

South Humber Industrial Investment Programme

Technical Summary

January 2016

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1.0 Introduction

- 1.1 The South Humber Industrial Investment Programme (SHIIP) is a strategic investment programme which seeks to ensure that the opportunities for economic growth within North East Lincolnshire are capitalised over a 5-10 year period, overcoming current deficiencies in the provision of suitable sites and premises to secure business investment, job creation and a stronger economy.
- 1.2 This document has been prepared in order to demonstrate how the activities within the SHIIP programme align with the Council's objectives set out in the Community Strategy and Economic Strategy, and how the implementation of the programme will assist the delivery of an appropriate supply of sites and premises, in accordance with Local Plan objectives.

2.0 Background

Economic Context

- 2.1 North East Lincolnshire has a diverse industrial base which has continued to provide relative economic stability despite periods of recession. The five key sectors, Ports and Logistics; Renewables and Energy; Food Processing; Chemicals and Process Industries, and Tourism collectively make up 27% of all firms, and account for 30% of all employment within the area. Importantly, however, these sectors generate approximately 60% of the area's GDP. The remaining parts of the economy are equally split between the public sector and all other business operations.¹

Ports and Logistics

- 2.2 The Ports of Immingham and Grimsby combine to form the largest port complex within the UK by tonnage handled (66m tonnes per annum), and support circa 5,000 jobs in the local economy. In addition to their significant international trading significance, the Ports generate high levels of demand for storage and distribution related activities, including cars, fuels, agri-bulk, timber and forestry products, foods, steels and general cargo. The Sector Study shows that there has been strong resilience to economic changes nationally. Recent investment in the port facilities by Associated British Ports (the harbour authority and ports owner), the continued provision of limited alternatives to freight distribution other than by sea, plus political support for expansion and development at the national level indicates that the sector is in a strong position to see positive growth in the future.

Renewables and Energy

- 2.3 Closely aligned with the Ports is the development of the Energy sector, with North East Lincolnshire playing an important role in the development of this sector. The Humber has been designated by the Government as a Centre for Offshore Renewable Engineering, and the Humber LEP positively promotes the area as the "Energy Estuary", capitalising upon the significant investment of the Round 3 offshore wind farms in the southern North Sea, which forms a key driver for growth, but there are also strengths in the area in the provision of bio-mass, solar and geothermal energy supplies. It is currently estimated that the sector currently supports 3,250 jobs within the generic energy sector.
- 2.4 The Port of Grimsby, being the closest operating port to many of the windfarm developments has specific locational advantages to other Estuary ports, and as a result is now developing a niche operations in dockside facilities to serve the Operation and Maintenance (O&M) activities for the growing offshore windfarms. Recent investment has been seen specifically within the Port of Grimsby from

¹ Local Economic Assessment – Sector Study (Atkins 2014)

companies such as DONG, RES, Siemens, Centrica, etc., some of whom have benefitted from Enterprise Zone status, with an estimated 1,000 jobs being generated as a result. Dong Energy have also recently announced that they will be managing the construction of the latest phase of the 91 turbine, 580Mw offshore windfarm at Race Bank from their new facility within the Port of Grimsby, generating approximately 1,000 jobs.

- 2.5 Developments are now progressing along the Estuary specifically related to the offshore wind industry. Greenport at Hull is currently being developed to provide an offshore wind turbine manufacture and assembly plant for Siemens. On the southern side of the Estuary, the ABLE Marine Energy and Logistics Park at Killingholme, just north of Immingham, will facilitate multi-user facilities for the manufacture, assembly, storage and deployment of next generation off-shore wind turbines and the supply chain associated with it. Whilst these major developments are located outside of North East Lincolnshire, their development is anticipated to have an impact within the local economy, particularly within the local supply chain, for example, estimates suggest that of the 10,000 jobs anticipated to be generated within the local area from the ABLE development, 3,700 could be derived in North East Lincolnshire.
- 2.6 Being a nascent industry, with limited precedents, the scale and speed at which growth will occur is difficult to predict. However, what is known is that the maintenance lifespan of the current round of windfarms is expected to last around 25 -30 years from completion of construction, which together with no reduction in the political support nationally and the development of external facilities such as Greenport and ABLE, the area is likely to benefit from significant investment in the short to medium term future, resulting in key growth in this sector.

Chemicals and Process Industries

- 2.7 The Humber Estuary is also well known for its fuel refining activities, generating circa 30% of the UK's refining operations and accounting for circa 2,230 employees within North East Lincolnshire. Conversions of major power stations to bio-mass and bio-fuels is now emerging, and the areas proximity to the agricultural areas of Lincolnshire, together with the availability of plant and skills create key opportunities for further investment in the future.

Food Processing

- 2.8 Grimsby's relationship with the sea has led to a strong history of fish/seafood processing within the area, with the fish processing sector being recognised as one of the most significant clusters in the UK. It is home to approximately 70% of all fish processing companies in the UK, supporting 4,100 local jobs, and has representation from major operators in the sector such as Young's and Icelandic Seachill. Given the

long established history and skills base locally, together with increasing household demand for fish/seafood products, it is anticipated that North East Lincolnshire will maintain its role as a major seafood processing area for the foreseeable future.

