

CABINET

17 JUNE 2022

REFERENCE REPORT FROM THE COMMUNITY LEADERSHIP OVERVIEW & SCRUTINY COMMITTEE

A.1 FREEPORT EAST

(Report prepared by Keith Simmons and Hattie Dawson-Dragisic)

BACKGROUND

The Community Leadership Overview & Scrutiny Committee (“the Committee”), at its meeting held on 9 May 2022, was reminded that Council (on 13 July 2021, Minute 53 refers) had requested the Committee to undertake an enquiry into the issue of Freeports generally, and specifically, into the progress of the proposals for Freeport East (its interlinking with Thames Freeport); specific measures on site (and particularly on the Harwich site); impact on previous planning permissions being implemented; and measures outside of the Freeport to harness the maximum socio-economic benefit from them into the local community.

To support the Committee’s enquiry, it was provided at that meeting with a report in the name of the Leader of the Council, Councillor Neil Stock OBE. Unfortunately, Councillor Stock was not able to attend this particular meeting of the Committee. Lee Heley, Interim Corporate Director (Projects Delivery) spoke to the report and he was accompanied at the meeting by the Deputy Chief Executive, Lisa Hastings.

The Committee was informed of the progress of the Freeport East Development as follows:

- *Throughout 2020, the Council had worked with public and private sector partners on a bid to present the case for developing Freeport East as one of the Government’s nominated Freeports.*
- *In the March 2021 Budget, Government had announced the intention to designate sites in Essex and Suffolk as ‘Freeport East’.*
- *At their meeting on April 2021, Cabinet had received the initial Freeport East report, which set out the purpose of Freeports and the process and roadmap the public / private sector partnership would follow to receive formal designation by Government.*
- *The Council’s Freeport East Portfolio Holder Working Party took place on the 2 September 2021 and agreed to support the Leader of the Council in providing a letter of support in respect of the Freeport East Outline Business Case.*
- *That Working Party also recommended that the Council pursue steps that Hutchinson Ports Ltd could undertake as part of its commitment to Harwich International Port, the skills agenda so the local population could take on careers that would become available as a consequence of Freeport East, and the need to actively pursue the improvements to the A120 from the A12 through to Harwich.*
- *In September 2021 Cabinet had endorsed the urgent decision taken by the Leader of the Council, on behalf of the Cabinet, to provide a letter of support for the principles in regard to retained business rates generated within the Freeport East Tax Site, to accompany the Freeport East Outline Business Case, which was submitted to Government on 10 September 2021.*

- *On the 13 December 2021 the Outline Business Case was formally approved by Government, the three tax sites in Felixstowe, Harwich and at Gateway 14 near Stowmarket were agreed, published on GOV.UK and Statutory Instruments laid to enshrine them in legislation.*
- *Tendring District Council supported the approach to the Freeport East Full Business Case at Cabinet in March 2022 and included Freeport East in its Policy and Budget Framework at Full Council that month.*
- *East Suffolk Council as the Lead Authority, alongside Freeport East, submitted the Full Business Case (FBC) to Government for Freeport East on behalf of partners on 14 April 2022.*
- *Government will now respond to Freeport East's FBC, with the final Full Business Case to be agreed between Government and Freeport East by August 2022.*

The Members of the Committee had developed key lines of enquiry in relation to this matter and through their questioning, and the answers provided, the Committee explored the issues related to the Freeport concept and the particular proposals for Freeport East. The Committee's discussion looked at the infrastructure required in, around and to/from the Freeport East site at Bathside Bay, Harwich and the planning processes that would seek to ensure the necessary infrastructure was provided (alongside investment by agencies such as Highways England).

The Committee also enquired into the number of jobs that were estimated to be created through the development. The Committee was informed that the estimation was that around 10,000 jobs would be created over the three Freeport East sites (Harwich, Felixstowe and Stowmarket) and that 2000 of these could be created within this District. The Committee was also advised that, whilst the details of the Full Business Case were confidential, the Government in its Guidance expected local skills supply to be a key competent of Freeports and that Freeport East were committed to provide apprenticeships as part of its overall offer and to engage closely with schools to promote opportunities that would be coming forward. The benefit from Freeport East was envisaged as being at a regional scale.

COMMUNITY LEADERSHIP OVERVIEW & SCRUTINY COMMITTEE'S RECOMMENDATION(S) TO CABINET

That Cabinet :-

- (1) Endorses the approach of the Council, in wholeheartedly welcoming, supporting and embracing the Freeport East proposal, as something that has the potentially to radically transform in a good way the Town of Harwich, the wider District of Tendring and beyond;**
- (2) Recognises that the jobs and skills commitments in the Full Business Case for Freeport East should be kept to the fore by this Council and that the development of the first careers hub be implemented as swiftly as possible;**
- (3) Recognises furthermore that the urgent need to enhance the A120 from its junction with the A133 at Great Bromley to Harwich is something that could delay or prevent the full potential of Freeport East being realised if commitments were not given to achieve those enhancements in the immediate forthcoming period; and**
- (4) Agrees that there is a need to ensure that pro-active steps are taken to offer solutions to any issues that arise in achieving any advantage**

across all parts of the District in developing supply chains, business-to-business links, skills development, supportive public investment and jobs creation associated with the Freeport East.

**LEADER OF THE COUNCIL'S COMMENT(S) AND RECOMMENDATION(S)
TO CABINET**

Leader of the Council's Comments

"I welcome the report from the Committee and agree that Freeport East has the potential to radically transform in a good way the Town of Harwich, the wider District of Tendring and beyond. Jobs, skills and transport are key benefits the Council wants to see come forward as a result, including investment in the A133 / A120 junction, and I recognise that these benefits, if the Freeport is successful, have the potential to reach all corners of the District."

Recommendations to Cabinet:

That the recommendations made by the Community Leadership Overview & Scrutiny Committee be endorsed and that the response of the Leader of the Council thereto be approved.