

CABINET

DATE	8 th March 2023
REPORT OF	Cllr. Philip Jackson, Leader of the Council and Portfolio Holder Economy, Net Zero, Skills, and Housing
RESPONSIBLE OFFICER	Carolina Borgstrom, Director of Economy, Environment and Infrastructure
SUBJECT	Alexandra Dock Development
STATUS	Open
FORWARD PLAN REF NO.	Not included on the Forward Plan therefore to be considered under the General Exception provisions of the Constitution.

CONTRIBUTION TO OUR AIMS

Providing an attractive waterfront and associated development, in the heart of Grimsby Town Centre will contribute to the overall look and feel of our town centre, contributing to both the Council's "Stronger Economy" and "Stronger Communities" priorities. The scheme aligns with the ambitions of the Local Plan, the Town Deal, and the Grimsby Town Centre Masterplan 2020. All acknowledge the importance of developing the town centre to enhance, protect and diversify its current offer, to ensure it is more resilient and can adapt to the structural change taking place in the High Street economy by increasing footfall and boosting both day and evening town centre economies.

The proposals will transform underutilised space in the town centre to create an attractive, safe, and inclusive place bringing many social, environmental, and economic benefits. A place where people can meet, socialise relax, participate in events.

EXECUTIVE SUMMARY

This report outlines an aspiration for the regeneration of the Alexandra Dock area within Grimsby Town Centre and seeks approval to progress the proposals further.

RECOMMENDATIONS

It is recommended that Cabinet:

1. Notes the proposals for the regeneration of the Alexandra Dock area.
2. Delegates to the Executive Director, Place and Resources, in consultation with the Leader of the Council authority to appoint specialist property and regeneration advisers to progress the technical studies required to progress plans for the Alexandra Dock area.
3. Approves the submission of a Brown Field Land Release submission to the Department for Levelling Up, Housing, and Communities (DLUHC) by the Executive Director Place and Resources.

4. Delegates to the Executive Director, Place and Resources, in consultation with the Leader of the Council, authority to commence the procurement of a development partner to work with the Council or other such developer, having regard to any conditionality or recommendation of associated central government funder, and thereafter to award, mobilise and arrange for implementation.
5. Authorises the Executive Director, Place and Resources, in consultation with the Leader of the Council, to:
 - a. Accept any successful funding awards from DLUHC, Homes England or any other body in connection with the development
 - b. Defrayal of the grants within the terms of any conditionality
 - c. Undertake all ancillary activity reasonably arising in support and implementation of the above recommendations.
6. Authorises the Assistant Director Law and Governance (Monitoring Officer) to execute and complete all requisite legal documentation in relation to the matters outlined above.

REASONS FOR DECISION

To enable the Council to progress to the next phase of works related to the project.

1. BACKGROUND AND ISSUES

- 1.1 The Grimsby Town Centre Masterplan identifies Alexandra Dock as, “a huge asset for Grimsby with significant potential to be enhanced and used in a more intensive way”. The masterplan also identifies potential for the Alexandra Dock area to be a major residential district in the longer term, taking advantage of access to the water space and much improved public realm, which would be complemented by a mix of other uses including leisure uses associated with the water and commercial space. Finally, the masterplan advises that this transition will take place over time, setting out a long-term vision for the area.
- 1.2 To support the outcomes proposed via the Grimsby Town Centre Masterplan a first phase of housing at Alexandra Dock, was included in the Town Investment Plan and is one of six projects included in Grimsby’s Towns Fund programme. The project has been allocated £7.8m of the £20.9m Towns Funding awarded to Grimsby. All six projects were identified as catalytic regeneration projects in the Grimsby Town Centre (GTC) Masterplan 2020 and the Town Investment Plan and have been prioritised for delivery over the next five years.
- 1.3 Development of the Alexandra Dock area will support and enhance the existing regeneration activities taking place within the wider town centre, including acquisition of Freshney Place, development of the Freshney Leisure Scheme and the other Towns Funded projects such as Riverhead Square. Cumulatively, these will provide a transformational impact on Grimsby Town Centre and help to support the Council’s overall ambition to create an attractive and vibrant place, home to a growing business and residential community, with enlivened public areas and water-spaces, where culture and heritage is

embraced, and a broad offer of activities and pastimes can be enjoyed by all.