- 2.9 More recently, the availability of production premises/cold store facilities and local food processing skills has resulted in economic diversification into the production of other chilled foods, specifically soups, pizza's and ready meals. Opportunities to develop food technology alongside agricultural innovation from the more rural parts of Lincolnshire are identified by the Greater Lincolnshire LEP as a key opportunity to maintain and enhance the food processing sector.

Visitor Economy

- 2.9 The provision of good quality beaches within Cleethorpes specifically has generated visitors to the area since the Victorian era, and remains an important centre for visitors, specifically in the summer. The tourist economy is estimated to account for 7.2% of all jobs within the area (approx. 4,800 total), and an annual tourist spend of circa £0.5bn per annum. Recent investment in the development of hotels within both Cleethorpes and Grimsby, together with a growing events and promotion programme are anticipated to result in some growth being realised within the Visitor Economy in the near term.

Growth Potential

- 2.10 The nature of the key industries identified above are such that they do not sit particularly well with traditional SIC codes, and therefore estimates of growth based upon these codes does not enable an easy translation into the level of growth anticipated within the key sectors within the North East Lincolnshire area.
- 2.11 As part of the work undertaken for the Local Economic Assessment² local estimates of business based jobs growth were derived from a statistically reliable business survey, together with analysis of underlying economic growth trends. The reports concluded that if trends were to continue and planned investment realised a baseline level of circa 4,400 jobs could be anticipated to be generated between 2013 and 2032.
- 2.12 However, the report also considered the potential impact of successful economic investment strategies and specifically public sector support for the implementation of key projects and programmes. Dependent upon the level of success of the approach indicated, between 8,800 and 14,184 jobs could be generated within the local economy³.

² Sector Study and Futures Report, Atkins, 2014

³ Futures Report, Atkins 2014

- 2.13 Growth within the main key sectors identified from the above is suggested to be between 10 – 25% of existing employment levels, with growth in the Renewables and Energy sector anticipated at circa 15 – 40%. Additionally, other areas of business such as education and health are anticipated to grow at around 10 – 15%. Public sector activity is predicted to grow at low levels, primarily as a result of the current regime of public sector cuts.
- 2.14 The Draft Local Plan published in February 2015 proposed that the medium growth scenario provided a realistic target of economic growth in terms of job creation, and identified a preferred target of 8,800 jobs to be generated over the period 2013 – 2032. It was also noted that of those jobs forecasted to be generated, approximately 45% of this (i.e. 4,000 jobs) would be generated within the traditional employment use classes of B1, B2 and B8.

The plan acknowledges that, given recent trends achieving this target would be ambitious. However, it was considered to be a realistic aspiration given known and proposed investment projects identified at the time of the assessment. This approach has been widely supported through consultation.

Market Conditions

- 2.15 Over recent times, delivery of employment land and floorspace has been severely limited. The 2003 Local Plan allocated over 600ha of land for such purposes, of which approx. 100ha is now in use, and a further 47.5ha has been promoted for other uses. Evidence from the Council's Annual Monitoring report 2013/14 new floorspace provision over the 10 year period of 128,386 sq. m. (1,381,980 sq. ft.), equating to an overall average of 12,838 sq. m. (138,190 sq. ft.) per annum.
- 2.16 Most notably, and specifically since 2010 development rates have however, reduced to an average of 9,017 sq. m. per annum, (97,061 sq. ft. per annum) as shown in Table 1. This reduction in ongoing provision of new supply has restricted the supply of new stock, which coupled with qualitative and quantitative deficiencies in the existing stock, results in a significant shortfall in the supply of appropriate premises.

Year	B1a	B1b	B1c	B2	B8	B1/B2 /B8	Annual Total	5 year average (Sq. m. per annum)
2004/5	250	0	220	0	0	0	470	16,684
2005/6	3,599	0	950	24,319	1,619	0	30,599	
2006/7	1,113	0	151	6,360	8,061	0	15,685	
2007/8	1,402	0	553	8,380	223	4,752	15,320	
2008/9	3,991	3,486	575	12,731	415	151	21,349	
2009/10	4,755	0	2,424	2,116	8,803	248	18,346	9,017
2010/11	384	0	65	1,756	704	3,614	6,524	
2011/12	431	0	1,216	206	1,990	0	3,842	
2012/13	1,808	0	81	1,749	0	0	3,638	
2013/14	767	0	1,346	8,247	2,375	0	12,735	

Table 1: Development of Employment Floorspace 2004 -2014

Source: Annual Monitoring Report

- 2.17 The Commercial Market Assessment⁴ shows high total floorspace standing vacant, but that this amounts to circa 3% of overall floorspace⁵. Given that normal turnover levels would be considered to be sustainable at 10% vacancy, it indicates that despite high levels of availability, the industrial property market is severely constrained in terms of choice.
- 2.18 This is supported by evidence that indicates at a detailed level there is a mismatch in unit size requirements and availability. In addition, there are long turnover times for properties on the market, and transaction levels are significantly lower than demand would suggest possible. The industrial property market is therefore clearly constrained as a result of lack of choice and appropriateness of property. Ultimately, this restricts the opportunities to realise economic growth.
- 2.19 The lack of quantitative provision is exacerbated by a range of qualitative issues, specifically relating to the age of the stock, locations within older industrial areas with limited suitable access arrangements, and the quality of the buildings, which frequently require significant levels of investment to enable adaptation to meet current operator requirements but even when upgraded do not generally generate

⁴ Commercial Market Assessment, Evolution PDR Ltd 2014⁵ Employment Land Review, Atkins 2014

rental values that assist in justification of the expenditure necessary. Evidence suggests that there is a reducing trend in demand levels, attributed to the inability of North East Lincolnshire to meet occupiers requirements specifically. Ultimately, this has stifled economic growth.

