

REPORT TO: Mersey Gateway Exec Board

DATE: 29 January 2008

REPORTING OFFICER: Mersey Gateway Project Director

1) **SUBJECT:** Relocating Businesses Affected by Mersey Gateway

1.0 PURPOSE OF THE REPORT

1.1 To advise members of the progress made in negotiating land acquisition with those parties affected by the published Compulsory Purchase Orders and Applications.

2.0 RECOMMENDATION: That

The Mersey Gateway Executive Board note the progress made.

3.0 SUPPORTING INFORMATION

3.1 All businesses affected by Mersey Gateway have been contacted and invited to discuss acquisition in advance of exercising any Compulsory Purchase powers, should such powers be confirmed in due course by the Secretary of State. These negotiations are applying the advanced land acquisition and relocation policy agreed with the Mersey Gateway Executive Board.

3.2 The information appended to this report shows the breakdown of the businesses who have expressed an interest in relocated. The businesses have been listed according to the type of premises required for relocations, such as industrial, office etc, alongside their approximate size requirement.

3.3 Relocations are split between Widnes and Runcorn as most businesses spoken to have shown a preference to remain on the side of the river where they are currently located.

3.4 Recent press reports have covered the successful agreement reached with Thermo Fisher to relocate them to Manor Park. The Thermo Fisher case demonstrated exceptional benefits from early relocation commitments. A small number of other businesses have been identified as having exceptional needs and negotiations are currently ongoing with these businesses and we aim to reach a similar satisfactory conclusion in the near future.

3.5 There are a certain number of businesses, which through their operational activity, transport depot, recycling etc, will prove more difficult to relocate through a lack of alternative sites currently available on the

market. The project team are exploring the viability of making available Council land for relocation purposes, to help solve these more challenging relocation requirement. The results of this investigation are due to be reported to the next meeting of MGEb in March.

3.6 The table at Appendix 1 indicates that the majority of businesses operate from more standard type property and at this stage it is expected that their needs can be met through the market supply. Particularly in Widnes where there are a number of new build opportunities.

3.7 The Waterloo Centre which is owned by the Council and operated by the Chamber, currently has 28 businesses based there. Around 75 percent of these businesses require offices of less than 500 ft². Again it is expected that they can be offered alternative accommodation through the private sector. A complete review of the small office market in Widnes is currently being undertaken.

4.0 POLICY IMPLICATIONS

4.1 The project is a key priority for the Council which will deliver benefits locally and across the wider region.

5.0 FINANCIAL IMPLICATIONS

5.1 The cost of any advanced acquisition of businesses and negotiating relocation proposals is being funded through the land acquisition budget for Mersey Gateway secured through the allocation in the Council Capital programme. The revision to this budget is discussed at 3(c).

6.0 RISK ANALYSIS

6.1 The Council policy towards advance land acquisition and negotiating relocation is aimed at avoiding job losses. The success in reaching agreement with Thermo Fisher demonstrates the potential rewards from such an approach. Any agreement reached however must be based on proposals being economic and affordable.

7.0 EQUALITY AND DIVERSITY ISSUES

7.1 Mersey Gateway provides an opportunity to improve accessibility to services, education and employment for all.

8.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

8.1 Files maintained by the Mersey Gateway Project Team and by the Highways and Transportation Department.

Relocations as at December 2008

Runcorn - Industrial			
Size	Demand	Supply	
ft2	No of Businesses	Runcorn	Widnes
>100,000	1	2	1
>50,000 & <100,000	1	1	4**
>10,000 & <50,000	2*	35	12**
>1,000 & <10,000	1	33	23
<1,000	1	7	4
	8	78	44

* Three associated businesses wish to relocate to a single unit

** There are two sites offering new build between 10,000 & 80,000 in Widnes

Runcorn - Office			
Size	Demand	Supply	
ft2	No of Businesses	Runcorn	Widnes
>1,000 & <10,000	2	40	20
	2	40	20

Widnes - Industrial			
Size	Demand	Supply	
ft2	No of Businesses	Widnes	Runcorn
>10,000 & <50,000	5	12**	35
>1,000 & <10,000	7	23	33
<1,000	1	4	7
	13	40	75

There are nine businesses looking for industrial space between 8,000 and 16,000 ft2 with only seven properties currently available in Widnes

Widnes - Offices			
Size	Demand	Supply	
ft2	No of Businesses	Widnes	Runcorn
>1,000 & <10,000		20	40
<1,000 (*)	2	15	15
	2	35	55

* Number of actual suites available will be higher

Widnes - Sites			
Size	Demand	Supply	
Acres	No of Businesses	Widnes	Runcorn
>1 & <3	5	0	0
<1	2	2	1
	7	2	1

Unknown	6	Tenants at WTCS
Relocated by self	1	
No alternative premises	1	
Waterloo Centre (Offices)	28	

>1000 ft2	1
>500 & < 1,000	6
<500	21

