	
01/07/2015	01/07/2015	Old Coach Rd (Brookfield Industrial Estate)	Matlock	GRND,MEZZ	192	£63	
01/06/2015	01/06/2015	Porter Ln (Cromford)	Matlock	GRND,MEZZ	117	£62	FRI
25/10/2014	24/11/2014	Derby Rd	Matlock	GRND	372	£27	FRI

Sign Date	Start Date	Address	City	Floor	Total Leased sq.m.	Rent sq.m.	Lease Type
		(Kingsfield Industrial Estate)					
25/10/2014	24/11/2014	Derby Rd (Kingsfield Industrial Estate)	Matlock	1,MEZZ	114	£27	FRI
08/09/2014	08/09/2014	Derby Rd (Kingsfield Industrial Estate)	Matlock	GRND,MEZZ	400	£30	FRI

(All of the above transactions are for industrial accommodation of less than 465 sq.m. and for transactions between 31st May 2014 and 1st June 2016 - CoStar)

- 8.17 Analysing the summary information in the table above determines the following key information in respect of rental values for industrial accommodation within the Derbyshire Dales area;
- 8.18 Average leasehold value achieved as per the above search criteria is at £45 per sq.m.. There is a range of values between £27 per sq.m. to £63 per sq.m. achieved on disposal.
- 8.19 There are no recorded leasehold transactions in 2016 for small scale industrial accommodation.
- 8.20 The following sections seek to analysis rental values achievable on a geographical basis;

Matlock and Surrounding Areas

- 8.21 A total of 6 units taken within the Matlock area from several different areas within the vicinity of Matlock. The most notable disposals are identified as follows;
- 8.22 Industrial accommodation taken as part of the Brookfield Industrial Estate on Old Coach Road comprising single unit accommodation totalling 192 sq.m. and forming part of a good quality small scale industrial complex to the south east of Matlock in Tansley.
- 8.23 A good quality industrial unit was taken on standard lease terms, although length of lease was not disclosed. Rental achieved was £63 per sq.m..
- 8.24 Similar terms and value were achieved for space taken at the Porter Lane industrial units comprising a small scale development of good quality steel portal framed and steel panel clad industrial units.
- 8.25 Several units of accommodation were taken forming part of the Kingsfield Industrial Estate. The estate comprising poorer quality steel portal frame over blockwork clad with corrugated steel panels. The unit's previously forming car repair workshops and are generally of poor quality.

- 8.26 Rental values achieved here are between £27 per sq.m. and £30 per sq.m..
- 8.27 The values achieved above therefore directly relate to the quality of accommodation offered. All locations offering similar levels of connectivity with the local road network and all being located some distance away from the convenience of local centres and amenities in this regard.
- 8.28 There is evident correlation between quality and location of accommodation and achievable rental values, this clearly evidenced above and summarised as follows;
- Accommodation in close proximity to urban areas and commercial centres carry a premium for both office and industrial/workspace accommodation.
 - Where the area benefits from good connectivity to road and rail network, this being particularly noticeable within Matlock, Ashbourne and Hope Valley, there is correlation with increased rental values achieved.
 - Where the unit is located within an established location rental values are generally higher.
- 8.29 Whereas the above factors in respect of geography are considered important in determining levels of rental values achievable it is also noted that the quality of space offered and the respective level of demand for such accommodation is likely to dictate rental values within Derbyshire Dales.
- 8.30 As noted previously within the report industrial/workspace accommodation in the order of 279 sq.m. currently attracts a premium value such that demand exceeds supply for this unit type. Fidler Taylor have reported achieving rental values in the order of £108 per sq.m. in respect of units taken at this size which demonstrates an extremely strong value for small industrial/workspace units in this locality.
- 8.31 This highest level of rental achieved is based solely upon a lack of supply dictating a premium rental value paid.

Project Viability

- 8.32 Project viability is an assessment of all scheme costs and all scheme values such that deducting cost from value allows for a residual land value to be generated. This will determine the ability of the scheme to generate a positive land value which would be sufficient to enable development to proceed.
- 8.33 An outline assessment of the viability of employment schemes within the Derbyshire Dales is set out as follows;

Rentals

- 8.34 There is a lack of evidence of new lettings of good quality accommodation, however based upon the evidence set out above – including the letting of a variety of serviced office suites and older employment units then the net rental values are assessed as follows;

Offices – suites of 50 – 200 sq m - £130 per sq m

Workshops – 100 – 300 sq m - £ 80 per sq m

- 8.35 These rental levels reflect the current shortfall of good quality employment floorspace within the town.

Yields

- 8.36 A yield is a representation of lease terms likely to be negotiated and the standing of the potential occupier such that an appropriate multiplier can be used to convert rental value into a capital value.

- 8.37 Typically it is anticipated that given the relative location of sites within the Derbyshire Dales area and prevailing market characteristics, that a yield in the order of 9% for office accommodation and 10% for industrial/workshop space would be appropriate.

Employment Land Values

- 8.38 Land values sought for good quality employment sites across Derbyshire Dales is around £300,000 per ha.

Construction Costs

- 8.39 The construction costs for small employment schemes are fairly consistent throughout the Country – irrespective of value and indeed there is likely to be a small premium cost associated with a scheme away from the main commercial centres due to accessibility for labour and materials.

- 8.40 It is recognised that employment units would be developed to a basic specification without design enhancements and on this basis – typical costs would be as follows;

- Offices - £1,185 per sq m
- Workshops - £ 850 per sq m

Developer's Profit

- 8.41 Given the levels of risk associated with the development of employment floorspace in a rural location which would comprise an untested location then it is considered that developers would typically be seeking a developers profit of 17.5 – 20% on cost – and will normally have sought a good understanding of the local market with interest identified for 50% or more of the proposed scheme.

Other Development Costs

- 8.42 Further allowances will be made for the costs of design fees, marketing costs, legal costs and the finance costs through the construction and letting of the schemes.

Project Viability

8.43 Based upon the above, a development appraisal for a 1,500 sq m office scheme and workshop scheme have identifies a cost value gap as follows;

- Office Development - 44.05 %
- Workshop Development - 47.59 %

8.44 *A copy of typical development appraisals for office and workshop schemes is attached in Appendix III.*

9.0 Current Status of Development Sites

9.1 As identified within the introduction Thomas Lister are instructed to consider key mixed use development sites located within the Matlock area in respect of their potential for the delivery of workspace schemes.

9.2 The following therefore identifies each of these key development sites and provides up to date context in respect of development proposals being considered at each.

HALLDALE QUARRY - MATLOCK

Brief Description

9.3 A former Quarry with a gross site area of 27 hectares and a net developable area of approx. 12 hectares. The site is allocated within the Derbyshire Dales Local Plan Pre Submission Draft for a mixed use scheme including up to 220 residential units and 2 hectares of land for employment uses.

9.4 The site is located less than 1 mile to the South West of Matlock Town Centre, accessed from Snitterton Road. Being a former Limestone quarry, there are topographical constraints which restrict the developable area.

9.5 The site does incorporate some identified tree belts and wildlife habitat – although their integration into any potential scheme will be subject to an assessment of viability and planning. The site is proposed to make a considerable contribution to future sustainable development in Matlock.

9.6 The site is understood to be in the ownership of 4M Property Partners Limited.

Current Status of Proposals

9.7 The site previously benefitted from a planning permission ref: 10/00039/OUT granted in 2011, which included permission for a mixed use scheme comprising B1 Office, C1 Hotel, Car showrooms, cinema and ancillary leisure uses, A1 and A3 with car parking and landscaping as well as the management of associated ecological habitat. The permission has now lapsed.

9.8 A revised planning application was submitted in August 2014 for a scheme comprising 220 residential units and approximately 6,400 sq.m. of B1 floor space likely to cater for start-up and fledgling businesses. Additionally the applicant is also seeking approval for the provision of 400 sq.m. of A3 floor space. The inclusion of

these commercial uses are understood to be ancillary to the residential development and are provided following pre-application discussions with the Local Planning Authority.

- 9.9 There are long standing discussions with DDDC in respect of determining a level of scheme viability such that there would be a requirement to deliver some or all required S106 and other contributions which might ordinarily be sought through the granting of planning permission, for a scheme of this nature.

Following a lengthy period of negotiation over the scheme, its viability and justifiable S106 contributions, the scheme received outline approval, in July 2016. This remains subject to the agreement of planning conditions, particularly for the phasing the development to secure full delivery of employment provision, and the completion of the S106 legal agreement. Once these matters have been agreed, the outline permission will be formally issued. The reserved matters application(s) would then have to be submitted for approval prior to any development commencing on the site. The report to Planning Committee required that the timescale of delivery should have regard to the overall development timescale and should seek to secure provision of serviced employment units before 50% of the residential development is completed or otherwise in accordance with an alternative scheme to be agreed in advance.

MIDDLETON ROAD - WIRKSWORTH

Brief Description

- 9.10 The site is in the ownership of Tarmac now forming part of the CRH Group of companies whom also own the adjacent Middle Peak Quarry. Middleton Road, Wirksworth is a site of approximately 9 hectares located less than a mile to the north of Wirksworth Town Centre and approximately 4 miles to the South of Matlock Town Centre.
- 9.11 This is a brownfield site which is situated with good access to local amenities and the local transport network. The site was previously allocated for industrial use, however the Derbyshire Dales Local Plan Pre Submission Draft identified that there is evidence to indicate limited commercial viability for employment uses alone and therefore proposes a mixed use scheme. Releasing part of the site for approximately 126 residential units is proposed allowing for a reduced employment allocation of 2 hectares which would benefit from the likely cross-subsidisation of any proposed residential allocation.

Current Status of Proposals

- 9.12 Since the CRH group has taken over Tarmac, there is understood to be renewed impetus in respect of considering development proposals at this and other sites under the same ownership.

It is understood that recent discussions between the land owner, agents and DDDC now provides renewed commitment towards the delivery of employment land as part of the scheme. Indicative proposals therefore now consider a 2ha employment allocation as part of the mixed use scheme to include a mix of B use classes. This mix is yet to be agreed with DDDC but indicatively provides for industrial accommodation as follows;

- B1(b/c) – 4,109 sq.m (44,228 sq.ft)
- B2 – 1,976 sq.m (21,269 sq.ft)
- Total – 6,085 sq.m (65,497 sq.ft)

The latest indicative scheme layout will be subject to further refinement and will require to be tested through the formal planning process but provides for an improved employment based development mix.

- 9.13 Access to any employment land delivered would likely obtain access through the Ravenstor Industrial Estate to the immediate south east of the site but would be subject to further investigation into the viability and deliverability of access on this basis.

CAWDOR QUARRY - MATLOCK

Brief Description

- 9.14 The former Cawdor Quarry comprises an area of 25.5 ha and is in the ownership of Groveholt Ltd. The site is located immediately to the south of Matlock Town Centre.
- 9.15 The site was granted planning approval in 2001 for a scheme 432 dwellings and 23 light industrial workshop units plus some ancillary retail provision. A Sainsbury's store was subsequently developed together with 12 residential units situated to the north of Snitterton Rd (as part of a separate planning permission).
- 9.16 This is a longstanding development opportunity and is recognised as a potentially important scheme to meet the requirements of the District in relation to both industrial and housing delivery targets.

Current Status of Proposals

- 9.17 Latest scheme proposals presented to DDDC and through local community consultation indicate development of up to 600 residential units, with a small identified area of circa 0.39ha for employment (B1) floor space. This site being located separately from the main body of development with access from Matlock Spa Road.
- 9.18 The developer identifies that this employment site could be brought forward for early phase delivery.
- 9.19 Negotiation between Groveholt Ltd and DDDC will likely continue on the basis that the provision of adequate employment floor space and subsequent allocation of land for such uses will require to be fully determined.
- 9.20 It is understood that DDDC show preference for the potential allocation of plots B1 and A1 of the latest scheme masterplan for employment use therefore comprising a total area of 1.06ha. These plots are located within the main body of the site whilst providing for an early phase delivery solution with minimal impact on proposed residential development on other plots.

9.21 The Derbyshire Dales Local Plan Pre Submission has since allocated the site for mixed use development comprising approximately 470 dwellings and 1 hectare of employment land, including land at the former Permanite works. A planning application is awaited which will establish the developer's latest proposals for delivering the site, including the extent and location of employment provision.

10.0 The Challenges of Delivery of Employment Floorspace in Rural Areas

10.1 Whilst the requirement for the availability of small workshop and offices units in rural areas is recognised to meet the requirements of small businesses which dominate rural economies – these have proven difficult to deliver by the private sector on the basis of viability.

10.2 Small businesses typically require small suites of floorspace on flexible terms to support the growth of businesses – typically seeking such accommodation at short notice and upon flexible lease terms. The existing supply of properties is being challenged as a result of the permitted development rights provided for change of use from office to residential uses – such that many empty office properties would be considered for conversion to more valuable residential uses.

10.3 However, despite identified demand for small workspace units – private sector developers have not delivered floorspace of this nature across many rural areas across the Country due to factors including the following;

- High costs of development of small units on a speculative basis. This is as a result of the high level of provision of dividing walls, toilet and office provision as well as the low development density achievable due to the requirements of car parking and yard provision to serve multiple properties.
- The lack of covenant provided by the small businesses seeking to occupy such units. Many businesses are start-up or moving from domestic properties as they expand and do not have a significant balance sheet or trading record.
- The short term leases which are typically required by expanding businesses – typically 3 years or less.
- The lack of established property investment markets in rural areas has resulted in developers and landowners securing funding for the undertaking of development of small units from banks or other lending institutions.
- Potential issues with the ability of small businesses to meet the levels of rentals to provide landowners and developers the levels of return required to support new workspace.

10.4 The higher upfront development costs of offices and workspace results in particular challenges within these markets with a higher construction cost and potentially more challenges in delivering a phased scheme due to the longer construction periods and more complex construction processes.

- 10.5 The issues are consistent throughout the Country and Thomas Lister are currently working with Local Authority clients nationally to consider the ways in which support may be provided to secure the delivery of workspace with the recognised benefits of supporting small business formation and growth.

11.0 Review of Suitability of Employment Sites for Workspace Delivery

- 11.1 As noted above, this assessment considers 3 major employment allocations within the District which each form part of a major residential led mixed use development.
- 11.2 Within each of the 3 schemes, the sites incorporated significantly larger employment elements and that the developers have successfully argued that additional residential development was required to improve overall project viability and therefore the residential elements of the scheme will be seen as cross subsidising the employment development.
- 11.3 However, where there is no requirement for the developer/landowner to build employment floorspace then there is a risk that the more valuable residential elements will be built out in the first instance and the employment uses will not be progressed – with the potential to seek a change of use on the employment land to residential uses in the future on the basis that there is greater demand for residential as opposed to employment uses.
- 11.4 However any requirement for a developer to erect employment floorspace requires to be for premises where there is a prospect of beneficial occupation as there would be a detrimental impact of the delivery of employment floorspace which stood empty and therefore it is considered that it would be sensible for employment properties to be erected on a phased basis – with construction linked to the occupation of previous phases.
- 11.5 As noted above, each of the 3 identified schemes have revised and reduced employment allocations but the location and nature of the schemes will impact on the most suitable form of development for the particular site and it is commented in relation to the individual sites as follows;

Halldale Quarry, Matlock

- Self-contained development scheme within a predominantly rural location.
- The site is less than 0.5 miles from the A6 and will be accessed as part of a predominantly residential scheme.
- The current masterplan provides for a location within the heart of a residential scheme which may make the scheme unsuitable for general industrial uses – if the employment element is not relocated within the wider scheme masterplan.

Middleton Road, Wirksworth

- Scheme located on the periphery of the town of Wirksworth with a number of existing employment schemes.
- Proposals provide for the employment element to be accessed through the existing Ravenstor Industrial Estate and will form an effective extension of this scheme which is now fully let.
- The property is located around 1 mile from the A6 within an established employment location and good main road access.

Cawdor Quarry, Matlock

- Major scheme with good proximity to the A6 and Matlock town centre.
- Subject to agreement as to the scale and location of employment plots within the masterplan – the potential to utilise the employment areas as an effective barrier between the noise generating A6 and railway line from the residential elements of the scheme.
- Potential to create a prominent commercial element to the scheme which would have the greatest potential to attract inward investment to the area.

11.6 The different features of the individual development sites will impact on the approach to the delivery of employment floorspace within the scheme.

12.0 Approach to the Delivery of Employment Schemes in Other Rural Areas

12.1 As noted above, Local Authorities within rural areas across the Country are faced with the challenges in securing the delivery of the new employment floorspace which is required to support small businesses and Thomas Lister have worked with a large number of Authorities to consider a range of mechanisms to support delivery.

12.2 Alternative routes have been considered based upon a range of factors which have included the following;

- The availability of grant funding for schemes such as Local Growth Fund or affordable housing programmes.
- Whether sites are within private sector or public sector ownership.
- The viability of residential elements of a mixed use scheme and therefore the ability to cross subsidise the commercial elements of the scheme.
- The ability of individual Local Authorities to use their own resources or secure prudential borrowing to either undertake direct development or to provide loan funding to private sector developers.

- The assessment on the return of investment for employment schemes (as opposed to the ability to generate a developer's profit).

12.3 Whilst many Local Authorities have continued to consider options for the delivery of employment workspace – many of the proposals and preferred delivery route remain subject to planning or other funding approvals and have not resulted in the physical delivery of employment floorspace to date – although it is anticipated that delivery will commence on a number of projects over the next 6 months.

12.4 It is commented in relation to delivery mechanisms as follows;

Direct Development by Local Authorities on Public Sector Owned Land

12.5 A number of Local Authorities are considering the potential for direct development of employment floorspace on public sector owned land where the scheme may be considered on criteria which would not support development by the private sector.

12.6 For example, Local Authorities;

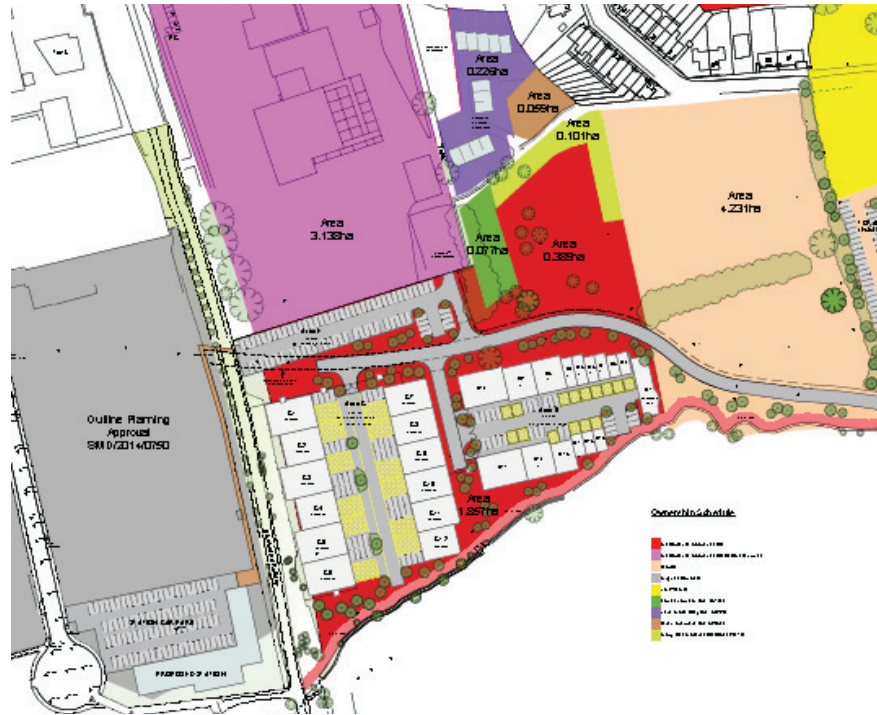
- May not require to incorporate a developer's profit within their assessment.
- Finance costs are likely to be at a lower rate than private sector borrowing.
- Local Authorities may be able to take account of business rate uplift resulting from any scheme.
- Local Authorities may be able to secure grant funding at rates in excess of intervention rates available to private sector developers under EU State Aid regulations.
- Input land value may be treated in a different way than the requirement for a site acquisition.

12.7 It is confirmed that

i. Cornhill, Leek

Staffordshire Moorlands District Council (SMDC) have recently submitted a grant funding application in relation to the development of two speculative employment development schemes on the above site which is situated on the south west border of Leek. The schemes comprise of small workshop premises around a central hub with the second phase comprising of larger grow on workshop units.

There is a significant shortfall of small good quality workshop units within Leek with virtually 100% occupation of existing Council and privately owned units.



The subject sites are within SMDC ownership, however there remains a significant viability gap for the proposed new speculative units which are proposed to be met by way of grant funding both through ESIF and LGF funding programmes. Applications have been submitted to both funds for different elements of scheme proposals which include the construction of a new access road into the site.

A required intervention rate of around 45% was identified as required to support project delivery.

Public consultation is currently ongoing in relation to a planning application for the Cornhill East area for which significant public support has now been received and it is anticipated that a planning application will be submitted later this year.

ii. Monkton Heathfield, Taunton

Thomas Lister were appointed by Taunton Deane Borough Council (TDBC) to acquire a site for the relocation of the Council’s Direct Labour Organisation (DLO) into a new purpose built facility. A preferred site was identified at Monkton Heathfield and the Local Authority obtained Council approval to secure a larger site than required for the DLO in order that the Council could deliver two phases of speculative workspace to meet an identified demand for small employment units within the town.

TDBC have a programme of ‘commercialisation’ within the Council – with the object to seek to increase the revenue streams within the Council through the use of Council assets and programmes.

The proposals provided for the delivery of around 2,787 sq.m. of new units between 185 sq.m. and 372 sq.m. in a semi-rural setting in two phases with the Council benefiting from the economies of developing the new DLO facilities simultaneously with the employment scheme. The Council secured approval for the proposed investment on the basis of securing a return on investment in excess of 7%.



A conditional contract has now been agreed for the purchase of the land and detailed planning application has been made for the scheme which is currently being competitively tendered.

iii. *Harborough Innovation Centre and Grow-On Space, Market Harborough*



- 12.8 Thomas Lister were appointed by Harborough District Council (HDC) to undertake a feasibility and viability assessment in relation to the development of a scheme of grow-on space of around 2,787 sq.m. to accommodate enquiries from the first phase Innovation Centre.
- 12.9 Work undertaken included the preparation of a viability assessment for the scheme which included working with architects and engineers in the preparation of an outline scheme for the site and formed the basis of an application for gap funding by the Council – both capital and revenue funding to Leicester and Leicestershire Enterprise Partnership. The application is currently under detailed appraisal.
- 12.10 Thomas Lister have also provided valuation advice to HDC in relation to the acquisition of the subject site – as the deliverability of the scheme is a key element of the grant assessment criteria.

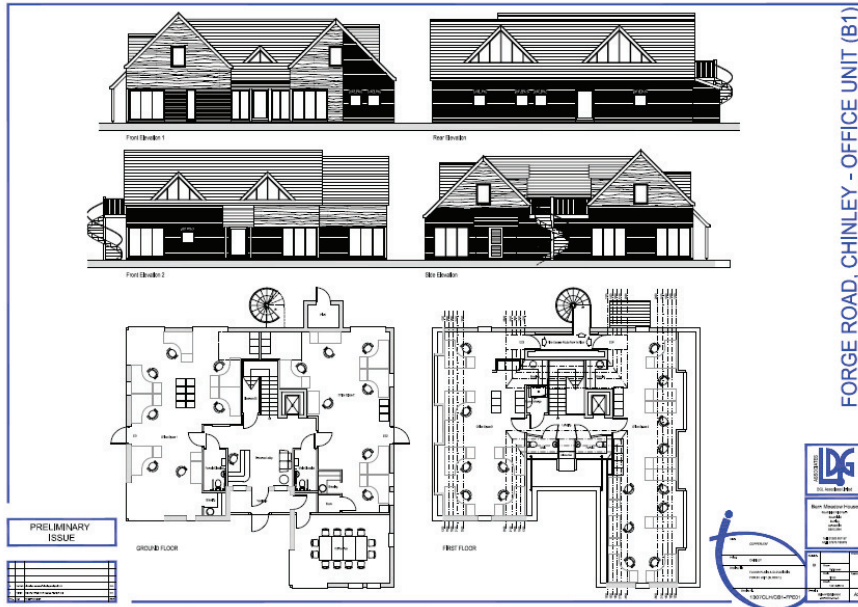
Provision of Loan Funding to Support Private Sector Delivery of Employment Floorspace

- 12.11 Thomas Lister have also undertaken the appraisal of various schemes where Local Authorities have sought to provide recoverable loan funding to private sector developers to support project delivery. Such funding is either provided on an individual project basis or alternatively through a recyclable loan fund established by local authorities to support project delivery.
- 12.12 Recent examples are provided as follows;

i. Innovation Forge, Chinley

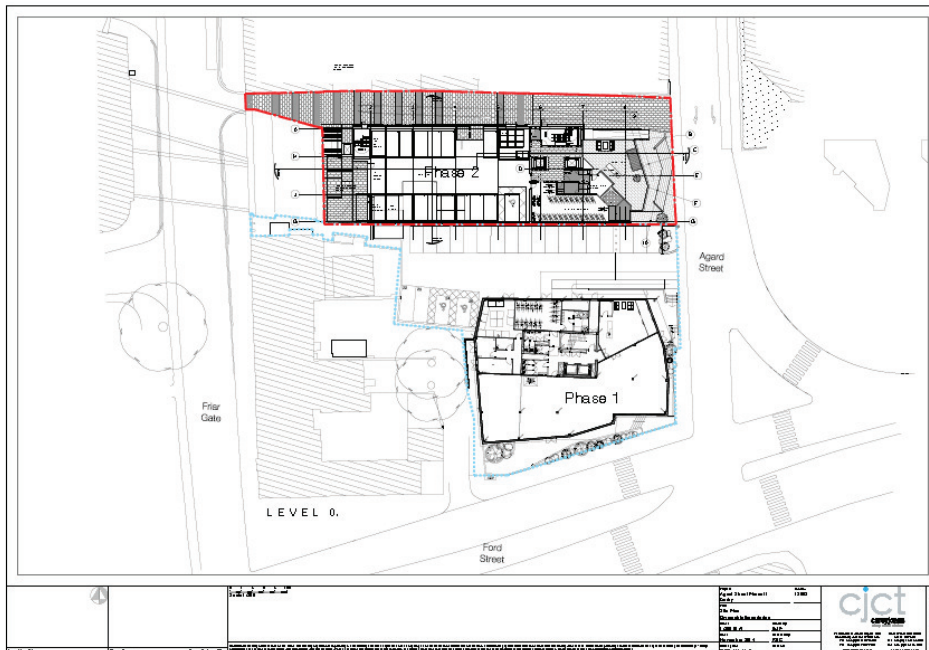
High Peak Borough Council (HPBC) established a £5 million Growth Fund with the objective of providing loan funding to developers to support the provision of employment schemes within a rural location. One of the first schemes to apply for funding was for a two storey serviced office building totalling around 650 sq.m. by Copperleaf Ltd which was within a mixed use scheme incorporating around 150 new residential units.

The application was for funding of £350,000 against a total estimated project value of £1.9 million. An outline application for funding was approved and a detailed application invited in relation to the scheme before HPBC took the decision to terminate the Fund following a change in Council leadership.



It is noted that a similar fund was established within Staffordshire Moorland which continues to operate and a number of large commercial and residential schemes are currently under consideration by the Fund.

ii. *One Friar Gate Square, Derby*



It is recognised that Derby City centre does not comprise a rural area, however One Friar Gate Square represents an example of a Local Authority (Derby City Council) providing loan funding to a private sector developer to enable a scheme which would not otherwise be delivered to be undertaken on a speculative basis. A loan of £3.5 million was provided by DCC to the

developer, Lowbridge Ltd which has now been repaid together with associated interest following the letting and sale of the building.

The project was funded through the Derby Regeneration Fund – which was established to support the City centre office market. The loan was provided as a loan with a long stop date of 5 years and at an interest rate of 6.5% and secured by way of a first charge over the site. A loan arrangement fee of £25,000 was paid upon the completion of the loan agreement.

The Council regard the scheme as a success in bringing forward a major 3,252 sq.m. employment scheme, business rate uplift, job generation and a positive financial return to the Council. The repaid loan funding has subsequently been re-invested in further employment generating schemes within the City.

Forward Purchase of Part or All of a Scheme by a Local Authority

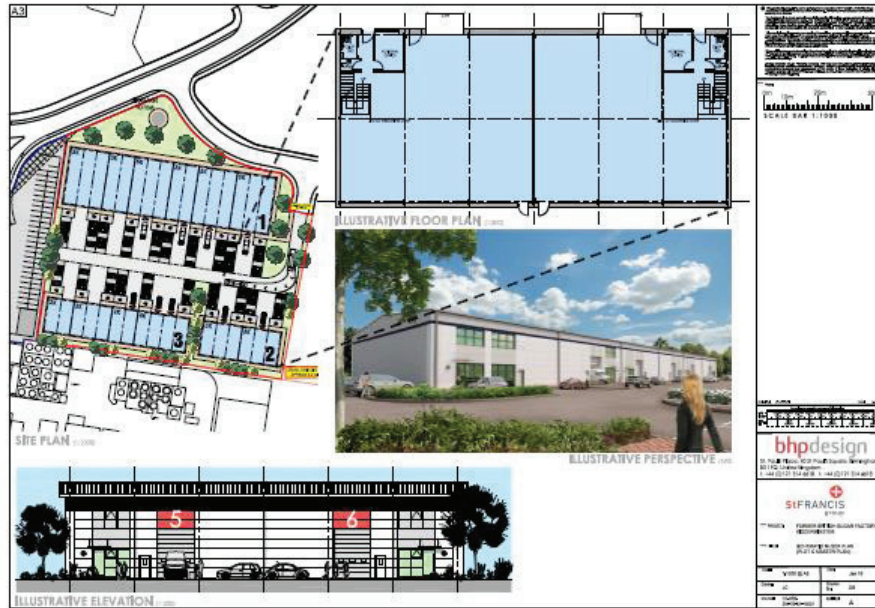
- 12.13 A Local Authority may enter into an agreement to forward purchase an employment scheme from developers such that the Local Authority will have the benefit of an income producing asset in the future.
- 12.14 There are significant benefits to the private developer in reducing development risk and potentially project cashflow – dependant on the specific payment structure agreed between the parties which should be reflected in the terms agreed between the parties – particularly the levels of developers profit and finance costs.
- 12.15 Recent examples of investments of this nature are as follows;

i. Silverwoods, Kidderminster

Thomas Lister are appointed by Wyre Forest District Council/ North Worcestershire Economic Development Partnership to acquire new workshop premises to meet an identified demand for new workshop development within the area. The acquisition is to be funded through the Council's existing Evergreen Fund together with supported Council borrowing.

