

**STOKE-ON-TRENT AND STAFFORDSHIRE**

**LOCAL ENTERPRISE PARTNERSHIP**

**EXECUTIVE GROUP MEETING**

**19<sup>th</sup> April 2018**

**Ceramic Sector Deal – Ceramic Park Feasibility Study**

**1. Introduction**

- 1.1 The Ceramic Sector Deal has been the subject of discussions at Ministerial level and it has become clear that there is an opportunity to secure investment in the "Ceramic Park". However, there is now a need to investigate the delivery of the proposal in more technical detail. This report seeks approval to the appointment of consultants to undertake outline Business Planning and Masterplanning commissions as a Feasibility Study for the Ceramic Park initiative.

**2. Recommendations**

- 2.1 It is recommended that the SSLEP Executive Board instruct the secretariat to:
- Write to the "partners" seeking their written commitment to support the project;
  - Request the Accountable Body to establish a capital project financed initially from Growing Places Revenue to a maximum of £80,000 in advance of the feasibility being proven.
  - Establish a project-specific Governance structure for the Ceramic Park, including identifying and funding a Project Manager for the duration of the initiative and who will report on progress at regular milestones.
  - Seek tenders from appropriate companies/consortia for the provision of a first stage outline Business Plan and Masterplan, sufficient for the assessment of the viability and risk of the proposals and to provide the basis of a second detail stage briefing for the implementation of the plan.

**3. Background and details in following section**

- 3.1 The Ceramic Deal was submitted to the government in October 2017 in a response to the Industrial Strategy.
- 3.2 The Ceramic Deal included a proposal for a "Ceramic Park".

- 3.3 Since the submission of the Ceramic Deal proposal a search of potential sites for the Park has identified a preferred option and preliminary negotiations have been undertaken with the site owner.
- 3.4 The identified site is a former clay pit in the centre of Stoke-on-Trent, within 500m of the mainline station and with access to the A500 trunk road and easy connections to both the M1 north and south and the A50 to the east midlands. The site is contiguous with Staffordshire University campus to the north with commercial and open spaces on the other boundaries.
- 3.5 The former clay pit is in the ownership of Biffa Waste with a licence to Tarmac to complete a landfill operation, with inert building waste, ready for reclamation by 2020.
- 3.6 The gross site area is circa 35 acres and when the fill is complete it will comprise two development platforms on different levels with a net development area of circa 21 acres.
- 3.7 Planning consents for the creation of an enterprise park should be straightforward, with no anticipated off site highway or access constraints. The inert nature of the landfill is unlikely to present any abnormal construction issues although additional costs would be expected for foundation design.
- 3.8 The proximity of the site to public transport and the City Council's district heating circuit, already funded through the City Deal, will mean that the site could achieve excellent sustainability standards.
- 3.9 Preliminary discussions have taken place between SoTCC Officers and Biffa Waste, who have indicated that their board would be willing to undertake an off-market disposal to Stoke on Trent City Council, or another public sector agent, acting on behalf of the Ceramic Deal.
- 3.10 As initially envisaged, the concept would bring together:
  - the expertise of Lucideon and AMRICC – a world leading research facility, including a National Advanced Sintering Centre working with 10 HEIs including Oxford University, Imperial College, Birmingham and Manchester Universities;
  - alongside an International Ceramics Centre ("collision space", "activity centre" and exhibition gallery);
  - a commercially run hotel and conferencing centre;
  - a ceramics skills hub - skills development, education and training as a focus for the deal the business park would accommodate a range of projects incorporating Staffordshire University's teaching and apprenticeship activity; trade advice support;

- spin-out / grow-on industrial units; an energy efficiency and carbon reduction centre.
- 3.11 The proposal is for SSLEP to consider allocating funding to support the development of an Outline Business Case and development Masterplan, Including:
- Assessment of the marketplace
  - An indicative Masterplan, including phasing options
  - A development cash flow analysis
  - An Action Plan for delivering the development over a suitable period.
- 3.12 The study should specifically address:
- Planning
  - Regeneration
  - Sector marketing/economics/agent
  - Geophysics/ecology
  - Costing/QS
  - Highways
- 3.13 The landfill sub-contract to Tarmac runs for a further 2 years.
- 3.14 That 2 year window allows for a comfortable period within which to resolve planning and highways issues and to complete the necessary consultancy procurement and subsequent Business Plan and Masterplan tasks.
- 3.15 SSLEP can recover the costs of the Project Manager and consultancy costs from the EZ or the development of the site. The estimated cost of this work will be £80,000. In discussions with the Accountable Body it will be necessary to establish a capital project which is initially funded from the Growing Places Fund Revenue allocation.

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