

FRESHNEY PLACE CABINET SUBCOMITTEE

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| DATE | 16 th July 2025 |
| REPORT OF | Councillor Philip Jackson, Leader of the Council and Portfolio Holder for Economy, Regeneration, Devolution and Skills |
| RESPONSIBLE OFFICER | Sharon Wroot Interim Chief Executive and Executive Director Place and Resources |
| SUBJECT | Freshney Place Leisure Scheme New Lettings |
| STATUS | Open Report |
| | Appendices NOT FOR PUBLICATION Exempt information within paragraph 3 of Schedule 12A to the Local Government Act 1972 (as amended) |
| FORWARD PLAN REF NO. | CBSC 07/25/01 |

CONTRIBUTION TO OUR AIMS

Securing pre-lets for the Freshney Place leisure development will directly contribute to the success of the scheme and Council's key objectives of Stronger Economy and Stronger Communities.

EXECUTIVE SUMMARY

This report provides detail and recommendations around two further pre-lets for the Freshney Place leisure scheme that have been agreed since the decision was made to proceed. The agreements demonstrate that occupiers view the scheme, and by association Freshney Place and Grimsby Town Centre, as a location where it is attractive for them to do business. Moreover, as key pre-lets are signed, this will provide an even stronger platform to secure further lettings. The agreements are in line with the anticipated income forecasts for the scheme.

RECOMMENDATIONS

It is recommended that Cabinet:

1. Approves the principle of the new lettings as set out in the report and closed Appendix.
2. Delegates authority to the Interim Chief Executive and Executive Director Place and Resources through the Interim S151 Officer and Assistant Directors for Law and Governance and Regeneration, in consultation with the Leader of the Council, to agree the final terms of the lettings, including associated landlords works and/or capital contributions, provided they are within the sums referred to in the closed Appendix.
3. Authorises the Assistant Director Law and Governance to formalise the agreements and deal with all ancillary matters reasonably arising.

REASONS FOR DECISION

The decision will allow the Council to continue pursuing its aim of agreeing pre-lets for the Freshney Place leisure scheme.

1. BACKGROUND

- 1.1 Cabinet and Full Council at their respective meetings of 11 and 12 December 2025 approved the delivery of the Freshney Place leisure scheme (the scheme) and associated financing.
- 1.2 A construction contract was duly entered into between the Council and GMI Construction Group Plc (GMI). GMI mobilised early in 2025 and have since been making progress on site.
- 1.3 In tandem with this, the Council's advisors continued to liaise with the occupier market and it is fair to say the response to the scheme proceeding has been positive.
- 1.4 Principal negotiations have now been concluded for two further well-known leisure-based anchor tenants which will complement the previously signed deals with Parkway Cinemas and Starbucks.
- 1.5 The rental levels are as in line with predictions. Work is continuing on the finer details of the quantum of landlord works / landlords capital contributions which are expected to be within the allowances built into the overall scheme finances as referred to in the forecasts in the Closed Appendix.
- 1.6 The deals are expected to be in advanced forms at the date of the Subcommittee. It would be hoped that the Council would be in a position to rapidly exchange contracts on at least one of the pre-lets which would further build confidence with existing tenants of Freshney Place and other potential occupiers.

2. RISKS, OPPORTUNITES AND EQUALITY ISSUES

- 2.1 There are limited risks associated with entering into pre-lets in advance of completion of the scheme, which is commonplace in developments. The Council's retained solicitors will ensure the documentation protects our interests so far as is reasonably practicable.
- 2.2 The key opportunities are to build further confidence not just with other potential occupiers and the ability to market the wider opportunity, but also existing and future tenants of Freshney Place as a whole and the wider town centre.
- 2.3 An Equality Impact Assessment process was followed for the development of the main scheme and the tenants will accord with both legislation and their own policies in relation to accessibility.

3. OTHER OPTIONS CONSIDERED

- 3.1 The Council could decline these pre-lets or seek alternative terms. However, it

has always been anticipated that pre-lets would be sought and the Council's retained agents, Development Manager and Asset Manager has recommended the nature of the occupiers and the main terms, advising that these are two key tenants the scheme should be seeking to secure.

