

FRESHNEY PLACE CABINET SUB COMMITTEE

DATE	12 th February 2025
REPORT OF	Councillor Philip Jackson, Leader of the Council and Portfolio Holder for Economy, Regeneration, Devolution and Skills.
RESPONSIBLE OFFICER	Sharon Wroot, Executive Director, Place and Resources
SUBJECT	Freshney Place Business Plan and Report
STATUS	Open Report. Appendix NOT FOR PUBLICATION Exempt information within paragraph 3 of Schedule 12A to the Local Government Act 1972 (as amended)
FORWARD PLAN REF NO.	FPCSC 02/25/01

CONTRIBUTION TO OUR AIMS

Following the acquisition of Freshney Place, its successful operation, together with the delivery of the planned leisure scheme, will contribute to the Council's "Stronger Economy" and "Stronger Communities" priorities by securing a strategic economic and community asset which is critical to the town centre's success. Diversification of uses away from pure retail will be the key driver of Freshney Place's commercial performance and social value to the local community.

EXECUTIVE SUMMARY

This report aims to provide Cabinet with a review of the last 12 months and second year of the Council's ownership of Freshney Place, summary of performance and the setting out of the business plan objectives for the following period.

RECOMMENDATIONS

It is recommended that the Cabinet Sub-Committee:

1. Notes the Annual Review 2024 and Business Plan 2025 set out in Appendix 1 to this report.
2. Approves the Business Plan 2025, and delegates responsibility to the Executive Director, Place and Resources, in consultation with the Leader of the Council to implement and to bring another report by way of update within 12 months.

REASONS FOR DECISION

To support the continuation of achieving optimum performance of Freshney Place, whilst strategically driving the tenant mix towards a more varied visitor experience.

1. BACKGROUND AND ISSUES

- 1.1 Following approval at Cabinet and Full Council, the acquisition of Freshney Place was completed on 4th August 2022.

- 1.2 Queensberry Real Estate were appointed interim Asset Managers and Montagu Evans, now Savills, appointed as interim Property Managers.
- 1.3 The Annual Report from the Asset Managers is attached at Appendix 1, setting out the performance and challenges of the centre over the last 12 months. Some notable highlights include:
 - 1.3.1 Excluding the leisure development zone, over the last 12 months occupancy rate has increased from 92.2% to 96.6%.
 - 1.3.2 14 lease transactions have been completed in the last 12 months, with all deals to date at or exceeding the business plan expectations.
 - 1.3.3 Work has commenced on the Community Diagnostics Centre (CDC) and phase one is expected to open early 2025.
 - 1.3.4 Over the last 12 months the centre has seen the introduction of new tenants and the return of major retailer, Clarks.
 - 1.3.5 Approval to commence works to the leisure scheme at the western end of Freshney Place will scheme will play a major role in regenerating the town centre and driving more footfall.
 - 1.3.6 Starbucks have recently committed to the new leisure scheme; this has the chance to see confidence in the town centre improve with further interest from investors and end users.
- 1.4 The Business Plan is also attached, setting out the key strategic objectives for the next 12 months. Key objectives include:
 - 1.4.1 Maximising the retention of as many occupiers as possible.
 - 1.4.2 Increasing occupancy and attracting new diverse lettings to complement the existing tenant mix.
 - 1.4.3 Creating a more family centric experience, increasing dwell time and footfall.

2. RISKS AND OPPORTUNITIES

- 2.1 The Annual Report sets out how Freshney Place has performed in the second year of ownership and is thus factual and historic.
- 2.2 The Business Plan highlights a variety of opportunities and risks. Strategically, the ongoing diversification of Freshney Place together with the future delivery of the leisure scheme are key opportunities to drive transformational change, all as part of the wider Grimsby Town Centre Masterplan approach. This should help drive footfall whilst at the same time making Freshney Place more attractive to potential occupiers. In terms of strategic risks, the macro-economic climate and associated impacts on consumer confidence brings

challenges that are common to any town and city centre.

- 2.3 Operationally, the centre had not previously seen a focus on maintenance prior to acquisition and thus allowances were built in to the purchase price to deal with such matters. These are being managed but the inflationary environment which has been particularly acute in the building supplies and labour arena may present cost challenges. Within the next 12 -24 months major capital projects are expected to commence including previously approved car park works, RAAC works, and House of Fraser refurbishment works.
- 2.4 There will be the usual challenges brought about by major construction works of the leisure scheme and the Council will work with both Queensberry and GMI (who are a partner of the Considerate Constructor Scheme) to mitigate these so far as is reasonably possible and also, to communicate what is happening and when. The day-to-day management of Freshney Place will continue as normal during the construction period.

