



## **Introduction**

At the last board meeting (Dec 12), a further £55,000 (items 1, 4 & 6 outlined below) was approved for the Site Assembly strand on top of the £150,000 already approved in May 2012 for the Local Development Order (LDO) works.

Items 2 (Transport Feasibility Study - £70,000) and 5 (Technical Advice & Support - £25,000) were not approved at the last meeting and this paper will seek to outline a more detailed rationale as to why these works are critical to the ongoing development of the Paull site.

## **Recommendations**

It is recommended that the Board accepts the rationale and costings for Items 2 & 5 and approves the extra funding to allow works to proceed immediately

## **Background.**

### **Item 2 - Transport Feasibility Study**

A detailed fee proposal is attached in Appendix 1.

Following a series of meetings between East Riding Council (Stephen Silvester), Hull City Council (Richard Lowther) and ABP (Paul Hatley & Mike Hill) a scope of works were agreed upon and ABP Engineering section were asked to prepare a fee proposal for the design of a road/ rail corridor between King George Dock and the Paull development site.

The object of these design works is to confirm the viability of the corridor from a technical consenting and cost perspective in order to support and inform a future application for RGF 3 funding.

Paul Hatley (ABP Engineering Project Manager Humber) engaged a number of specialist consultants to provide estimates for the 4 work streams identified in order to meet the overall objective. These 4 work streams are Outline Design, Site Investigation, Cost Plan and Environmental Screening. The costs associated to these work streams increased depending on the level of detail associated to the design work as outlined in options 1 to 3 in appendix 1. It was felt however that an initial concept design would be sufficient at this stage to inform the RGF 3 application.

If you were looking to reduce costs at this stage we could look at phasing the works and delay the Environmental Impact Assessment as this is not absolutely critical at this point to inform the RGF 3 bid. This would reduce the costs by approx £10,000 but it is my recommendation that we progress with this at the earliest opportunity to get the full picture of what the project may entail.

## Item 5 - Technical Advice & Support

A £19.5m RGF3 bid for site infrastructure (Power & Road/Rail corridor) was submitted in June 2012 for the Paull site. This was well received by BIS but a final decision was delayed until Siemens make their final investment decision, hence the reason for funding further site investigation works from this strand in the meantime. The final decision to go ahead with the June application was very last minute and left us with a lot of work to complete in a very short time. This would have been unachievable without bringing in extra resources so Regeneris Consulting (specialist economic development and regeneration consultancy) were brought in to assist with the bid and did an excellent job. Invoices pending for these works currently stand at £20,250 (excluding VAT).

Further work on land valuations will also be needed from independent third parties but again this could be phased during the due diligence process of the RGF3 process to reduce initial costs.

Table 1 – Schedule of Paull Site Investigation Works

1	Feasibility study for assessing the power requirements for the whole site with detailed cost estimates and options analysis. Following on from the detailed report already completed. <b>(Approved by the board at the December 2012 meeting)</b>	£10,000
2	Feasibility study for transport corridor (road & rail) off the public network linking the site with the main dock estate. This would include concept design, site investigations, cost plan and an Environmental Impact Assessment (EIA). <b>(Not approved by the board at the December 2012 meeting)</b>	£70,000
3	Supporting information, technical studies and full submission of LDO for the site in accordance with Government Enterprise Zone requirements. This includes environmental monitoring and mitigation measures related to development on a European Site of Special Scientific Interest (SSSI). Specifically agreeing scope of Habitat Regulations Assessment (HRA) with Natural England <b>(Approved by the board at the May 2012 meeting)</b>	£150,000
4	Supporting information and technical studies to support redrafting of ERYC Core Strategy LDO for the site in accordance with Government Enterprise Zone requirements. <b>(Approved by the board at the December 2012 meeting)</b>	£30,000
5	Technical advice and support to develop a separate RGF funding package (outside the remit of this programme) to deal with the implementation of the schedule of works derived from the above studies. This will include some independent land	

<p>valuations to support our case and have highlighted Colliers and the District Valuer as potential options (there is little point carrying this work out however until Siemens make a final investment decision as that will have a major impact on surrounding land values). <b>(Not approved by the board at the December 2012 meeting)</b></p>	<p>£25,000</p>
<p>6 Consultation and engagement budget. <b>(Approved by the board at the December 2012 meeting)</b></p>	<p>£15,000</p>
<p>Total</p>	<p>£300,000</p>
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