

NORTH LINCOLNSHIRE COUNCIL

**BUSINESS, INNOVATION, EMPLOYMENT AND SKILLS
CABINET MEMBER**

LOCAL GROWTH FUND

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To approve the submission of Local Growth Fund outline business cases to the Humber Local Enterprise Partnership.
- 1.2 This is an urgent decision as the deadline for the submission of bids is the 13 May 2016 for consideration by the Humber Local Enterprise Partnership week commencing 16 May 2016.

2. BACKGROUND INFORMATION

- 2.1 Local Growth Fund 3 was announced as part of the budget in March 2016. Government will award funding based upon the merits of the cases we make and their criteria for funding.

The criterion includes:

- **Strong collaboration between your partnership and the local area.**
 - The need for **stronger, reformed governance structures** implies that proposals that are aligned with mayoral Combined Authorities (or proposed Combined Authorities) will have an advantage.
 - Proposals should include a **greater level of private sector investment** than in previous rounds, as well as match funding from other bodies such as universities.
 - Our strategy should engage **with government's key objectives** within the wider local context (such as plans for housing delivery and the area reviews into further education).
- 2.2 The Council has previously secured Local Growth funding to support Economic Growth.

3. OPTIONS FOR CONSIDERATION

3.1 The Cabinet Member is asked to approve the submission of the projects outlined in Appendix One.

4. ANALYSIS OF OPTIONS

4.1 It is proposed that the Council submit the schemes to the Humber Local Enterprise Partnership – the schemes are those where the Council will act as the accountable body. The Council will also support the submission of other schemes through the process by private sector and/or other public sector organisations.

4.2 The schemes that are proposed support the Council strategy. The process approval will be through the Humber LEP assurance framework. This will include a peer review prior to moving to Full Business Case.

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

5.1 The schemes will require some match funding from both the private and public sector as appropriate. Appendix One sets out the details.

5.2 The two schemes that seek financial support from the Council are Sandtoft Business Park (£50k) and Mortlash Hill Business Park (£250k). Should the schemes progress to the full business case stage, a full financial plan will be submitted to the Cabinet Member for consideration.

5.3 An organisation acting as an accountable body for the schemes will have to underwrite the risks associated with the delivery and outcomes of the schemes. These could potentially prove onerous. However, these risks would only apply upon the signing of any funding agreement or offer letter. The council needs to be aware of these risks when seeking LGF funding for the projects in question.

6. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)

6.1 Each of the schemes will have their own assessment on commencement of the projects.

7. OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED

7.2 Relevant internal consultation has taken place and the report amended to reflect this.

8. RECOMMENDATIONS

8.1 That the Cabinet Member approves the submission of the outline business cases to the Humber Local Enterprise Partnership as detailed in the attached appendix.

DIRECTOR OF PLACES

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Background Papers used in the preparation of this report: None

	A	B	C	D	E	F	G	H	I	J
1	Humber LEP pipeline projects									
2	Project name	Applicant	Summary	Total Project Costs (£m)	Growth Deal Request (£m)	Match Funding Sources	Start Date	Completion Date	Outputs	Submitted
3	Killinghome Marshes Pumping station and drainage improvements	North Lincolnshire Council	construction of a pumping station and drainage solution to facilitate further development of the South Humber gateway.	£6,510,422	£3,474,440	£3,035,982 (private sector)	Highly deliverable before 2018/19	2 year project	Area of land experiencing a reduction in flooding likelihood (ha): 260 ha - 260ha Hectares of land opened up for development through flood	
4	East Halton Flood Defences	North Lincolnshire Council	This project will protect a large area of land on the South Humber Gateway, which is the largest undeveloped land in England adjacent to a deep-water estuary and provide significant employment opportunities and potential for economic growth.	11,605,775	6,963,465	4100000 (other public sector) 542310 (private sector)	Highly deliverable before 2018/20	3 year project	jobs safeguarded: 3000 - 3000	
5	Sandtoft Business Park	North Lincolnshire Council	The project will deliver new and upgraded transport infrastructure to provide access to the strategic employment site at Sandtoft Airfield (55.3ha) in North Lincolnshire	£4,000,000	£1,150,000	50000 (NLC) £ 2800000 (private sector)	Apr-18	Apr-20	New jobs created as a direct result of the intervention: 588 - 2058 Construction jobs: 36 Commercial floorspace constructed: 125834 sqm Area of land reclaimed (re)developed or assembled (ha): 53.3 ha Commercial floor space occupied: B1 - 125834 B8 - 125834 sqm	
6	Mortal Ash Business Park	North Lincolnshire Council	The project will the development of 15.48hectares for Business space	£9.25m	£2.25m	£250k			awaiting completion of the Feasibility study	
7	Winteringham Ings to South Ferriby Flood Defences	North Lincolnshire Council	This scheme will reduce the flood risk to approximately 140 properties, the repaired CEMEX cement factory and the A1077 within the village. The project is envisaged to involve the raising and strengthening of the sea defences for 2km, including the complexed defences around the River Ancholme outfall sluices.	awaiting final details					Jobs safeguarded as a direct result of the intervention: 120 - 170 Construction jobs: 20-30	
8	Barton to New Holland	North Lincolnshire Council	The flood defence scheme will improve the existing flood defences from Barton Haven to the industrial zone in New Holland. This will include protecting the community along Barrow Haven.	awaiting final details					Jobs safeguarding as a direct result of the intervention: 300 - 500 Construction jobs: 15 - 30	
9	Lincolnshire Lakes Motorway De-trunking scheme	North Lincolnshire Council	The investment will improve transport routes to and from the Lincolnshire Lakes development.	£13m	£5m	£8m (other public sector)	Highly deliverable before 2018/19	2 year project	New jobs created as a direct result of the intervention: 304 up to year 2028 construction jobs: 500 - 500 housing units completed: 1662 (additional on the 6077 already claimed under flood mitigation scheme)	