Thomas Lister have reviewed a range of potential opportunities for the forward purchase of schemes and Plot L Silverwoods has been identified as the preferred option.

Silverwood is a major mixed use development scheme on the site of a former British Sugar site being undertaken by St Francis Group. No employment has been constructed to date whereas over 170 new homes have been delivered.



WFDC have agreed terms for the forward purchase of 1,579 sq.m. of workshops and this will also enable to the developer to simultaneously deliver 2,323 sq.m. of trade counter units and a car showroom development. The simultaneous tendering of the 3 elements will provide cost savings to each of the parties.

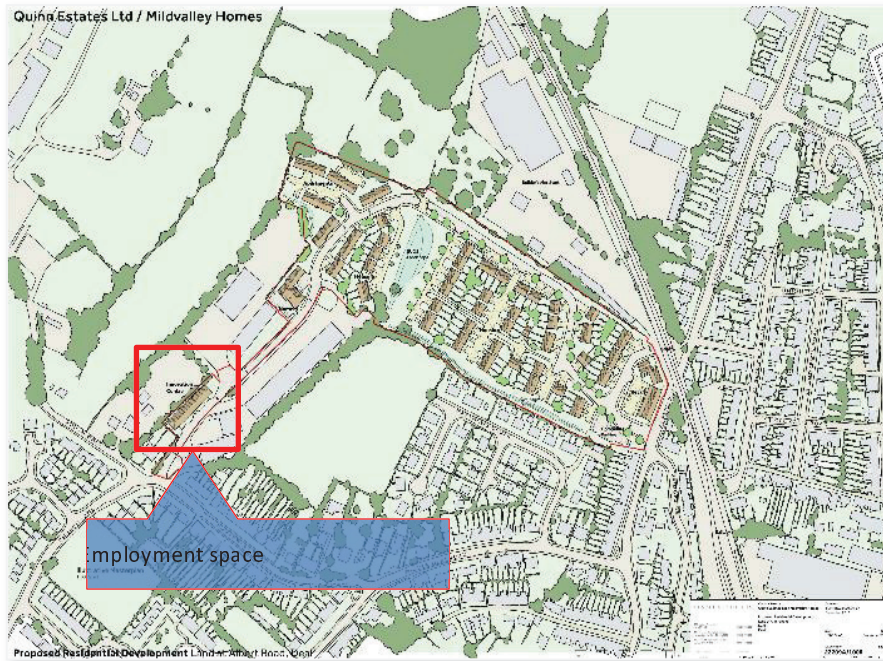
A business plan has been prepared and approved by the Council which includes capital, revenue and management implications for the scheme on behalf of the Council and the proposed investment is based upon achieving a minimum return on investment of 6.5%.

ii. *Albert Road, Deal, East Kent*

Thomas Lister were appointed by the East Kent Spatial Development Company to support the preparation of a business plan for new investment by the company. EKSDC comprises of a company formed by the 4 East Kent local authorities together with Kent County Council and the HCA to support the provision of new employment floorspace within an economically deprived and geographically remote part of the County.

Thomas Lister were appointed to consider a range of opportunities which were identified by the client and partner organisation for the investment of the capital resources of the company.

A preferred option for the fund was the forward acquisition of a new build and self-contained office building of 930 sq m which was to be developed by Quinn Estates as part of a new mixed use development scheme which incorporated around 150 new dwellings and also delivered important highway improvements to address congestion into Deal town centre.



EKSDC have now secured Board Approval for the forward acquisition of the new office building and detailed planning application submitted for the scheme with a proposed commencement in Autumn 2016.

The scheme was selected as a preferred option on the basis of a range of factors which included the return on capital provided, the impact of the scheme on the local property market and the wider regenerative impact of the overall scheme on a local property market which had been in decline since the development of the nearby Discovery Park Enterprise Zone.

- 12.16 As noted above, the forward acquisition of properties by Local Authorities may be a route to secure the delivery of employment floorspace but typically this will also seek to deliver wider regeneration objectives such as further employment development, additional infrastructure or unlocking further development opportunities.

Securing of Local Growth Fund Support for Private Sector Delivery

- 12.17 As highlighted above, the relatively low values achievable for employment schemes within rural areas may result in grant funding requirements of up to 50% of project cost in for schemes to become viable to the private sector once account is taken of the costs of developers profit and finance costs.
- 12.18 However, EU state aid regulations typically restrict the maximum permitted intervention rates for private sector companies to 20% of total project cost for Small Enterprises and 10% of Project Costs for Medium Enterprises within Unassisted Areas of the Country – which includes the entirety of Derbyshire Dales.
- 12.19 The principle public sector funding programmes to support the development of employment floorspace is through the Local Growth Funds administered through Local Enterprise Partnerships and until recently through European Programmes administered through DCLG. However, even where funding were available – EU State

Aid limits are at levels which make most rural employment development schemes to be unviable for delivery by the private sector.

- 12.20 On this basis, Local Authorities who are not subject to the same state aid regulations as the private sector will often require to work with private sector partners to secure the levels of funding which are required to enable schemes to come forward.

Equity Investment with Private Sector Partners

- 12.21 As an alternative to direct development, loan funding or the forward purchase of employment schemes – an alternative route is for the public sector invest funding on a side by side basis with the private sector to secure delivery. Such a route has the benefit of using the skills and supply chain of the private sector to deliver projects and maintain an incentive on the party in relation to the overall success of any scheme. Equity investment also means that the public sector will not require to meet the full cost of development projects – enabling private sector funding to be levered into schemes.
- 12.22 It is recognised that the establishment of joint vehicles may be complex and difficult to administer and must be set up on the basis of a clear set of joint objectives against which projects may be monitored.
- 12.23 Thomas Lister have recently worked with EKSDC in relation to equity investment into two schemes in East Kent to secure the delivery of new employment floorspace. It is commented in relation to each of the schemes as follows;

i. Hurricane Way, Hawkinge, East Kent

The project comprises of the delivery of the employment elements of a mixed use scheme which was being delivered by Pentland Homes in Hawkinge – close to Folkestone. The scheme incorporated around 150 new homes – however existing planning approvals linked the development of any additional residential development within the site to the delivery of Blocks A and D of the employment element of the scheme.

Pentland Homes had informed the Council that they would shelve further phases of residential development due to the obligations in relation to commercial development until such time as they secured a pre-let or pre-sale of the commercial elements of the scheme.

With the support of Shepway District Council, Pentland Homes approached EKSDC seeking investment of £1 million against total costs of the first phase employment scheme of £2 million – in return for a 50% interest in this element of the scheme. It was jointly agreed that once the first phase was disposed of – either to owner occupiers or as a let investment then the investment of both parties would be recycled into the development of the balance of the employment floorspace.

Detailed planning permission has now been secured for the development of the scheme and solicitors instructed in relation to the joint development between EKSDC and Pentland Homes.



ii. *Innovation House, Whitstable, East Kent*

Innovation House provided an alternative form of equity investment whereby EKSDC funded the costs of refurbishment and sub-division of a shared office building in the ownership of Quinn Estates to create an innovation centre to meet the requirements of small businesses within the area.



Innovation House was a former Council office building which was originally built in the 1980's in a substantially rural area with very limited demand for larger office suites. It is understood that the owner was considering options for the conversion of the property to residential uses through the use of permitted development.

It was agreed that EKSDC would invest £1.2 million into the refurbishment of the property on a side by side basis with the existing use value of the property. The existing owners would be responsible for the management of the works as well as the management of the innovation centre on completion. Quinn Estates would

receive a management fee for the works and net income would be divided between the parties in accordance with investment.

It was agreed that a project review after 5 years with options for each party to buy out the other, retain or jointly dispose of the property.

Refurbishment works to the building are now on-going and due to be completed in November 2016.

Local Authority Entering Into a Pre-let Agreement in Relation to Part or All of An Employment Scheme

12.24 A number of property developers across the Country have sought the support of Local Authorities in providing pre-lets on part or the entirety of a proposed scheme to enable schemes to be brought forward. This has covered both office and employment schemes.

12.25 Proposals of this nature are typically considered on the basis of the following;

- i. Developers are not prepared to commit to schemes without a level of security of income being provided – and therefore a lease over part or all of a scheme will enable new employment floorspace to be delivered which would not otherwise be the case.
- ii. The Local Authority can offer a better covenant than a potential occupier – and therefore a Local Authority may stand as a head tenant subject to the grant of a simultaneous underlease to a lesser covenant of part or the entirety of a proposed employment scheme. In some circumstances, the Local Authority have agreed a 'profit rental' element to reflect the risks associated to standing as the lead tenant.

12.26 Arrangements of this nature have been frequently used by Local Authorities in order to enable key employment schemes to be brought forward – but key elements of any arrangements of this nature will include the following;

- a. The length of lease proposed to be entered into by the Local Authority.
- b. The flexibility to sub-let or assign the lease once an occupier is identified for the floorspace – as developers will be keen to retain the stronger covenant.
- c. The extent to which the Local Authority will be able to market accommodation – often competing with tenants with the balance of floorspace within the developer scheme.

12.27 As any new lease commitments will be accounted for as a residual liability by Local Authorities – then any new lease requires to be considered carefully. Potential benefits from such an arrangement include the following;

- Bringing forward the development of new employment floorspace in an area of identified demand. This will particularly be the case for small unit schemes where occupiers are not able to accommodate the lead in periods for a design and build scheme.
- To act as a catalyst as the first phase of a wider regeneration scheme.

- To provide an uplift in business rate income – a particular benefit where a pre-let is only entered into over part of a larger scheme.
- In certain circumstances, to create a profit rental stream to the individual Local Authority.

12.28 Recent examples of schemes of this nature include the following;

i. *101 Embankment, Manchester City Centre*

The scheme comprises the speculative development of a new 10 storey office building totalling 165,000 sq.ft., together with 442 car parking spaces, as a joint venture between ASK Developments and Network Rail, as the first phase of the wider Greengate Development. In 2013, Salford City Council entered into a pre-let of around 85,000 sq.ft. within the building which enabled the developer to secure funding for the speculative development of the entire scheme. The scheme reached practical completion in March 2016 and it is understood that Salford City Council have agreed a sublease in respect of 70% of the accommodation over which they hold a head lease interest.



As the first phase of a major mixed use scheme, the scheme was regarded by the City Council as an important catalyst for the wider regeneration scheme, which will eventually provide over 1 million sq.ft. of new offices and over 2,000 new apartments – the first phases of which are currently being brought forward by the developer in a block known as Albito, providing 150 new apartments and due to be completed in early 2017.

Clearly the scale and nature of this development is significantly larger than anything likely to be brought forward in the Derbyshire Dales but nevertheless the principles apply.

ii. *New 70 Bed Travelodge, Castlegate, Dudley*

Dudley MBC have now entered into an agreement for sale and agreement to lease for a new 70 bedroom Travelodge hotel on a 1.2 acre site outside Dudley town centre with Hinton Properties Limited.

Hinton Properties will be the developer of the scheme with Dudley MBC as the lead tenant, with a simultaneous sublease being entered into between Dudley MBC and Travelodge, with the exception that Dudley MBC will receive a profit rent from the arrangement of £48,500 in addition to a capital receipt on sale of land of £510,000.

Hinton Properties have now prefunded the scheme based upon the Dudley MBC covenant and project construction is due to commence in the next 3 months following the competitive tendering of construction works.

Project risk to Dudley MBC is reliant upon the assessment of the Travelodge covenant and their ability to meet rental payments due to the Council over a 25 lease term.

- 12.29 It is noted that one of the Local Authorities within Derbyshire are currently considering proposals of this nature whereby an agreement to lease on a relatively small part of a larger scheme will provide the 'tipping point' for the delivery of a major regeneration scheme.

13.0 Recommendations for Delivery of Workspace Accommodation

- 13.1 The Derbyshire Dales Economic Plan 2014-2019 identifies the specific objectives of creating higher value jobs within the local economy and identifies the requirement to bring forward key employment sites across the District to support this objective, including the Ashbourne Airfield site and Riverside in Bakewell – but also recognises the requirement to bring forward key employment sites within the central area – and specifically refers to the Cawdor Quarry site and Middleton Road, Wirksworth.
- 13.2 The objective to create higher value jobs will require to be supported by the delivery of employment accommodation which is suited to such uses.
- 13.3 Whilst some potential higher value uses would be well suited to B1(a) office development uses – it is considered that such uses are best suited to sustainable locations such as Matlock town centre and are of the opinion that rental levels stand at levels which would not support the development of new office development within either the Halldale, Cawdor or Middleton Road schemes based upon typical development costs for new office development.
- 13.4 However, a more economical solution to the delivery of good quality workspace suited to accommodating higher value employment uses is the construction of steel portal frame development for B1 uses, which provide the flexibility to incorporate mezzanine offices and to accommodate light industrial, research and development as well as offices uses. An approach which provides flexibility as to future uses is considered an important element for any development of new floorspace in the Derbyshire Dales where a specific occupier has not been identified due to the relatively small scale of the property market within the District. .

- 13.5 It is also recognised that many small businesses will require the availability of existing accommodation to meet the requirements of the business and cannot rely on the development of new build accommodation where a period of 15-18 months will typically be required for the construction of these premises when allowance is made for the cost of securing detailed planning permission, tender (where required) and construction.
- 13.6 It is also noted that small businesses will typically not provide the covenant that is required by property developers or indeed wish to enter into longer term lease agreements sought by developers prior to committing to undertake new employment development on a pre-let basis as they will typically seek the ability to move on to larger properties within the short to medium term.
- 13.7 On this basis, the very limited availability of existing accommodation as identified within the market assessment above provides a major challenge to companies – with a very limited supply of new employment schemes being brought to the market – with new schemes being limited to projects with public sector funding support such as the Cromford Mill scheme and few other schemes identified within the pipeline to meet future demand.
- 13.8 On this basis, the development of employment floorspace typically provides significant challenges within rural areas with the challenges of relatively small overall markets for new accommodation and values at levels which are not considered to provide a sufficient level of return to developers to justify the risks of speculative development in such locations. On this basis, it has frequently been an important role of the public sector to support the provision of new workspace in rural areas to maintain a sustainable and balanced economy in such areas. .
- 13.9 Such support has historically been provided through a range of mechanisms such as the direct development of small units by organisations such as Regional Development Agencies such as the East Midlands Development Agency before their dissolution in 2011 with the economic development functions now requiring to be provided through Local Authorities and the Local Enterprise Partnerships – with the benefit of the investment of the Local Growth Fund.
- 13.10 The development of new high quality employment floorspace to support the provision of higher value jobs provides significant challenges to the area – particularly given the continuous pressure to support housing targets within the Derbyshire Dales and demand from property developers and landowners to accommodate such higher value uses.
- 13.11 As noted above, a review of three key employment allocations has been undertaken to consider their deliverability. The schemes are each part of major mixed use development schemes with large residential elements supporting the employment parts of the individual projects.
- 13.12 The schemes are each longstanding development proposals within the area – with recent progress towards site development on each considered to be as a result of improvements within residential markets which have improved project viability, however it is important that the pressure for new residential development will also

deliver the good quality employment floorspace which will play an important role in meeting future demand in the area.

13.13 On this basis, it is recommended as follows in relation to the subject 3 sites;

Halldale Quarry

13.14 As noted above, the scheme has the benefit of outline planning approval for 220 residential units in addition to 6,400 sq.m. of B1 space. The current indicative masterplan provides for the employment elements of the scheme to be delivered within the central area of the overall project masterplan proposals.

13.15 Halldale Quarry is located around less than a mile from Matlock and is currently within a rural location and will provide a new community outside the existing settlement of Matlock. The site is around 0.5 miles from the A6 and the immediate road access on to the former Quarry site will be via new residential roads to be constructed as part of the scheme.

13.16 Whilst the scheme proposals provide for the development of a significant element B1 space within the scheme, originally comprised of office development– it is considered that this has been proposed on the basis that such uses are the most compatible with residential development. Previous discussions with the developer (4M Property Partners) have indicated that they would seek to incorporate flexibility within the design of any office building constructed such that this could be readily converted to residential uses in the event that office occupiers could not be secured for any properties constructed. Given the difference in the requirements for the uses – it is considered that there is a risk that any ‘office building’ designed in such a way would be unsuited for such a use and would be only be suited to future residential uses.

13.17 Based upon market analysis above, it is considered unlikely that a site within the central area of a residential redevelopment of the Halldale Quarry will provide an attractive location for an office development and that the values which would be required for such a development to become financially viable to the developer based upon typical construction costs could not be achieved within this location.

13.18 Based upon office construction costs of £1,250 per sq.m. together with design, finance, land cost and developers profit, then a capital value in excess of £2,000 per metre would require to be achieved for such a scheme to be viable and do not consider these levels of values to be realistic.

13.19 It is considered that given the current proposals for the development of the employment elements of the redevelopment of Halldale Quarry that the developer would ‘market’ the office development elements of the scheme over a period – and if (as is anticipated) then demand could not be attracted for this use in this location then the only alternative use would be for the change of use to additional residential development.

13.20 As noted above, it is considered that a more appropriate location for new office developments within the Derbyshire Dales would be within the main settlements of Matlock, Darley Dale and Wirksworth, with the benefit of a more sustainable location in terms of local facilities as well as accessibility to the A6.

13.21 It is considered that a more appropriate approach to the delivery of employment floorspace within the redevelopment of the Halldale Quarry would be as follows;

- An alternative location should be identified within the scheme masterplan on the periphery of the residential development area to minimise the impact of employment uses on the surrounding residential area. Such an approach would also seek to create a location which was as accessible as possible to vehicles as well as segregating traffic as quickly as possible from residential uses and the traffic calming measures required for this use.
- It is considered that the development of small flexible workshop units which are capable of the inclusion of additional mezzanine accommodation would be more in line with identified market demand which would have the potential to accommodate a range of office and light industrial uses (B1 (a), (b) and (c)). Such units would have a significantly lower development cost than purpose built office units (say £700-£800 per sq.m.) and would have the ability to secure rental levels which would support development costs.
- Given the location of Halldale Quarry, it is considered that the development of small workshop units should be undertaken on a phased basis – perhaps the development of a terrace of units providing flexible accommodation of 1,000 sq.m. within 5 or 6 units – dependent upon the identified area but providing the ability to develop further phases upon the letting of such properties. It is considered that such an approach would maximise the ability to successfully develop employment floorspace within a residential led mixed use development outside of the main commercial centre of Matlock.
- Whilst it is understood that the site owners have opposed the development of industrial units within the mixed use development scheme, it is considered that good quality units within an appropriate location within the site would have a positive impact on the overall scheme by introducing employment uses to create a more sustainable location which incorporate employment as well as residential uses. An example is the Silverwoods scheme in Kidderminster previously referred to above, where the developer, St Francis Group have actively sought to promote the development of good quality workshop units on the edge of the residential development area as an important element of a mixed use scheme.
- It is stressed that in order to maximise the take-up of employment development of this scale then there will be a requirement for the speculative development of some part of the scheme – such that occupiers seeking the small scale units may be accommodated in new speculative properties – with the potential for later phases to be delivered upon a design and build basis..

13.22 This approach would help maximise the potential of the successful delivery of an employment element to the scheme which most accurately reflects market requirements, would be more financially viable than the current proposals and more deliverable.

Cawdor Quarry

13.23 Cawdor Quarry comprises a major mixed use scheme which is situated adjacent to the A6 and on the periphery of the existing settlement of Matlock. As such the

location is considered more accessible and sustainable from an employment development perspective than alternative employment proposals such as the Halldale Quarry site.

- 13.24 The developer, Groveholt Limited, have considered a range of alternative proposals for the site in relation to the employment provision including recent proposals for the development of an incubator centre or managed workspace facility as a first phase of development within the site in a mill style building over several floors. Whilst the benefits of an incubator office type development are recognised in the provision of premises for small businesses – this would potentially compete with existing schemes within the area such as Cromford Mill and Ladygrove Mill and would not meet the demand for smaller workspace units as identified within the market assessment above.
- 13.25 It is considered that Cawdor Quarry provides the opportunity to create an accessible and high profile employment location which could be developed for good quality accommodation to improve the existing quality of supply within the Derbyshire Dales to both retain existing businesses as well as potentially attract inward investment to the area.
- 13.26 It is considered that current proposals under consideration for the development of plots A1 and B1 for employment uses (0.67 ha and 0.39 ha respectively) would create an effective barrier between the rail line and residential uses within the site – creating an employment area which is accessible at the entrance to the site and has the potential to attract some larger units than alternative schemes such as Halldale Quarry which are considered more appropriate for smaller businesses. The 2 plots provide the opportunity to create a range of property sizes as well as potentially accommodating B1 (a), (b) and (c) uses to this location. It is considered that the location would be particularly suited to B1(c) light industrial uses given the accessibility of the site..
- 13.27 It is considered that the site would benefit from the development of a phase of speculative development of good quality industrial units of say 2,000 sq m in total divided into units of 300 – 500 sq m on an area of around 0.5ha in order to establish the site as an employment location. It is considered that the remaining 0.5ha is more suited to attracting land sales or the development of larger units based upon its more accessible location than alternatives within the Derbyshire Dales.
- 13.28 Based upon the above, it is recommended that a more appropriate approach to the delivery of employment floorspace within the redevelopment of the Cawdor Quarry would be as follows;
- A masterplan be agreed with the developer which identifies plots A1 and B1 for employment uses.
 - The employment elements of the scheme should be serviced and the site remediated as soon as possible in order that this can be marketed to interested parties in conjunction with the early phases of residential development within the Cawdor Quarry site.
 - As noted above, it is considered that the scheme would benefit from the development of a small element of workshop units – potentially developed to a

higher specification than those identified for the Halldale Quarry site above – on the basis that it is considered that this is a more high profile and accessible location and accordingly would be more attractive to companies seeking employment floorspace.

- It is considered that the employment site within the redevelopment of the Cawdor Quarry is a key opportunity within the central area of the Derbyshire Dales and therefore discussions should be undertaken with the developer to obtain a full understanding as to how it is proposed that the employment floorspace would be delivered within this scheme and a marketing strategy agreed between DDDC and the developer.

13.29 Cawdor Quarry is considered a key employment site for the area – combining good access onto the A6 with a relatively high profile position which would be attractive to potential inward investors as well as local companies seeking to re-locate within the area. The provision of a serviced employment site – with ideally an initial phase of built floorspace is considered to more closely reflect estimated demand in the area as opposed to the provision of an incubation centre within an alternative location which would potentially compete with other properties within the Derbyshire Dales.

Middleton Road, Wirksworth

13.30 There have been ongoing discussions with Tarmac over a number of years, in relation to the bringing forward of the above site as a major mixed use development as an extension of the existing settlement of Wirksworth which has seen a reduction in the proposed employment element and increasing proportion of housing based upon viability issues.

13.31 Current proposals provide for the development of an area of 2 hectares for employment uses with a separate access provided through the Ravenstor Industrial Estate which comprises of a development built in the 1970s providing a range of industrial and office properties.

13.32 The latest masterplan provides for access to the employment area by way of a relatively long new access road and therefore the proposed allocation lacks any prominence to the existing highways network. On this basis it is considered that such an employment area could only be effectively marketed on the basis that the new access road were completed into the proposed employment allocation with some provision of onsite infrastructure to enable serviced sites to be made available to interested parties.

13.33 However, the separate access from the proposed residential development within the Middleton Road site does provide an increased ability to accommodate B2 uses as there will be no requirement to provide for a shared access between residential and employment uses.

13.34 Based upon the above, it is recommended that a more appropriate approach to the delivery of employment floorspace within the redevelopment of the Middleton Road site would be as follow;

- A masterplan be agreed with the developer which identifies specific development plots for a range of B use classes. It is noted that the current

indicative layouts produced do not provide maximum benefit from existing treelines and site topography such that some of the proposed units are located very close to proposed residential dwellings.

- It is considered more appropriate therefore to reconfigure the proposed employment development such that the southernmost plot of land is relocated to land adjacent the service road. Proposed public open space can be used to provide a more sustainable buffer between the residential and commercial uses.
- The employment elements of the scheme should be serviced and the site remediated as soon as possible in order that this can be marketed to interested parties.
- It is considered that the employment element forming part of the Middleton Road site is a key opportunity within the central area of the Derbyshire Dales. Discussions should be undertaken with the developer to obtain a full understanding as to how it is proposed that the employment floorspace would be delivered within this scheme and a marketing strategy agreed between DDDC and the developer.
- The development mix will be dependent upon enquiries received from occupiers and developers for the site – but is considered that based upon the analysis of the site and the local property market that around 60% of the site will be developed for B2 general industrial uses in a range of unit sizes of 300 – 600 sq m with the balance for light industrial uses comprising of smaller units of 100 – 300 sq m.

13.35 Middleton Road provides a significant employment site within the context of the Derbyshire Dales area and an effective extension of the Ravenstor Industrial Estate. The site benefits from a standalone entrance and is therefore more suited to B2 general industrial uses than locations such as Halldale or Cawdor Quarries.

13.36 It is however considered that in order to be effectively marketed then it will be necessary for the new site access to be constructed, the site to be remediated and on-site infrastructure provided to enable the site to be capable of immediate development subject to the grant of detailed planning permission.

13.37 It is understood that Tarmac have previously indicated that any obligation to provide infrastructure to the employment element of the scheme could only be funded from receipts from the disposal of residential plots. It is considered that there may be benefits in considering the potential to consider the provision of loan funding for the early provision of infrastructure works to the employment schemes on the basis that repayment was secured against the disposal of early phases of residential development – dependent upon an assessment as to costs and the security which may be made available.

13.38 An alternative approach may be for consideration to be given for a partner to enter into a forward acquisition of part of the employment site on the basis that the land disposal proceeds are held in a dedicated account to fund the development of site infrastructure works to the employment area to an agreed specification and within an agreed programme. Any consideration would require an assessment of the costs of works and the extent of the employment allocation required to meet such costs.

14.0 Conclusions

- 14.1 The main centres of Matlock, Bakewell, Ashbourne and Wirksworth each provide market towns providing local facilities with Matlock and Bakewell being situated adjacent to the A6 which provides the principal spine road through the District and linking with Derby to the South and Manchester to the North.
- 14.2 The market assessment undertaken provides details of a steady take-up of both office and industrial accommodation – with a relatively quick take-up of any new properties coming to the market. The market assessment shows a very limited supply of vacant accommodation within the District – with those buildings which have remained available being constrained in terms of specification or location.
- 14.3 However, an analysis of the records of the take-up of employment floorspace does not provide a full picture of the position – and those discussions undertaken with agents and property owners have also identified further issues in relation to the property market as follows;
- A high level of demand for small good quality workshop units when they become available.
 - Many parties do not make enquiries to agents as they are aware of the lack of available floorspace in the subject area.
 - Local companies requiring to look outside the district due to a lack of suitable vacant premises in the District.
- 14.4 On this basis, the bringing forward of the employment allocations within major mixed use development schemes at Halldale Quarry, Cawdor Quarry and Middleton Road, Wirksworth within the Central area of the Derbyshire Dales is important in the delivery of employment floorspace to meet the requirements of businesses within the District.
- 14.5 Whilst the focus of this report is on the assessment of employment markets and the delivery of employment schemes, it is considered that a general improvement in residential markets within the East Midlands has resulted in each of the landowners seeking to progress negotiations with the Local Planning Authority with a view to securing a suitable planning approval to deliver a mixed use scheme incorporating large residential development allocations.
- 14.6 However, as each of the sites comprises of former quarries- there are significant costs of site remediation and infrastructure to support redevelopment. Given the nature of works required to be undertaken to each of the sites – a significant proportion of costs are required to be met on an 'upfront' basis and thus generating cashflow requirements through the early phases of each of the schemes. On this basis, landowners are seeking the early release of the more valuable residential elements of the site to enhance project cashflow through the scheme.
- 14.7 However, discussions with each of the landowners have identified that the delivery of residential allocations is the priority of each of the parties – such that it is possible

that each party could potentially seek further residential development on the employment allocations in due course – if appropriate steps are not taken to ensure that the employment areas are remediated, serviced and properly exposed to the market – ideally with the benefit of some element of speculative development.

- 14.8 A review has been undertaken of the proposals for each of the 3 employment allocations and it is considered as follows;

Halldale Quarry Site

- Proposals for new office development within the heart of the residential scheme do not accord with our assessment as to demand given the location of the scheme and surrounding land uses.
- An alternative location should be identified on the periphery of the residential area to minimise the impact of employment uses on surrounding residential areas.
- It is considered that office development will be unviable but an alternative form of workshop unit would give the flexibility to accommodate B1 a, b & c uses within a lower cost form of development to improve development viability.
- It is important that any area allocated for employment uses is remediated, serviced and properly marketed. Given the location of the former Halldale Quarry site, it is considered that the site would benefit from an element of speculative development to attract employers to this location.

Cawdor Quarry Site

- The site is considered the most attractive employment location due to the prominent location and proximity to the A6 through Matlock.
- It is recommended that DDDC should seek that the employment uses should be allocated within sites adjacent to the railway line at the front of the site. It is recommended that developer proposals for an incubator / managed workspace centre as a smaller employment provision should be resisted due to the provision of existing facilities within properties such as Cromford Mill.
- It is also considered that the scheme would benefit from the development of a phase of speculative workshop premises on a similar basis to the Halldale Quarry site but potentially of a slightly higher quality to reflect the better location of the Cawdor Quarry site for employment uses.

Middleton Road, Wirksworth

- Proposals provide for a 2ha employment site which would be accessed through the existing Ravenstor Industrial Estate. The site would be accessed through a new dedicated access road to the employment area.
- On the basis that the site is accessed through an existing industrial estate – the site is considered the most suitable for accommodating B2 general

industrial uses compared with Halldale and Cawdor with a closer relationship to adjoining residential uses.

- In order to be effectively marketed for employment uses, it is considered that it will be necessary for the new access road to be completed, the site remediated and on-site infrastructure put in place such that plots are available for immediate development – as opposed to the extended lead in time without such works – where it would be extremely difficult to effectively market unserviced employment sites.

14.9 We trust that the above meets with your requirements.



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Date: November 2016

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BACK TO AGENDA

COMMUNITY AND ENVIRONMENT COMMITTEE
12 JANUARY 2017

Report of the Head of Regeneration and Policy

DERBYSHIRE DALES BUSINESS SURVEY

PURPOSE OF REPORT

To report the results of the Derbyshire Dales Business Survey, conducted in Autumn 2016, in order to inform Members' economic development priority.

RECOMMENDATIONS

1. The results of the Derbyshire Dales Business Survey October 2016 are noted and used to inform the new approach to regeneration approved by Members in October 2016 focusing on District Council involvement in the direct delivery of workspace and associated infrastructure.
2. Results are shared with Derbyshire County Council to inform the Digital Derbyshire programme.