3. OTHER OPTIONS CONSIDERED

The Annual Report and Business Plan have been prepared by experienced and qualified Asset Managers who are considered essential in ensuring the Council has visibility of how the centre is performing and is planning ahead. During preparation of the documents a variety of strategies were considered by the Asset Manager, and they have presented what they consider to be the optimum approach. The Council could choose not to require such documents, but it is considered this would be a sub-optimal approach to the management of the asset.

4. REPUTATION AND COMMUNICATIONS CONSIDERATIONS

- 4.1 The leisure scheme development to the western end of Freshney Place will commence in early 2025 with first construction works being the strip-out and commencement of demolition. This is key to the transformation of Grimsby Town Centre. Parkway have again confirmed their enthusiasm for the project to deliver a 5-screen cinema, and more recently a pre-let with globally recognised brand, Starbucks has been completed. It is a statement of intent and the launchpad for engagement with other tenants and leisure operators
- 4.2 It is envisaged that the completion of the CDC development will support a variety of positive communication messages. The development will bring further and more varied footfall to Freshney Place and support the Council's ambition of diversifying the town centre.
- 4.3 The continued successful operation and investment in Freshney Place is important to both the Council and the wider Grimsby Town Centre, as well as being an increasingly attractive proposition for national and independent retailers. This in turn provides wider benefits for residents, businesses, and visitors.

5. FINANCIAL CONSIDERATIONS

- 5.1 The Annual Report does not in itself bring any financial considerations.
- 5.2 The Business Plan sets out a variety of objectives which collectively support the aim of diversifying the centre and driving net income. There are no immediate financial considerations flowing from the Plan and individual deals will be assessed as and when new tenants are attracted and/or current leases are renegotiated.

6 CHILDREN AND YOUNG PEOPLE IMPLICATIONS

The successful operation of Freshney Place and the introduction of a range of occupiers will support its longer-term strategic future, which will provide improved amenities for children and young people in the North East Lincolnshire area.

7 CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

The scope to minimise the impact on the environment is considered in the management of Freshney Place and opportunities to ensure sustainability and low carbon initiatives are explored at every opportunity.

8 CONSULTATION WITH SCRUTINY

At the time of writing, this report was due to be considered by the Economy Scrutiny Panel on 23rd January 2025.

9 FINANCIAL IMPLICATIONS

There are no direct financial implications arising from the approval of the business plan. The business plan itself outlines the positive direction of travel in terms of the net operating income generated from the centre and all spend proposed will be subject to the usual oversight and scrutiny.

10 LEGAL IMPLICATIONS

There are no legal implications immediately arising as the appended report is one of update and a statement of intent for the forthcoming period. It is noted that the review and plan have been considered by the Economy Scrutiny Panel.

11 HUMAN RESOURCES IMPLICATIONS

There are no human resources implications arising from the report.

12 WARD IMPLICATIONS

It is expected to benefit all wards and all residents living in North East Lincolnshire. Freshney Place is located in the West Marsh ward.

13 BACKGROUND PAPERS

- 13.1 22nd June 2022 - Freshney Place Acquisition Cabinet Report - [4.-Freshney-Place-Acquisition.pdf \(nelincs.gov.uk\)](#)

- 13.2 14th July 2022 – Freshney Place Acquisition Full Council Report - [Freshney-Place-Acquisition.pdf \(nelincs.gov.uk\)](#)
- 13.3 15th November 2023 – Freshney Place Business Plan and Report - [Freshney Place Cabinet Sub Committee Meeting | NELC](#)
- 13.4 8th October 2024 – Car Park Maintenance - [Rescheduled – Freshney Place Cabinet Sub Committee | NELC](#)
- 13.5 11th December 2024 – Freshney Place Leisure Scheme [-Cabinet | NELC](#)

14 CONTACT OFFICER(S)

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LEADER OF THE COUNCIL AND

**PORTFOLIO HOLDER FOR ECONOMY, REGENERATION, DEVOLUTION
AND SKILLS**