- 2.20 The Commercial Market Assessment also shows that there is a significant shortage of readily available serviced industrial land upon which new buildings can be developed. Specifically over recent years, the only opportunity for such development has only been available at Europarc, an out of town business park which originated from investment by the former Regional Development Agency, Yorkshire Forward, but more recently promoted by a private developer, Wykeland, on a Design and Build basis only.
- 2.21 In the last 12 months or so, further sites are have been promoted through the planning system. However, a number of these have been promoted for specific end users, indicating a reluctance of the market to progress schemes on a speculative basis. Where sites are now promoted for more generic industrial uses, the infrastructure costs of delivering access to sites remain a significant barrier to bringing sites forward, and support from the local LEP's has been sought as a result.

Infrastructure Constraints

- 2.22 The main industrial area within North East Lincolnshire lies between the Estuary and the A180, and extends east-west between the two Ports. However, its piecemeal development over time has led to significant infrastructure constraints, such as appropriate road infrastructure to support the development/expansion of the area. Limitations in land values has resulted in a reluctance for any single site operator to address this issue, and the public sector has not prioritised investment to address these issues. As a result, potentially developable sites along the South Humber Bank have remained unused.
- 2.23 Additionally, the proximity of the industrial area to the internationally designations on the Humber Estuary (S.P.A, S.A.C., RAMSAR, S.S.S.I) places significant restrictions on the development of land as a result of the need to comply with European Directives (Habitat Regulations). In short, each development requires an appropriate assessment to be undertaken, and suitable mitigation measures to be agreed and implemented before construction of any new development can progress. The costs of obtaining professional advice and the consequent delays in obtaining consent and implementation acts as a major deterrent to investors/developers.

- 2.24 Whilst therefore, North East Lincolnshire can demonstrate high levels of demand, the availability of premises for immediate occupation is severely constrained. In addition, the provision of suitable land for development, whilst present, is also constrained as a result of infrastructure constraints, ecological considerations and a lack of commercial viability.

Overcoming Constraints

- 2.25 In order to realise the key opportunities arising, and particularly to ensure that the aspirations for economic growth are realised, it is necessary to ensure that the above constraints are overcome.
- 2.26 Both the Humber LEP and Greater Lincolnshire LEP have economic strategies which support the growth of the five key sectors operational within North East Lincolnshire. The strategies also identify the need to support investment in key infrastructure, and the provision of “oven-ready” sites in order to secure investment opportunities. However, to date the support for investment has arisen on a case-by-case basis, which has only addressed the specific requirements of the applicant, and not addressed the step change needed to radically overcome the current barriers to investment in order to secure a brighter economic future.
- 2.27 Overcoming such constraints identified requires a strategic approach to the provision of land and premises which is also aligned with complementary activities in relation to other economic priorities e.g. improving labour force skills, addressing worklessness, and ensuring an appropriate supply of good quality housing.
- 2.28 North East Lincolnshire Council is considered to be the only public sector body with the ability to take a strategic overview of all these issues. Utilising appropriate legal and financial powers, and working with other partners such as the local business community and the LEP’s, it can ensure that development is progressed in a timely way to meet business needs and requirements in the area.
- 2.29 The South Humber Industrial Investment Programme (S.H.I.I.P.) is a key project that has been specifically devised to overcome the current deficiencies in the supply of good quality employment land and premises, in order to secure business investment, grow job opportunities and develop a stronger economy. It serves as a complementary activity to other programmes, such as addressing the skills base, which will collectively combine to ensure that the area becomes more economically sustainable in the short to medium term.

3.0 Aims and Objectives of the SHIP Programme

3.1 The overall aim of the SHIP programme is to facilitate large scale economic growth over the next 10 – 15 years (i.e. to 2030). This will be achieved through utilising public and private sector resources to overcome current deficiencies and constraints in the commercial property market, namely the provision of suitable sites and premises and ecological and infrastructure restrictions. As a result, the programme will secure business investment, create new jobs and enable the current growth opportunities to be realised.