WARDS AFFECTED

All

STRATEGIC LINK

Economic development is highlighted in the Corporate Plan 2015-2019 as the District Council's highest priority. *Business growth and job creation* is the top priority, following extensive public consultation confirming that a thriving district is residents' overriding wish. The District Council's vision is for a Derbyshire Dales with high-wage, high-skill jobs.

1 BACKGROUND

- 1.1 At its meeting of 27 October 2016, the Community and Environment Committee considered the Derbyshire Dales Economic Plan. It commissioned work to develop a new approach to regeneration, with a focus on District Council involvement in the direct delivery of workspace and associated infrastructure.
- 1.2 The potential for the District Council to act as a landlord or partner in the development of business sites and premises was agreed in principle, owing to both the pressing need for modern workspace in the Derbyshire Dales, and also the potential to generate Business Rates income growth for the District Council.

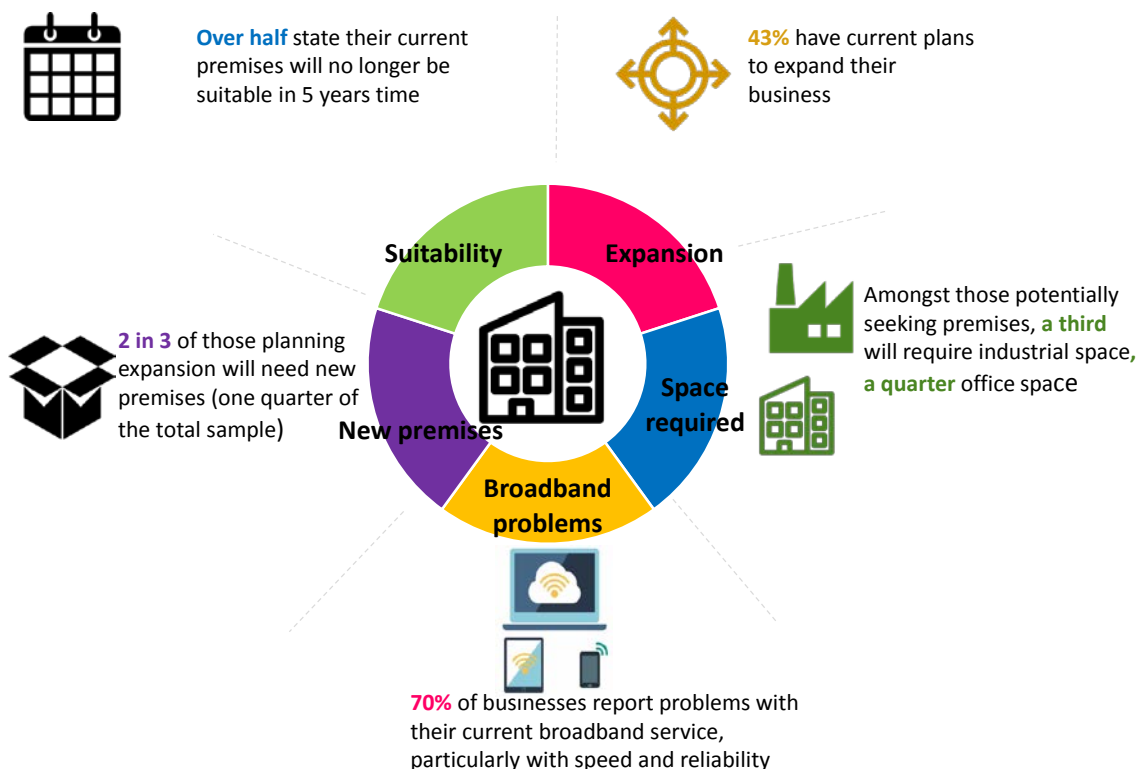
1.3 In order that demand for workspace can be evidenced, and to gain insight into wider business issues in the Derbyshire Dales, a business survey has been undertaken by M.E.L Research on behalf of the Council. The full report of the Derbyshire Dales Business Survey 2016 is now available and attached at Appendix 1. The main results of the survey, which also supports the District Council's theme of business engagement, are summarised below.

2 DERBYSHIRE DALES BUSINESS SURVEY RESULTS

2.1 Results were obtained from 224 businesses in the Derbyshire Dales. These include 27 businesses located on the Ashbourne Airfield Industrial Estate surveyed in May 2016, and 197 businesses elsewhere in the district surveyed in August/September 2016.

2.2 Given the nature of the survey, businesses on industrial estates and business parks were targeted. Key sectors included manufacturing (including food and drink manufacturing), engineering, construction, creative, information and communication, professional/scientific/medical, and transport and distribution.

2.3 72% of businesses responding were microbusinesses (fewer than 10 employees), and a further 21% were small businesses (10-49 employees). The largest proportion of responses came from businesses within the manufacturing and engineering sectors (30%), followed by services (13%), creative and digital (9%) and construction (9%). Key results are:



Current Premises

- 2.4 Most businesses are satisfied with current premises, but 51% say their premises will no longer be suitable in 5 years' time or less. Size of premises appears to be a restriction particularly in the food and drink, manufacturing, engineering and service sectors.
- 2.5 There appears to be a particular need for industrial premises (general and light), with nearly two thirds (63%) of those currently occupying industrial premises stating that their premises will no longer be suitable in five years' time.

Future business accommodation needs

- 2.6 Of those surveyed, 43% have plans to expand the business, of which two-thirds require new premises and/or additional land (typical requirement 1 acre). Firms in industrial premises have a particular need to expand.
- 2.7 Of those looking to expand their business, two-thirds (64%) (56 businesses) require new premises, with half of these (32%) also requiring additional land to expand. With regard to the type of premises needed, over a quarter (27%) require industrial premises while a fifth (21%) require new office space. 41% require a combination.
- 2.8 21% of those specifying requirements need premises up to 100 sq m; a further 30% need up to 500 sq m; and a further third (32%) require larger premises. 44% of businesses seeking new premises require 'high quality' premises.
- 2.9 Those who are currently looking to expand their business were asked if this would create additional jobs. 95% (53 businesses) state that it would, with an average of six new jobs being created.
- 2.10 40% of respondents with growth plans stated that if new premises became available in the next two years which met their requirements, they would almost certainly take up these premises.

Broadband

- 2.11 Three quarters of businesses identify fast, reliable broadband as imperative or very important to their business. Fewer than 10% state it is not important.
- 2.12 Seven in ten businesses report issues with their current broadband service; most commonly these relate to speed and reliability of the connection.
- 2.13 Respondents were also asked how improvements to the speed and reliability of their broadband service would benefit them. Over half (56%) said that this would 'speed up processes' and 49% of respondents stated more effective communication. 42% of respondents also said that fast, reliable broadband would lead to improved business productivity.

3 CONCLUSIONS

- 3.1 The survey provides evidence of a level of demand for new floor space in the Derbyshire Dales. 43% of businesses surveyed could be in the market for new premises within the next five years, with demand across the district.
- 3.2 Over half of all businesses state that their current premises will no longer be suitable in five years' time or less. Smaller businesses are more likely to report their business accommodation to be unsuitable beyond the short term. In particular, there appears to be a need for industrial premises. The average number of expected jobs created by expansion is 6 per business.
- 3.3 In order to generate additional Business Rates income, as well as to meet the need for more better-quality jobs to reverse the low-wage, low-skills economy that characterises the Derbyshire Dales, it is understood that growth in small and medium sized businesses is crucial to the future of the Derbyshire Dales district *and* council. Developing the priority employment sites identified in the Economic Plan is also necessary to deliver the Local Plan's ambitions.
- 3.4 It is recognised by Members that the market is failing to deliver the employment space that Derbyshire Dales businesses need. This committee has agreed that a proactive approach is required (taking the initiative on employment sites). It is also appreciated that, through the Derbyshire Dales Business Advisor, the District Council has detailed knowledge of and direct involvement in the expansion plans of small and medium sized businesses.
- 3.5 It is therefore recommended that:
- when considering the development of sites and premises, the District Council should engage further with smaller businesses, as well as businesses in specific sectors (such as manufacturing and engineering), as they are most likely to expand and/or require new premises in the next 2 - 5 years;
 - the District Council should also take heed of the demand for a range of property types (e.g. industrial premises, some with new office space) across the district; and that
 - these considerations, together with the results of the Derbyshire Dales Business Survey, are used to inform the new approach to regeneration approved by Members in October 2016 focusing on District Council involvement in the direct delivery of workspace and associated infrastructure.

4 MEMBER REPRESENTATIVES' COMMENTS

4.1 Place Shaping – Councillor Tony Morley

I am pleased to support the officer recommendations. The results of the survey confirm the need to encourage growth businesses to remain within the Derbyshire Dales, and the dangers if we do not adopt a proactive stance in supporting and facilitating business growth.

The results of the survey are extremely interesting on a number of levels. The response from the manufacturing sector is encouraging, since this is a sector which tends to create larger numbers of better paid jobs. This encouragement is however qualified because the current lack of expansion space may well lead these businesses to consider re locating elsewhere, outside the district. I believe that ongoing dialogue with these businesses and support from all departments is crucial to keeping them in the Dales.

I fully support the recommendation that small and medium sized businesses should be targeted. I believe that we are in a good position to assist this segment because of the robust and effective level of business advice and support which is currently available to businesses in the Derbyshire Dales.

5 RISK ASSESSMENT

5.1 Legal

There are no legal risks arising from the report at this stage.

5.2 Financial

The report summarises the detailed findings from the recent Business Survey commissioned by the Council and has no immediate resource implications. Therefore the financial risk at this stage is assessed as low. However, the potential resource implications of workspace development will need to be considered and the financial risk may change at that time.

6 OTHER CONSIDERATIONS

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

C&E Business Survey Jan2017.docx

CONTACT INFORMATION

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BACKGROUND PAPERS

- Derbyshire Dales Economic Plan, September 2014
- Community and Environment Committee, 27 October 2016: Derbyshire Dales Economy

ATTACHMENTS

Appendix 1 Derbyshire Dales Business Survey, Final Report October 2016
(M.E.L Research)

BACK TO AGENDA



Derbyshire Dales Business Survey

Derbyshire Dales District Council

Final Report
October 2016



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Project details and acknowledgements

Title	Derbyshire Dales Business Survey
Client	Derbyshire Dales District Council
Project number	16124
Author	Hayley D'Souza, Jennifer Uddin and Dave Ruston
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Executive Summary

M·E·L Research were commissioned to speak to businesses across the Derbyshire Dales in order to understand the need and demand for business accommodation across the district as well as their current broadband experience.

Methodology

- Business contacts were gathered via a combination of purchasing contacts through Experian, as well as the Councils own database
- Given the nature of the survey, businesses on industrial estates and business parks and in key sectors were particularly targeted including manufacturing (including food and drink); engineering; construction; information and communication; professional/scientific/medical; creative and digital; transport and distribution
- Each business was initially sent an email invite to complete the survey online
- After a week, those that had not responded were contacted via telephone a minimum of five times during the data collection period (18th August-23rd Sep 2016)
- In total, 783 businesses within Derbyshire Dales were contacted
- A total of 197 valid surveys were completed, producing a response rate of 25%
- Results were combined with data where possible from 27 surveys completed with businesses located on the Ashbourne Airfield Industrial Estate as part of a separate telephone survey undertaken by the District Council in May 2016 providing a total survey sample of 224.
- The responses to the broadband questions (pages 25-28) also include responses we received from non-targeted sectors (such as retail, retail, leisure, hospitality & tourism, etc.); therefore the base size will be considerably higher for these questions.

Analysis and reporting

- The overall results in this report are accurate to $\pm 6.26\%$ at the 95% confidence level. This means that we can be 95% certain that the results are between $\pm 6.26\%$ of the calculated response, so the 'true' response could be 6.26% above or below the figures reported (e.g. a 50% agreement rate could in reality lie within the range of 43.74% to 56.26%)¹ which is statistically robust for the purposes of this survey.

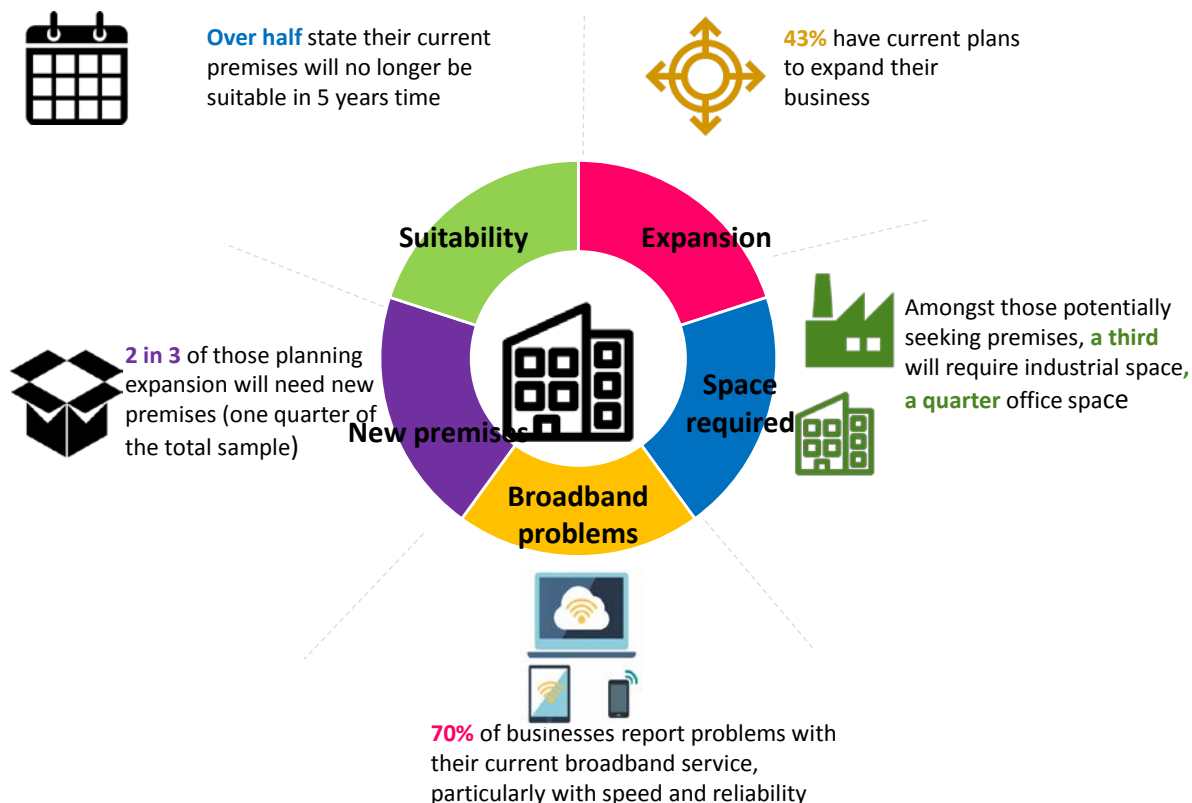
¹ Based on a business population size of 2,600 (retrieved from Nomis on 22 September 2016) and sample size of 224

- The results for questions where a smaller proportion have responded will have a wider confidence interval and therefore greater caution needs to be applied when interpreting these results.
- Where possible and where relevant, sub-group analysis has been carried out for results from specific questions for example, by business sector, size of company, and current premises
- In such cases, findings are only reported where the base size is over ten. For example, if a question is analysed by business sector, only those business sectors where we have responses from at least ten businesses are included in the commentary. These findings should still be interpreted with caution.
- Owing to the rounding of numbers, percentages displayed visually on graphs in the report may not always add up to 100% and may differ slightly when compared with the text. The figures provided in the text should always be used as the authoritative results. For some questions, respondents could give more than one response (multiple choice). For these questions, the percentage for each response is calculated as a percentage of the total number of respondents and therefore percentages do not add up to 100%.

Respondent profile

- Nine out of ten (93%) of the businesses responding were either small (21%) or micro (72%) businesses
- The largest proportion of responses came from businesses within the manufacturing and engineering sectors (30%). Other sectors include Service (13%); Creative and digital industry (9%) and construction (9%).
- A map showing the location of the respondents is included in the full report.

Key headlines:



Main Findings:

Current premises:

- Eight out of ten businesses (81%) are satisfied with their current premises
- However, despite high satisfaction with current premises, around a third (31%) envisage that their premises will only be adequate for two years or less with a further 20% indicating that their premises will only be adequate for the next five years. This means that for half (51% of all businesses that responded to this question (base size 205); their current premises will no longer be suitable in five years' time or less.
- The most common factors restricting the operation of businesses are inadequate broadband availability (35%); parking for staff (24%) and customers (22%); and the size of premises (22%). Only 14% report the quality of the premises as being a current restriction.
- Of those responding the size of the premises appears to be a restriction particularly for food and drink (42%); manufacturing and engineering (26%); and service businesses (24%)
- Both micro (21%) and small (30%) businesses report that the size of their current premises is restricting their operation (32 businesses)

- There appears to be a particular need for industrial premises (general and light) with nearly two thirds (63%) of those currently occupying industrial premises, stating that their premises will no longer be suitable in five years' time
- Similarly, 54% of office based businesses (serviced and un-serviced combined) anticipate that their premises will no longer suffice in five years' time (39 businesses)

Future business accommodation needs:

- 43% of businesses currently have plans to expand their business, particularly those in industrial premises (52%)
- 55% of small businesses (26 businesses) are looking to expand their business compared to 39% of micro businesses (62 businesses)
- Of those who are not currently looking to expand or are not sure, only 9% state that this is due to the UK referendum decision to leave the EU (not asked in survey for Ashbourne Airfield Industrial Estate businesses)
- Of those who are looking to expand their business, two-thirds (64%) (56 businesses) require new premises, with half of these (32%) also requiring additional land to expand
- Additional land requirements varied greatly between 186 sqm/ 2,000 sq. ft. to 5 acres with a typical requirement of around 1 acre
- Results suggest that a diverse range of property types will be required locally in the future; Over a quarter (27%) of those looking to expand their business require industrial premises, just over a fifth (21%) require new office space and 41% require 'other' types of premises which consist of combinations of different types of workspaces with the most common being office and warehouse/industrial combined (9 businesses)
- 21% of businesses (12 businesses) requiring new workspace need small premises (1-100 sqm/10-1100 sq. ft.).
- 30% require medium sized premises (101-500 sqm/1101-5400 sq. ft.) which consist of 17 businesses. Of these, ten state that they would "almost certainly take up these premises" if it met their requirements and became available in the next two years.
- A third (32% - 18 businesses) require larger sized premises (501sqm+/5,400+ sq.ft) with the majority requiring premises of 1001+ sqm/10,801+ sq.ft Of these 18 businesses, four state that they would "almost certainly take up these premises" if it met their requirements and became available in the next two years.
- 44% of businesses requiring new premises require 'high quality' premises, and 32% require 'average' quality. 15% require basic/budget premises and the remaining 10% have no preference.

- Of those who have plans to move or expand their business, the most frequently mentioned areas to locate to include Darley Dale, Bakewell, Ashbourne and Matlock. Other respondents indicated that anywhere with a reliable internet connection or that falls within the Derbyshire Dales would be of interest to them.
- Those who are currently looking to expand their business were asked if this would create additional jobs. 95% (53 businesses) state that it would, with an average of six new jobs being created. Three businesses from the manufacturing and engineering sector anticipate 10 or more jobs being created (10, 25 and 30 jobs)
- 40% of respondents (17 businesses) stated that if new premises became available in the next two years which met their requirements, they would almost certainly take up these premises. A further 55% would “consider” taking up these premises.

Broadband experience:

- Three quarters of businesses identify fast, reliable broadband as imperative or very important to their business. Fewer than 10% claim it is not important.
- Seven in ten report issues with their current broadband service, most commonly these relate to speed and reliability of the connection. Around four in ten stated that they had problems with reliability (dropping out/being disconnected), speed at different times of the day and maximum speed.
- Respondents were also asked how improvements to the speed and reliability of their broadband service would benefit them. Over half (56%) said that this would ‘speed up processes’ and 49% of respondents stated more effective communication. 42% of respondents also said that fast, reliable broadband would lead to improved business productivity.

Introduction

Derbyshire Dales District Council's (DDDC) Corporate Plan 2015-19 has highlighted that 'helping new businesses to start and existing businesses to grow' is a key priority over coming years. To support this, DDDC commissioned M·E·L Research to establish the need and demand for business accommodation across the district, as well as information about the current broadband experience of businesses.

This report builds upon the findings from the survey of businesses included within the Objective Assessment of Housing and Economic Development Needs, conducted in 2015 to help inform the district's requirements for employment land over the next 20 years.

The Derbyshire Dales is home to some 4,550 enterprises, excluding smaller businesses not registered for VAT / PAYE. Nine out of 10 businesses are micro-businesses (<10 employees). Key sectors include: manufacturing, food and drink, visitor economy and creative and digital industries.

Derbyshire Dales	Enterprises	%
Micro (0 to 9)	4,110	90.3
Small (10 to 49)	390	8.6
Medium (50 to 249)	40	0.9
Large (250+)	10	0.2
Total	4,550	100

Source: Inter Departmental Business Register (ONS) 2015

Methodology

As there is no accurate and up-to-date database available of all UK businesses, it should be noted that for this survey, data was purchased from Experian. Experian only holds telephone contact data for 2,853 (63%) business in the Derbyshire Dales. Business contacts were also gathered from the Council's own database.

Considering the nature of the survey, businesses on industrial estates and business parks and in key sectors were particularly targeted including: manufacturing (including food and drink); engineering; construction; information and communication; professional/scientific/medical; creative and digital; transport and distribution.

We have secured feedback from 224 businesses from a diverse range of sectors located in the District, through an electronic questionnaire and follow up telephone survey. A copy of the questionnaire can be found in Appendix 1. This sample equates to 5% of VAT / PAYE businesses in the District.

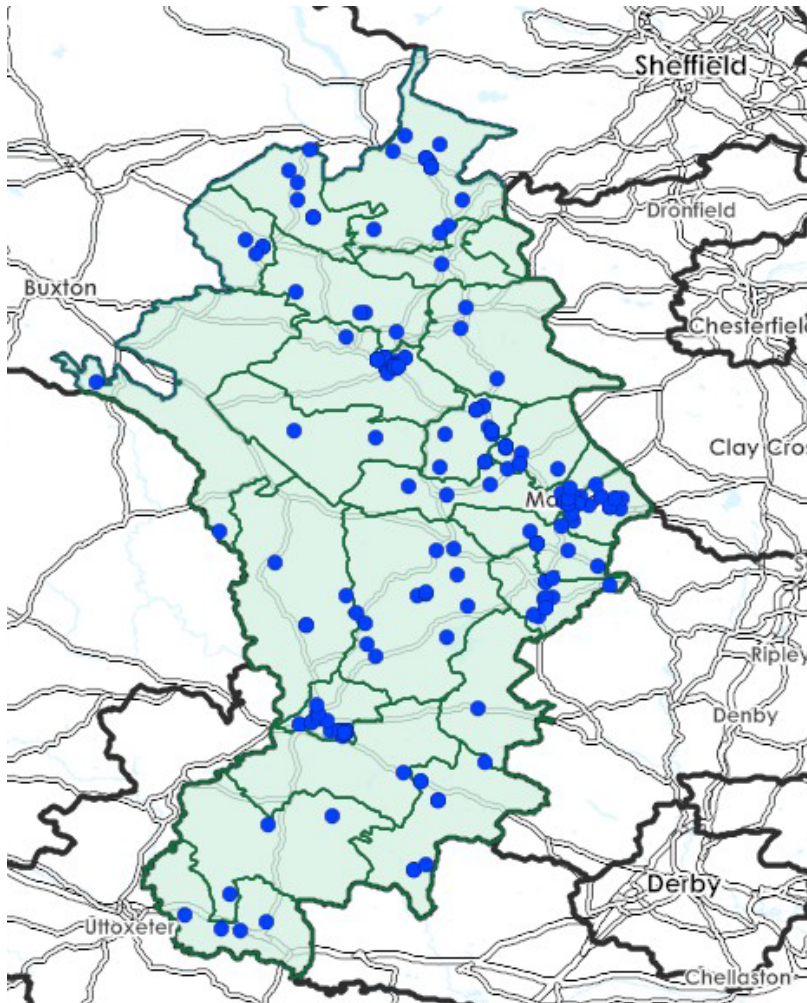
Each business was initially sent an email invite to complete the survey online. After a week, those that had not responded were contacted via telephone a minimum of five times during the data collection period (18th Aug-23rd Sep 2016).

In total, 783 businesses within Derbyshire Dales were contacted. A total of 197 valid surveys were completed, representing a response rate of 25%.

Results were combined with data where possible from 27 other surveys completed with businesses located on the Ashbourne Airfield Industrial Estate as part of a separate telephone survey undertaken by the District Council in May 2016 thus providing a total survey sample of 224.

Please note: The responses to the broadband questions (pages 25-28) also included responses we received from non-targeted sectors (such as retail, retail, leisure, hospitality & tourism, etc.), therefore the base size will be considerably higher for these questions.

The map overleaf illustrates the locations of the business survey respondents.



The overall results in this report are accurate to $\pm 6.26\%$ at the 95% confidence level. This means that we can be 95% certain that the results are between $\pm 6.26\%$ of the calculated responses, so the ‘true’ response could be 6.26% above or below the figures reported (e.g. a 50% agreement rate could in reality lie within the range of 43.74% to 56.26%)² which is statistically robust for the purposes of this survey.

The results for questions where a smaller proportion have responded will have a wider confidence interval and therefore greater caution needs to be applied when interpreting these results.

Where possible and where relevant, sub-group analysis has been carried out for results from specific questions for example, by business sector, size of company, and current premises. In such cases, findings are only reported where the base size is over ten. For example, if a question is analysed by business sector, only those business sectors where we have responses from at least ten businesses are included in the commentary. These findings should still be interpreted with caution.

² Based on a business population size of 2,600 (retrieved from Nomis on 22 September 2016) and sample size of 224

Please note: Owing to the rounding of numbers, percentages displayed visually on graphs in the report may not always add up to 100% and may differ slightly when compared with the text. The figures provided in the text should always be used as the authoritative results. For some questions, respondents could give more than one response (multiple choice). For these questions, the percentage for each response is calculated as a percentage of the total number of respondents and therefore percentages do not add up to 100%.

Results

Respondent profile

Business sector

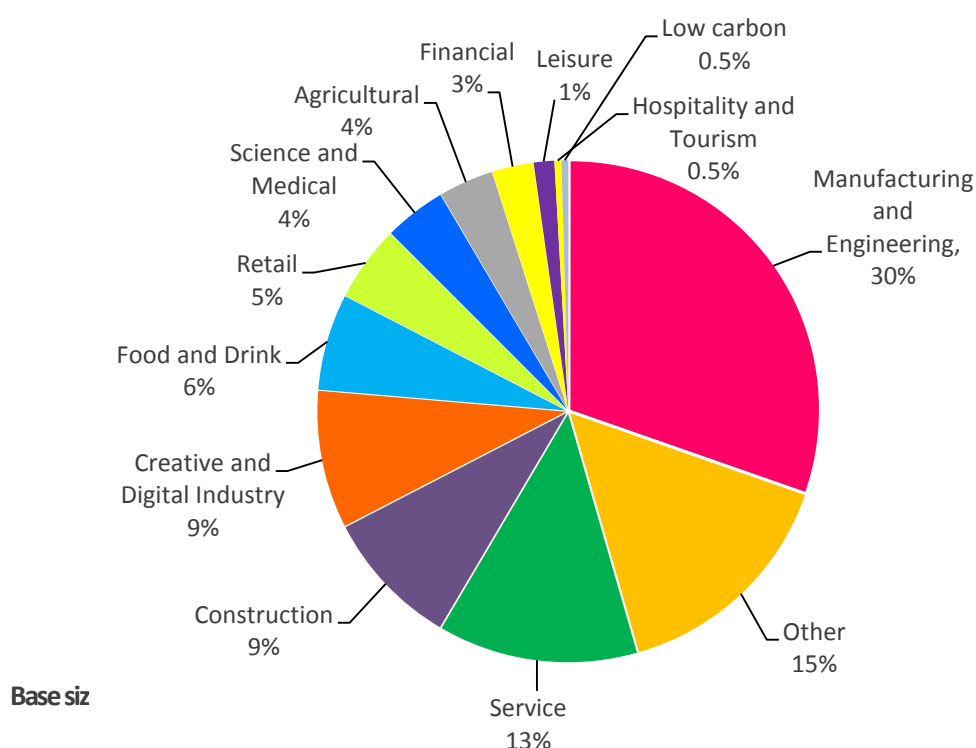
The largest number of responses came from businesses in the manufacturing and engineering sectors, with three out of ten (30%) respondents operating in these sectors.

The service industry is also well represented, making up 13% of responses. Alongside this, construction and creative & digital industries each represent around 10% of the total sample.

There were low levels of responses from the leisure (1%) and hospitality and tourism (less than 1%) sector.

These sectors were not targeted as there is a limited requirement for employment space in these sectors.

Figure 1: Business Sector

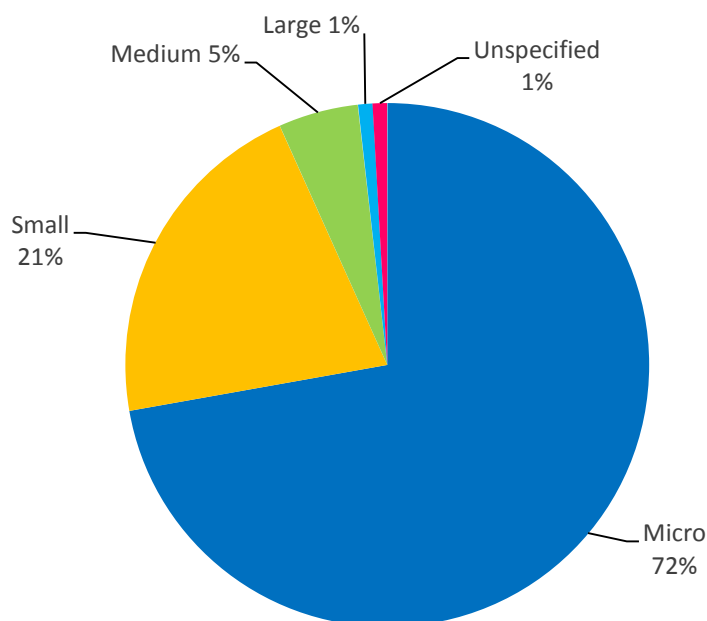


Busi

The majority of businesses responding (72%) were micro-businesses with between 2-9 employees. Overall, nine out of ten (93%) businesses employ fewer than 50 employees. Approximately one-fifth of businesses (21%) were small businesses; 5% were medium and 1% large (over 250 employees).

