

NORTH LINCOLNSHIRE COUNCIL

CABINET

ABLE MARINE ENERGY PARK UPDATE

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To provide Cabinet with an update on the progress of the Able Marine Energy Park development.

2. BACKGROUND INFORMATION

- 2.1 The Able Marine Energy Park (AMEP) development aims to create the largest offshore wind park in Europe. The development will provide 1,300 metres of heavy duty deep water quays. It is the best opportunity for the UK to create a significant offshore wind cluster. AMEP has the potential to deliver a brand new offshore wind sector into the Humber.
- 2.2 The Crown Estate launched a £100 billion programme to deliver 20% of UK energy via offshore wind in 2009. The Able Marine Energy Park is essential if the UK is to create a new offshore wind sector and meaningful numbers of new jobs. The size and scale of AMEP is unique and is essential in order to provide the economies of scale necessary to drive down the cost of offshore wind energy production.
- 2.3 AMEP is a £450 million development on a 366.7 ha site (900 acres). The project will create up to 4,100 jobs. It is estimated that the development could deliver £264.5m Gross Value Added to the local economy annually. It will also create around £378m total net additional GVA to the Yorkshire and the Humber and up to £693m nationally.
- 2.4 The Secretary of State for Transport granted AMEP a Development Consent Order (DCO) in December 2013 and concluded:
- “the scale of the opportunity offered by the AMEP development to transform the Humber side economy by establishing a super cluster of marine energy activities, and the inclusion of manufacturing facilities at AMEP, are important and distinctive features which set it apart from other schemes.”* (SoS Transport 18th December 2013):
- 2.5 Some significant delays have since affected the progress of the AMEP project. These have mainly arisen as a consequence of a number of unsuccessful judicial challenges to the DCO that included a Special

Parliamentary Procedure and Judicial Review. Work has continued to develop the AMEP throughout this time.

2.6 The AMEP was designated the largest Enterprise Zone in the country in 2013. It was also awarded the largest EZ Capital Grant Award of all the Enterprise Zones in January 2014. The EZ Grant supported the delivery of enabling and preliminary infrastructure works. These infrastructure works are now fully completed. Able UK intends starting the development of the quays in in 2016 and the site will be built out in 2018.

2.7 In August 2015 DONG Energy signed a public Memorandum of Understanding (MoU) with Able UK with a view to establishing an operational hub and to attract their supply chain (including manufacturers) to AMEP. DONG Energy are a leading global developer of offshore wind and this announcement represents a very positive step forward to delivering an offshore wind manufacturing cluster on AMEP.

3. OPTIONS FOR CONSIDERATION

3.1 That Cabinet notes the progress achieved to date in delivering the AMEP development and its significance to the local, regional and national economy.

3.2 That Cabinet welcomes the intention by Able UK to start work on the next phase of the project to develop the quays and the involvement of DONG Energy in the development.

4. ANALYSIS OF OPTIONS

4.1 Not applicable

5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)

5.1 The Council has successfully attracted £14.9 m of external funding to support infrastructure development on AMEP.

5.2 A £132 million improvement scheme for the A160 serving the Able Marine Energy Park and the South Humber Bank Ports is due for completion in early 2016.

5.3 The council has submitted a £5 million ESIF bid to provide a comprehensive drainage scheme (Killingholme Marshes Drainage Scheme) as part of an essential infrastructure bid for the South Humber bank.

5.4 There are no other resource implications to highlight.

6. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)

6.1 Not applicable

7. OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED

7.1 The AMEP has been through an exhaustive public examination and scrutiny process involving Special Parliamentary Procedures and Judicial Review.

8. RECOMMENDATIONS

8.1 That Cabinet notes the progress achieved to date in delivering the AMEP development and its significance to the local, regional and national economy.

8.2 That Cabinet welcomes the intention by Able UK to start work on the next phase of the project in 2016 to develop the quays

8.3 That Cabinet recognises and welcomes the signing of a Memorandum of Understanding between Able UK and DONG Energy and takes every opportunity to secure the involvement of DONG Energy onto AMEP.

DIRECTOR OF PLACES

Civic Centre
Ashby Road
SCUNTHORPE
North Lincolnshire
DN16 1AB
Author: Marcus Walker
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Background Papers used in the preparation of this report

- AMEP Public Examination DCO; SPP AND JR Reports