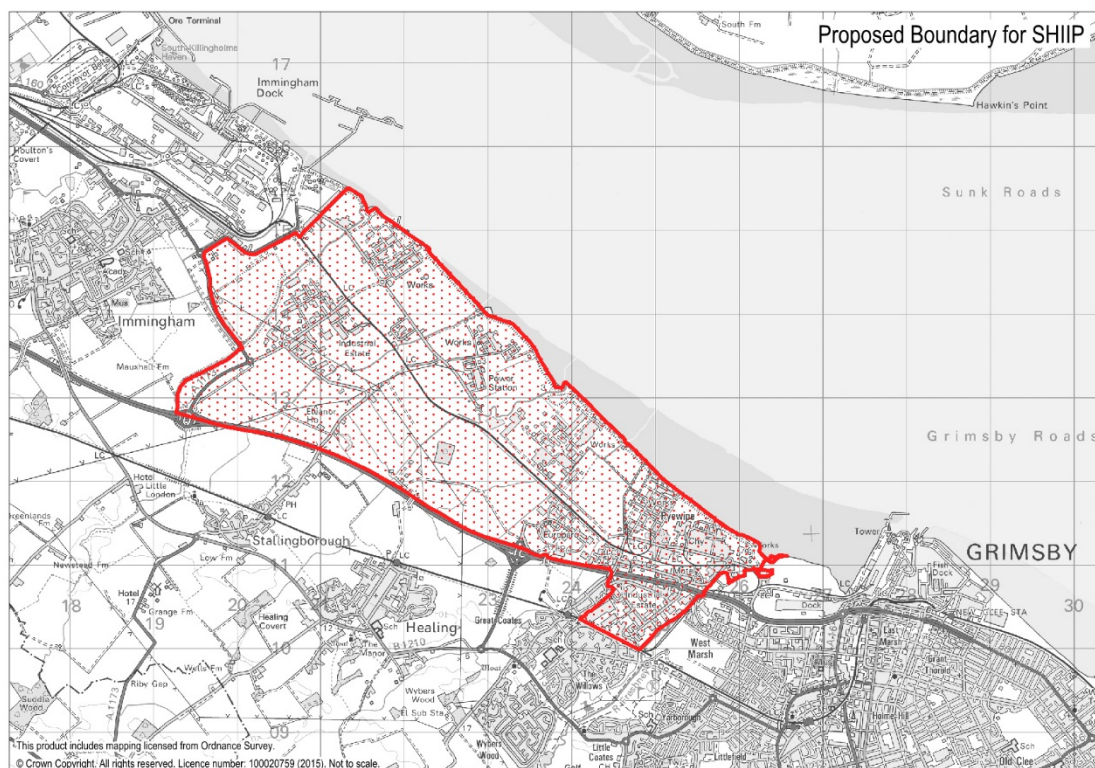
3.2 The key objectives of the programme are:

- i) Provide 120ha of Strategic Mitigation land in order to meet Habitat Regulation requirements for ecological protection of the Humber Estuary and enable development along the South Humber Bank
- ii) To improve 1km of existing road network and provide 0.5km of new road in order to enable improved access to development opportunities, and to improve efficiency in the local road network
- iii) To provide 95ha of serviced “oven ready” land
- iv) To facilitate the development of 222,000 sq. m. new floorspace, accommodating up to 4,000 jobs
- v) Improve the local economy by £196m GVA

3.3 The implementation of the programme is anticipated over a five year period (2016 - 2021), with the total outputs being realised gradually over a 20 year period to 2036.

4.0 Projects

- 4.1 The above aims and objectives will be specifically addressed through the delivery of the SHIIP specific projects outlined below. An overview plan showing the location of each of the projects is attached at Appendix 1.
- 4.2 The base assumption for the whole of the SHIIP programme is that once construction commences, the sites will generate development of 13,935 sq. m. (150,000 sq. ft.) per annum. This assumption is predicated on development taking place across the full SHIIP area (see Plan 1), and is not specifically dependent upon the delivery of the SHIIP specific projects identified below.