These findings broadly reflect the structure of the business base in the District which is mostly made up of small-scale and independent businesses.

Figure 2: Business Size

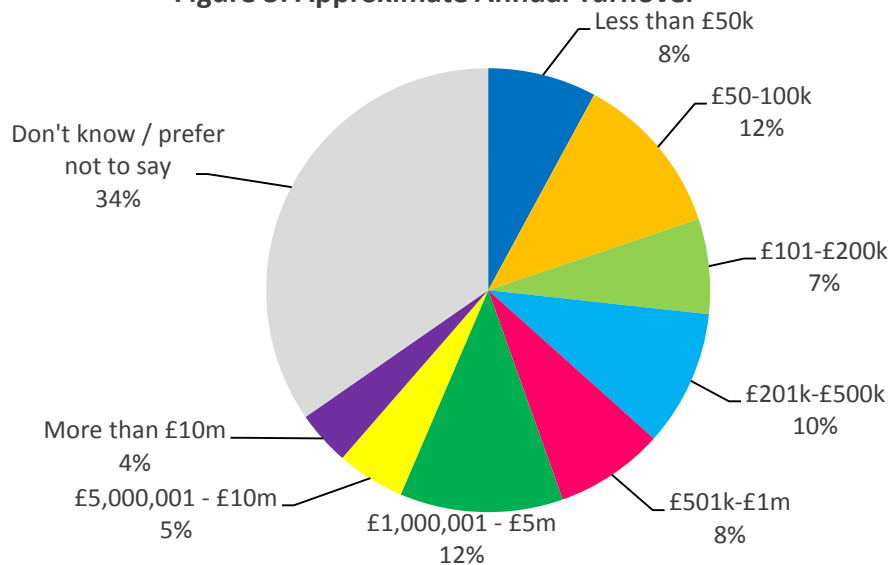


Base size: 223

Annual turnover

Two thirds of businesses provided their annual turnover. One fifth has a turnover less than £100k, and a similar proportion reported a turnover in excess of £1 million.

Figure 3: Approximate Annual Turnover

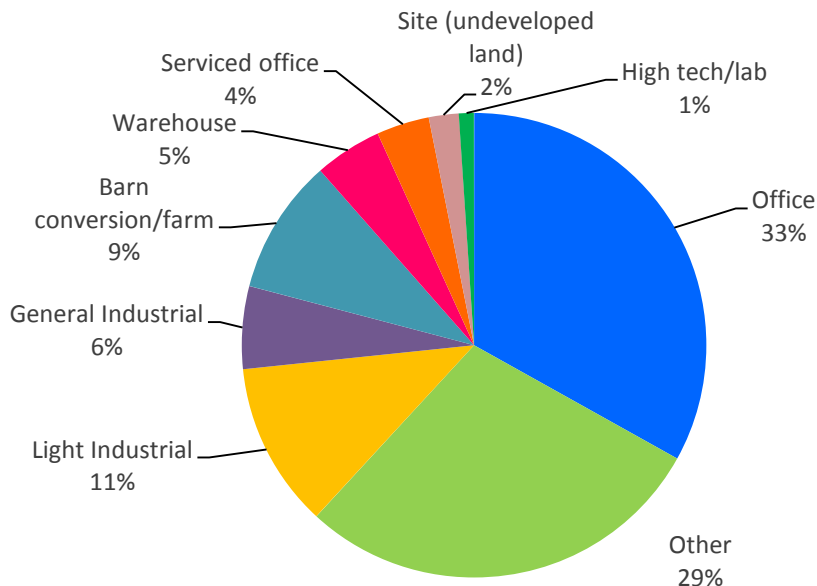


Base size: 222

Current premises

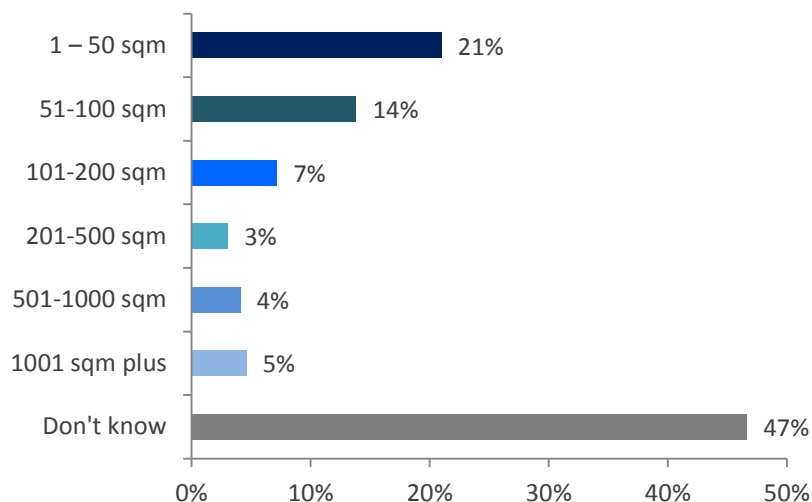
Almost two-fifths of businesses surveyed (37%) occupy 'office' floor space with 22% of businesses occupying industrial accommodation / warehouse space.

Figure 4: Type of Accommodation



Half of those responding were able to specify the floor space of their current premises, with the majority stating they occupied smaller premises of 100 sqm/1,100 sq.ft or less. One in ten (10%) occupy medium sized premises (101-500 sqm/1101-5400 sq. ft) while a similar proportion (9%) occupy larger premises (501sqm plus – 5,401 sq.ft plus).

Figure 5. Floor space

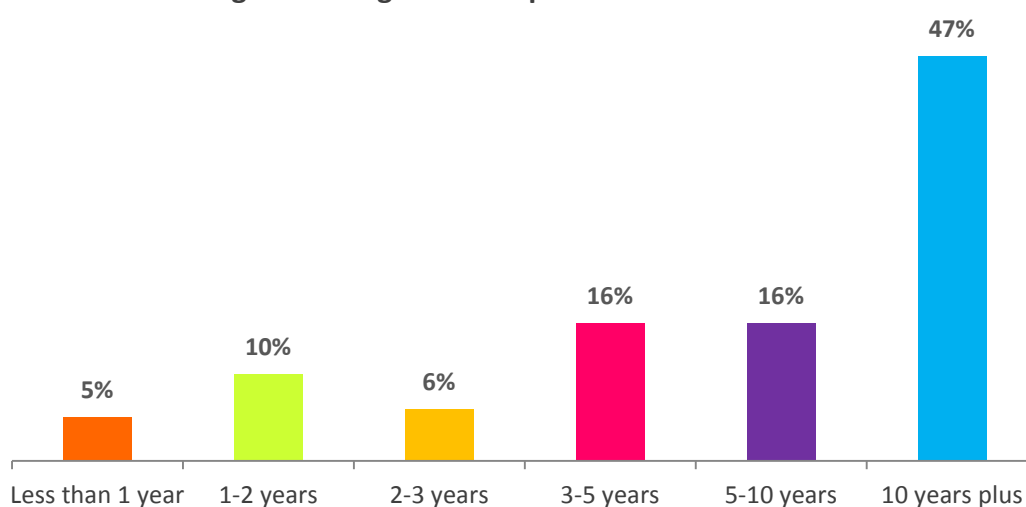


Base size: 195

Perhaps unsurprisingly, businesses with more floor space reported having more employees. These larger businesses are generally using industrial (general and light) and warehouse spaces. In contrast, businesses with less floor space tended to report having fewer employees, and are using office and service accommodation.

The majority (64%) have occupied their premises for 5 years or more. Manufacturing businesses tend to have been at their current premises for longest, with 46% reporting they have been at their premises for 10 years or more, in contrast to just 5% who have been there for less than 2 years. 45% of manufacturing businesses stated that they will need new premises within the next 5 years (30 businesses).

Figure 6: Length of Occupation of Premises



Base size: 194

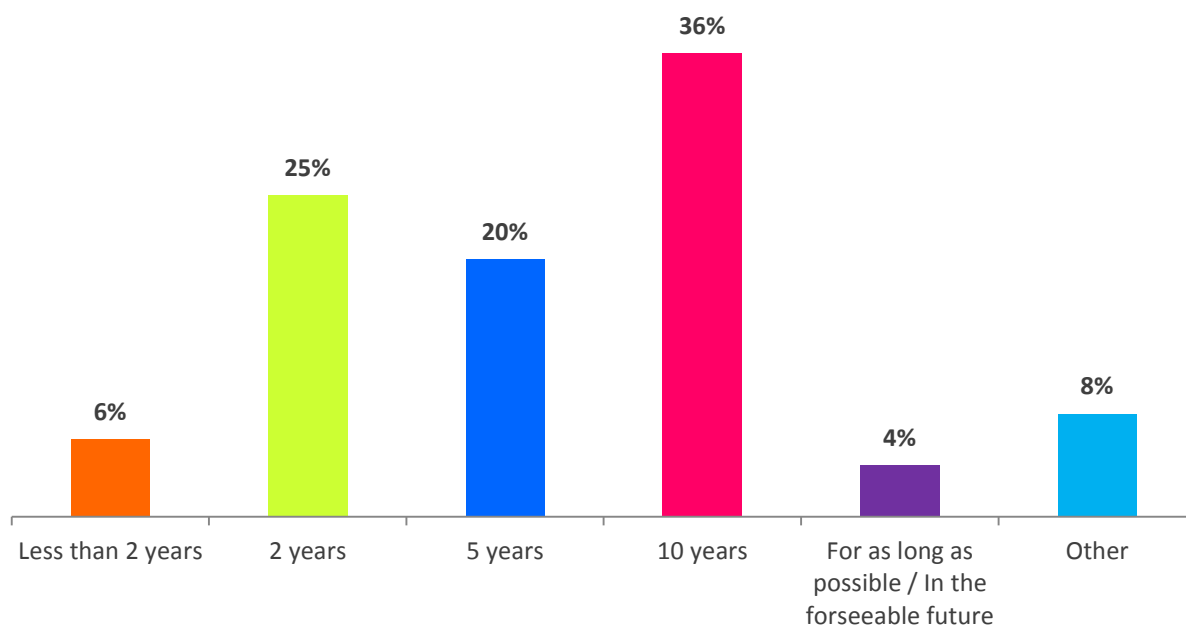
Levels of satisfaction with existing premises are high. Eight out of ten (81%) businesses are satisfied ('very' or 'fairly') with their current premises, whilst just 8% are dissatisfied.

Figure 7 shows the length of time that businesses think their current premises will be adequate for. The responses highlight that over half of businesses believe their premises will only be suitable for the next five years, with a third (31%) stating they will only be adequate for the next 2 years or less. Just over a third (36%) believe their premises will be adequate for 10 years.

Smaller businesses tend to report their business accommodation to be unsuitable in the long term. Almost a quarter (24%) of micro businesses alongside nearly one-third (30%) of small businesses, indicate that their accommodation will only be suitable for 2 years.

At sector level, there appears to be a need for industrial premises (general and light) with over half (64%) of those currently occupying industrial premises, stating that their premises will no longer be suitable in

five years' time or less. Similarly, 55% of office based businesses anticipate that their premises will no longer suffice in five years' time or less.



Base: 205

Future business premises needs

Overall, 43% of businesses currently have plans to expand their business (base size 221). Of those businesses, 65% are micro businesses, 27% are small, 5% are medium and only 2% are large businesses.

Of the 113 businesses who stated they are not currently looking to expand their business or are not sure, 9% (10 respondents) said this is due to the UK referendum decision to leave the EU (not asked in survey for Ashbourne Airfield Industrial Estate businesses).

Business restrictions

When asked to consider factors which restrict the operation of their business, Figure 8 overleaf shows that over one third (35%), highlight inadequate broadband availability.

Figure 8: Factors that restrict business growth

Business restrictions	All	Plans to expand	No plans to expand
Inadequate broadband availability	35%	38%	32%
Parking for staff	24%	26%	17%
Parking for customers	22%	25%	17%
Size of premises	22%	34%	12%
Recruiting staff	16%	24%	9%
Quality of premises	14%	21%	8%
Planning issues	11%	16%	5%
Rates	11%	15%	5%
Rents	6%	7%	5%
Business crime	3%	1%	3%
Other	6%	9%	3%
None	15%	1%	30%
<i>Base:</i>	<i>143</i>	<i>68</i>	<i>66</i>

Almost one quarter (24%) indicated that parking for staff restricts the operation of their business. A similar number say that customer parking is also an issue.

Size of premises is particularly an issue for businesses who are looking to expand (34%), as is the quality of the current premises (21%). Food and drink companies particularly identified the size of premises as an issue, with 42% doing so. One quarter of manufacturing (26%) and service (24%) businesses indicated that size of premises is an issue for them.

Both micro (21%) and small (30%) businesses report that the size of their current premises is restricting the operation of their business (32 businesses).

Requirements to enable business expansion

Of those who are planning on expanding their business two-thirds (64%) (56 businesses) require new premises with half of these (32%) also requiring additional land to expand. This represents around one quarter of the local businesses in the total sample.

When looking at expansion needs by sector, one out of three (29%, 64 businesses) manufacturing businesses requires new premises. 70% of the micro businesses looking to expand require new premises, compared to 67% of small businesses. In contrast, 54% of small businesses require both land and premises compared to 25% of small businesses in the same group.

When asked how much additional land is required, there were 30 responses. The average response was 49,732 square feet or 1.14 acres. 6 of these respondents stated that they did not know the size of premises which they would require and are therefore excluded from the average.

The vast majority of respondents (95%) who are looking for new or additional floor space anticipate that this expansion will involve new jobs being created (53 businesses).

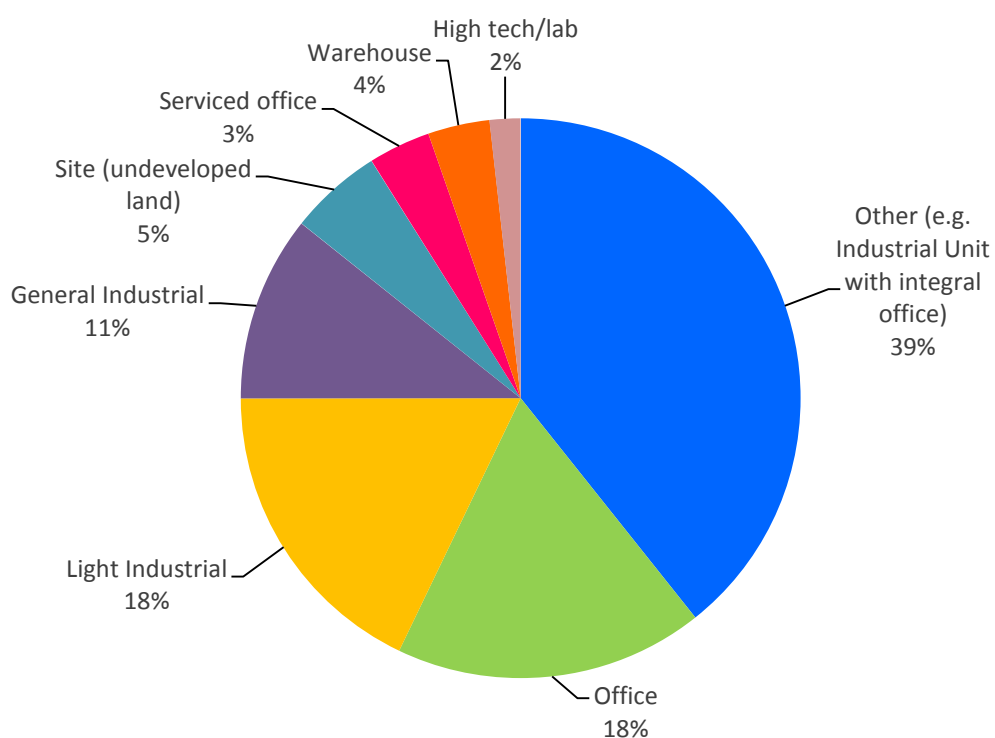
Respondents were then asked to state how many jobs would be created, although it must be noted that these are estimated figures and may not reflect the number of jobs created in reality. The average number of jobs which businesses claim will be created is 6, with answers ranging from 1 to 30.

Types and size of premises sought

A diverse range of premises are required by local businesses looking to expand. Figure 9 shows that 29% of respondents will be seeking industrial space (general or light), whilst one fifth (21%) will require office space. Many businesses categorise their premises needs as 'other' with 41% of the responses falling into this category.

Within the 'other' category, 15 respondents stated that they would require a combination of different premises types. These ranged from 'light industrial/warehouse with integral office and potential retail outlet' to 'offices with warehouse'.

Figure 9: Type of premises required



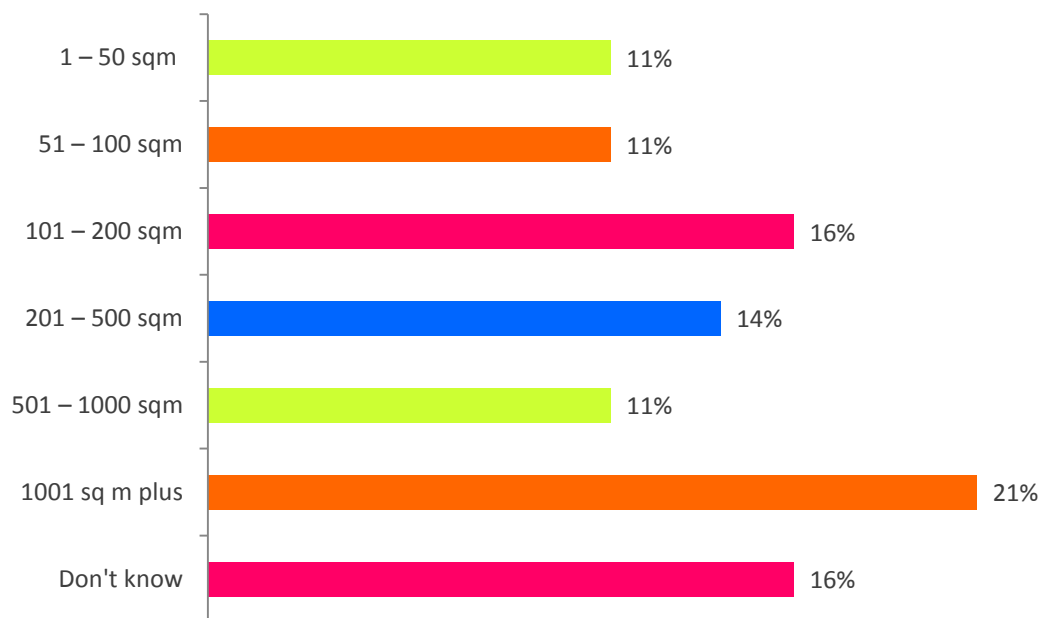
Base size: 56

Further analysis of meaningful data reveals that:

- Office floor space demand is principally from SMEs seeking units of up to 200 sqm/2,150 sq.ft.
- Industrial floor space demand is principally from SME manufacturing firms seeking units of over 200 sqm/2,150 sq.ft.

It can also be seen that three quarters (72%, 13 businesses) of manufacturing businesses seeking new premises require floor space of over 200 sqm/2,150 sq.ft. The remaining business sectors have base sizes which are too small to cross tabulate. The majority of micro businesses (51%) who responded to this question require floor space of 200 sqm/2,150 sq. ft. or less. This compares to 36% of the same group who need premises of over 200 sqm/2,150 sq.ft and 13% who do not know.

Figure 10: Size of premises required



Base size: 56

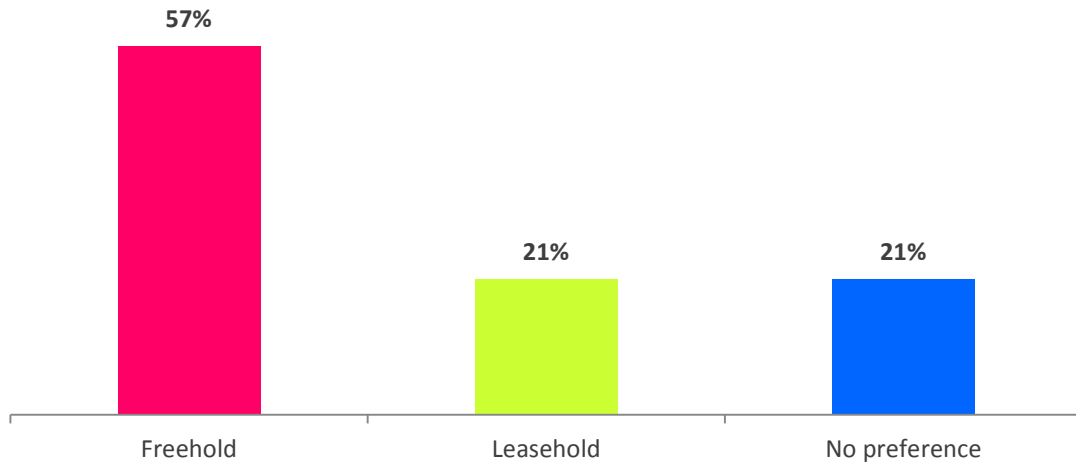
30% of businesses looking to expand require medium sized premises (101-500 sqm/1101-5400 sq. ft.) which consist of 17 businesses.

A third (32%, 18 businesses looking to expand) require larger sized premises (501sqm+/5,401 sq.ft) with 21% (12 businesses) stating that they require premises of 1001+ sqm/10,801 sq.ft+. Of these 18 businesses, four state that they would “almost certainly take up these premises” if it met their requirements and became available in the next two years.

Tenure and quality of premises sought

When asked for tenure preferences, the majority of respondents (57%) indicated that they would prefer commercial space on a freehold basis. This compares to one fifth (21%) preferring leasehold space and a further one fifth (21%) who have no preference.

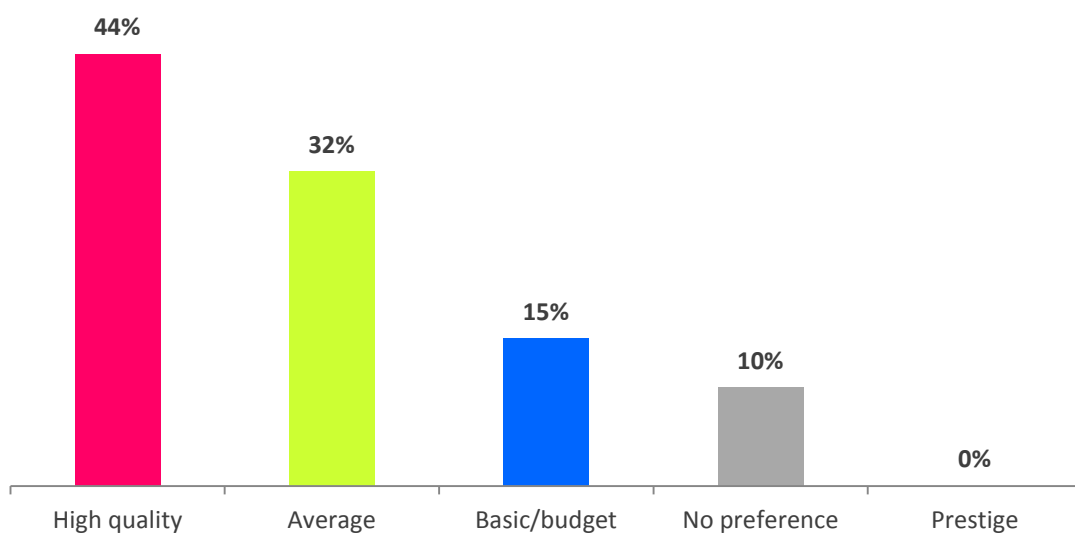
Figure 11: Preferred tenure



Base size: 56

47% of those surveyed who are looking to expand and require premises specified that they would be looking for average or basic/budget premises. 44% of the same group require high quality premises, with none requesting prestige accommodation. One out of ten respondents in this category (10%) had no preference.

Figure 12: Quality of premises required

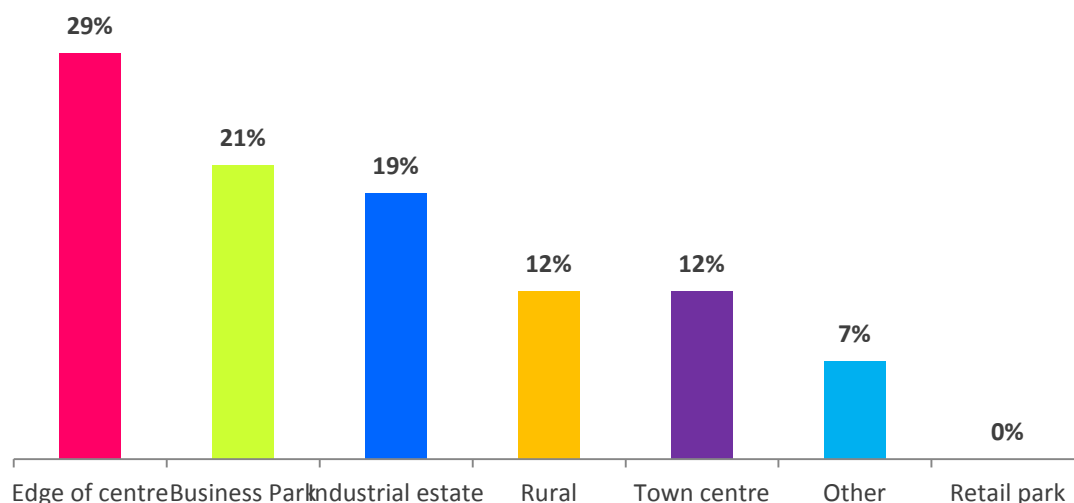


Base size: 41

Location of premises sought

When businesses were asked where they would be seeking new accommodation, responses were mixed with the most frequently mentioned areas being Darley Dale, Bakewell, Ashbourne and Matlock. Precise location is less important to other businesses; they indicated that anywhere with a reliable internet connection or that falls within the Derbyshire Dales would be of interest. Figure 13 also shows that the largest proportion of respondents would prefer locations at the edge of town centres (29%). This is followed by one fifth (21%) who indicated that business parks would be their preferred location, closely followed by industrial estates (19%).

Figure 13: Type of location required

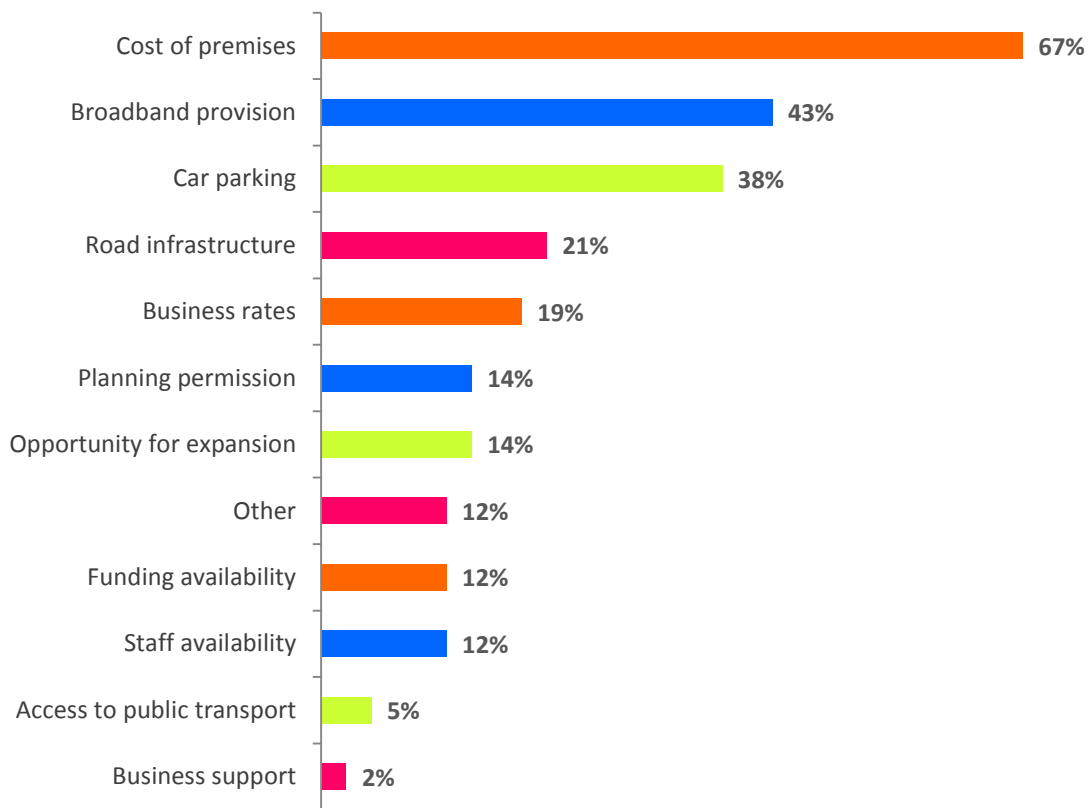


Base size: 42

Key factors for new premises

When asked which factors were most important in identifying new premises, 67% highlighted cost, 43% broadband provision and 38% car parking. Road infrastructure and business rates were also considered important to around 20% of businesses.

Figure 14: Most important factors when selecting new premises



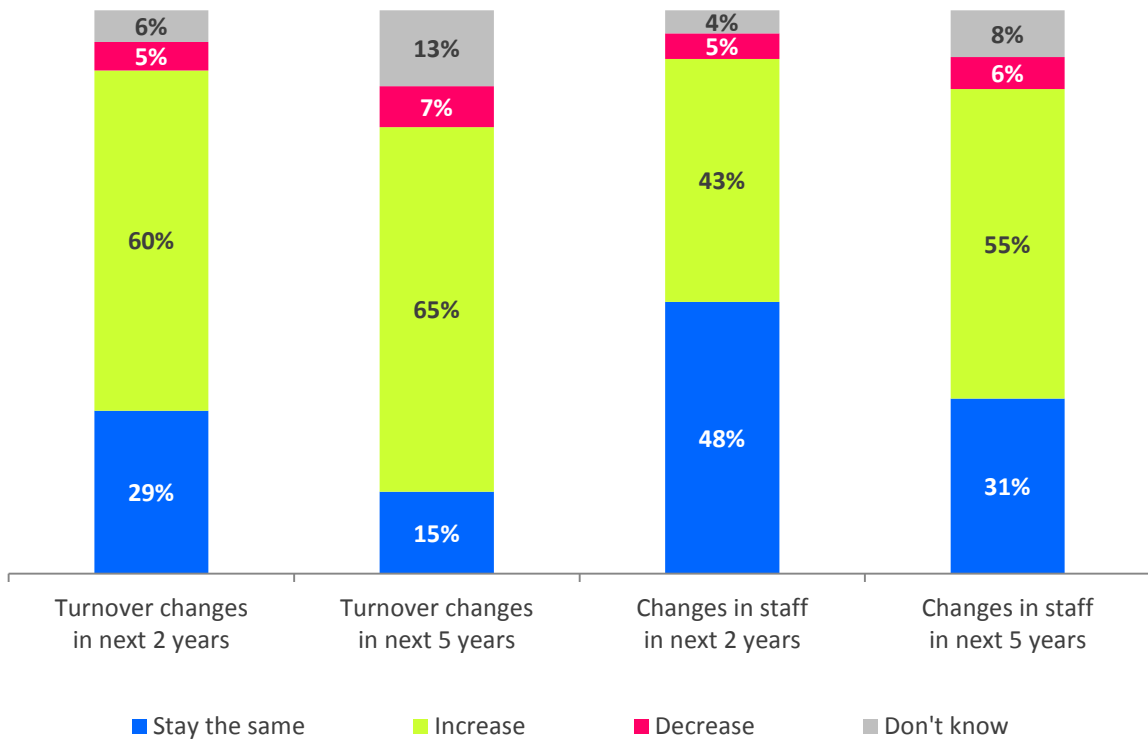
Base size: 42

When asked if premises became available which met their business requirements within the next 2 years, 55% of businesses (Base Size: 42 businesses) would consider taking up these premises. 40% of respondents indicated that they would almost certainly take up these premises.

