CABINET

DATE	12th February 2020
REPORT OF	Councillor John Fenty Portfolio Holder for Regeneration, Skills and Housing
RESPONSIBLE OFFICER	Clive Tritton, Interim Director of Economy & Growth
SUBJECT	Compulsory Purchase Order for land assembly related to the South Humber Industrial Investment Programme Mitigation Land
STATUS	Open
FORWARD PLAN REF NO.	CB 02/20/08

CONTRIBUTION TO OUR AIMS

The South Humber Industrial Investment Programme will play a key role in creating a "Stronger Economy". It will achieve this by delivering a programme of projects that will overcome key environmental and infrastructure constraints that are acting as a deterrent to business investment. The programme includes the provision of quality serviced industrial sites that are immediately available to new inward investors, ecological mitigation and the implementation of the South Humber Bank Link Road to improve the connectivity between the ports of Immingham and Grimsby.

EXECUTIVE SUMMARY

This report provides detail of the current land assembly position for the South Humber Industrial Investment Programme mitigation project with a recommendation for approval in principle to exercise Compulsory Purchase Powers on various land parcels designated as mitigation land.

RECOMMENDATIONS

It is recommended that Cabinet:

1. Supports approval in principle for the Council to exercise its powers to compulsorily purchase various parcels of land designated as mitigation land.
2. Authorises the Director for Economy and Growth in consultation with the Portfolio Holder for Regeneration, Skills and Housing to take all preliminary actions regarding the implementation of a compulsory purchase order
3. That final decision of completion of any such order rests with Cabinet and be subject to a further report.

REASONS FOR DECISION

To maintain momentum on land assembly and ultimately, the delivery of further ecological mitigation sites.

1. BACKGROUND

1.1 The South Humber Industrial Investment Programme (SHIIP) has previously been considered at Cabinet on 8 July 2015, 13 January 2016 and 14 December 2017.

1.2 SHIIP is central to delivering the growth ambition set out in the new Local Plan. The early creation of sustainable infrastructure enables and facilitates that growth and includes the provision of new strategic employment land.

1.3 The programme seeks to deliver circa 195ha of developable land, including 64ha of serviced land at the Stallingborough Interchange Development site together with up to 120Ha of mitigation land which will, in turn, assist the creation of investment and jobs. Business rates generated by SHIIP will enable the Council to service the costs of investment.

1.4 The presence of new and expanding businesses, improved employment opportunities and greater inward investment will all contribute to a stronger economy and stronger communities within the Borough.

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

1.6 A key output of the programme is the provision of up to 120Ha of mitigation land.

1.7 40Ha has already been acquired by the Council and the Cress Marsh mitigation site construction has been completed. Negotiations have been ongoing for other plots for some considerable while although as at the date of this report, it has not been possible to conclude such negotiations. On this basis, it is now necessary to prepare for the use of statutory Compulsory Purchase powers to acquire the land allow the Council to progress this important scheme for the benefit of the Borough.

1.8 Legal consultants have been appointed in readiness and whilst such preparations for Compulsory Purchase are underway, Officers will continue to seek to draw negotiations to a close by agreement. If this is not possible, a further report will be brought forward with the expectation of formally making a Compulsory Purchase Order (CPO).

2. RISKS AND OPPORTUNITIES

2.1 A full risk assessment has been undertaken for the SHIIP initiative. Risk management is closely monitored by the SHIIP Board and relevant mitigating

actions undertaken. The risk of not acquiring the land are that the Council's objectives for economic growth will not be realised to their full extent.

2.2 The investigation and resulting recommendations will be informed by external legal advice.

3. OTHER OPTIONS CONSIDERED

3.1 Do nothing – this would not accord with the economic and environmental aspirations for the South Humber Bank and would severely limit the opportunities for investment in the area. Moreover, there would be potential negative consequences with the partners who worked with the Council to agree this innovative approach to advance mitigation.