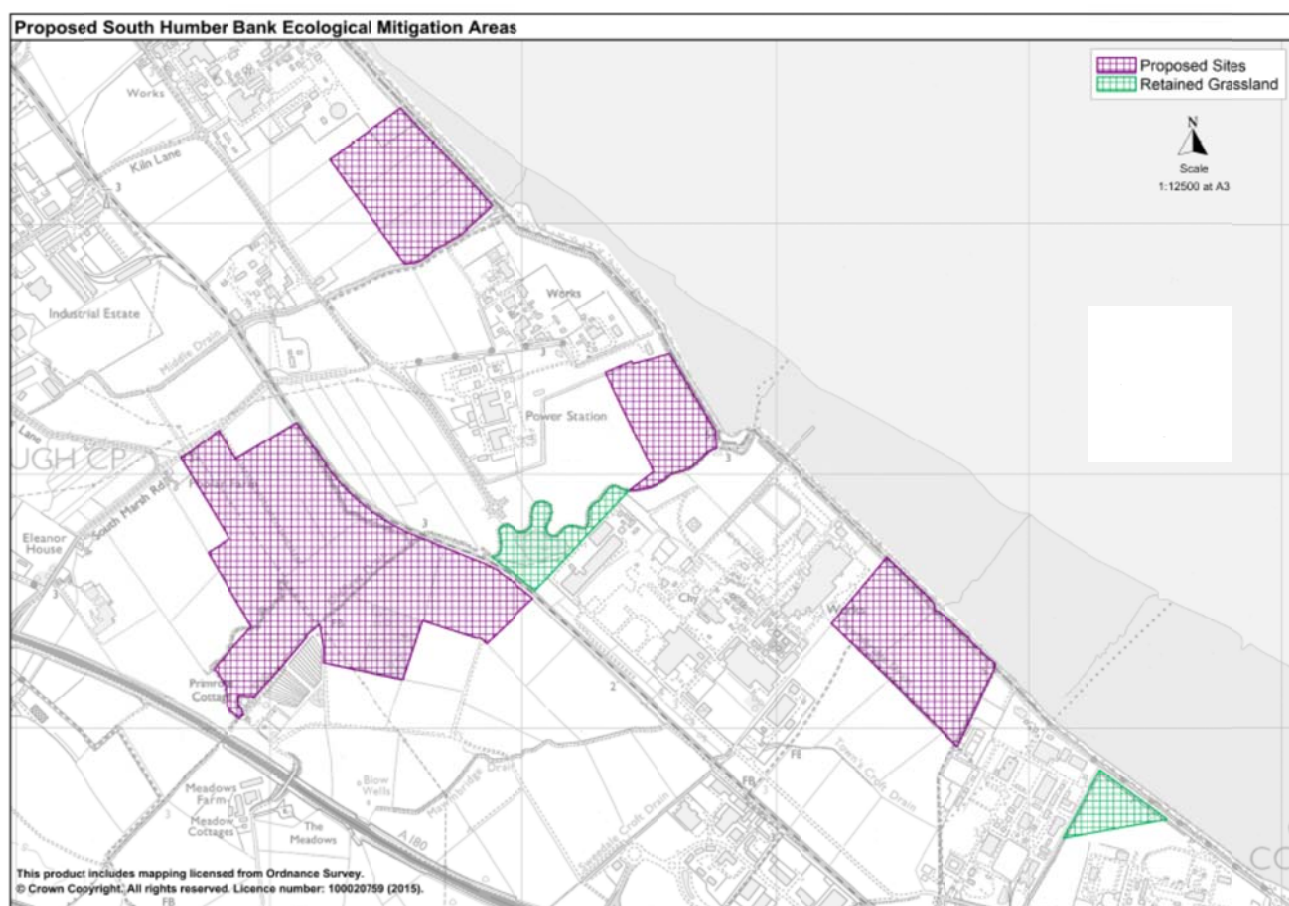
Plan 1 SHIIP Project Area

- 4.3 Provision of floorspace has been assumed at a net density of 40% of the total site area, and jobs have been calculated on the assumption that the floorspace will be split B1 (5%), B2 (45%) and B8 (50%), and that standard job density ratios have been applied. The outputs anticipated in Section 3 above are determined from these assumptions.

Overcoming Infrastructure and Ecological Constraints

Strategic Ecological Mitigation

- 4.9 South Humber Estuary is supported by international environmental designations that protect wintering birds and waterfowl. Any investor wishing to develop land within this area has to overcome technical constraints to obtain planning permission, as well as reaching agreement upon, and delivery of site specific mitigation to address ecological impacts prior to development proceeding. . This is time consuming and acts as a deterrent to inward investment.
- 4.10 The Council has worked with Natural England and other statutory bodies to agree an approach where mitigation sites are provided in advance by the public sector so that future development is not unnecessarily constrained. As a result of the work undertaken, four sites have been identified comprising a total of 118ha, as shown on the plan below.



Plan 2 Strategic Mitigation Sites

- 4.11 Funding has been obtained from the Greater Lincolnshire LEP and NELC towards the implementation of this project, scheduled from April 2016. The funding secured will enable the implementation of the whole scheme, including securing land interests, habitat creation and future maintenance for a period of 25 years. Given that the obligations to ensure mitigation is provided rests with developers, contributions to recover the investment made will be sought from developments throughout the SHIP area (defined on Plan 1) via appropriate s106 agreements.
- 4.12 No direct floorspace of job outputs are generated as a result of the investment made in the Ecological Mitigation project. However, it is recognised that the early implementation of the scheme, once operational, will ensure that the Habitats Directive requirements have been addressed, and the need for protracted technical studies, mitigation negotiations and delays to implementation are negated. The reduction in planning specific requirements will result in “de-risking” of the planning process and enable development/investment to progress without major constraint.

Humber Link Road

- 4.13 Between the Estuary and the A180 is a significant area of industrial land. At its western extent, sites are accessed from the A180 via the A1173 along Hobson Way, a route which runs west –east parallel to the Estuary itself. At the eastern end, access is obtained from the Pyewipe Roundabout along Moody Lane, which terminates approx. 0.5km south of Hobson Way. The cul-de-sac effect of both roads limits the accessibility of sites at either end.
- 4.14 This link road project will develop a new road link between Hobson Way and Moody Lane, providing a new direct link between the Ports which will improve accessibility to potential development sites, improve business efficiency in terms of travelling times and associated costs, and will reduce traffic pressures on the A180 between the Stallingborough Interchange and Pyewipe. Improvements will also be made to the standard of Moody Lane, and the whole link will be of a standard to be publicly adopted upon completion, providing a new through route with unrestricted accessibility.
- 4.15 Outline planning consent for the development of the adjacent at Great Coates Industrial Park has recently been granted. The application indicated the link road, but suggested that it would be retained for private access for those operators on the site. Additionally, no timescale or commitment to the delivery of the road was given.
- 4.16 Funding secured through SHIP and the Greater Lincolnshire LEP, programmed for implementation in 2016 enables the link road to be constructed to an adoptable standard, ensuring that all businesses within that area benefit from improved access arrangements. This will also improve the attractiveness of the proposed Great Coates Industrial Park as well as other development sites along the South Humber Bank. It is anticipated that SHIP would forward fund the works necessary to secure early implementation of the scheme, with appropriate contributions from the adjacent developer towards the scheme's implementation.
- 4.17 The site has been proposed as an allocation within the Draft Local Plan, and has been identified as primarily meeting the requirements of the Chemicals and Process industries as a result of its location and its surrounding neighbours, and the available infrastructure suited to these operations (e.g. pipelines, freight corridor etc). The application notes that primarily uses will be within Use Classes B2 and B8.
- 4.17 Based on the assumption that 45% of the site will be brought forward in the plan period, the outputs assumptions for the site are as follows:

	FLOORSPACE DEVELOPED (SQ. M.)				JOBS GENERATED (FTE)			
	B1	B2	B8	TOTAL	B1	B2	B8	TOTAL
0-5 YEARS	453	4,079	4,532	9,064	38	82	57	177
5-10 YEARS	680	6,118	6,798	13,596	57	122	85	264
10 – 15 YEARS	906	8,157	9,064	18,127	76	163	113	352
TOTAL PLAN PERIOD	2,039	18,354	20,394	40,787	171	367	255	793
15+ YEARS	2,493	22,433	24,926	49,852	208	449	312	969
TOTAL	4,532	40,787	45,320	90,639	379	816	567	1,762

Table 2 Humber Link Road Floorspace and Jobs

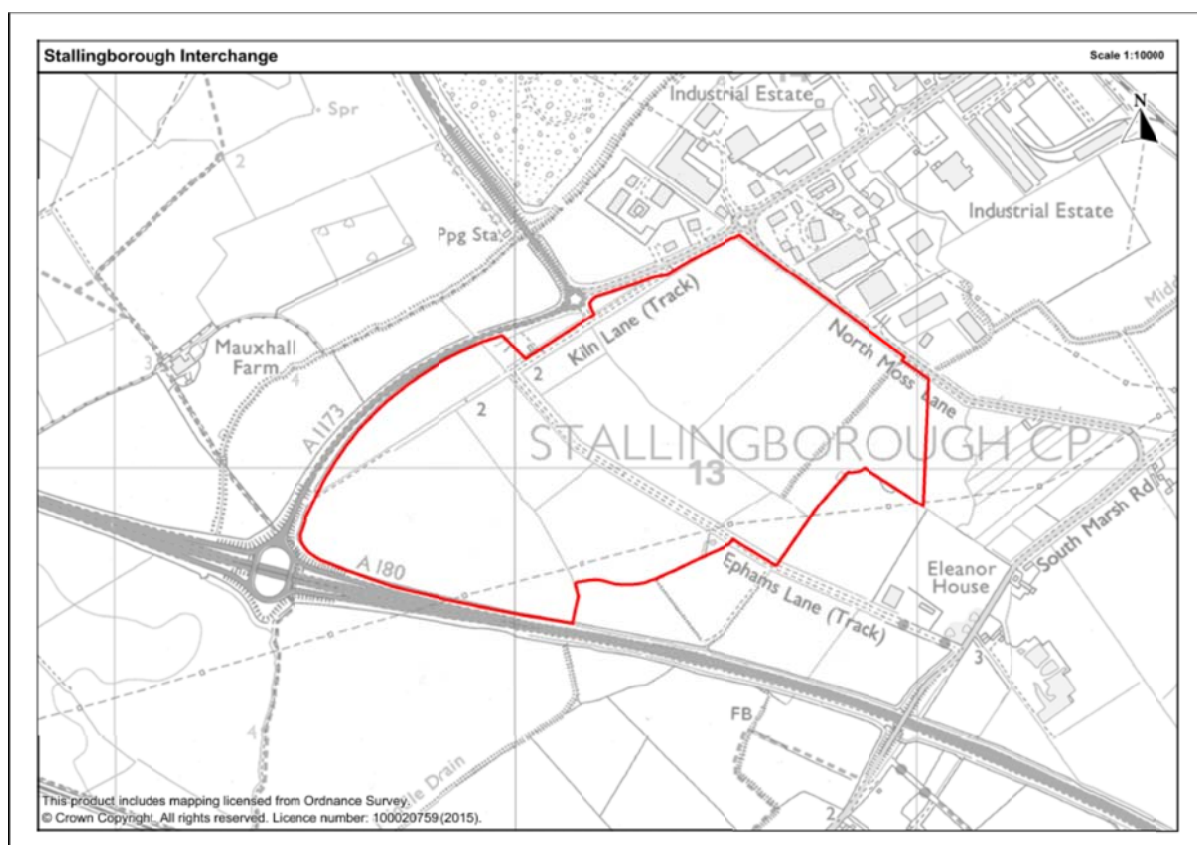
Eastgate

- 4.18 The Eastgate project would facilitate the de-regulation of roads close to the Eastgate the Port of Immingham to enable access to and from the port with non-licensed vehicles. This would complement privately led investments within the Eastgate area to support off-port activities.
- 4.19 No direct outputs are specifically attributed towards this scheme. However, the implementation of the project would result in improved accessibility for businesses operating outside the port area.
- 4.20 Funding from SHIP will secure the implementation of road de-regulation.

Provision of Strategic Employment Sites

Stallingborough Strategic Employment Site

- 4.4 Located at the interchange of the A180 and A1173, (see Plan 1 below), this site presents a high profile strategic site comprising 64ha (gross) with good potential for attracting business investment particularly with respect to the ports logistics sector given its proximity to the Port of Immingham.