- 1.4 To support delivery of the first phase of housing at Alexandra Dock, North East Lincolnshire Council has been working closely with Homes England (the Government's housing accelerator) and identified an approach to achieve this. This collaborative approach has also developed a high-level proposal regarding the wider regeneration of the Alexandra Dock area, in line with the principles laid out in the Grimsby Town Centre masterplan, which might take place over a longer-term period of up to 30-years.
- 1.5 To progress both delivery of the first phase of housing and wider ambition for the Alexandra Dock area, the Council and Homes England has been working together to consider how this opportunity might be articulated to prospective developers and funders. To support this, Homes England is proposing to provide funding to the Council of up to £500,000 that will enable it to carry out further investigations as to the best way to achieve the ambition outlined above, including desk top studies and site investigation works that will support the ambition.
- 1.6 The principal objective driving this work is to create a place that connects the town and its community with its waterside, creating an exemplary urban living environment around a lively, active, and natural environment.
- 1.7 The first phase housing development will be situated at the South Western end of Alexandra Dock, adjacent to the new Onside Youth Action Zone, creating up to 130 new homes. The ambition for this scheme is to create ultra-low carbon homes, which will become an exemplar scheme for the region.
- 1.8 As outlined in paragraph 1.5, Homes England has been working with North East Lincolnshire Council regarding Alexandra Dock, and they commissioned initial studies into the proposals outlined in this report. This included high-level technical and visioning information, but also included potential delivery options for the first phase development, including soft market testing with developers.
- 1.9 As outlined above, whilst the first phase development has already secured Towns Fund monies, the outcome of the studies highlighted in paragraph 1.8 is that this funding will enable the Council to deliver a high-quality scheme. However, the studies also identified that creating a truly exemplar ultra-low-carbon offer, incorporating principles such as net zero living and Passivhaus design, would enable delivery of an enhanced scheme that is attractive to prospective residents, but will require additional investment.
- 1.10 Consequently, it is proposed that the Council submits a bid to the second round of the Brown Field Land Release Fund (BFLR) operated by DLUHC and works with Homes England and other funders to secure any additional funding that is required to deliver net zero living.
- 1.11 To also enable further progression of the phase 1 housing scheme specifically, the Council will appoint Montagu Evans, who are leading property and regeneration specialists, to provide advice and support in procuring a prospective developer for this element, which might include opportunities for

the wider and longer-term regeneration of the Alexandra Dock area and other town centre locations.

- 1.12 The works outlined in paragraphs 1.5 to 1.11 will allow delivery of the first phase of Alexandra Docks to commence, specifically including land remediation works, development of delivery options, and procurement of a developer. This will enable works to start on site within the timescale required by the Towns Fund grant conditions.
- 1.13 Once further works as outlined above have been undertaken, a further report will be brought back to Members, detailing plans, etc, and seeking approval to progress further.