4. REPUTATION AND COMMUNICATIONS CONSIDERATIONS

4.1 SHIIP is an active demonstration of the Councils on-going commitment to achieving the aspirations set out within the new Local Plan and the Council's Economic Strategy.

4.2 The Strategic Mitigation Project is a key infrastructure project within the SHIIP and will raise the profile of the programme upon completion of the land assembly process and construction of the wetlands.

4.3 Progressing SHIIP has already had a positive impact upon the reputation of the Council locally, regionally and nationally, resulting in improved perceptions of North East Lincolnshire as a business investment location. There has already been a number of serious inward investment enquiries relating to sites included within the programme area.

4.4 A communications plan is currently in place and is regularly monitored and updated by the SHIIP board. The plan includes press opportunities, stakeholder management and public engagement.

5. CONSULTATION WITH SCRUTINY

5.1 There has been no engagement on the specifics of Compulsory Purchase. However, the wider SHIIP initiative has been the topic of several Scrutiny briefings and an all Member workshop in July 2019.

6. CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

6.1 The SHIIP project supports the Council's environmental priorities.

6.2 The new Humber Link Road will significantly reduce the time and cost of travel between Grimsby and Immingham as well as reducing the pressure on the A180. This will reduce waste and have a positive effect on carbon emissions.

6.3 SHIIP's mitigation strategy will have a positive impact on the areas environmental footprint by providing mitigation land which is designated

specifically for the protection of over-wintering birds. This has been done in a manner that presents wider environmental benefits through the scale and form of the habitat provided. This is effectively an example of biodiversity net gain.

6.4 The new Stallingborough Interchange Development Site is a flagship development and will aim to attract businesses that will support the authority's ambitions in terms of reducing carbon footprint.

7. FINANCIAL CONSIDERATIONS

7.1 The SHIIP initiative is in accordance with the Council's key financial objective to create long term financial stability through a commercial approach to generating and retaining external income and funding.

7.2 The programme has been closely monitored by the SHIIP Board and regular financial reviews are part of the governance expectations within the programme. As identified in previous reports to Cabinet, the ability to retain 100% business rates generated from the Enterprise Zone status presents a significant opportunity to the Council with an estimated £75m additional income forecast over the next 25 years.

7.3 The preparatory work will include a review of the cost/benefit implications of a CPO and identify the necessary steps to initiate the process.

8. FINANCIAL IMPLICATIONS

8.1 The financial cost of the CPO exercise is not anticipated to be significant and will be funded from the overall SHIIP budget. A decision not to proceed with the CPO will delay the land assembly process and therefore impact upon the Council's ability to generate business rates through the programme.

9. LEGAL IMPLICATIONS

9.1 The purchase of the remaining mitigation land will underpin the SHIIP Project and is consistent with the stated aims and objectives of the Council underpinning its strategic objectives of Stronger Economy, Stronger Communities.

9.2 A range of statutory provisions underpin the exercise of the Council's compulsory purchase powers designed to balance the public interest need and the rights of various landowners. The recommendations sought permit preliminary steps to be taken in the exploration of these issues subject to returning to Cabinet for final mandate to complete.

10. HUMAN RESOURCES IMPLICATIONS

10.1 There are no direct HR implications arising from the contents of this report.

11. WARD IMPLICATIONS

11.1 The mitigation sites are situated in the Immingham and Wolds wards. The economic benefits of the project will be distributed across North East Lincolnshire reflecting the continued economic importance of the SHIIP project.

12. BACKGROUND PAPERS

Cabinet Report – SHIIP – 14 December 2017
Cabinet Report – SHIIP – 13 January 2016
Cabinet Report – SHIIP – 8 July 2015

13. CONTACT OFFICER(S)

Acting Assistant Director Regeneration	Partnership Director	Project Manager
Damien Jaines-White	Marcus Asquith	Winston Phillips
Regeneration NELC	ENGIE	Project Management Office, ENGIE
01472 324674	01472 324602	01472 325662

Councillor John Fenty
Portfolio Holder for Regeneration, Skills and Housing