4. REPUTATION AND COMMUNICATIONS CONSIDERATIONS

The securing of two high quality pre-lets ought to be positive in terms of building confidence with both current and future occupiers and importantly, future customers of the scheme. Suitable communications and marketing will be undertaken once agreements are formalised.

5. FINANCIAL CONSIDERATIONS

The anticipated income and capital expenditure are in line with expectations.

6. CHILDREN AND YOUNG PEOPLE IMPLICATIONS

The proposed pre-lets, especially being leisure in nature will, once open, provide further facilities for the enjoyment of all the community, including children and young people.

7. CLIMATE CHANGE, NATURE RECOVERY AND ENVIRONMENTAL IMPLICATIONS

The wider scheme accords with building regulations which have a strong focus on environmental factors. Also, there is the opportunity for further tenant led initiatives around green energy such as photovoltaic cells.

8. CONSULTATION WITH SCRUTINY

The Leisure Scheme development has been considered by the appropriate scrutiny panel on a number of occasions dating back to 2020, the most recent being the Economy, Culture & Tourism Panel on 5 December 2024.

9. FINANCIAL IMPLICATIONS

A decision to enter into the new lettings will have both income and capital expenditure implications for the Council. The financial aspects of the proposed deals are outlined within the attached appendix and are in line with business plan developed for the overall development. After taking into account tenant incentives payable, deals will both generate a positive impact on net operating income of the centre. The additional business rates generated from site will support the Council's overall financial sustainability.

10. LEGAL IMPLICATIONS

- 10.1 Implications will arise out of the proposed lease arrangements. The Council is accustomed to dealing with such matters and Legal Service colleagues will ensure that the interests of the Council are protected to the greatest extent reasonably and commercially possible.

- 10.2 The delegations sought are appropriate and are in accordance with the published Scheme of Officer Delegations.

11. HUMAN RESOURCES IMPLICATIONS

There are no human resource implications for the Council arising from the report.

12. WARD IMPLICATIONS

Freshney Place is located in the West Marsh ward, although the impact of the pre-lets are likely to benefit all wards in the borough.

13. BACKGROUND PAPERS

The background papers are listed below:

- FHSF Cabinet Report – 15th July 2020 ([Special Cabinet – Virtual Meeting | NELC](#))
- Grimsby Town Centre Masterplan Framework Cabinet Report – 14th October 2020 ([Cabinet – Special, Virtual Meeting | NELC](#))
- FHSF Cabinet Report – 17th February 2021 ([Special Cabinet – Virtual | NELC](#))
- FHSF Cabinet Report – 16th June 2021 ([Cabinet | NELC](#))
- FSHF Cabinet Report – 20th October 2021 ([Cabinet – Special | NELC](#))
- LUF Economy Scrutiny Report – 13th June 2022 ([Special – Economy Scrutiny Panel | NELC](#))
- Freshney Place Acquisition Cabinet Report – 22nd June 2022 ([Special Cabinet | NELC](#))
- Freshney Place Leisure Scheme Cabinet Report – 21st September 2022 ([Cabinet | NELC](#))
- Freshney Place Market Update Economy Scrutiny Report – 10th January 2023 ([Economy Scrutiny Panel | NELC](#))
- Freshney Place Leisure Scheme Cabinet Report – 11th December 2024 (<https://www.nelincs.gov.uk/assets/uploads/2024/06/7.-Freshney-Place-Leisure-Scheme-Cabinet-Report.pdf>)

14. CONTACT OFFICER(S)

Damien Jaines-White, Assistant Director Regeneration
Simon Jones, Assistant Director Law and Governance (Monitoring Officer)
Guy Lonsdale, Assistant Director Finance (Interim s151 Officer)

COUNCILLOR PHILIP JACKSON
LEADER OF THE COUNCIL AND
PORTFOLIO HOLDER FOR ECONOMY, REGENERATION,
DEVOLUTION AND SKILLS