2. RISKS AND OPPORTUNITIES

- 2.1 The key risks associated with progressing the development of Alexandra Dock are:
- the delivery of the first phase housing element not being achievable in the time scales set out by the Town Fund grant conditions;;
 - the Council is not able to appoint a suitable developer for the first phase;
 - the Council is unable to deliver ultra-low carbon housing;;
 - the wider regeneration of Alexandra Dock not being achievable; and,
 - potential delays with the Freshney Place re-development may risk pace of housing delivery.
- 2.2 The project team overseeing the first phase will utilise the funding opportunity outlined in paragraph 1.5 to secure professional support (as outlined in paragraph 1.11), which will provide assurance regarding delivery of the first phase. Montagu Evans have provided a clear programme to the Council, which shows capability of delivery, providing this is commenced as soon as possible. In addition, the soft market testing exercise highlighted in paragraph 1.8 has identified prospective developer interest in delivering the scheme. Therefore, it is important the project proceeds as planned because delays will increase the risk of not being able to deliver the scheme.
- 2.3 As highlighted above, the risk of not securing an appropriate developer can be mitigated by commencing procurement as soon as possible. Soft market testing has been undertaken, which has shown there to be interest in the development, including ultra-low carbon housing, which provides further assurances regarding the project's deliverability.
- 2.4 The wider regeneration proposals are still at a very early stage and will be subject to further investigations to determine the scale and nature of these. The collaboration with Homes England outlined in paragraph 1.5 will enable these investigations to be undertaken and proposals emanating from this, to be consulted upon by Members, stakeholders, and the public. This work will determine further plans for the regeneration of the wider Alexandra Dock area and their deliverability.
- 2.5 The Freshney Place re-development is progressing in line with the anticipated

programme, however, the two schemes will be closely aligned in terms of governance to ensure progress of both is maintained.

3. OTHER OPTIONS CONSIDERED

- 3.1. Do Nothing - The Council could choose to not progress any redevelopment of Alexandra Dock. However, this would mean the loss of £7.8m of Towns Fund grant from the area and mean that the potential regeneration of Alexandra Dock would not be achieved, including the aspiration contained within the Grimsby Town Centre masterplan of incorporating the town's waterfront as a key element of the town centre.
- 3.2. Only Deliver the First Phase – The Council has funding secured to deliver the first phase housing element at Garth Lane, as outlined in paragraphs 1.7-1.9. This would deliver a high-quality scheme and with additional funding, an ultra-low carbon exemplar development for the region. However, early-stage investigations have highlighted that this element could provide a catalytic effect on regenerating the wider Alexandra Dock area and achieving the aspirations of the Grimsby Town Centre Masterplan for the area.
- 3.3. Proceeding with the plans outlined in paragraphs 1.5-1.11 will deliver a transformational impact that aligns with the aspirations of the Grimsby Town Centre Masterplan.

4. REPUTATION AND COMMUNICATIONS CONSIDERATIONS

- 4.1. There are significant positive reputational implications for the Council if the development of Alexandra Dock proceeds as outlined in this report. In addition, any financial support attracted for the regeneration of the area will result in improved footfall, visitor numbers, increased visitor spend, business opportunities and community pride.
- 4.2. There are potential negative implications if the plans don't proceed as outlined in this report and funding bids are unsuccessful. The Council for its part will ensure credible plans and funding bids are prepared and will procure a professional development team to support it in this context.
- 4.3. The project team is engaging the assistance of the Council's Communication Team in developing this work and a Communications and Stakeholder Engagement Plan will be developed to manage any further communications and engagement.

5. FINANCIAL CONSIDERATIONS

- 5.1. As outlined in this report, funding of £7.8m of Towns Fund grant has been allocated to the first phase housing element. As also highlighted in paragraph 1.9, this can deliver a high-quality scheme, but the Council wishes to enhance this to deliver an ultra-low carbon offer that will require additional funding. The Council is working with Homes England and other funding providers to source this additional funding, which will include a bid to the Brown Field Land Release fund.

- 5.2. Delivery of the wider regeneration plans for Alexandra Dock will require additional funding and the work proposed in paragraph 1.5 and subsequent Member, stakeholder, and public consultation, will determine the scale and timing of this. The developing partnership with Homes England will enable the Council to also determine the nature and scale of funding available to achieve its ambitions, which will also shape the nature of the emerging plans. This work will also identify any future revenue as well as capital funding requirements, which will be subjected to further Member decision making processes.
- 5.3. The development of Alexandra Dock, specifically the first phase, plus any future phases that include residential development, will increase the Council's future Council tax revenue generation, as well as contributing to the New Homes Bonus calculation/award, which will support the Council's future financial position.
- 5.4. Value for money will be achieved using the Council's procurement processes.
- 5.5. As also outlined in paragraph 1.5, Homes England is working to provide North East Lincolnshire Council with up to £500,000 in funding that will enable it carry out the investigative work required to shape delivery of the first and future phases of Alexandra Dock's regeneration.