Business outlook

Around 6 in 10 businesses expect a turnover increase in the short and medium term, with few expecting a decrease. Unsurprisingly, to support this, around half foresee an increase in staffing levels.

Figure 15: Future changes in turnover and staff



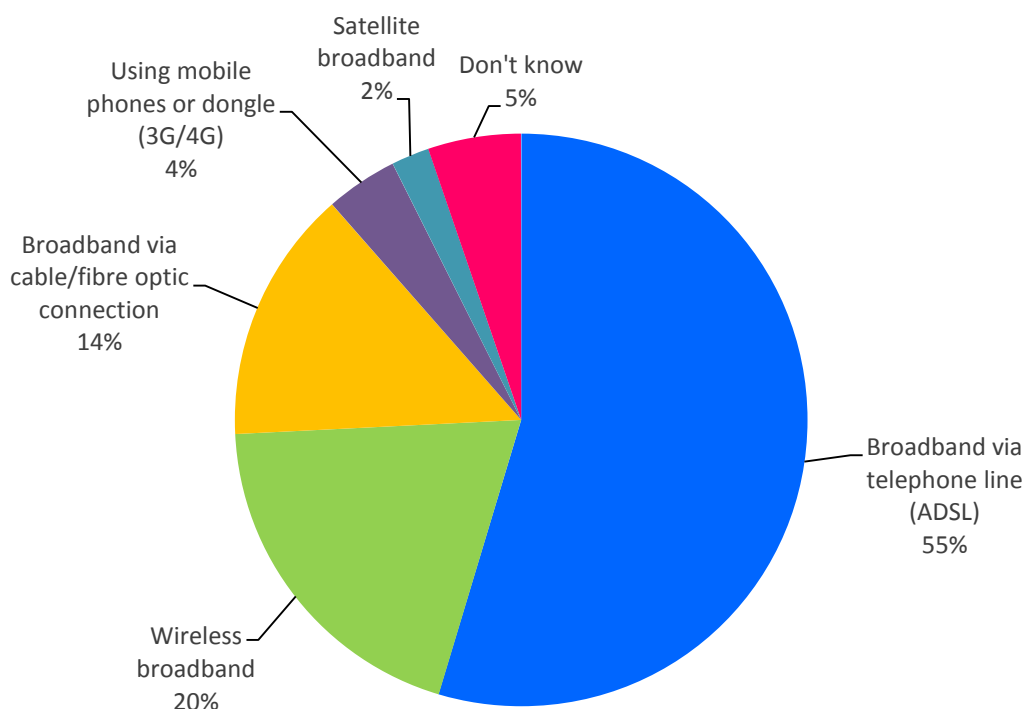
Base size: 193-197

Broadband experience

Please note: the results in this section include responses we received from other businesses in non-targeted sectors such as retail, leisure, hospitality & tourism, agriculture, therefore the base size will be considerably higher than other sections of the report.

The majority of businesses are aware of the type of internet connection at their premises, with over 9 in 10 using a broadband connection, the most common being ADSL (55%) followed by wireless broadband (20%) and 14% who use broadband via cable/fibre optic connection.

Figure 16: Type of internet connection



Base size: 419

Three quarters of businesses identify fast, reliable broadband as imperative or very important to their business. Fewer than 10% claim it is not important.

Figure 17: Importance of broadband access

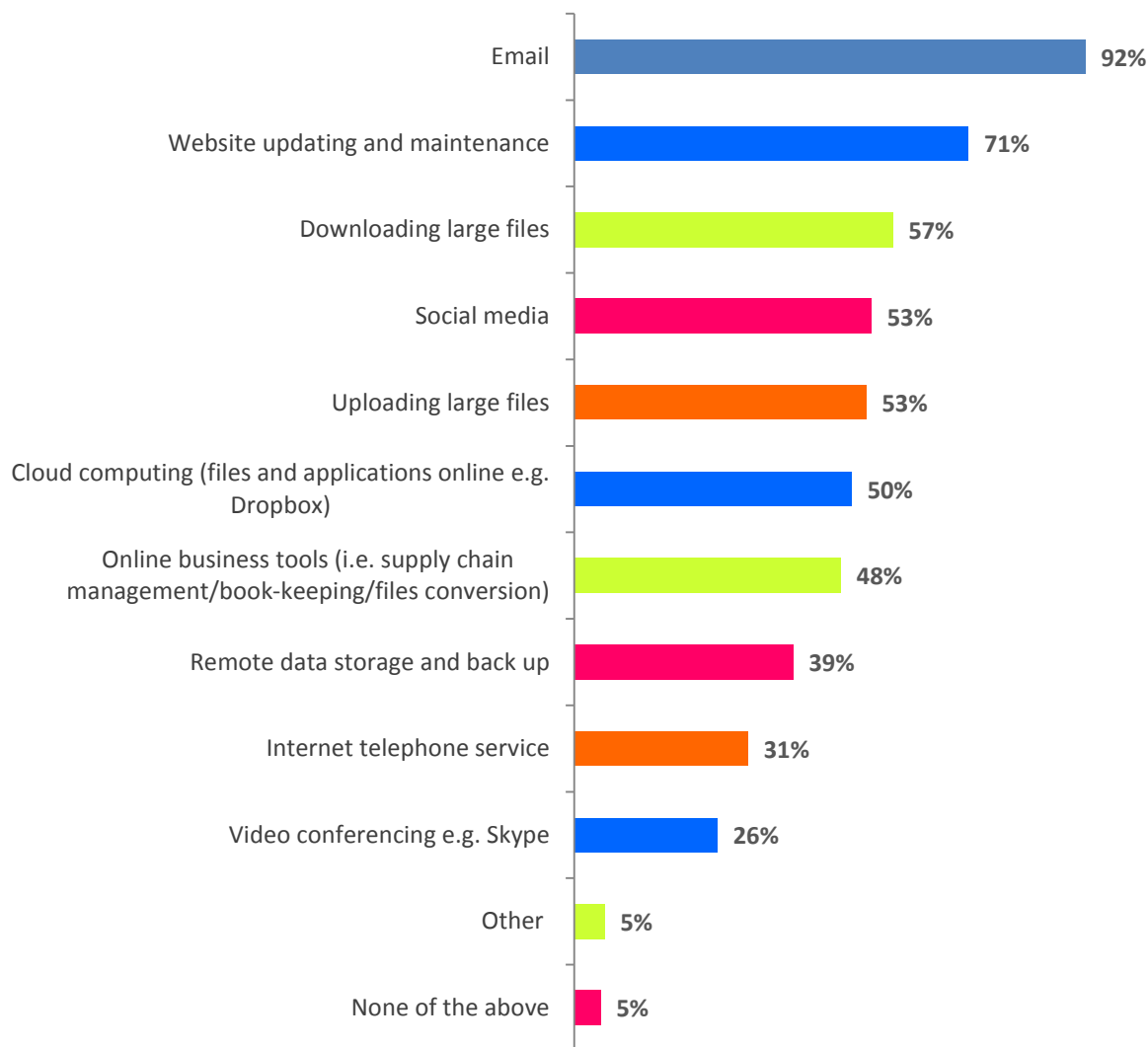
■ Imperative ■ Very important ■ Quite important ■ Not important at all



Base size: 422

Broadband is critical to many everyday business functions, with the use of email cited by the vast majority (92%). Nearly three quarters highlighted the upkeep of their website and around three fifths mentioned downloading and uploading of files. The remaining responses can be seen in Figure 18.

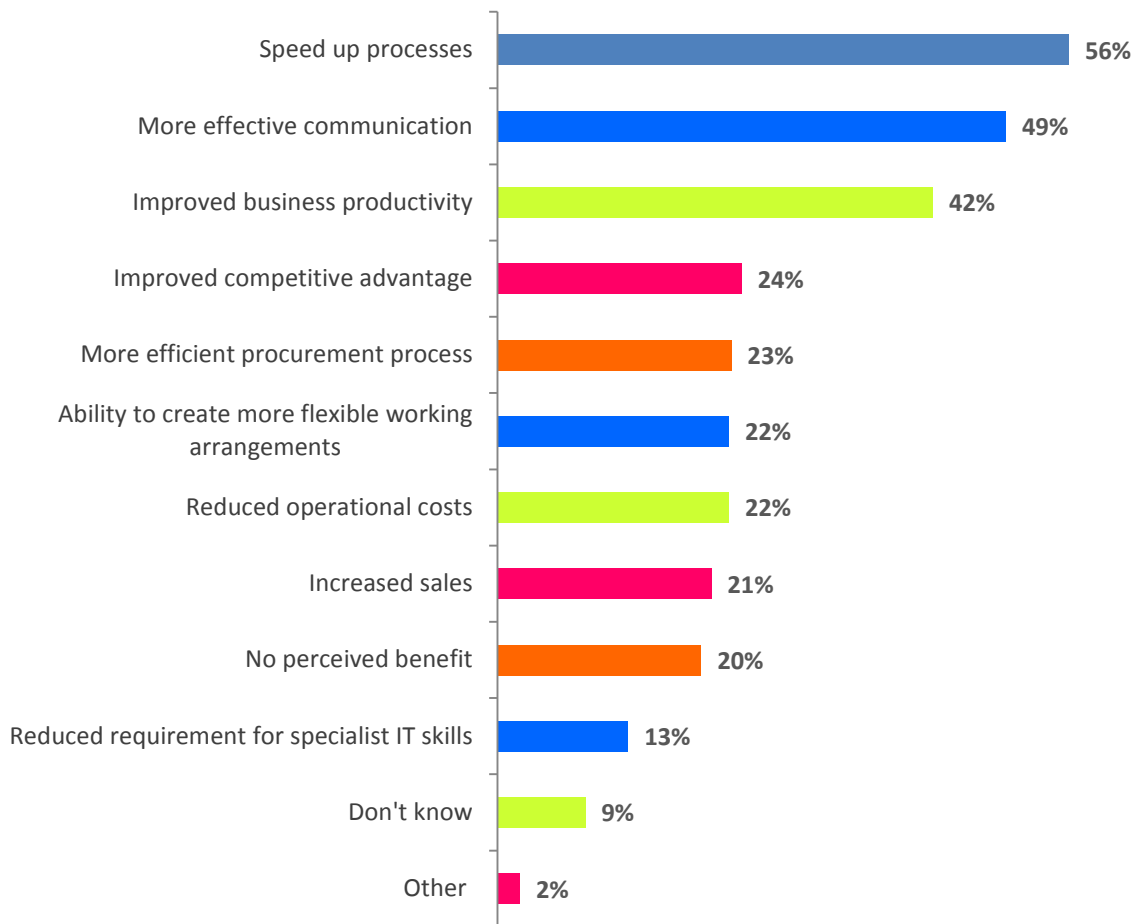
Figure 18: Technical functions requiring broadband



Base: 419

Respondents were also asked how improvements to the speed and reliability of their broadband service would benefit them. Over half (56%) said that this would ‘speed up processes’. The next most common response was ‘more effective communication’, as 49% of respondents chose this option. 42% of respondents also said that fast, reliable broadband would lead to improved business productivity. The remaining responses are found in Figure 19.

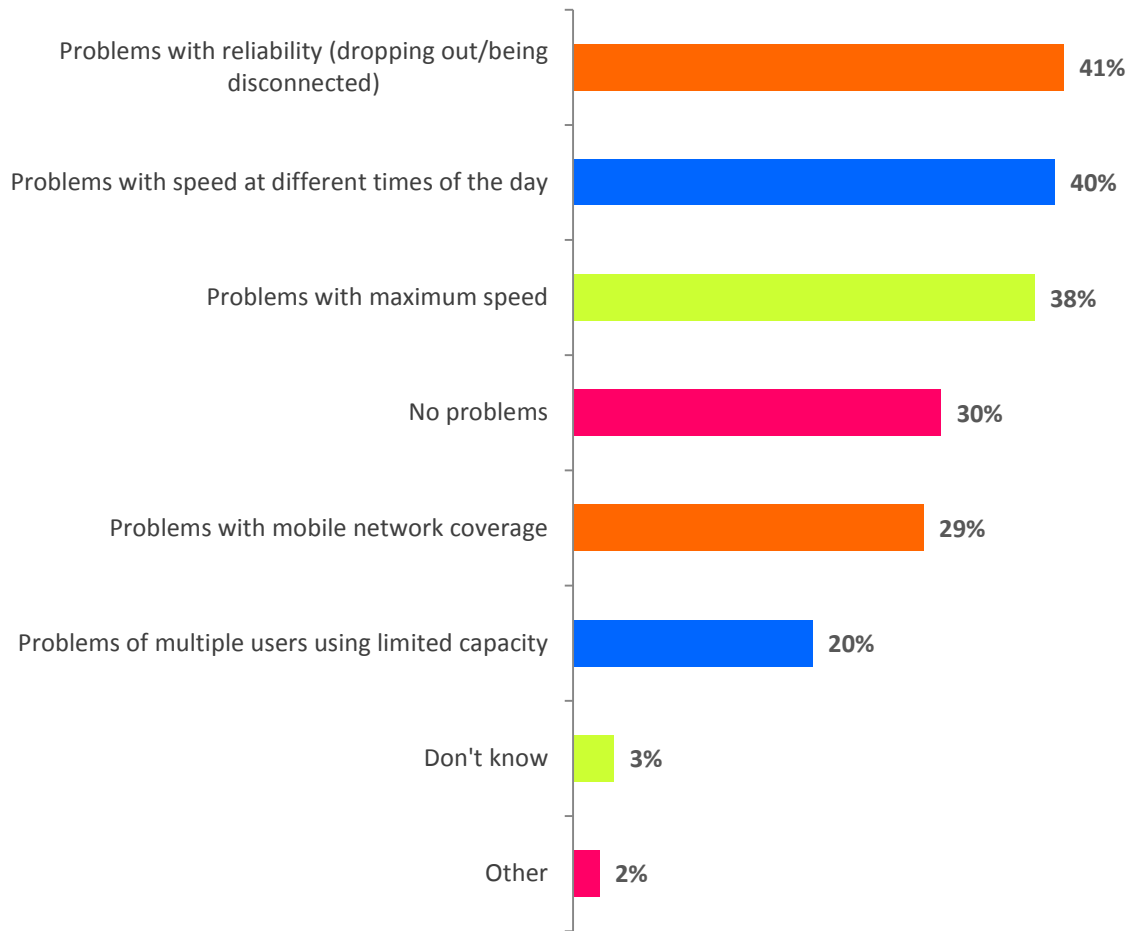
Figure 19: Benefits of improved broadband



Base: 409

Seven in ten report issues with their current broadband service, most commonly these relate to speed and reliability of the connection. Around four in ten stated that they had problems with reliability (dropping out/being disconnected), speed at different times of the day and maximum speed. The remaining responses can be seen in Figure 20.

Figure 20: Problems with broadband experience



Base: 414

Business support

Respondents were also asked which free business events their business would find most beneficial. They could make up to 3 choices, therefore the figures do not add to 100%. Half of respondents (50%) indicated that they would find marketing and sales training beneficial to their business. A third (34%) replied that free business events on web use and social media would be beneficial. A further three out of ten (31%) indicated that events on local supply chain and procurement opportunities would be beneficial. Unsurprisingly, business who have plans to expand are more likely to show appetite for all the listed aspects of business support, particularly marketing and sales and web use and social media.

Figure 21 : Interest in business support events

Business support	All	Plans to expand	No plans to expand
Marketing and sales	50%	59%	42%
Web use and social media	34%	42%	25%
Local supply chain and procurement	37%	23%	17%
Finance and tax	29%	35%	22%
Health and safety	21%	16%	9%
Manufacturing	30%	14%	8%
Exporting	27%	8%	5%
Other	12%	6%	21%
<i>Base:</i>	157	71	73

After completing the survey, businesses were given the opportunity to make further comments. Three respondents indicated that planning permission is a factor which they fear will restrain their business growth. The following examples provide a sample of business perspectives:

- *“...more high quality multi-purpose units for small/medium sized outdoor industry businesses, with more opportunity for businesses to purchase and/or build.”*
- *“When are you going to actually do something to help local businesses with superfast broadband rather than installing it in high population areas who either don't need it or can't afford it just to meet targets which are meaningless? As most business owners do I work from home after leaving the office and can't even get 2 Mb.”*
- *“The rating system isn't fair; they give certain people exemptions and free rates.”*
- *“There should be more business parks and industrial units in Matlock.”*
- *“I would like to see more investment within Derbyshire Dales. We have people who want to work but there are no premises adequate for businesses.”*
- *“I think we need to celebrate weird, quirky businesses in the area. We have the "made in Derbyshire" logo but that's about it. Lots of products are manufactured in Derbyshire and we should celebrate that.”*
- *“Not enough land utilised for manufacturing”*

- *“Council should be focused on providing suitable premises for businesses instead of the broadband.”*
- *“We'd really like to know the likelihood of superfast broadband becoming available in the area.”*

Conclusions & recommendations

Conclusions

The District is characterised by a predominance of micro-and small businesses, and of the businesses surveyed, the majority expect business activity, turnover, and staffing numbers to increase over the next five years. Businesses appear generally positive about their economic outlook, with 60% expecting turnover to increase over the next two years. The survey provides evidence of a level of demand for new floor space in the Derbyshire Dales. 43% of all businesses surveyed could be in the market for new premises within the next five years, and in general there is a need for a range of office and industrial floor space.

Over half of all businesses state that their current premises will no longer be suitable in five years' time or less. Smaller businesses are more likely to report their business accommodation to be suitable in the short term, rather than the long term. In particular, there appears to be a need for industrial premises and the majority of office based businesses anticipate that their premises will no longer suffice in five years' time.

A third of businesses indicate that broadband availability restricts the operation of their business. Parking for staff and the size of premises are further factors which restrict businesses in the Derbyshire Dales.

Small businesses are more likely to have plans to expand compared to microbusinesses. Those businesses working in the service and food and drinks sectors are most likely to be looking to expand, alongside those in industrial premises. Businesses that are planning to expand are more likely to require new premises rather than additional land.

Office floor space demand is principally from SMEs seeking units of up to 200 sqm/2,150 sq.ft. Industrial floorspace demand is principally from SME manufacturing firms seeking units of over 200 sqm/2,150 sq.ft.

When asked for tenure preferences, the majority of respondents indicated that they would prefer commercial space on a freehold basis. There is a trend towards businesses needing high quality premises compared to budget/average premises.

The most frequently mentioned areas for new business premises are Darley Dale, Bakewell, Ashbourne and Matlock.

The average number of expected jobs created by expansion is 6 per business. The cost of premises, car parking and broadband provision are the top three most important factors when selecting new premises.

Three quarters of surveyed businesses said that broadband is very important / imperative to the functioning of their business. The majority said that faster, more reliable broadband would 'speed up processes'; with other benefits including 'more effective communication' and 'improved business productivity'.

40% of respondents said that they had problems with maximum broadband speed, speed at different times of the day and with reliability (dropping out/being disconnected).

The top three choices for free business events are; marketing and sales, web use and social media, and on local supply chain and procurement opportunities.

Recommendations

Based on the conclusions and observations stated above, we recommend the following to help businesses in Derbyshire Dales to either start or grow in the near future:

- When considering any new business developments, the Council should work closely with micro and small businesses as well as businesses in specific sectors (such as manufacturing and engineering sectors), as they are most likely to expand and/or require new premises in the next 2-5 years.
- The Council should also consider the future demand for a diverse range of property types (e.g. industrial premises and new office space) and popular re-location areas such as Darley Dale, Bakewell, Ashbourne and Matlock.
- Three quarters of businesses identified fast, reliable broadband as imperative or very important to their business. It was also as reported one of the most common factors restricting the operation of businesses in the area. Therefore, improving the broadband service in the Derbyshire Dales area should be considered as a top priority by the Council in the immediate future.

Appendix A: Questionnaire

Appendix A: Questionnaire



Derbyshire Dales Business Survey

Good morning/afternoon/evening. My name is ----- and I am calling from M.E.L Research on behalf of Derbyshire Dales District Council.
INTERVIEWER: ASK TO SPEAK TO THE OWNER / DIRECTOR / SENIOR MANAGER.

We are conducting a short survey of businesses to help Derbyshire Dales District Council establish the need and demand for business accommodation across the district. The survey also includes a few questions about your current broadband experience. Your feedback is valuable to us and will help shape future provision within the Dales.

We would be very grateful for around 10-15 minutes of your time to take part in the survey.
Are you happy to complete the survey now?

As part of this exercise, Derbyshire District Council may wish to contact you in the future to provide you with advice or support. You will be given the option to opt out of this activity at the end of the survey should you prefer to remain anonymous. All information you provide will remain confidential.

Check **If Yes Read -** Before we start I need to inform you that this call is being recorded for quality control purposes. However the information we collect will be kept in the strictest confidence, only be used for the stated purpose and never be sold to a third party. It will not be possible to identify any particular individual. Are you happy to take part? (Continue with survey if Yes).

If No - No problem. Is there a better time to call? Thanks for your time (Interviewer to make a note on the database whether a refusal, call back etc...)

(ONLY IF ASKED).

IF RESPONDENTS WISH TO CHECK THE VALIDITY OF THE SURVEY, THEY CAN CALL, NANCY MAITLAND <<ECONOMIC DEVELOPMENT AND TOURISM OFFICER>> AT DERBYSHIRE DALES DISTRICT COUNCIL ON 01629 761103 OR CLARE RAPKINS, RESEARCH MANAGER AT M.E.L RESEARCH ON FREEPHONE NO (0800 0730 348).

Business Information

Q1 Could I please check that the following information is correct. You can add or change anything that is incorrect:

Company Name	<input type="text"/>
Contact Name	<input type="text"/>
Postcode	<input type="text"/>
Telephone No (Please provide your Business Landline Number)	<input type="text"/>

Q2 What is your business sector?

- | | | |
|--|---|---|
| <input type="radio"/> Agricultural | <input type="radio"/> Retail | <input type="radio"/> Food and Drink |
| <input type="radio"/> Educational | <input type="radio"/> Service | <input type="radio"/> Science and Medical |
| <input type="radio"/> Financial | <input type="radio"/> Hospitality and Tourism | <input type="radio"/> Low carbon |
| <input type="radio"/> Manufacturing and Engineering, | <input type="radio"/> Construction | <input type="radio"/> Other |
| <input type="radio"/> Leisure | <input type="radio"/> Creative and Digital Industry | |

Other, please specify

Q3 What is the nature of your business activity? Please write below:

Q4 How many people work in your business?

- Micro - 2 - 9 employees
- Small - 10 - 49 employees
- Medium - 50 - 249 employees
- Large - 250+ employees
- Don't know

Q5 What is your current approximate annual turnover?

- | | |
|--------------------------------------|---|
| <input type="radio"/> Less than £50k | <input type="radio"/> £1,000,001 - £5m |
| <input type="radio"/> £50 - £100k | <input type="radio"/> £5,000,001 - £10m |
| <input type="radio"/> £101 - £200k | <input type="radio"/> More than £10m |
| <input type="radio"/> £201 - £500k | <input type="radio"/> Don't know/ Prefer not to say |
| <input type="radio"/> £501k - £1m | |

Q6 What is the type of accommodation at your current premises?

- | | |
|--|--|
| <input type="radio"/> Office | <input type="radio"/> High tech/lab |
| <input type="radio"/> Serviced office | <input type="radio"/> Barn conversion/Farm |
| <input type="radio"/> General Industrial | <input type="radio"/> Site (undeveloped land) |
| <input type="radio"/> Light Industrial | <input type="radio"/> Other (e.g. Industrial Unit with with integral office) |
| <input type="radio"/> Warehouse | |

Other, please specify

Q7 What is the floor space at current premises

- 1 – 50 sqm / 10 – 540 sq ft
- 51 – 100 sqm / 541 – 1100sq ft
- 101 – 200 sqm / 1101 – 2150 sq ft
- 201 – 500 sqm / 2151 – 5,400 sq ft
- 501 – 1000 sqm / 5,401 – 10,800 sq ft
- 1001 sq m / 10,801 sq ft plus
- Don't know

Q8 How long have you occupied these premises?

- Less than 1 year
- 1 – 2 years
- 2 – 3 years
- 3 – 5 years
- 5 – 10 years
- 10 years plus

Q9 How satisfied or dissatisfied are you with the current premises?

- Very satisfied
- Fairly satisfied
- Neither
- Fairly dissatisfied
- Very dissatisfied

Q10 Are any of the following factors currently restricting the operation of the business? **Please tick all that apply**

- | | |
|--|--|
| <input type="checkbox"/> Inadequate broadband availability | <input type="checkbox"/> Rates |
| <input type="checkbox"/> Planning issues | <input type="checkbox"/> Business crime |
| <input type="checkbox"/> Parking for staff | <input type="checkbox"/> Size of premises |
| <input type="checkbox"/> Parking for customers | <input type="checkbox"/> Quality of premises |
| <input type="checkbox"/> Recruiting staff | <input type="checkbox"/> Other |
| <input type="checkbox"/> Rents | |

Other, please specify

Q11 For how long do you think your current premises will be adequate for your business needs?

- 2 Years
- 5 Years
- 10 Years
- Other

Other, please specify

Future Business Accommodation Plan

Q12 Do you currently have plans to expand your business?

- Yes
- No
- Don't know/Prefer not to say

Q13 Is this due to the UK referendum result to leave the EU?

- Yes
- No

Q14 Do you require:

- Additional land to expand your business
- New premises
- Both of the above
- Don't know/Prefer not to say

Q15 If additional land is required, approximately what size of site do you require? **Please write in either acres or square feet whichever you prefer. You do not need to put both.**

Acres (Put a number i.e. 5)

Square Feet (Put a number i.e. 500)

Q15c Don't know

Q16 What type of premises do you require?

- Office
- Serviced office
- General Industrial
- Light Industrial
- Warehouse
- High tech/lab
- Barn conversion/farm
- Site (undeveloped land)
- Other (e.g. Industrial Unit with integral office)

Other, please specify

Q17 What size of premises do you require?

- 1 – 50 sqm / 10 – 540 sq ft
- 51 – 100 sqm / 541 – 1100sq ft
- 101 – 200 sqm / 1101 – 2150 sq ft
- 201 – 500 sqm / 2151 – 5,400 sq ft
- 501 – 1000 sqm / 5,401 – 10,800 sq ft
- 1001 sq m / 10,801 sq ft plus
- Don't know

Q18 What quality of premises do you require?

- Prestige
- High quality
- Average
- Basic/budget
- No preference

Q19 What would be your preferred tenure?

- Freehold
- Leasehold
- No preference

Q20 How much would you be prepared to pay per square metre or square feet? **Please put a whole number i.e. 100 in whichever one you prefer**

Per square metre

Per square foot

Q20c Don't know

Q21 Will this be additional to or alternative to your current premises?

Additional

Alternative

Q22 Where will you be looking to locate (general area such as Matlock, Bakewell, Wirksworth, Belper etc) - **Please write below:**

Q23 What type of location is preferred?

Town centre

Edge of centre

Business park

Industrial estate

Retail park

Rural

Other

Other, please specify

Q24 Will the move/expansion involve additional jobs being created?

Yes

No

Q25 If yes, how many? **Please write a number i.e. 50 or tick don't know**

Q25a Don't know

Q26 Which of the following factors are most important to the selection of new premises? **Please select up to 3 boxes only**

Broadband provision

Cost of premises

Road infrastructure

Access to public transport

Staff availability

Business support

Funding availability

Car parking

Opportunity for expansion

Planning permission

Business rates

Other

Other, please specify

Q27 If new premises became available which met with your requirements in the next 2 years, would you:

- Almost certainly take up these premises
- Consider taking these premises
- Not take up these premises
- Don't know/prefer not to say

Q27a Could you please provide some more information on your response to Q27

Q28 If new premises became available which met with your requirements in the next 5 years, would you:

- Almost certainly take up these premises
- Consider taking these premises
- Not take up these premises
- Don't know/prefer not to say

Q28a Could you please provide some more information on your response to Q28

Future Business Accommodation Plan

Q29 How do you anticipate the following:

	Stay the same	Increase	Decrease	Don't know
Your business turnover will change in the next 2 years?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Your staff numbers will change in the next 2 years?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Your business turnover will change in the next 5 years?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Your staff numbers will change in the next 5 years?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Your Internet Experience

Q30 How does your business connect to the internet?

- Broadband via telephone line (ADSL)
- Broadband via cable/fibre optic connection
- Using mobile phones or dongle (3G/4G)
- Wireless broadband
- Satellite broadband
- Don't know

Q31 How critical is access to fast, reliable broadband to your business?

- Imperative
- Very important
- Quite important
- Not important at all

Q32 Which (if any) of the following technical functions require broadband? **Please tick all that apply**

- | | |
|---|---|
| <input type="checkbox"/> Email | <input type="checkbox"/> Online business tools (i.e. supply chain management/book-keeping/files conversion) |
| <input type="checkbox"/> Cloud computing (files and applications online e.g. Dropbox) | <input type="checkbox"/> Video conferencing e.g. Skype |
| <input type="checkbox"/> Social media | <input type="checkbox"/> Remote data storage and back up |
| <input type="checkbox"/> Website updating and maintenance | <input type="checkbox"/> Internet telephone service |
| <input type="checkbox"/> Uploading large files | <input type="checkbox"/> None of the above |
| <input type="checkbox"/> Downloading large files | <input type="checkbox"/> Other |

Other, please specify

Q33 How would improvements to the speed and reliability of your broadband service benefit you? **Please tick all that apply**

- | | |
|---|---|
| <input type="checkbox"/> Increased sales | <input type="checkbox"/> Improved competitive advantage |
| <input type="checkbox"/> Reduced operational costs | <input type="checkbox"/> Ability to create more flexible working arrangements |
| <input type="checkbox"/> More efficient procurement process | <input type="checkbox"/> More effective communication |
| <input type="checkbox"/> Improved business productivity | <input type="checkbox"/> No perceived benefit |
| <input type="checkbox"/> Reduced requirement for specialist IT skills | <input type="checkbox"/> Don't know |
| <input type="checkbox"/> Speed up processes | <input type="checkbox"/> Other |

Other, please specify

Q34 What (if any) problems do you experience with your current broadband service?