- 4.5 The site was promoted through the Call For Sites process following initial discussions with the four land owners affected. The Plan indicated that the site was considered suitable primarily for meeting the needs of the Logistics Sector, and particularly for provision of sites for off-port operations. The Plan also anticipated that a partial allocation may be appropriate to meet identified needs across the plan period.
- 4.6 It is proposed that this forms one of the sites which would provide a ready supply of “oven ready” sites required to support investment in the economy. The site will be delivered on a joint venture basis with the landowners, for which agreement in principle has been reached, and public sector investment would be utilised to provide site access and on-site infrastructure (drainage, utilities, access roads, structural landscaping) to facilitate serviced plots for onward sale in the open market, providing much needed freehold industrial investment opportunities. Upon total completion, it is anticipated that this site would create an additional 256,000

sq. m. (2.7m sq. ft.) of built floorspace generating much needed business investment and jobs within the area.

- 4.7 Funding has been secured towards the implementation of site access from the Humber LEP, with the current programme (see Appendix 2) proposing the start of on-site construction from Summer/Autumn 2016. Disposals are anticipated to begin in Year 3 of the project.
- 4.8 Assumptions have been made that the site will progress disposals at an average rate of 4ha per annum (10 acres). Over the plan period, 40% of the site area is anticipated to be delivered. Based on this assumption, the following floorspace and jobs are generated from this scheme:

	FLOORSPACE DEVELOPED (SQ. M.)				JOBS GENERATED (FTE)			
	B1	B2	B8	TOTAL	B1	B2	B8	TOTAL
0-5 YEARS	1,280	11,520	12,800	25,600	107	230	160	497
5-10 YEARS	1,920	17,280	19,200	38,400	160	346	240	746
10 – 15 YEARS	1,920	17,280	19,200	38,400	160	346	240	746
TOTAL PLAN PERIOD	5,120	46,080	51,200	102,400	427	922	640	1,989
15+ YEARS	7,680	69,120	76,800	153,600	640	1382	960	2,982
TOTAL	12,800	115,200	128,000	256,000	1,067	2,304	1,600	4,971

Table 3 Stallingborough Floorspace and Jobs Total

Provision of Readily Available Industrial Premises

Brocklesby Estates

Brocklesby Estates secured planning permission for development of their 22ha site at the junction of Kings Road/Pelham Road for commercial uses (primarily B2 and B8 uses) in 2014. RGF funding to assist with the provision of on-site infrastructure has been sought and has in principle approval. SHIIP funding would be used to construct a 5,575 sq. m. (60,000 sq. ft.) industrial unit that meets ports logistics requirements. NELC would work through a joint venture with the landowner/developer.

Europarc

Europarc III has primarily been progressed on a bespoke development basis. However, there is an urgent need to provide appropriate food grade premises within the area. Early discussions with the developer have indicated a willingness to progress the development of a 11,150 sq. m. (120,000 sq. ft.) speculative unit, although this would need support from the public sector in order to ensure that viability issues and commercial risks are addressed. This would form a single project within the SHIIP programme, and be undertaken on a joint basis working with the developer of the Europarc site.

The floorspace generated would provide two speculatively built units comprising a total floorspace of 16,725 sq. m. (180,000 sq. ft), generating a further 300 jobs.

5.0 PROJECT DELIVERY

Project Outputs and Outcomes

- 5.1 The SHIIP programme has been progressed the basis that an assumption of 13,935 sq. m. (150,000 sq. ft.) per annum will be developed within the SHIIP area over a 20 year period. The overall outputs assume 222,960 sq. m. of new built floorspace, the delivery of 95ha of readily serviced land and the generation of circa 4,000 jobs over this period. This calculation is not reliant upon the delivery of SHIIP specific projects only.
- 5.2 The Draft Local Plan identifies growth potential to generate 8,800 jobs within the local economy over the period to 2032. Of these, 4,000 jobs are anticipated to be identified within the traditional industrial B1, B2 and B8 Use Classes.
- 5.3 The implementation of the SHIIP projects identified within Section 4.0 above will however, make a significant contribution towards the delivery of the required growth identified. The above shows that, assuming standard floorspace densities, that circa 160,000 sq. m. (1,722,250 sq. ft.) can be accommodated, generating 3,200 jobs over the plan period.
- 5.4 In addition, it is anticipated that investment to overcome strategic infrastructure constraints, specifically in relation to Strategic Ecological Mitigation and the provision of a port link road between Moody Lane and Hobson Way, will create further opportunities for investment and growth, although this is difficult to quantify in terms of the above. Nevertheless, it will support the generation of economic development opportunities within the area, which will ultimately boost business and investor confidence.

Programme Funding

- 5.5 The total programme requirement for the delivery of the above amounts to £29.6m. The main sources of funding are secured through public sector resources, specifically funding from the Humber and Greater Lincolnshire LEP, and North East Lincolnshire.
- 5.6 To date, £5.0m funding has been secured from the Greater Lincolnshire and Humber LEP's, which will specifically allocate funding towards the delivery of Strategic Ecological Mitigation, access to the Stallingborough Interchange site, and the development of the port link road. The vast majority of this funding is scheduled for

spend from the 2016-17 financial year. A further £1.36m was also been committed through the ERDF programme in November 2016.