6. CHILDREN AND YOUNG PEOPLE IMPLICATIONS

- 6.1. The proposals developed will make provision for young people within the Alexandra Dock area and be subject to consultation with young people, for example via the Onside Youth Action Zone, etc.
- 6.2. If successful, the regeneration of Alexandra Dock which continues the regeneration of Grimsby and Cleethorpes, will strengthen the local economy, and improve infrastructure, having a positive impact on health, wellbeing, and safety within the town centres.
- 6.3. Family homes will be considered as part of the housing development.

7. CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

- 7.1. As highlighted within this report, the first phase of development at Alexandra Dock aspires to deliver ultra-low carbon housing that incorporates net zero living and Passivhaus principles, which will be a regional exemplar.
- 7.2. As the investigative works proposed within this report proceed, they will consider and consult with environmental and climate change officers to ensure sustainability and low carbon initiatives are incorporated at every opportunity

8. CONSULTATION WITH SCRUTINY

The Economy Scrutiny Panel will be consulted on the project proposals as they develop and thereafter, appropriate Panels will be engaged in the design process for the proposed schemes.

9. FINANCIAL IMPLICATIONS

- 9.1. Whilst Towns Fund grant funding has been allocated to the first phase of

housing development at Alexandra Dock, additional funding will be required if the Council wishes to deliver an ultra-low carbon scheme; work is currently ongoing with Homes England and other funding providers to source this.

- 9.2. The provision of new housing will increase both the Council's tax base and New Homes Bonus funding allocation.

10. LEGAL IMPLICATIONS

- 10.1. At the time of writing, matters are in their preparatory stages and so legal implications may not be completely apparent at this stage. Nevertheless, Legal Services will continue to work with the various project teams to support them and to ensure that the interests of the Council are protected.
- 10.2. The procurement of a development partner or other developer can be on a number of bases, adopting various mechanisms. Decision makers will be supported as to the various options available by officers and external consultants as appropriate.
- 10.3. Any such procurement exercise will be conducted so as to comply with the Council's policy and legal obligations, specifically in compliance with the Council's Contract Procedure Rules and the Public Contracts Regulations 2015 and supported by relevant officers. In so doing the Council must be cognisant of any conditionality around the award of funding.
- 10.4. The delegations sought are consistent with an exercise of this nature and permit a prudent level of flexibility in ensuring overall delivery.
- 10.5. Officers should note that any award constitutes a further decision and will be subject to completion of an Officer Decision Record. Where key decision criteria are met such Officer Decision Record will be subject to call in. Award and implementation timelines should accommodate this.

11. HUMAN RESOURCES IMPLICATIONS

There are no direct HR implications

12. WARD IMPLICATIONS

(Wards specifically affected)

13. BACKGROUND PAPERS

- 13.1. Council Plan – <https://www.nelincs.gov.uk/assets/uploads/2022/02/NELC-Council-Plan-a11y.pdf>
- 13.2. Grimsby Town Centre Masterplan – <https://www.nelincs.gov.uk/assets/uploads/2020/12/Grimsby-Masterplan-Report.pdf>
- 13.3. Town Investment Plan – [Town-Investment-Plan-PDF-70kb-1.pdf](https://www.nelincs.gov.uk/assets/uploads/2022/02/Town-Investment-Plan-PDF-70kb-1.pdf)
(nelincs.gov.uk)

14. CONTACT OFFICER(S)

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