- | | |
|--|--|
| <input type="checkbox"/> Problems with maximum speed | <input type="checkbox"/> Problems with mobile network coverage |
| <input type="checkbox"/> Problems with speed at different times of the day | <input type="checkbox"/> Don't know |
| <input type="checkbox"/> Problems with reliability (dropping out/being disconnected) | <input type="checkbox"/> No problems |
| <input type="checkbox"/> Problems of multiple users using limited capacity | <input type="checkbox"/> Other |

Other, please specify

Q35 Which of the following free business events would your business find most beneficial? **Please select up to 3 boxes only**

- Finance and tax
- Marketing and sales
- Web use and social media
- Health and safety
- Exporting
- Manufacturing
- Local supply chain and procurement opportunities
- Other

Other, please specify

Q36 Are there any further comments you would like to make?

Q37 Would you be willing to be involved in further consultation regarding Derbyshire business needs, such as online surveys, telephone surveys or focus groups?

- Yes, online surveys
- Yes, telephone surveys
- Yes, focus groups
- No - I do not wish to be involved in further consultation

Q38 Could i please confirm your name

So that Derbyshire District Council can contact you about future consultations can I please take/confirm your email address?

And is the the number i have called you on today the best number they should use to contact you?

Q39 Finally, would you be willing to have your answers linked to you and your business so that Derbyshire District Council can contact you in the future regarding your business needs? All information you have provided will remain confidential.

- Yes
- No - Thank you, your answers will remain anonymous and will not be linked to you or your business

This is the end of the survey. Thank you for your time.
Please click on the "Submit" button below

Q40 Interviewers to complete the following information:

ID Number	<input type="text"/>
Telephone Number	<input type="text"/>
Interviewer Name	<input type="text"/>

Appendix B: List of Businesses responding

Response number	Name of business	Source
1	FIRST ASCENT (UK) LTD	2016 Business Survey
2	P & D SPECIALIST SERVICES LTD	2016 Business Survey
3	James Associates	2016 Business Survey
4	PPS Installations	2016 Business Survey
5	Nashmead	2016 Business Survey
6	French Wine People	2016 Business Survey
7	Matlock Transport Company Ltd	2016 Business Survey
8	Raw Halo	2016 Business Survey
9	VI Metal Ltd	2016 Business Survey
10	PEAK NC	2016 Business Survey
11	Johnston Foster Ltd	2016 Business Survey
12	ominar systems	2016 Business Survey
13	RM Eaton Stonemasonry Ltd	2016 Business Survey
14	Media FHE	2016 Business Survey
15	IMAGE PRINTING COMPANY LTD	2016 Business Survey
16	17 D Miniatures	2016 Business Survey
17	Thornbridge Brewery	2016 Business Survey
18	DAB Systems	2016 Business Survey
19	Illuminaries Ltd	2016 Business Survey
20	MMA Design Ltd	2016 Business Survey
21	RG Wilson	2016 Business Survey
22	Mansells	2016 Business Survey
23	MALACZYNSKI BURN LTD	2016 Business Survey
24	Conformance Ltd	2016 Business Survey
25	Project75 Software Ltd	2016 Business Survey
26	Derbyshire Dales Design and Print	2016 Business Survey
27	EFCO UK LTD	2016 Business Survey
28	Patent Outsourcing Ltd	2016 Business Survey
29	Gaunt Golf Design	2016 Business Survey
30	Plasma Biotall Ltd	2016 Business Survey
31	Slater's(Plastikard) Ltd	2016 Business Survey
32	Moto Comp Ltd	2016 Business Survey
33	Cotic Ltd	2016 Business Survey
34	Peter stone Consulting Limited	2016 Business Survey
35	Eddystone Consulting Ltd	2016 Business Survey
36	Midland Corrosion Services Ltd	2016 Business Survey

37	Whitworth Projects	2016 Business Survey
38	Busy All Year Trading Ltd	2016 Business Survey
39	Trac Systems Ltd,	2016 Business Survey
40	Richard Blackwall Ltd T/A English Clockmakers	2016 Business Survey
41	Ashbrook Roofing & Supplies Limited	2016 Business Survey
42	Cocoa Elora	2016 Business Survey
43	esmartmetrics ltd	2016 Business Survey
44	TBA	2016 Business Survey
45	Health Tec Medical Ltd	2016 Business Survey
46	Intelligent Vending Ltd	2016 Business Survey
47	Kniveton Cider Company	2016 Business Survey
48	Longcliffe Quarries Ltd	2016 Business Survey
49	Matlock Glass Co LTD	2016 Business Survey
50	Peak Ales	2016 Business Survey
51	ELP Engineering Ltd	2016 Business Survey
52	Starmark Associates Ltd	2016 Business Survey
53	TDP Ltd	2016 Business Survey
54	William Twigg (Matlock) Ltd	2016 Business Survey
55	Alcoa Forgings and Extrusions	2016 Business Survey
56	Measureology	2016 Business Survey
57	Riverfutures Limited	2016 Business Survey
58	Blue Earth Thinking	2016 Business Survey
59	Holdsworth Holdings Ltd	2016 Business Survey
60	Walker Minerals Ltd	2016 Business Survey
61	Kira Supplies Ltd	2016 Business Survey
62	Trick Bits Ltd	2016 Business Survey
63	Northworthy Musical Instruments	2016 Business Survey
64	Hoben International Ltd	2016 Business Survey
65	Peak Support	2016 Business Survey
66	Andrew Lawton Furniture Designer & Maker	2016 Business Survey
67	Fine Grinding Ltd	2016 Business Survey
68	Tool Hire Bakewell	2016 Business Survey
69	Elyision Ltd	2016 Business Survey
70	Peak Informatics	2016 Business Survey
71	The Derbyshire Winery Ltd	2016 Business Survey
72	Resources Computing International Ltd	2016 Business Survey
73	Nether Water Ltd	2016 Business Survey
74	Bradwell Packaging	2016 Business Survey
75	Bridgecraft Engineering Ltd	2016 Business Survey
76	Dove Computer Solutions Ltd	2016 Business Survey
77	Plasma Coatings Ltd	2016 Business Survey

78	Darley Dale Garage	2016 Business Survey
79	Oulsnam Design Ltd	2016 Business Survey
80	ADI Trading	2016 Business Survey
81	Pisani PLC	2016 Business Survey
82	Risk Control Surveys Ltd	2016 Business Survey
83	Peak Ecology Ltd	2016 Business Survey
84	Forticrete	2016 Business Survey
85	Synergy Fire Engineering Ltd	2016 Business Survey
86	Derbyshire Self Storage Ltd	2016 Business Survey
87	JW Long Engineering	2016 Business Survey
88	HGI Generators	2016 Business Survey
89	Newtone Strings GB	2016 Business Survey
90	Mark Spencer Design, Photography & Film	2016 Business Survey
91	In21 Ltd	2016 Business Survey
92	Aquaman Design	2016 Business Survey
93	Scaan Ltd	2016 Business Survey
94	MJ Wells & Sons	2016 Business Survey
95	Treefellas Arboriculture Ltd	2016 Business Survey
96	Mercaston Tree Company	2016 Business Survey
97	A & H Etches	2016 Business Survey
98	Peak Performance Hire	2016 Business Survey
99	Adverse Camber Productions	2016 Business Survey
100	homestead farm bed and breakfast	2016 Business Survey
101	Cem Solutions UK Ltd	2016 Business Survey
102	RN Thompson	2016 Business Survey
103	Ian Strange (Tansley) Ltd	2016 Business Survey
104	John Wardle Horological Materials	2016 Business Survey
105	Ultim8 Ltd	2016 Business Survey
106	JA Clowes & Sons	2016 Business Survey
107	Brookbank Design	2016 Business Survey
108	Grafika Ltd	2016 Business Survey
109	Thinking Buildings	2016 Business Survey
110	Steelshield Company UK Ltd	2016 Business Survey
111	Phoenix Adam Ltd	2016 Business Survey
112	Ward Design	2016 Business Survey
113	Telespection Services	2016 Business Survey
114	Bamfords Auctioneers & Valuers	2016 Business Survey
115	Sam Furniss Ltd	2016 Business Survey
116	JK Harrison	2016 Business Survey
117	Grindleford Spring Water Company	2016 Business Survey
118	Lynx Engineering	2016 Business Survey

119	Adams BG	2016 Business Survey
120	Xact Systems Ltd	2016 Business Survey
121	Thesource UK Ltd	2016 Business Survey
122	Employ Recruitment UK Ltd	2016 Business Survey
123	Crescent Upholstery	2016 Business Survey
124	JA Hardy Ltd	2016 Business Survey
125	PJ Roworth & Partners	2016 Business Survey
126	AIP Financial Consultants Ltd	2016 Business Survey
127	H & W Sellors Ltd	2016 Business Survey
128	Peak INKS Ltd	2016 Business Survey
129	David Evans General Building & Property Maintenance	2016 Business Survey
130	FL Carrington & Son	2016 Business Survey
131	CF Edge & Partners Ltd	2016 Business Survey
132	BSG Ecology	2016 Business Survey
133	C & A DESIGN LTD	2016 Business Survey
134	Derbyshire Winery	2016 Business Survey
135	G & H Blood	2016 Business Survey
136	DENTAL I T LTD	2016 Business Survey
137	Coke Turner & Company	2016 Business Survey
138	MILNER OFF ROAD LTD	2016 Business Survey
139	The Joinery Workshop Derbyshire Ltd	2016 Business Survey
140	The Identity Store	2016 Business Survey
141	Stephen James Technologies Ltd	2016 Business Survey
142	JPR Farm Direct	2016 Business Survey
143	Richard Mundy Building Design	2016 Business Survey
144	Read Interiors	2016 Business Survey
145	Natural Earth Products	2016 Business Survey
146	J Hancock	2016 Business Survey
147	John George Fine Cabinetry	2016 Business Survey
148	Safety Fitz	2016 Business Survey
149	K Needham Restorations	2016 Business Survey
150	Tissington Nursery	2016 Business Survey
151	Wigley Haulage Partnership	2016 Business Survey
152	Premier Gas Services East Midlands Ltd	2016 Business Survey
153	Alpha Omega Engineering	2016 Business Survey
154	Rowandale of Wirksworth Ltd	2016 Business Survey
155	SMQ Media	2016 Business Survey
156	EUROPEAN AUTOMATION PROJECTS LTD	2016 Business Survey
157	R Silcock Ltd	2016 Business Survey
158	Boulder Design Ltd	2016 Business Survey
159	Red Square Photography	2016 Business Survey

160	Vintage Model Company	2016 Business Survey
161	ADVENTURE EXPEDITIONS LTD	2016 Business Survey
162	Bloomers of Bakewell	2016 Business Survey
163	Reflow Studio	2016 Business Survey
164	The Old Original Bakewell Pudding Company	2016 Business Survey
165	Seymour Interiors	2016 Business Survey
166	MJ Burnett	2016 Business Survey
167	Codel International Ltd	2016 Business Survey
168	Filbert Crafts	2016 Business Survey
169	Wirksworth Skip Hire	2016 Business Survey
170	Brockweld Engineering Ltd	2016 Business Survey
171	Whim Ales	2016 Business Survey
172	PTSF	2016 Business Survey
173	JN Frith	2016 Business Survey
174	Bronegold Ltd T/A truckers	2016 Business Survey
175	Chromalux Blinds	2016 Business Survey
176	Code Red Computers	2016 Business Survey
177	Doghouse	2016 Business Survey
178	Griffiths' Mill	2016 Business Survey
179	Lesley Hollingworth Gift Gallery	2016 Business Survey
180	P.A.C. Glazing	2016 Business Survey
181	Parkside Fitness	2016 Business Survey
182	Moving Spaces	2016 Business Survey
183	Water Lane Joinery	2016 Business Survey
184	Foinaven Asset Management Ltd	2016 Business Survey
185	Seneca Insolvency Practitioners	2016 Business Survey
186	Baked Well Pottery Painting	2016 Business Survey
187	ALS Scaffolding Hire Ltd	2016 Business Survey
188	Lovedays Solicitors	2016 Business Survey
189	Opera Public Relations	2016 Business Survey
190	C2 Business & Media Ltd	2016 Business Survey
191	John Bruce (UK) Ltd	2016 Business Survey
192	David F Lee Associates Ltd	2016 Business Survey
193	Barncroft Homes Limited / Neville Wilson Partnership	2016 Business Survey
194	Oakenstone Developments Ltd	2016 Business Survey
195	James Brennan Surveyors Ltd	2016 Business Survey
196	Heman Limited	2016 Business Survey
197	Cowclose Farm Ltd	2016 Business Survey
198	Watkiss Thermal Break Ltd	Ashbourne Airfield Survey May 2016
199	Windmill Extrusions Ltd	Ashbourne Airfield Survey May 2016
200	Nenplas Ltd	Ashbourne Airfield Survey May 2016

201	Artisan Biscuits	Ashbourne Airfield Survey May 2016
202	TEDD Engineering	Ashbourne Airfield Survey May 2016
203	Bayliss Precision Components / Bayliss Precision Autovents	Ashbourne Airfield Survey May 2016
204	DA Pak	Ashbourne Airfield Survey May 2016
205	Tampertech	Ashbourne Airfield Survey May 2016
206	Hill and Webster (Steel Fabrication)	Ashbourne Airfield Survey May 2016
207	Nutreco / Trouw Nutrition	Ashbourne Airfield Survey May 2016
208	Alton Cars	Ashbourne Airfield Survey May 2016
209	JC Walwyn & Sons	Ashbourne Airfield Survey May 2016
210	GK General Engineering	Ashbourne Airfield Survey May 2016
211	Raptor Grafix	Ashbourne Airfield Survey May 2016
212	Master Mover	Ashbourne Airfield Survey May 2016
213	Phillips Joinery Ltd	Ashbourne Airfield Survey May 2016
214	Whithouse	Ashbourne Airfield Survey May 2016
215	HGV Direct	Ashbourne Airfield Survey May 2016
216	Alruba Manufacturing	Ashbourne Airfield Survey May 2016
217	Moy Park	Ashbourne Airfield Survey May 2016
218	XRO Chemical Services Ltd	Ashbourne Airfield Survey May 2016
219	Thermoform	Ashbourne Airfield Survey May 2016
220	Truck Teck	Ashbourne Airfield Survey May 2016
221	Vital Earth	Ashbourne Airfield Survey May 2016
222	CPJ Environmental Services	Ashbourne Airfield Survey May 2016
223	Hangar 4	Ashbourne Airfield Survey May 2016
224	GeKa UK Ltd	Ashbourne Airfield Survey May 2016



m.e.l
research



BACK TO AGENDA

COMMUNITY AND ENVIRONMENT COMMITTEE
12 JANUARY 2017

Report of the Head of Community Development

WIRKSWORTH LEARNER POOL GRANT

PURPOSE OF REPORT

To outline a proposal to provide the Wirksworth Learner Pool Trust with a grant to enable improvements to the facility.

RECOMMENDATION

That the one off payment of £4,000 to Wirksworth Learner Pool Trust for facility improvements be approved.

WARDS AFFECTED

Wirksworth and neighbouring areas

1. REPORT

- 1.1 Wirksworth Learner Pool is a small 10m x 5m swimming pool built in 1982 by the District Council acting as sole trustee to the Wirksworth Learner Pool Charity, which existed for the sole purpose of providing a service to the people of Wirksworth and surrounding districts.
- 1.2 Between 1982 and 2012 the Council managed and directly funded the services provided within the pool for the benefit of local residents, for swimming lessons, parties, disabled sessions, exercise classes, private hires and family swimming sessions.
- 1.3 In 2012, through consultation and work with Derbyshire Dales Council for Voluntary Services (DDCVS) and Rural Action Derbyshire (RAD) the facility was transferred as a Community Asset Transfer to the newly formed Wirksworth Learner Pool Trust.
- 1.4 Wirksworth Learner Pool offers a range of activities to the local community and surrounding area, particularly young people, older people and people with additional support needs. It currently provides swimming lessons to over 400 children.
- 1.4 Early this year, a letter was received from the Learner Pool requesting a one off grant of £4,000 to help with building improvements. The current windows are in a poor condition and this money will be used to help purchase new windows for the facility. Money to support this can be sourced from the Revenue Grants Unapplied Reserve.
- 1.5 Given the current financial challenge the Council is facing, the Learner Pool Trust will be informed that any further funding is unlikely.

2. RISK ASSESSMENT

2.1 Legal

The District Council is enabled by the Localism Act 2011 to grant aid leisure facilities in order to enhance the economic, social and environmental wellbeing of the area. The legal risk is therefore low.

2.2 Financial

Funds are available in the Revenue Grants Unapplied Reserve to finance the one off grant of £4,000. The financial risk is assessed as low.

3. OTHER CONSIDERATIONS

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

4. CONTACT INFORMATION

Ashley Watts
Head of Community Development
01629 761367
ashley.watts@derbyshiredales.gov.uk

5. BACKGROUND PAPERS

None

BACK TO AGENDA

COMMUNITY AND ENVIRONMENT COMMITTEE
12 JANUARY 2017

Report of the Head of Environmental Services

PUBLIC CONVENIENCES STEP REVIEW

PURPOSE OF REPORT

To seek approval to undertake a fundamental review of the remaining 25 public conveniences across the district.

RECOMMENDATION

- 1 That a fundamental review of the remaining 25 public conveniences including Bradwell, Thorpe, Monsal Head and the Pavilion, Matlock Bath be conducted by December 2017.
- 2 That consultation takes place as outlined in paragraph 1.9 to determine the most appropriate course of action for each facility.
- 3 That the grant agreed of £7,000 be secured for the Canoe Club until December 2017 after which time the grant will be withdrawn.
- 4 That a maximum grant of no more than £3,000 be offered in any future asset transfer deals to be funded from the Capital Programme or Invest to Save reserve.
- 5 That the Corporate Director be given delegated authority to agree to an asset transfer in consultation with the Chair and Vice-Chair of this committee.
- 6 That a future report outlining the findings of the review be reported to this committee early in 2018.

WARDS AFFECTED

All Wards

STRATEGIC LINK

The Council has a corporate savings target to achieve savings of £1.2m by 2021/22; any savings identified by this review will contribute towards that target.

1 BACKGROUND

- 1.1 In 2010/11 a review was undertaken of public convenience other than the main facilities in Matlock, Bakewell and Ashbourne. These three facilities were outside the scope of the review and subject to investment funded from capital receipts to improve the facilities.

- 1.2** Council in September 2011, following consultation, approved a number of recommendations in respect of individual proposals made for all of the public conveniences. The proposals were aimed at improving the standard of service to the public and safeguarding the future of many of the facilities by transferring them to an alternative service provider, thereby minimising the number of closures.
- 1.3** The proposals fell into four categories:
- Transferring the service provision (in whole or in part) to others such as Parish & Town Councils
 - Partnerships with the Private Sector.
 - Closing the toilets in the evenings to reduce vandalism.
 - Adopting seasonal opening.
- 1.4** Progress on the recommendations has been slow, but in the main, many have been delivered with a few slight variations. The recommendations of the 2011 review are outlined in Appendix 1, together with an update on the current position. This shows that the Council has been successful in agreeing the freehold transfer of 5 public conveniences in Youlgreave, Hathersage, Tideswell , Winster and Wirksworth to Parish /Town Councils /Trusts thus allowing the provision of these facilities to continue for the benefit of the local community at no future cost to the Council, Additionally, the 3 former public conveniences in Ashbourne which were replaced by the new Town Centre block in Shawcroft have now been either been sold for redevelopment or in one case re-used by the Council for other purposes.
- 1.5** Whilst the first review was successful in reducing the number of toilets of which the Council is responsible for from 33 to 25 it has not delivered any significant savings. The cost of the service in 2011/12 was £420,038 and in 2015/16 was £534,933. The increase in costs has mainly been attributable to rising utility bills, general repairs including vandalism, capital investment and use of agency workers to cover sickness absence or doubling up of staff at peak times of the year e.g. Matlock Bath Illuminations.
- 1.6** The Council has outlined in the Medium Term Financial Strategy that significant savings need to be found from service reviews if the corporate saving target of £1.2m is to be achieved. The Public Conveniences Service, whilst popular with some residents and visitors, is a discretionary service and one that cannot be sustained at its current level.
- 1.7** A STEP Review has been completed for the public conveniences service and an action plan developed. A copy of the action plan is attached in appendix 2. Many actions have been agreed within the action plan but the first action is to complete a fundamental review of the service in 2017/18.
- 1.8** To take this review forward a review group consisting of officers from across the council will be set up. The group will review each provision and determine an appropriate course of action taking into consideration the findings of consultation with stakeholders.
- 1.9** During the review consultation will be undertaken with relevant Parish and Town Councils, sports and community groups, businesses and any other interested parties. An initial letter will be sent inviting stakeholders to engage in discussions with the district council over the review and attempts will be made of try and secure interest from them to take over the responsibility of the facility by means of an asset transfer to continue to operate and safeguard the provision for the community. Where an asset transfer is agreed a small one off grant up to a maximum of £3,000 will be

given to secure a transfer deal. Where an appropriate course of action cannot be secured for a facility through negotiations with stakeholders, by the end of December 2017 the facility may be recommended for closure by the end of that financial year (March 2018) and the asset disposed of through other means. Where a deal is agreed it is recommended that the Corporate Director in consultation with the Chair and Vice Chair of the Community and Environment Committee agrees the transfer and updates the committee in a future report.

- 1.10** The action plan also sets out steps to be taken to make the service more efficient through the use of reporting software systems and to make reporting of complaints simpler for the customer and consistent across the department. A comparison of services will be made with other similar authorities and costs explored to determine potential future expenditure required to keep any retained facilities at an acceptable standard. The feasibility of generating income through the implementation of charges will be explored. Self-operating locking mechanisms to protect the facilities and limit vandalism will be considered across the district. Any grants currently paid or supplies provided to organisations to undertake their own cleaning will be reassessed.
- 1.11** Once the fundamental review of facilities is complete the resources required to service the remaining facilities or options where asset transfers have not been agreed will be determined along with the most appropriate delivery model for the service.
- 1.12** Although progress was made with a number of asset transfers in the last review, despite ongoing discussions progress on an asset transfer at Bradwell, Thorpe, Monsal Head and the Pavilion, Matlock Bath has been unsuccessful. It is recommended that because of the timescale involved with these negotiations that these toilets be included in the fundamental review. Discussions have continued with Matlock Canoe Club over the transfer of the facility at Artists' Corner and currently plans are in the pipeline, the grant agreed from the Capital Programme of £7,000 should therefore be honoured until December 2017. Should a transfer not be successful by this time the grant should be withdrawn and the future of the facility considered alongside all the other facilities.
- 1.13** Following the fundamental review a further report will be brought to this committee, early in 2018 to outline the findings and propose a way forward.

2 RISK ASSESSMENT

2.1 Legal

Public Conveniences are a discretionary services offered by the District Council. The proposals in the report will be the subject of consultation and therefore the legal risk is low.

2.2 Financial

The Council has a corporate savings target to achieve savings of £1.2m by 2021/22. The budget for 2016/17 includes £497,797 for public conveniences. Any savings identified by this review will contribute towards the corporate savings target.

The financial risk is assessed as low.

3 OTHER CONSIDERATIONS

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

4 CONTACT INFORMATION

Heidi McDougall, Head of Environmental Services, Tel 01629 761372, email heidi.mcdougall@derbyshiredales.gov.uk

5 BACKGROUND PAPERS

Document	Date
Council Report, STEP Review Questionnaire STEP Review Action Plan	October 2011

6 ATTACHMENTS

Appendix 1 - Recommendations of the 2011 Review
Appendix 2 - Step Review Action Plan

BACK TO AGENDA

Appendix 1				
Transfer to Alternative Provider				Update on Progress
Parish	Location	Recommendation	Annual Saving	
Ashbourne	Mayfield Road	Allotment Society	£5,417	Retained in-house and refurbished as part of Mayfield Road depot extension
Ashford in the Water		Lease to Parish Council	£6,865	
Monsal	Monsal Head	Sale to Private Sector	£11,476	
Matlock Bath	Pavilion	Eventual Transfer to Pavilion Group	£12,987	
Thorpe		Lease to Private Sector	£6,341	
Tideswell			£8,486	Transferred to Parish Council
Winster		Parish Council	£4,643	Transferred to Parish Council
Youlgreave		Parish Council	£5,583	Transferred to Parish Council
Totals			£61,797	
Shared Costs / Partnering				
Parish	Location	Recommendation	Annual Saving	
Darley Dale	Station Road	Efficiency Savings to be found	£3,500	
Eyam		Efficiency Savings to be found	£3,500	
Hartington		Efficiency Savings to be found	£3,500	
Hathersage		Efficiency Savings to be found	£3,500	Transferred to Parish Council
Matlock Bath	North Parade	Efficiency Savings to be found	£3,500	Refurbished
			£17,500	

Restricted/Seasonal Opening				
Parish	Location		Annual Saving	
Ashbourne	Recreation Ground		£4,107	Seasonal Closure implemented
Bakewell	Recreation Ground		£5,266	Seasonal Closure implemented
Birchover			£2,625	Seasonal Closure implemented
Bonsall			£1,582	Parish took over cleaning to leave open all year
Bradwell			£2,408	Seasonal Closure implemented
Matlock	Hall Leys Play Area		£5,729	Seasonal Closure implemented
Middleton by Youlgreave			£2,392	Seasonal Closure implemented
Monyash			£2,524	Seasonal Closure implemented
Over Haddon			£2,879	Parish took over cleaning to leave open all year
			£29,511	
Service Remains Unchanged				
Parish	Location		Actual Costs	
Bakewell	Riverside		£10,548	
Baslow			£6,059	
Cromford			£6,332	
Matlock	Artists Corner		£10,820	
Matlock	New Bus Station		£13,871	
Wirksworth	Barmote Croft		£11,192	
			£58,822	

Potential Closures				
Parish	Location	Recommendation	Annual Saving	
Ashbourne	Bus Station	May be Superceded by Sainsburys	£14,204	Demolished as part of development
Ashbourne	Union Street	Closure	£13,075	Closed
Wirksworth	Fanny Shaw	Closure	£109	Closed and rather than being demolished to be transferred to Town Council
Totals			£27,388	
		Total Savings	£136,196	



STEP 2016 Savings, Transformation, Efficiencies, Performance

Interview Report and Action Plan:

Interview Attendees; Heidi McDougall

- Service: Public Conveniences

- STEP Review Team: Dorcas Bunton, Steve Capes, Tim Braund, Alex Fores, Karen Ludditt

Service Area:	Public Conveniences	Date of meeting:	13/10/16
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THEME	NOTES	ACTION	LEAD OFFICER	TARGET DATE
General	Totally discretionary but highly valued service. Possibly more for visitors/walkers etc. to the Dales rather than residents. Previous review in 2011. Fundamental question, should we be providing this service at all?	1. Prepare initial report to Members to seek fundamental review of remaining 24 toilets. Within the report detail the history of the 2011 review, what we started with, what we have left now, the £1m borrowed(??), the cost of the service in 2011 compared to cost now – what has the saving been? Explain the actions you will take during , say the next 2 years (detailed below in various action points) but recommending your first action is to write to appropriate	Heidi McDougall	January C & E 2017

		<p>Town Councils and Parish Council saying this fundamental review is taking place and there is the potential for the Council to close all/some of its public conveniences in two years as financially unviable unless a different provider can be found. Include within report clear milestones for transfer of remaining 4 toilets in the pipeline</p> <ol style="list-style-type: none"> 2. Once all actions below completed collate all information for report to Members making recommendations given the evidence base on priorities for Closure/Transfer (if the review has prompted any positive discussions)/ Charging/ plus recommendation on demolition/sellings etc 3. Report to CLT on progress with the action plan on a three monthly Basis 	<p>Keith Postlethwaite</p> <p>Heidi McDougall/Keith Postlethwaite</p>	<p>January 2018</p> <p>First report mid-February 2017</p>
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Transformation	Issues around issue report linking to Mayrise. Use of PSS	<ol style="list-style-type: none"> 1. Put a report it form on the web site for users to report issues, put website address clearly displayed in PCs. 2. Explore with Transformation hub a timetable to ensure direct link between the report form and Mayrise 3. Provide attendants with PSS 	<p>Heidi McDougall</p> <p>Helen Carrington</p> <p>Helen Carrington</p>	<p>Completed Dec 2016</p> <p>December 2017</p>
Performance management	Low complaints	<ol style="list-style-type: none"> 1. Investigate a process for the consistent recording of complaints. 2. Benchmark with other rural authorities and see if this challenges what we do; suggest using those authorities used in car park review. 	<p>Heidi McDougall</p> <p>Helen Carrington</p>	<p>Completed Dec 2016</p> <p>May 2017</p>
Customers	No knowledge of current usage. Needs of some customers e.g. taxi drivers at night?	<ol style="list-style-type: none"> 1. Explore simple cost effective methods of ascertaining usage to help prioritise the busiest PCs. This needs to be done early on to help review process. (examination of supplies issued, inspection of water meters etc). This needs to feed into prioritisation process for 	<p>Heidi McDougall/Martin Rickards</p>	<p>February 2017</p>

		<p>what happens to each facility.</p> <p>2. Within review consider potential requirements of special groups e.g. taxi drivers</p>	Heidi McDougall/Eileen Tierney	February 2017
Financial management	Mainly salary costs and support costs plus need clarity over previous review investment (£1m)	1. Through condition survey data evaluate future liabilities (costs) to bring all PCs up to an acceptable standard with an estimate of how often this kind of investment will have to be made to keep them up to standard. Again needs to feed into prioritisation process.	Mike Galsworthy/Helen Carrington	June 2017
		2. Investigate the pros/cons of charging at certain PCs	Helen Carrington	June 2017
		3. Examine options for alternatively managed facilities (e.g. self-cleaning pods)	Helen Carrington	June 2017
		4. Examine the feasibility of timer locks to reduce attendant times in opening and closing facilities.	Helen Carrington	June 2017
		5. Evaluate grants paid to Darley Dale and Ashbourne	Heidi McDougall/Keith Postlethwaite	April 2017

Assets	Buildings in different states of repair	See no.1 in Finance recommendations		
Workforce	Sick leave issues, use of Agency, travel distance, Bakewell has own attendant and gets lots of compliments.	1. Continue to monitor performance of workforce, no changes recommended to scheduling until review complete.	Martin Rickards/Helen Carrington	January 2018
		2. Investigate opportunities to share cleaning duties with other councils or providers including private contractors	Helen Carrington	January 2018

BACK TO AGENDA

COMMUNITY AND ENVIRONMENT COMMITTEE
12 January 2017

Report of the Head of Environmental Services

OUTCOME OF CONSULTATION ON PROPOSALS TO CHARGE FOR REPLACEMENT WASTE CONTAINERS

PURPOSE OF REPORT

To report the outcome of the consultation undertaken, in respect of charging for replacement containers/liners and the withdrawal of the annual supply of black bags. To outline a number of proposed changes to the service and introduction of new charges.

