

**Open Report on behalf of Richard Wills, Executive Director for Environment and Economy**

Report to:	<b>Economic Scrutiny Committee</b>
Date:	<b>24 May 2016</b>
Subject:	<b>South Lincolnshire Food Enterprise Zone</b>

**Summary:**

Lincolnshire County Council (LCC) together with South Holland District Council (SHDC) and other stakeholders are actively developing plans to bring forward a Food Enterprise Zone on land to the north west of Holbeach. This report sets out the plans for a South Lincolnshire Food Enterprise Zone.

**Actions Required:**

The Economic Scrutiny Committee is invited to consider the contents of this report and confirm that officers should continue to progress the delivery of a South Lincolnshire Food Enterprise Zone as a priority.

## **1. Background**

Food Enterprise Zones (FEZ's) were created by DEFRA in order to accelerate growth in the agri-food sector. They comprise an identified piece of land and benefit from simplified planning procedures by using Local Development Order powers. Each FEZ will offer specific support to agri-food businesses in order to support the whole food chain and deliver productivity growth and added value.

Across Greater Lincolnshire, there are plans to bring forward three FEZ sites. Europarc 4 will focus on supporting growth of the existing seafood and value-added food processing sector already established on the Humber. In Central Lincolnshire, a FEZ planned at Helmswell Cliff will support the arable food sector. The South Lincolnshire FEZ will support existing agri-food businesses as well as those looking to invest and relocate to South Lincolnshire with particular emphasis on the food technology sector.

LCC and SHDC have been working collaboratively in order to bring forward plans for a FEZ on land immediately adjacent to the A17/A151 to the north west of Holbeach. Following provisional designation of this site as a FEZ by DEFRA, a grant of £50,000 was made available to SHDC towards the cost of a developing a Local Development Order.

The proposed South Lincolnshire FEZ will build on the close proximity to the National Centre for Food Manufacturing (NCFM) and will focus on the high value food chain as well as research, innovation and technology for a variety of food industries. The NCFM already provides a centre of excellence for education, training, research and development accessed both regionally and nationally and is supported by a number of major companies.

The FEZ site extends to circa 16 hectares (40 acres) and the ownership is currently split between a private landowner and LCC.

A number of early tasks are already underway to bring forward the FEZ including:

- GLLEP (Greater Lincolnshire Local Enterprise Partnership) funding has been secured to meet the cost of examining the feasibility and viability of the FEZ as well as the cost of providing utility infrastructure and services to the site. Briefs for these works have been prepared in order to procure the specialist advice required.
- Detailed discussions are ongoing between LCC and a major anchor tenant which would lead to the construction of new, purpose built facilities and act as a catalyst for future investment and development.
- LCC is taking a lead role in the land assembly negotiations with relevant stakeholders for the FEZ.
- LCC and SHDC are working closely in order to complete various tasks and investigations necessary for the creation of a Local Development Order.
- Officers will provide a more detailed summary describing the viability of the FEZ and land assembly at the Economic Scrutiny Committee meeting on 13 September 2016.

In parallel with the work underway to bring forward the FEZ, the County Council is also seeking planning consent for residential development on land to the east of the A151. This land is mainly in the ownership of LCC. A separate parcel of land also to the east of the A151 is owned by Bovis Homes and it is understood that they are also preparing a planning application for residential development. The combined scale of residential development on land to the east of the A151 is likely to comprise circa 900 dwellings. These residential developments will only be enabled once the four arm roundabout serving the FEZ has been created in order to provide access to the residential land.

The opportunity to create a FEZ will be facilitated by improvement works to the A17/A151 adjacent to the proposed FEZ site. These highway works comprise the construction of a three arm roundabout at the A17/A151 together with the creation of a new, four arm roundabout to the south of the A17 junction. A plan showing the proposed improvements is shown at Appendix A.

This new four arm roundabout will enable access to the FEZ site and to residential development land to the east of the A151.

Planning permission for the road improvements has been granted and LCC are now completing the detailed design works and mapping out a time line for their delivery taking into account a number of factors, including the need to mitigate the impact on the A17, winter restrictions and planting seasons etc.

Funding for the road improvements will be via a combination of Greater Lincolnshire Local Economic Partnership (GLLEP) Growth Deal funding, s106 contributions and a balance of funding to be provided by LCC. The breakdown of identified funding is as follows:

<b>Forward Funding – LCC Capital</b>	<b>£4.34m</b>
GLLEP Growth Deal (Rnd II)	(£2.4m)
Manor Farm s106	(£1.0m)
<b>Net Capital Contribution by LCC</b>	<b>£0.94m<sup>1</sup></b>

*<sup>1</sup>Excludes any provision for optimism bias*

Growth Deal funding is programmed for release from 2019 onwards and in order to proceed with this project as soon as possible, LCC has made a commitment to forward fund the scheme, subject to the receipt of appropriate s106 contributions from eligible developments.

The works will mostly be carried out on land already owned by LCC although a small section of land (circa 2,315 sq m) is in the ownership of a third party. Officers have held very productive discussions with the owner and heads of terms have been agreed, subject to contract. The acquisition is now with solicitors for completion.

## **2. Conclusion**

The South Lincolnshire FEZ will provide an opportunity to create new, purpose built employment space using a simplified planning process for the benefit of the agri-sector across south Lincolnshire.

The County Council is taking a lead role to bring forward the FEZ as a priority and is working closely with all stakeholders, including SHDC, in order to complete the various activity strands identified above which are crucial to unlock the FEZ site.

The report is provided for information and members of the Economic Scrutiny Committee are asked to confirm their continued support for this project and endorse the approach currently being taken by officers.

## **3. Consultation**

**a) Policy Proofing Actions Required**

n/a

**4. Appendices**

These are listed below and attached at the back of the report	
Appendix A	Plan of the proposed A17/A151 road improvement scheme
Appendix B	Plan showing, edged red, land identified for the FEZ

**5. Background Papers**

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Simon Wright, who can be contacted on 07827 820467 or [simon.wright@lincolnshire.gov.uk](mailto:simon.wright@lincolnshire.gov.uk).