- 5.7 North East Lincolnshire Council committee to borrowing of £15.0m in January 2016 towards the delivery of the programme. Detailed designs and planning applications are now being pursued in order to fulfil spending profiles.
- 5.8 Funding has also been assumed to be provided in part from the private sector, specifically in relation to sites where investment is being made which supports private sector activity. Whilst this has yet to be confirmed in detail the principles of financial contributions has been confirmed by the developers involved.
- 5.9 It is recognised that further funding opportunities may come forward through the LEP and other sources. Where appropriate, all opportunities to secure funds for the implementation of the above projects, including the potential to add further projects to the programme in due course.

Project Delivery and Timescales

- 5.10 SHIIP will be led via the North East Lincolnshire Partnership, with key officers forming a Project Board taking responsibility for the progression of the scheme in accordance with project objectives. The Board is authorised to act upon the direction of Cabinet, and will be supported by a designated Project Team.
- 5.11 The funding regime will dictate the extent to which the programme will be delivered. However, at this stage it is anticipated that initial spend will be required for take place from April 2016. Specifically work is being progressed to enable the Strategic Ecological Mitigation and Stallingborough Interchange to make substantial starts on site within the 2016 financial year, with the implementation programme progressing over a five year period. A project programme is identified below:

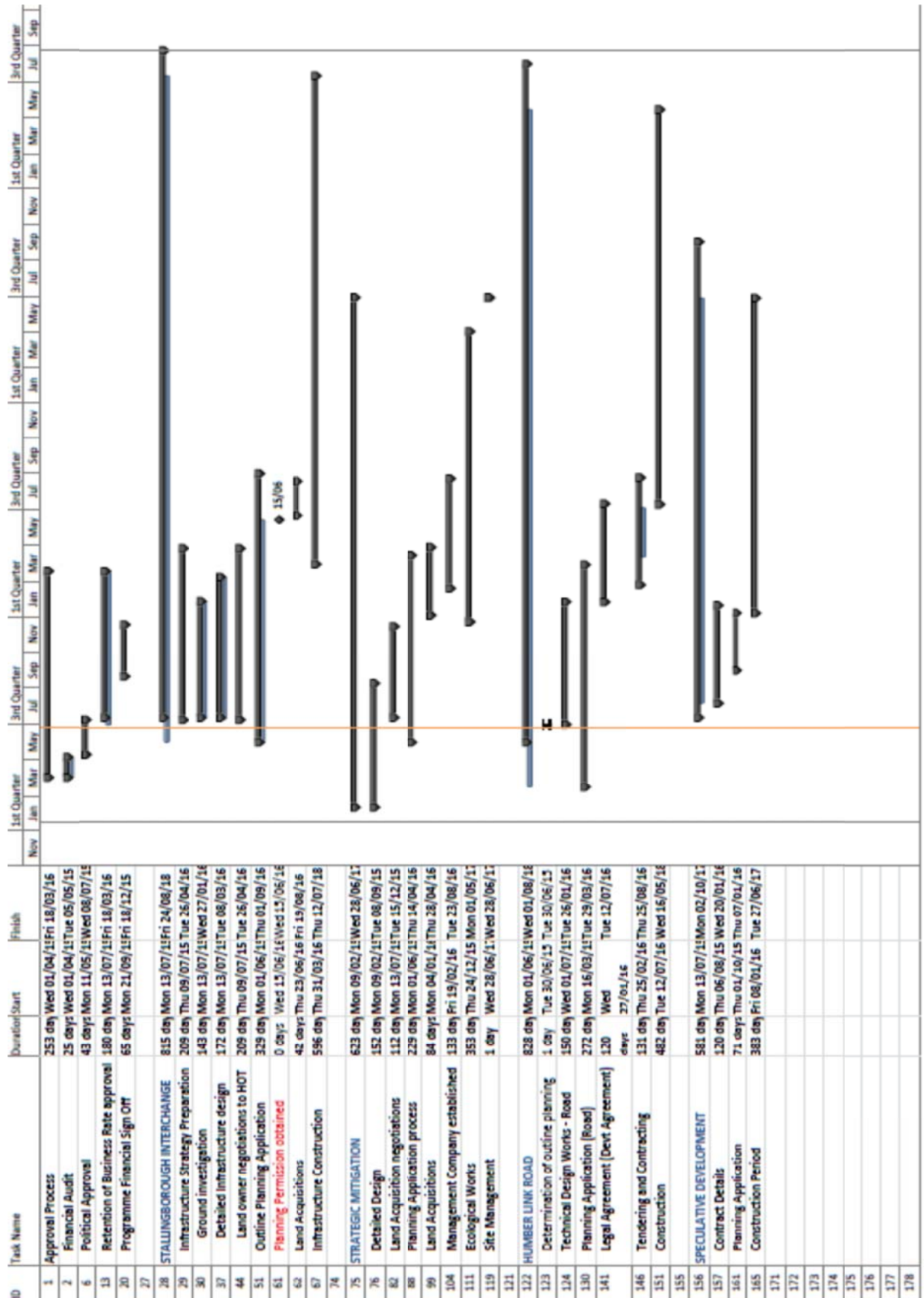


Figure 1 Overall Project Programme

6.0 Conclusions

BIBLIOGRAPHY

North East Lincolnshire Sector Study	Atkins 2014
North East Lincolnshire Economic Futures	Atkins 2014
Commercial Market Assessment	Evolution PDR Ltd 2014
Annual Monitoring Report 2013/14	NELC 2014