RECOMMENDATION

1. That a charge of £20 is introduced for a replacement 140ltr grey bin and £25 for a replacement 240ltr grey bin from 1st April 2017. These charges will also replace the existing charges in the fees and charges for grey bins provided to new properties.
2. That a charge of £25 is introduced to households who exchange their 140ltr grey bin for a 240ltr bin to allow extra capacity from 1st April 2017. No refunds will be issued where capacity criteria is no longer met when a 140ltr bin will be provided free of charge.
3. That a review of existing 240ltr bins is undertaken in 2017/18 to confirm eligibility.
4. That a nominal charge of £15 be introduced for a replacement 240ltr garden waste bin from 1st April 2017
5. That the price of a second 240ltr garden waste bin be reduced from £57.30 to £25.00 from 1st April 2017 and the service promoted
6. That no charge be introduced for replacement blue bins at the present time and reviewed in the future
7. That the annual supply of 52 black sacks ceases from 1st April 2018 and that residents be advised to purchase their own black sacks from any retail outlet
8. That the annual supply of 52 food waste liners and 44 garden waste bags, free of charge continues and is reviewed as part of the new contract.
9. That caddy liners are sold by the District Council and that the current sales price of £2.50 is reduced to £2.00 per roll.
10. That all proposed charges agreed be included in the annual fees and charges and reviewed each year.

WARDS AFFECTED

All

STRATEGIC LINK

Ensuring that waste is collected and recycled helps to maintain a safe and clean district. The Council has a corporate savings target to achieve savings of £1.2m by 2021/22; any savings or additional income arising from these proposals will contribute towards that target.

1 BACKGROUND

- 1.1 The Authority has a statutory duty to collect household waste. However, under subsection (1B3) of the Environmental Protection Act 1990, the authority may specify a charge for the provision of containers. The legislation states if a customer refuses to purchase a bin from the authority they are entitled to purchase their own container as long as they match the exact requirements of the authority in terms of size, colour and quality standards. If they do not match the requirements the Authority can refuse to empty the bin.
- 1.2 In June 2016, a report was approved by the Environment and Community Committee that sought permission to consult with residents on the subject of charging for replacement bins.
- 1.3 Consultation was undertaken using the following methods.
- Online Survey Monkey questionnaire (July 2016)
 - Online Citizens panel Survey (September 2016 for 6 weeks)
 - Telephone Tracker survey undertaken on our behalf by Serco (November 2016 for 3 weeks)
- 1.4 The consultation with residents has now been completed and the following number of responses to each survey was received:
- Survey Monkey – 743
 - Citizens panel – 354
 - Serco Tracker Survey – 450
- 1.5 This report outlines the results and makes various recommendations for implementing charges for waste containers.

2 CONSULTATION RESULTS

- 2.1 Table 1 below shows the combined results of the Survey Monkey questionnaire, the Citizens panel consultation and the tracker survey undertaken by Serco.

Questions	Yes	No	Unsure
Charging for replacement grey bins	39%	49%	12%
Charging for replacement recycling containers	36%	57%	3%
Stopping the annual supply of black sacks	18%	26%	*56%
Stopping the free annual supply of garden sacks	21%	29%	*50%

Table 1: Results *these are the respondents who don't have the sacks

2.2 Comparison with Derbyshire Authorities

Comparison of charges for replacement containers was undertaken across authorities that make up the Derbyshire Waste Partnership. Only a few responses were received and these are detailed in the table 2 below.

Authority	Charges	Bin type	Price to customer
Bolsover & North East Derbyshire	Yes	residual only	£33.65 (no concessions)
South Derbyshire	Yes	All lost/stolen bins not supported by a crew report of lost in back of wagon	£41.00 (120/240) £70 (black 360)
Chesterfield BC	No	N/A	N/A
High Peak	No	N/A	N/A
Amber Valley	No	N/A	N/A
Erewash	Yes	Recycling bin (although customers can use a free bag)	£28.15

Table 2: Charges for replacement containers across Derbyshire

2.3 Rationale for Proposals

Whilst all options for charging for containers were not popular with residents (see table 1); the comments received from residents indicated that to charge for replacement recycling containers could dis-incentivise the recycling service and lead to people not taking part in the recycling collections and diverting the waste back into their grey residual bins which would impact on both performance and income through recycling credits. It is for this reason that no charge is being recommended for replacement blue bins.

2.4 Existing Charges for Containers

Some charges for containers already exist. Currently residents have to pay for any additional food waste caddy liners or compostable garden waste sacks that they require above the free annual supply.

Residents who move into a newly constructed property or purchase an existing property where the wheeled bin is missing have to purchase a grey household waste bin but receive recycling containers free of charge. The charge for waste containers provided to newly constructed properties generated £7,779 of income in 2015/16. This charge is currently higher and therefore it is recommended that this charge be reduced to the same as that proposed for a replacement grey bin as outlined in recommendation 1.

Also properties that can accommodate a garden waste bin have the option to purchase a second garden bin. This charge generated £3,175 of income in 2015/16. The fee for a second green bin has previously been agreed through the annual review of fees and charges. For many years the annual uplift agreed has been applied to the cost and that current cost now stands at £57.30. The Council is now in a situation where it is making a profit on the bins and this is not allowed. It is recommended that the fee of £57.30 for a second green bin be reduced to £25.00. This fee more than covers the cost of the bin and delivery. This will also enable more residents to be able to afford a second green bin, increase the amount of tonnage collected diverting more waste from landfill and increase the level of income received in recycling credits. Garden waste containers will be promoted through the website and through publications to help increase take up.

2.5 New Proposed Charges

Although 49% of people surveyed said that charges should not be introduced, not all participants were against a charge with 39% agreeing and 12% unsure. Whilst the council is statutorily obliged to provide waste services it is not required to provide containers free of charge.

The Council introduced wheeled bins for household waste in 2005 with a life expectancy of 10 years. Over the years a number of replacement bins have been provided for which the council has incurred a cost but in the future there is a risk that a large number of bins will need replacing. Whilst, currently collected fortnightly these bins in the past have been subjected to weekly collections and frequent use.

The council is currently trying to make efficiencies or find new income streams to achieve its £1.2m corporate savings target. Table 3 below shows the rate of replacement 140ltr grey bins in the last 3 years and the costs that have been incurred by the district council.

Year	Number of grey bins missing	Number of grey bins broken	Total cost of replacement	Serco cap	Amount paid by Serco	income @£20 bin (not including broken bins)	Income @£20 bin (including broken bins)
13/14	240	240	£7,934	448	£505.28	£4,800	£9,600
14/15	170	247	£6,964	448	0	£3,400	£8,340
15/16	328	120	£7,488	448	0	£6,560	£8,960
						£14,760	£26,900

Table 3: missing & broken 140l grey bins

The cost of replacement bins is broken down to show the number of missing bins compared to broken bins. The cost of broken bin charges will fluctuate because of damage caused to containers by the contractor. Where this can be evidenced the resident will be provided with a replacement container free of charge and under the contract these costs will be recovered from the contractor.

Table 4 below shows the number of replacement 240ltr grey bins in the last 3 years and the costs incurred by the district council. Only households who match the extra capacity criteria are eligible for a larger grey bin (240ltr). It is proposed that a review of 240ltr bins be carried out in 2017/18 with the aim of reducing the number in use by identifying households that are no longer eligible and reducing the amount of waste sent to landfill. Where households are found to no longer meet the extra capacity criteria the 240ltr grey bin will be exchanged free of charge for a 140ltr bin. Any household that requires a replacement 240ltr grey bin will be assessed to ensure that it still meets the extra capacity criteria. If they still meet the criteria they will be required to purchase a 240l replacement bin.

Year	Number of grey bins missing	Number of grey bins broken	Total cost of replacement	Serco cap	Amount paid by Serco	income @£25 bin (not including broken bins)	Income @£25 bin (including broken bins)
13/14	20	58	£1,541	72	0	£500	£1,950
14/15	32	51	£1,639	72	£223.18	£800	£2,075
15/16	64	44	£2,133	72	0	£1,600	£2,700
						£2,900	£6,725

Table 4: Missing & broken 240ltr grey bins

The current waste contract allows for the district council to recover costs from Serco when the number of replacement grey bins goes above an agreed cap (2%). Whilst some money has been recovered in the last 3 years the amount is minimal and most of the costs are incurred by the council. If a charge for replacement grey bins is approved by the committee the waste contract will be varied to remove this liability

from Serco. The contractor will remain responsible for the cost of containers where there is evidence that they caused the damage.

Across Derbyshire South Derbyshire, Bolsover and North East Derbyshire charge for replacement grey bins.

To reduce future costs, it is recommended that a charge of £20 for a 140ltr bin and £25 for a 240ltr bin be introduced from 1st April 2017. The proposed charge covers the cost of the bin, delivery and administration.

It is also recommended that where a customer has a 140ltr grey bin and meets the extra capacity criteria to have a larger 240ltr grey bin they be charged £25 to cover the cost of the replacement bin. This charge will not be refunded if the 240ltr bin is later changed to a 140ltr because they are no longer eligible for a larger bin. The 140ltr replacement will be provided free of charge.

2.6 Green Bins

The garden waste service was introduced in 2006. Green bins provided at the time are now over 10 years old and beyond their life expectancy, therefore the number of bins that will need replacing over the coming years will continue to increase, placing a financial burden on the council. There is no statutory requirement to collect garden waste.

Table 5 below shows the cost of replacing green bins incurred by the council in the last 3 years and potential income if a charge was introduced. Again broken bin charges will fluctuate because damage caused by the contractor needs to be taken into account. Where this can be evidenced the customer would get a replacement bin, free of charge and the costs would be recovered from the contractor.

Year	Number of green bins missing	Number of green bins broken	Total cost of replacement	Serco cap	Amount paid by Serco	income @£15 bin (not including broken bins)	Income @£15 bin (including broken bins)
13/14	262	491	£14,608	520	£4,520	£3,930	£11,295
14/15	145	446	£11,465	520	£1,402	£2,175	£8,865
15/16	295	390	£13,289	520	£3,201	£4,425	£10,275
						£10,530	£30,435

Table 5: missing and broken garden waste bins

It is suggested that unless the customer actually witnesses the crew damage the bin or the crew record the bin as damaged or fallen into the vehicle they will have to pay for a replacement bin. This policy is in line with the other Derbyshire authorities who currently charge for replacement bins.

The future costs of replacement green bins is likely to increase, it is therefore recommended that a nominal fee of £15 be introduced from 1st April 2017 for a replacement garden waste bin. The £15 charge does not cover the full cost of the bin and administration costs; however it is felt that to charge the full cost of the bin would deter people from using the service and result in residents disposing of garden waste in other unacceptable ways. This would reduce garden waste tonnages and affect the level of recycling credits received.

The proposed charges for grey and green bins, if agreed, will be included in the annual fees and charges. It is proposed that there be no concessionary rates for any of the proposed charges for replacement bins. All concessionary rates are to be reviewed by the fees and charges working group in 2017/18.

2.7 Recycling Blue Bins

57% of residents surveyed objected to a charge being introduced for recycling blue bins. It is felt that introducing a charge for this container would discourage residents from recycling. It is therefore recommended that no charge be introduced for replacement blue bins.

2.8 Annual Supply of Free Black Sacks

Residents who live in properties that cannot be accessed by a vehicle with a bin lift or cannot accommodate a bin due to steps or storage issues are currently supplied with a free roll of 52 sacks (previously 104 sacks). Residents can present a total of 104 sacks per year and therefore many will incur a cost for additional sacks. No sacks are provided to wheeled bin properties but many residents will purchase bags to use prior to placing waste in the bin.

The annual supply of black sacks to 5000 properties costs £9,785 per annum. This includes the cost of purchasing the sacks and delivery to the properties.

Whilst 26% of residents opposed the withdrawal of black sacks not all residents objected with 18% agreeing that they should be withdrawn. As stated earlier the Council is not required to provide containers for waste collection. Whilst, many residents across the district have received a free grey bin which will last longer, these bins are beyond their life expectancy and at some point the resident will incur a charge for a replacement bin. Residents who use sacks have received free sacks for many years and will have received the same value of a bin in sacks. A resident would also have to buy 20 years supply of sacks to incur the same cost as a resident who purchases a replacement bin and during this time it is highly likely that the wheeled bin would have to be replaced.

If the proposed charge for replacement grey bins, outlined earlier in the report, is approved, it is recommended that the annual supply of 52 black sacks should cease from April 2018. The annual supply of sacks for 2017 is already in place and therefore residents would be notified during the next delivery in April 2017 that no sacks will be provided in 2018.

Ceasing the supply of free black sacks will encourage residents to recycle more reducing the amount of waste disposal of at landfill.

2.9 Caddy Liners

The current waste contract provides for the supply of one roll of 52 caddy liners, free of charge, for every property in the district. This costs the District Council approximately £30,000. Where residents require additional liners, these can be purchased through the council or at retail outlets that sell them in partnership with the council.

Supplying caddy liners makes the recycling of food waste simpler and a cleaner process than if they were not supplied and encourages residents to use the food waste service.

It is recommended that one roll of 52 caddy liners continues to be supplied annually to residents free of charge. It will be reviewed at the same time as the contract renewal. The current sales price for caddy liners is £2.50 per roll. To encourage residents to purchase them and promote the use of the service through village outlets it is recommended that the sales price be lowered to £2.00. The current charge may breach the Local Government Act regarding profit on discretionary service and therefore a reduction will ensure we comply with this legislation

2.10 Compostable Garden Sacks

Residents who are unable to use a green bin are provided, free of charge, with 44 compostable garden sacks to recycle during the summer months. When residents' require additional sacks these can be purchased through the council. There are currently 2700 residents that subscribe to the compostable garden sack service. The cost of providing these sacks is £20,681.

29% of respondents said a charge should not be introduced whilst 21% agreed a charge should be introduced.

It is recommended that the Council continue to supply annual garden waste sacks at a cost of £20,681 to the authority to continue to encourage recycling and the diversion of waste away from landfill.

3 RISK ASSESSMENT

3.1 Legal

Introduction of charges for replacement grey and green bins would require a variation of the contract to remove the recovery of costs for replacement containers that go over the agreed caps. This can be done fairly simply with the agreement of both parties. The District council is entitled to recover the cost of providing services. The legal risk is therefore low.

3.2 Financial

The introduction of new charges for replacement waste containers will generate income for the council and reduce the financial burden in the future helping to contribute towards the corporate savings target. The introduction of the proposed charges is likely to generate additional annual income of £33,000. The removal of the supply of free black sacks will offer an annual saving of £9,785 and the promotion of second garden bins and caddy liners will provide further income.

The financial risk is assessed as low.

3.3 Corporate Risk

The contract relates to one of the most visible public services delivered by the Council which has the potential to impact positively and negatively on the Council's reputation and customer satisfaction ratings.

4. EQUALITIES

An EIA was completed for the changes. The changes do not unfairly discriminate against any one group of resident's.

5 OTHER CONSIDERATIONS

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

6 CONTACT INFORMATION

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BACK TO AGENDA

COMMUNITY AND ENVIRONMENT COMMITTEE
12 JANUARY 2017

Report of the Head of Environmental Services

WASTE & RECYCLING COLLECTION CONTRACT CUSTOMER SATISFACTION

PURPOSE OF REPORT

This report seeks to provide information on the results of the customer satisfaction surveys undertaken on performance of the Waste and Recycling services in 2016/17.

RECOMMENDATION

1. That the customer satisfaction results on performance of the contract, achieved in 2014, 2015 and 2016 are noted.
2. That future customer satisfaction results on performance of the services be reported to the Committee in due course.

WARDS AFFECTED

All

STRATEGIC LINK

Ensuring that waste is collected and recycled effectively helps maintain a clean and safe district.

1 BACKGROUND

- 1.1 The Waste & Recycling Collection Contract specifies that the contractor will undertake customer satisfaction surveys on behalf of the District Council, twice yearly for the life of the contract. They are carried out twice yearly to allow for the different seasons and demands that this places on different services, for example garden waste.
- 1.2 The surveys are undertaken by Future Thinking over the telephone. Residents are contacted using random digit dialling and then screened to ensure they live in the Derbyshire Dales catchment area. Using this method ensures the inclusion of residents who are ex-directory; this is important because if the sample is limited to those in published telephone directories it will skew the survey towards older adults and those who have not moved for many years.
- 1.3 The company make contact with residents until 450 responses have been achieved to ensure that a representative sample of the district is undertaken.

2 SATISFACTION RESULTS

- 2.1 The surveys so far have been undertaken in November 2014, May 2015, November 2015, May 2016 and November 2016.

2.2 Overall Customer satisfaction

The Environmental Services Department's service plan target for customer satisfaction on performance of the waste and recycling services is currently set at 91%. The survey results compiled so far show that with an overall satisfaction result of 94% our residents are satisfied with the overall service provided. This is an increase from 93% last year.

2.3 Customer satisfaction by service

The satisfaction levels reported per service have remained relatively constant throughout each survey with customer satisfaction remaining high above 91% for each service (Figure1).

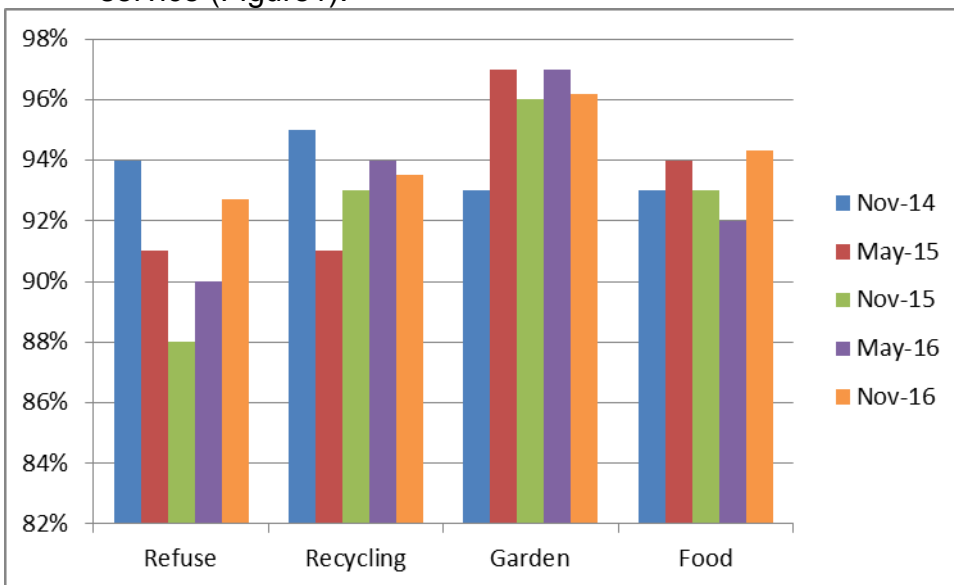


Figure 1: Customer satisfaction by service 2014 - 2016

- 2.4 It is recognised that the biggest contributing factor to satisfaction levels is the number of missed bins. Missed collections happen for a number of reasons and generally arise because of problems associated with access due to parked cars, changes in regular staff and changes in customer behaviour. Missed collections are ad hoc and monitored on a weekly basis at weekly meetings with the contractor. Any repeat problems are further monitored and where necessary changes will be implemented, such as sending a different vehicle or carrying out the collection on a different day. Missed collections are usually resolved quickly.
- 2.5 Missed container statistics show that in 2015/16, there were on average 49 missed collections a week across all services, out of a total of 33,095 collections. Whilst these statistics show a low level of missed bins we are constantly striving to improve and reduce the level of missed bins by using financial defaults under the contract and agreeing alternative collection arrangements where necessary.
- 2.6 Other comments were received around the size of the bin for recycling and garden waste and some residents thought the food waste caddies were smelly and unhygienic. These issues require greater publicity around additional containers and food caddy liners.
- 2.7 When customers were asked why they are satisfied with the service the top three reasons across all services were:-

- Waste is collected regularly
- Reliable, efficient, well organised collections
- No complaints or problems relating to the service provided
- Participation rates

2.8 The survey shows that participation rates are high. The participation in the blue lidded bin/bag/box scheme has increased from 79% in Nov 2014 to 94% in Nov 2016 (Figure 2 below). Participation in garden waste collections increased slightly in November 2016, and is at 80%. Participation in the food waste service has slightly dropped, however we are running a publicity campaign on this service to encourage participation. Currently we have an officer monitoring participation and visiting lower performing households with information and advice. We have also developed some food waste publicity material including a video available on the website on what happens to the food waste to help educate and encourage residents to take part.

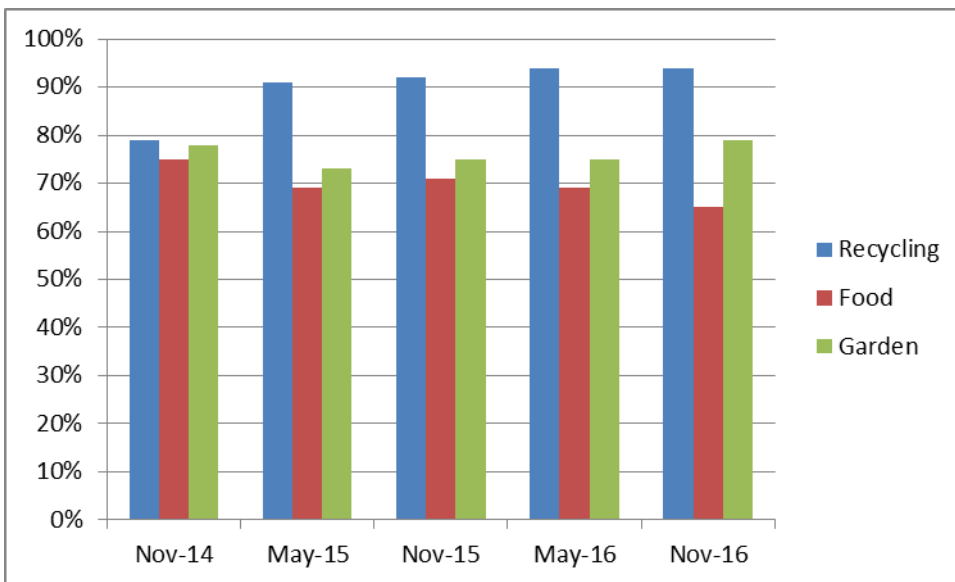


Figure 2: Participation by service

2.9 Customer satisfaction levels regarding return of containers

There has been a significant increase in customer satisfaction with regards to containers being returned in November 2016 (see figure 3 below) the scores for each individual service are now above 86% (good/very good category). The average satisfaction rate over the five surveys has increased by 1% and is 86%. This shows that according to residents Derbyshire Dales still remains within the good/very good category.

2.10 Since September 2016 the Waste & Recycling Manager has been working with the new Contracts Manager at Serco to improve the performance of the crews using a combination of financial defaults for Serco and incentives for crews. The results for November 2016 show that this is beginning to have an effect.

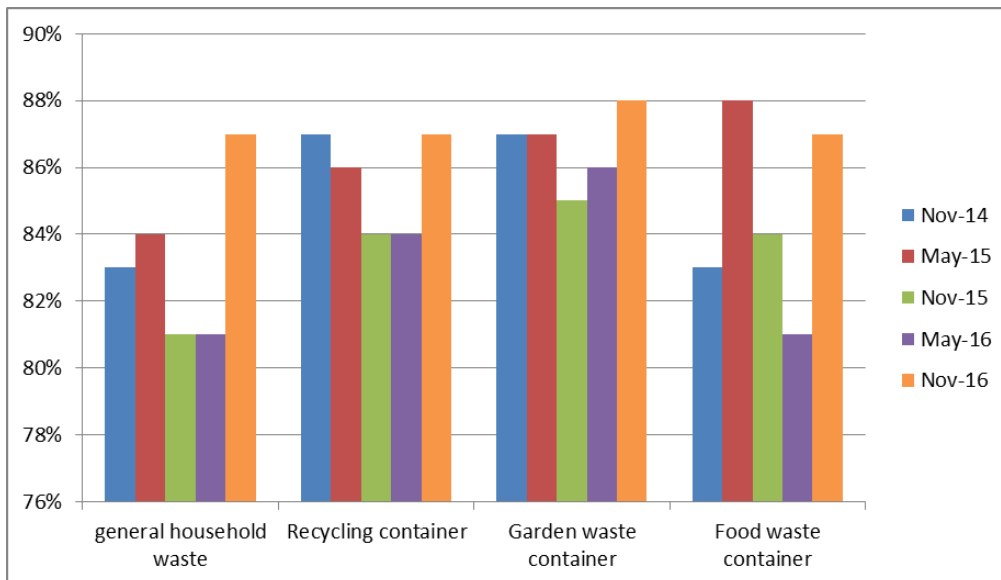


Figure 3 Satisfaction levels regarding the return of containers.

3 CONSULTATION

3.1 The survey itself covers the following areas of customer satisfaction

- Refuse, Recycling, Food and Garden waste collections
- Returning of empty bins after collection
- Local Recycling facilities
- Use of the District Council website
- Marketing

3.2 In the November 2016 survey, questions were added on the topic of proposed charges for replacement containers. The results from this will be discussed in a separate report to the Community and Environment Committee.

3.3 Use of the District Council's website for reporting missed bins and ordering containers is starting to increase and will be further developed in the future and promoted to allow services to be more accessible and self-service.

3.4 It is recommended that members note that the results of the survey show positive results and high levels of customer satisfaction. The surveys will continue to be carried out twice yearly and future results will be reported to the committee.

4 RISK ASSESSMENT

4.1 Legal

The consultation undertaken on performance allows services to be monitored and where necessary improvements made. This mitigates the risk of challenge, the legal risk is therefore considered low.

4.2 Financial

There are no financial risks arising directly from this report.

4.3 Corporate Risk

The contract relates to one of the most visible public services delivered by the Council which has the potential to impact positively and negatively on the Council's reputation and customer satisfaction ratings. The Corporate risk is currently assessed as low and would be reviewed after the public consultation.

5 OTHER CONSIDERATIONS

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

6 CONTACT INFORMATION

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heidi.mcdougall@derbyshiredales.gov.uk tel: 01629 761372

7 LIST OF BACKGROUND PAPERS

Survey result

BACK TO AGENDA

COMMUNITY & ENVIRONMENT COMMITTEE
12 JANUARY 2017

Report of the Head of Environmental Services

IMPLEMENTATION OF PARKING POLICY 2013 - UPDATE

PURPOSE OF REPORT

This report provides an update on the progress of implementing the recommendations, identified in the Car Parking Review 2013, approved by Environment Committee in 2013 and proposes that a further review of the Derbyshire Dales Off-Street Parking Places Order be undertaken during 2017.

RECOMMENDATIONS

- 1 That the Committee notes the works undertaken in respect of the Pay and Display ticket machine replacement programme, implementation of cashless parking systems and improvements to Blue Badge holders' parking in public car parks and final steps required.
- 2 That charges for Blue Badge parking be introduced from 1st April 2017 as outlined in the report presented to Environment Committee on 10th October 2013.
- 3 That the Derbyshire Dales Off Street Parking Places Order be revised accordingly and the proposed revisions published for a period of statutory consultation. Following statutory consultation a further report outlining formal representations will be brought to this committee recommending a way forward for Blue Badge parking.
- 4 That the annual charge of £60 introduced for a second or replacement resident parking permit be reduced to £40 for permits purchased between 1st October and 31st March for each respective year.
- 5 That a further review of existing parking tariffs, permits and remaining free car parking locations be undertaken by an Officer/Member review group and that the recommendations of the review be reported to a future meeting of this Committee and implemented by January 2018.

WARDS AFFECTED

All

STRATEGIC LINK

The Review of Parking services accords with the District Council's values and aims of creating "a thriving district" and to "provide a clean and safe district" as expressed in the Corporate Plan 2015/19.

1 REPORT

1.1 Background

The review of parking services in 2013 resulted in a number of recommendations which were presented to the Environment Committee in October 2013. A summary of those recommendations are given as appendix 1 to this report. Those matters relating to tariff structure, chargeable times and locations were incorporated in the Council's Off-Street Parking Places (Amendment No1) Order 2013. Other recommended actions related to:

- A machine replacement programme
- Introduction of cashless payment options
- Accessibility improvements and review of Blue Badge Bay provision
- Introduction of charges for Blue Badge holders
- Review of all signage at car parks across the district.

1.2 Pay & Display Machine Replacement

New pay and display machines have now been installed at all chargeable car parks, complete with web-based communications network in order that machines may be remotely checked and cash content monitored. Machines are currently 'coin only' but most have been equipped with hardware for 'chip and pin' and 'contactless' card payments. Of the 56 machines now installed, 14 will continue to be 'coin only' outlined in appendix 2, as either mobile communications signal strength at their particular locations is considered to be too weak to support card transactions at the present time, or there is an alternative machine close by that will accept card payments.

1.3 Cashless Parking

In respect of card payments including contactless, hardware is in place on the machines, a payment service provider has been appointed, banking protocols approved and pilot live trials are due to be carried out in January which, if successful will lead to a publicly accessible system being in place prior to Easter 2017.

In respect of the option to make payment by phone or tablet, the District Council agreed in 2014 to participate in a joint procurement, led by Derbyshire County Council, for the appointment of a single service provider for all participating districts and boroughs in Derbyshire, as well as Derby City Council. However, the County Council has recently withdrawn its prepared tender and has stated that it does not now intend to proceed with the procurement for a countywide service until 2018 at the earliest. In light of the County Council's deferral, the District Council now intends to procure the service in conjunction with Derby City Council and Chesterfield Borough Council. It is anticipated that a contract may be awarded by March 2017 and a live payment system in place by May 2017.

1.4 Accessibility Improvements and Blue Badge Bay Provision

In early 2014 the District Council approached the Derbyshire Coalition for Inclusive Living (DCIL) to seek their assistance in carrying out access audits of pay and display car parks and assessment of Blue Badge Bay provision. Surveys were conducted from late 2014 to June 2016, with survey results being conveyed to the Council as each site was completed. A total of 31 sites were surveyed and the

summary findings are given in appendix 3 to this report, together with the Council's summary responses. In addition, DCIL provided training to an officer of the council who is now certified to undertake disability audits on future provision.

In light of the improvements undertaken to date and those currently in progress, most particularly in respect of access to pay stations, it is recommended that the Council now considers the introduction of charges for Blue Badge Bays, as previously discussed by the Environment Committee in October 2013. It is hoped that the charges will be implemented on 1st April 2017 depending on the outcome of the consultation. These new charges are likely to generate income of approximately £80,000 per annum.

Members will recall that in addition to physical changes to the layout of car parks and pay points, a further allowance in respect of length of stay was to be afforded to blue badge holders, allowing an additional hour beyond the period of paid parking.

In addition, the District Council currently offers Discount Season Tickets to motorists, together with 3 day and weekly Rover passes, all of which can be adapted to best serve the needs of Blue Badge holders, allowing them freedom to use any of the reserved spaces throughout the district without the need to purchase individual parking tickets on arrival.

1.5 Review of Signage

As part of the general improvements to car park access and pay points, all existing tariff boards, information points and entrance signs are to be modified to reflect the numerous changes brought about by the 2013 review. A small group of officers in consultation with the Communications and Marketing Hub is currently preparing revised artwork, with a view to procuring new corporate signage by April 2017.

The responsibility for on-street directional signage rests with Derbyshire County Council. At present, the District Council has not set aside funding to assist with such provision, but continues to liaise with the highway authority wherever possible in bringing about improvements.

1.6 Resident Parking Permits

In October 2013 a charge of £60 was introduced for a second or replacement resident parking permit. The number of permits sold in 2015/16 was 34 generating income of £1,700 (+VAT). Following comments received from residents regarding the cost of the permit when part way through the year it is recommended that the charge be reduced to £40 for permits purchased between 1st October and 31st March.

1.7 Next Steps

In order to introduce charges in respect of the use of Blue Badge bays, the Council must follow a special procedure for the making and amending of off street parking orders, which is laid down by section 35 and part iii of the Road Traffic Regulation Act 1984 and the Local Authority Traffic Orders (Procedure)(England and Wales) Regulations 1996.

Under this procedure, the Council must consult Police, Highway Authority, Freight Transport Association, Road Haulage Association and other organisations

representing persons likely to be affected by the proposed order, as the Council thinks it appropriate to consult.

The Council must also publish general details of the proposed order in a local newspaper, deposit relevant documents in a public office for inspection by the public and take such other steps as it considers appropriate for ensuring adequate publicity of the proposals.

Any person may object to the Council's proposals within 21 days of the date the Council complied with the requirements above.

Before making the proposed order, the Committee must consider all objections duly made and not withdrawn. The Committee may modify the proposed order in the light of the objections. If the Committee considers that its modifications are substantial, then the Council must re-consult on the order. Alternatively, the Committee may make an order giving effect to parts of the proposed order, whilst deferring a decision on the remainder.

If the Committee decides to make the proposed order, then details must be published in a local paper within 14 days, a copy of the order deposited for public inspection and other publicity measures taken. In addition, all objectors must be sent a copy of the new order and reasons given where the Committee has not fully acceded to their objection.

Following the consultation undertaken a further report will be brought to this committee outlining the results and making recommendations regarding the implementation of charges for blue badge bays.

1.8 Future Review of Parking Policy

The last review of car parking policy was undertaken in 2013. The Council has outlined in the Medium Term Financial Strategy that a substantial amount of the 1.2m savings target will be achieved from service reviews. It is therefore, recommended that a further review of parking policy be undertaken.

In order to progress the review, an Officer/Member review group will be set up to look at future options for existing parking tariffs, permits, and the remaining free car parking locations at Cockayne Avenue Ashbourne, Market Place Cromford, Edgefold Road Matlock and Canterbury Road Wirksworth. It is proposed that the Chairman of this Committee undertakes the role of the member representative on the review group. The findings of the review group will be brought forward to a future committee for consideration and implementation by January 2018.

2 RISK ASSESSMENT

2.1 Legal

The statutory consultation to be undertaken will mitigate the risk of legal challenge. The legal risk is therefore low.

2.2 Financial

The proposals outlined in the report will provide opportunities to generate additional income that will assist in achieving the council's corporate savings target.

The financial risk is assessed as low.

3 OTHER CONSIDERATIONS

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

4 CONTACT INFORMATION

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5 BACKGROUND PAPERS

Car Parking Review 2013 – Various committee reports and associated notes
Procurement notes and tender for P&D Machine Replacement
DCIL Access Audits

6 ATTACHMENTS

Appendix 1 - Review of Parking Policy - Environment Committee 10 October 2013
Appendix 2 - Summary of Locations for Cash Only P&D Machines
Appendix 3 - Pay and Display Car Parks Access Audits 2016 -
Summary of DCIL Recommendations and Subsequent Actions

BACK TO AGENDA

ENVIRONMENT COMMITTEE 10th OCTOBER 2013
REVIEW OF PARKING POLICY

RESOLVED:

1. That the Committee approve the following amendments to the Derbyshire Dales Off-Street Parking Places Order 2013 :
 - ♦ That the car parks outlined in Table 1 of the report attached at Appendix A1 be designated as short-stay car parks.
 - ♦ That a flat rate charge of £1 be introduced for evening / overnight parking from 6.00pm to 8.00am on all District Council off-street car parks.
 - ♦ That a car parking pricing structure based upon Table 5 of the report attached at Appendix A1 be approved.
 - ♦ That an annual charge of £60 is introduced for second or replacement resident parking permits.
2. That subject to appropriate works being undertaken to address equalities issues and a report being presented to a future meeting, the principle of charges being introduced for Blue Badge holders with an additional 1 hour free parking on top of any paid time, be approved.
3. That no charge be introduced at the Agricultural Business Centre, Bakewell for Livestock Market Passes and that discussions take place with Bagshaws to take on responsibility for administering the parking pass scheme and thus delivering a net saving to the Council.
4. That no charges be introduced for car parking at Cockayne Avenue Ashbourne, Market Place Cromford, Edgefold Road Matlock and Canterbury Road Wirksworth pending a future review of car parking.
5. That at such time as it is possible to provide an equivalent number of B Zone permit bays on-street within the Controlled Parking Zone, consideration be given to introducing pay and display charging on the Pig Market, Bakewell.
6. That the District Council develop a machine replacement programme based upon pay on entry (Pay and Display) which offers the potential for customers to pay either by cash, debit /credit card, pre-pay smart card or phone.
7. That the capital resources required for the implementation of a machine replacement programme and annual maintenance contract be funded through car parking income sources or through the Council's Capital Programme.
8. That Officers undertake a fundamental review of all signage to off-street car parks in light of concerns raised by the trading community and others, and that provision is made for improvements to signage as part of the Council's Capital Programme.
9. That a revised Derbyshire Dales Off-Street Parking Places Order be published for a period of statutory consultation.

SUMMARY OF LOCATIONS FOR 'CASH ONLY' P&D MACHINES

AREA	LOCATION	REASON
Ashbourne	Fishpond Meadow Overspill	Solar powered machine. Concerns that card transaction hardware might drain battery. Seasonal opening also limits effective use
Eyam	Hawkhill Road	Poor signal strength Low volume of transactions
Hartington	Parson's Field	Poor signal strength
Matlock	ARC Leisure (3 of 4)	Free short stay parking so transaction volume would be very low. One machine out of four therefore equipped for card transactions
	Town Hall Rear(staff)	Extremely low volume of transactions so card payment option not currently viable
Matlock Bath	Artist Corner (1 of 2)	Variable signal strength. One machine out of two therefore equipped and subject to further monitoring
	Pavilion	Poor signal strength.
	Station Yard Overspill	Poor signal strength. Seasonal nature of parking also limits effective use. Card payment option available in main car park
	Temple Upper site (1 of 3)	Poor signal strength. Seasonal nature of parking on the upper level also limits effective use. Both machines on lower level equipped for card transactions, but with variable signal strength in each case
Monsall Head	Long Stay (1 of 2)	Poor signal strength. One of two machines equipped for card transactions, though with variable signal strength
	Short Stay	Variable signal strength and low value of transactions (1hr max stay).
Overhaddon	Village car park	Poor signal strength

Sites with variable signal strength will be monitored during the upcoming pilot scheme, to ensure that continuous connections can be maintained, to allow customer transactions to be completed.

PAY AND DISPLAY CAR PARKS ACCESS AUDITS 2016 - SUMMARY OF DCIL RECOMMENDATIONS AND SUBSEQUENT ACTIONS

AREA	Car Park Location	Audit Comments & Recommendations	Actions Completed	Further Actions
ASHBOURNE	Shawcroft	DCIL able to feed in to new design of car park: Improve accessible pay points increase in BB bays from 8 to 13 Disperse bays in car park - link to destinations Consider pedestrian/wheelchair exits routes	New & accessible pay points installed Bays provision increased to 16 Bays grouped at 4 different locations	All completed
	Market Place	Cobbled surface cannot be improved Improve accessible pay point Consider moving BB bays closer to monument & roadside, which has clear pedestrian route Inappropriate to increase existing provision of 2 BB spaces due nature of cobbled surface Poor signage of existing bays	New & accessible pay points installed	Consider relocation of bays in future listed building consent application, together with revisions to signage
	Swimming Pool	Improve accessible pay points. Bay provision met but consider further increase as car park is a natural hub for other destinations Mark out safe rear loading areas Cycle barriers from footway leading to new building entrance impede wheelchair access	New & accessible pay points installed Plans prepared for increase in BB bays from 6 to 8 (Required minimum 5) and for additional hatching to rear of bays	Appoint contractor to carry out relining of bays and remove cycle barriers
	Clifton Road	Improve accessible pay point. No BB provision. 1 bay recommended Access to adjacent facilities is poor. Desire line evident on site	New & accessible pay points installed New wheelchair access built leading to adjacent public footway Plan prepared to introduce 1 BB bay in vicinity of pay point and new access	Appoint contractor to carry out lining works
Cattle Market	Difficult sloping site. BB bays provision meets	New pay and display point installed.	Investigate feasibility of	

standard and are in most appropriate locations and orientation across the slope.
 Improve accessible pay point and consider relocating closer to existing BB bays

relocating pay point to new location near BB bays

	Bus Station	Subject to new development. Plans to take into consideration BB provision and accessibility issues	New & accessible pay point installed at temporary location	Awaiting new design proposals
Bakewell	Market Place	Improve accessible pay point. BB bay provision meets requirement but all together by store. Consider redistribution of bays and introduce further P&D machine adjacent to store	New & pay and display point installed. One bay relocated adjacent to paypoint Site considered too small to justify a second pay point	Completed (Monitor demand for further pay point)
	Granby Road	Improve accessible pay points. Adequate BB bay provision, well distributed, but lacking safe tailgate loading space. Consider introducing further BB bay provision on the longer stay part of the car park	New & accessible pay points installed. Tailgate hatching introduced at most bay locations. Potential location of long stay bays identified	Consider introduction of BB bays in long stay section
	New Street	Improve accessible pay point. As it is such a small car park, the BB bay adjacent to entrance should be relocated to safer area at rear of car park.	New & accessible pay point installed. Plan prepared for new bay location	Appoint contractor to carry out lining works
	Agricultural Business Centre	Improve accessible pay points. Whilst number of bays is reasonable they have poor access to desired routes and pay points. Recommend relocating pay point for BB users at front of the Centre. Review ramped access routes at rear and side of building and define clear route to town centre. BB bays to front of the Centre should be better defined with ground markings. Grassland overspill excluded	New & accessible pay points installed. One pay point relocated to accessible location on main concourse. Signage in place for bays at front of the Centre Plan prepared for new ground marking	Appoint contractor to carry out lining works. Consider introduction of further bays Install new drop kerbs on preferred routes to Coombes Rd and town centre from BB bays at rear and side of the Centre

from audit

BASLOW	Nether End	Improve accessible pay point. Existing pay point also located so as to impede access to vehicle when using adjacent BB space. Inadequate bay Litter bin impeding access to second bay. provision and lack of side/rear hatched areas. Wheelchair/pedestrian access from car park is poor, with no dropped kerbs allowing access to on-street footways	New & accessible pay point installed. Obstructive litter bin removed. BB bay provision increased fro 4 to 6 and additional hatching to side and rear introduced. (Works complete Jan '17)	Consider revisions to kerbs at car park entrance/exit
EYAM	Hawkhill Rd	Improve accessible pay point. Bay provision adequate but consider relocating bays and introducing compliant side/rear hatching. Recognised as underused car park but proximity of public toilets may make parking desirable	New & accessible pay point installed.	Await further development of parking until review of public conveniences has concluded.
HARTINGTON	Parson's Field	Improve accessible pay point. No BB bay provision Recommend introducing fully lined BB bays to left of entrance and consider introduction of picnic area (in place of shrub bed landscaping) Relocate pay point to be near BB bays/entrance	New & accessible pay point installed and relocated near to entrance. New BB bays to be introduced near to entrance (Lining works commissioned)	Completed (est. Feb '17) Consider request for picnic area in future work programme
HATHERSAGE	Oddfellows Rd	Improve accessible pay point which is sited within a BB bay. Existing 3 BB bays inappropriately positioned and with inadequate hatching to side, with no tailgate provision. Recommend relocating some bays to a more central area to provide access to both the main road & footpath leading to the town centre. Consider retaining one bay close to the entrance with a further pay point to serve users of the Lido	New & accessible pay point installed & relocated. BB bays relocated to more accessible location and adjacent to new pay point. Retention of a BB bay at entrance for users of the Lido would be disproportionate as the Lido has its own dedicated car park. New bay positions will serve all routes.	Completed (Jan '17)

MONSAL HEAD	Long Stay	Improve accessible pay points. Absence of lining and therefore absence of designated BB bays. Recommend introduction of 5 BB bays, divided to provide access to upper picnic area and for access to toilets and other amenities at the lower part of the site.	New & accessible pay point installed & relocated. Plans drawn up for lining of dedicated BB bays close to new pay points and to serve areas identified in audit.	Appoint contractor to carry out lining works.
	Short Stay	Improve accessible pay point. Bay provision and layout meets requirements	New & accessible pay point installed.	Completed
OVERHADDON	Village car park	Improve accessible pay point. Current position impedes access route. Recommend relocation. Insufficient BB bays (2) and neither conform to recommended standard. Pedestrian access to village impassable by wheelchair because of location of ticket machine and presence of kerbs.	New & accessible pay point installed and relocated. Access ramps installed in place of kerbs. New BB bays (3) lined to recommended standard (Jan '17)	Completed (Jan '17)
MATLOCK	Imperial Rd (M&S)	Improve accessible pay points. BB bay provision is less than recommended standard and existing bays do not conform. Wheelchair access to the car park is reliant upon use of store lift which is not available when the store is closed. Unable to use main pedestrian route to Imperial Road as designated footway has high kerbs	New & accessible pay point installed and relocated. BB bay provision increased from 5 to 7, lined to recommended standards and relocated to afford safe access to lift/pedestrian route. Footway kerbs removed and barrier installed to create safe pedestrian/wheelchair access	Completed
	Lido	One accessible pay point provided which is not in immediate vicinity of BB bays. Recommend that a further pay point be introduced near to designated BB bays. There is adequate provision of bays, properly marked out, though noted that rear tailgate hatching, whilst present, is located on circulatory route. Pedestrian/wheelchair route from the car park is via the wide vehicle	Recently constructed car park which meets BB bay provision. New accessible pay point installed. This is a relatively small car park which would not justify the provision of a second pay point.	Install lining to denote shared pedestrian/vehicle entrance. Monitor demand for a further pay point

entrance and therefore ground markings should be installed to alert motorists to shared use.

Town Hall Front	Improve accessible pay point and consider its relocation to opposite end of car park, close to designated BB bays. Bay provision meets standards, with clear pedestrian/wheelchair access to town centre.	New & accessible pay point installed and relocated adjacent to BB bays	Completed
Spa Villas	Improve accessible pay point. Invasive gravel bank adjacent to BB bay is a hazard. No access to site other than through confined vehicle entry/exit point. Recommend safe wheelchair and pedestrian route be created.	New & accessible pay point installed. Retaining wall built, BB bay widened and lined. Pedestrian/wheelchair route to main A6 footway created.	Completed (Jan '17)
Olde Englishe	Improve access to pay point. Sub standard bay provision and inappropriate location. Increase provision from 1 to 2 and relocate. Recommend removal of height barrier for high sided mobility vehicles	New & accessible pay point installed. Car park redesigned to accommodate 2 BB bays with side and tailgate hatching, closer to pay point and with good access off site, particularly to Hall Leys Park.	Completed
The Station	Improve accessible pay points. Regulation BB bays are provided and well marked out, though consideration should be given to increasing the number of dropped kerbs allowing wheelchair access to Derwent Way. (Currently one dropped kerb at end of row of bays)	New & accessible pay points installed.	Consider introducing additional dropped kerbs between BB bays
Bank Road	Improve accessible pay point. Sufficient BB bays though not marked out to national standard. Consider relocating 2 bays which are close to car park entrance to new position and introduce better wheelchair/pedestrian access to Bank Rd. Third bay on lower level better sited for wheelchair access to Bank Rd and Town Hall.	New & accessible pay point installed. Bollard adjacent to 3rd bay removed and bay re-lined.	Consider redesign of car park as part of 2017 review, with BB bays possibly moved to lower level.

Bay users disadvantaged by presence of bollard adjacent to space, which should be removed.

Town Hall Rear	<p>Improve accessible pay point. As the car park is predominantly private, with public access only at weekends, with no recognised desire line to the town centre or other destinations, it is not recommended that BB bays are provided here. Would recommend that additional provision be considered on Bank Road car park (lower level).</p>	New & accessible pay point installed.	Completed.
ARC Leisure	<p>Improve accessible pay points. BB bays currently divided between two sites: most alongside main entrance, others on lower car park, near to the locked entrance with 'intercom' link. Neither site has access to a pay point. Recommend all BB bays be located on main entrance level. Upper car parks not wheelchair friendly but provide good access via footbridge.</p>	<p>New & accessible pay points installed. New pay point installed on main entrance level. Plans prepared for relocating additional BB bays to main entrance level.</p>	Appoint contractor to carry out lining works.
MATLOCK BATH Artist Corner	<p>Improve accessible pay point and introduce a further pay point on opposite side of the car park for those using the pedestrian exit at the end closest to Matlock. BB bay provision is a little below recommended number and so consider introducing additional bays close to the exit leading to Matlock. Existing bays well located.</p>	<p>New & accessible pay point installed and a second accessible pay point provided on opposite side of car park. Plans prepared for introduction of 2 further BB bays which will exceed recommended level of provision for this site.</p>	Appoint contractor to carry out lining works for additional bays
Station Yard	<p>Improve accessible pay points and consider introducing a further pay point in the vicinity of existing BB bays. Good level of BB bay provision and all well defined, but all located in one area closest to rail station and access to Heights of Abraham. Consider relocating some BB bays to lower part of site, providing better pedestrian</p>	<p>New & accessible pay points installed and one further accessible pay point provided in vicinity of existing BB bays. Plans prepared for introduction of additional BB bays with access to pedestrian/wheelchair route to village amenities.</p>	Appoint contractor to carry out lining works for additional bays and to renew pedestrian route lining.

and wheelchair access to village amenities

	Pavilion	Improve accessible pay point. 2 existing bays have faded markings but are well placed, with views of fishpond and centre of village. Absence of tailgate markings place users at risk, given how busy the car park is. Consider introducing further BB space.	New & accessible pay point installed and relocated to rear of car park away from the vehicular access route. Additional BB bay provided at rear of car park. Plans prepared for relining car park with improvements to existing BB bay provision.	Appoint contractor to carry out relining works for existing bays
	Temple Road	Improve accessible pay point. Only 4 BB bays provided, which are poorly located alongside main vehicular route at entrance to lower car park. Recommend increasing provision to 12 in total, with 8 on main tier, 4 on 2nd tier and none on top tier. Main tier provision should be relocated to large area to left hand side of main entrance, together with a relocated pay point. Wheelchair access to upper part of village but no wheelchair route to village centre. Refer observations to Highway Authority. Consider raised traffic calming measures at main entrance which would improve pedestrian access off site. Improve access to Palais Pond/picnic area.	New & accessible pay points installed and one accessible pay point relocated to be in vicinity of BB bays. BB bay provision increased to twelve, located over first two tiers in locations identified within audit report. Access improved to Palais Pond. Observations on poor access to village for wheelchair users noted and referred to Highway Authority.	Completed. Consider traffic calming measures as part of future review.
WIRKSWORTH	Barmote Croft	Improve accessible pay point. Adequate BB bay provision, well located adjacent to toilets and pedestrian footpath to town centre. Bays require additional side and tailgate hatching. Footpath inaccessible to wheelchair users.	New & accessible pay point installed and relocated to improved location. Ramped access to footpath leading to toilets and town centre. Plans prepared for revised BB hatching.	Appoint contractor to carry out lining works.
	Market Place	Improve accessible pay point. Adequate BB bay provision but poorly located. Recommend that bays are relocated to face 'Hope & Anchor' and in vicinity of existing dropped kerb which is currently obstructed by standard parking bay.	New & accessible pay point installed. Plans prepared for repositioning BB bays in line with audit recommendation	Appoint contractor to carry out lining works.

BACK TO AGENDA

COMMUNITY AND ENVIRONMENT COMMITTEE
12 JANUARY 2017

Report of the Head of Environmental Services

WHITWORTH TRUST GRANT

PURPOSE OF REPORT

To outline a proposal to reduce the grant awarded to Whitworth Trust from April 2018 for the maintenance of Whitworth Park.

RECOMMENDATION

- 1 That the annual reduction of 10% to the grant of £18,000 year on year for 3 years, as outlined in 2.5 is approved, and that this be reviewed further in 2019/20.
- 2 That the repayment plan for the outstanding debt of £21,493 is noted.

WARDS AFFECTED

Darley Dale

STRATEGIC LINK

The Whitworth Trust contributes to maintaining the park and keeping the area clean. The Council has a corporate savings target to achieve savings of £1.2m by 2021/22; the savings identified by the proposed grant reductions will contribute towards that target.

1 BACKGROUND

- 1.1 In 1999 the Whitworth Trust, with the support of Derbyshire Dales District, were successful in securing Heritage Lottery funding (HLF) for almost £1m for improvement works to its park. As part of the Council's support of the application, and in addition to its initial capital contribution of £50,000 match funding, it was resolved that the Council would offer a revenue grant for the sum of £18,000 to assist with the resultant annual maintenance costs.
- 1.2 Whitworth Trust expressed a wish to have Derbyshire Dales District Council's own workforce undertake the routine maintenance on their behalf and, in 2003, following completion of HLF improvement works to the Park, the Council entered into a 5 year maintenance agreement with them, carrying out a programme of works which amounted to an initial annual cost of £24,293 plus VAT.
- 1.3 The formal maintenance agreement ended in June 2008, though the Council continued to provide services in line with that initial agreement, on an informal basis and pending discussions on future provision.

- 1.4 By 2011 the nature of the works being undertaken on behalf of the Trust had varied significantly from that originally agreed in 2003 and the associated costs had risen to an estimated £37,000 per annum. The recharge to the Trust, however, had not increased by the same degree and stood at £26,900 per annum. It was decided that if the Council was to continue to provide grounds maintenance services to the Trust, then the remuneration should reflect the actual value of works being requested. The Council entered into negotiations with the Trust, from which a revised schedule of works was agreed, enabling the Council to reduce the level of resources deployed to the grounds in 2012/13, whilst maintaining standards required by the Trust.
- 1.5 Further negotiations took place between the Board of Trustees and the Council's Chief Executive over the matter of grant funding, whereby the Trust sought an increase in the value of the grant paid to them, backdated to the first anniversary of its payment. The Council concluded that, whilst it was correctly entitled to increase charges for its maintenance services in line with increases in RPI, the offer of a grant remained as a fixed annual sum.
- 1.6 Since that discussion, two annual invoices (2012/13 and 2013/14) have remained unpaid, leaving the Trust with an outstanding debt of £26,792. The Trust is also still to be invoiced for a balance of £8,961 for works carried out in 2015/16.
- 1.7 In July 2016, the newly appointed Manager of the Whitworth Centre contacted the Council's Chief Executive, to convey the Trust's current financial position and to discuss measures which would allow the Trustees to manage and repay the outstanding debt with the Council. In turn, the Council agreed to review the work that had been carried out on behalf of the Trust over the past 3 years in light of their concerns over reduced standards, and to provide a revised schedule of works for future maintenance, against which the Trust may obtain competitive quotations. The Manager was also informed that the future of the grant could not be guaranteed and that a review was to be undertaken.

2 NEXT STEPS

- 2.1 Officers of the Council have now undertaken a review of works carried out since 2012/13 and have agreed to revisions amounting to £5,298.41 in favour of the Whitworth Trust, bringing its outstanding historical debt to £21,493.61 (inclusive of VAT).
- 2.2 The Whitworth Centre Manager has, at the time of preparing this report, given an assurance that a sustainable debt repayment plan, to which recommendation 2 above refers, will be prepared and presented to members prior to the meeting of the Committee. He has been advised that such a plan should take into account the proposed reduction in grant funding which, if approved, would be effective from April 2018.
- 2.3 The Council's Clean and Green Operations Manager has provided the Trust with a revised maintenance schedule, to enable the Trust to source alternative quotations for part or all of the grounds maintenance service and to consider whether any of the works may be carried out by their own staff or Trust volunteers. The Trust has been assured that it is under no obligation to use the Council's Clean and Green Team to carry out works and that the grant of £18,000 for 2017/18 will be available to them in full.

- 2.4 Members will be aware of the requirement to review all concessionary grants currently offered by the Council to outside bodies. The proposal to reduce the level of grant by 10%, year on year for 3 years, following 12 months prior notice, is in keeping with Council's plans to make necessary savings in its grant allocation budget by 2020. It is expected that the grant allocation scheme will be reviewed again in 2019/20, in light of the Council's financial position at that time.
- 2.5 A full grant would be paid in 2017/18 and then it is recommended that the grant be reduced by 10% year on year for 3 years as outlined in the table below.

Financial Year	Grant Allocation reduced by 10% each year
2017/18	£18,000
2018/19	£16,200
2019/20	£14,580 (further review)
2020/21	£13,122

3 RISK ASSESSMENT

3.1 Legal

The Agreement for maintenance services expired in 2008 and the Council has continued to pay grant funding in line with the initial resolution in 1999. It is appropriate to continue to review payments made from grant funding to ensure the best use of public money. The legal risk is low, however it would be sensible for the parties to enter into a funding agreement in line with the Members' resolution.

3.2 Financial

The Council has a corporate savings target to achieve savings of £1.2m by 2021/22. The proposed grant reductions can be seen in the table in paragraph 2.5 of this report. The savings identified by the proposed grant reductions will contribute towards the corporate savings target.

The sustainable debt repayment plan will help to ensure that the historical outstanding debt is repaid over a period that is agreeable to both parties and should avoid the Council having to consider recovery action.

The financial risk is assessed as low.

4 OTHER CONSIDERATIONS

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

5 CONTACT INFORMATION

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COMMUNITY AND ENVIRONMENT COMMITTEE
12 JANUARY 2017

Report of the Head of Environmental Services

MATLOCK BOWLS CLUB GRANT

PURPOSE OF REPORT

To outline a proposal to award a further one year grant in 2018/19 when the current grant agreed until 2017/18 expires, to Matlock Bowls Club for the maintenance of the bowling green.

RECOMMENDATION

That Members approve a further one year grant of £2,000 in 2018/19 and then cease to pay any future grant funding to Matlock Bowls Club.

WARDS AFFECTED

Matlock

STRATEGIC LINK

The Bowls Clubs provides a valuable community facility for club members and visitors to the park which helps keep residents of the district active and they enhance the appearance of the park by maintaining the facility and keeping the area clean.

1. BACKGROUND

- 1.1 In 2014, the Corporate Committee approved a variation of the existing lease of Hall Leys Park Bowls Pavilion held by Matlock Park Bowls Club to increase the term to 25 years to help them obtain funding for a sprinkler system and include the existing bowling green in the lease to reduce the maintenance costs for the council as recommended through the APSE review.
- 1.2 In varying the lease to include the maintenance of the green a grant was approved to Matlock Park Bowls Club to help them sustain the green for a period of 4 years whilst they pursued other options for funding.
- 1.3 The cost of maintenance by the council was £14,400 pa, Matlock Bowls Club had secured a quotation to maintain the green of £7,500 pa and therefore a grant was approved as outlined in the table below.

TERM	GRANT
YEAR 1: 2014 - 2015	£6,000
YEAR 2: 2015 – 2016	£5,000
YEAR 3: 2016 – 2017	£4,000
YEAR 4: 2017 - 2018	£3,000

- 1.4 The report suggested that during the 2017/18 financial year the grant would be reviewed in partnership with Matlock Park Bowls Club to ensure that the bowls club remains a viable sports club and that the level of grant is in line with the affordability of the maintenance of the bowling green for the club. It was the aspiration of the District Council at the time to eventually reduce the grant to zero.
- 1.5 A review of the grant has been carried out earlier than originally anticipated to tie in with the council review of all grants paid to external organisations.
- 1.6 A meeting was held with the Secretary of the bowls club on 12 December 2016 and information was supplied to confirm that the club has over the last four years generated sufficient funding to both invest in the green by installing an irrigation system to improve its condition and to fund the seasonal maintenance currently under contract. The club members have also actively taken over smaller jobs such as weeding, leaf removal and trimming of the greens edges. Whilst the club have been active in attracting grant funding and generating income through advertising local businesses on banners it is recommended that to ensure that the bowling green can be maintained a further payment of £2,000 be made in 2018/19 in addition to the remaining grant already agreed in 2017/18 as outlined in the table above. Once the grant has been paid in 2018/19 no further grant payments would be made.
- 1.7 The additional years grant would allow the club more time to attract additional funding to be able to undertake future maintenance of the green and purchase much needed equipment to enable this maintenance to be sustained. The club however, accept that no further payments will be made after this and will continue to attract funding through increased memberships, non-membership of social groups such as young people and disabled groups, advertising and by accessing various external grants with the support of the Sports Development Team.

2 RISK ASSESSMENT

2.1 Legal

The proposals are not contrary to the terms of the lease, the legal risk is therefore low.

2.2 Financial

The grant is currently funded from the revenue budget and sufficient funds are available to honour the existing grant agreed and the further payment of £2,000 in 2018/19. The financial risk is therefore low.

3 OTHER CONSIDERATIONS

In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

4 CONTACT INFORMATION

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5 BACKGROUND PAPERS

Committee Report to Vary Lease, 2014

BACK TO AGENDA