

# Great Yarmouth Third River Crossing

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OUTLINE BUSINESS CASE

MARCH 2017

Supporting Document 11 – Regeneration and Wider Impacts Report

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ECONOMICS · RESEARCH · ANALYSIS

Great Yarmouth Third River  
Crossing: Assessment of Wider  
Economic & Regeneration  
Benefits

A Report by Regeneris  
Consulting

Norfolk County Council

Great Yarmouth Third River Crossing: Assessment of Wider  
Economic & Regeneration Benefits

March 2017

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# Contents Page

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<b>1.</b>	<b>Introduction</b>	<b>1</b>
<b>2.</b>	<b>Policy &amp; Strategic Context</b>	<b>5</b>
<b>3.</b>	<b>Socio-Economic Context</b>	<b>10</b>
<b>4.</b>	<b>Key Development Sites &amp; Opportunities</b>	<b>19</b>
<b>5.</b>	<b>Wider Economic &amp; Regeneration Benefits</b>	<b>25</b>
<b>6.</b>	<b>Conclusions</b>	<b>37</b>

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## Appendix A - Consultees



# 1. Introduction

- 1.1 A Third River Crossing (TRC) across the River Yare in Great Yarmouth, creating a new link between the A12 (now A47) and the southern end of the peninsula and port, has been discussed by local politicians and stakeholders for several decades (see Figure 1.1). However, given progress in recent years with discussions on the potential scope for the Department for Transport (DfT) to fund the project, Norfolk County Council (NCC), and their transport consultants Mouchel, are currently preparing an Outline Business Case (OBC) to be submitted to DfT in March 2017.
- 1.2 Given constraints upon DfT funding, the proposed TRC scheme will be in competition with other transport schemes seeking funding. It is therefore imperative for NCC that their OBC has a compelling strategic and economic case, and is able to demonstrate and deliver value for money for the DfT. While the analysis within the OBC focusses upon the traditional transport economics of the proposed TRC scheme, Regeneris has been commissioned to support Mouchel in the preparation of the OBC. Our role has been to assess the potential for how the proposed TRC scheme can deliver wider economic and regeneration benefits for the Great Yarmouth economy.
- 1.3 In finalising the OBC, we understand that the conclusions from this assessment will be drawn upon by Mouchel, with this report appended as part of the OBC's wider evidence base.

## Scope of Our Assessment

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- 1.4 As our policy and economic review sets out in more detail, the future economic growth of Great Yarmouth is predicated upon the success of the offshore energy sector, supported via the designation of the South Denes and Beacon Park sites in the Great Yarmouth and Lowestoft Enterprise Zone, as well as the continued evolution of the borough's visitor economy and the wider regeneration of the town centre. The growth of the offshore sector is not only tied to the investments by the offshore renewables sector, with some of the world's largest windfarms under construction or proposed in the North Sea, but also gas and oil exploration, extraction and storage, and the decommissioning of oil and gas infrastructure.
- 1.5 The growth in these sectors directly, as well as indirectly as a result of their supply chain activity, with the transportation of supplies and products, as well as worker movements will place increased demands upon the area's existing road infrastructure. This includes the two existing river crossings in the town. These are already heavily congested at peak times, with long bottlenecks on their approach roads. In addition, the forecast growth in population and new house building in the borough will also have a profound effect upon the demands placed upon the local road infrastructure.
- 1.6 The genesis for the TRC scheme is that local and regional stakeholders see traffic congestion in the town and around the two existing crossings as imposing a negative impact upon the local economy. This is in turn constraining investment, job creation and economic growth. It is considered that the TRC scheme would play an important role in increasing road capacity, reducing congestion in the town, and play a major role in removing barriers to economic growth (see Table 1.1 for an overview of the TRC scheme's objectives).
- 1.7 The types of benefits which the TRC could potentially support include:
  - Benefits associated with **improved journey times** and the **reduction in congestion**. Congestion in Great Yarmouth often results in extra costs to businesses given the time spent in traffic as well as the fuel, operating and staff costs this impacts upon.

- Benefits associated with **improved access to development sites and premises**. These sites are likely to be reasonably close to the third crossing location in and around the Enterprise Zone (EZ) and Local Development Order (LDO) area. In assessing these benefits it is important to also take account of any dis-benefits which may arise from the loss of (or reduced accessibility) of development sites and ultimately employment land.
- Benefits associated with the **enhanced accessibility (and therefore enhanced marketability and take-up) of sites and premises** which arises directly from the TRC. These enhancements are likely to occur through reduced congestion and will most likely affect sites and premises in South Denes/EZ area, as well as access to the town centre.
- Benefits associated with the **improvement of Great Yarmouth** (both real and improvements in how the town is perceived) as a place to live, work and invest, potentially resulting in increased business activity and employment growth, improving access to labour as well as population growth. These are more general economic development uplift effects compared to the categories above and are particularly difficult to assess robustly.

1.8 However, it is important to note that many of these benefits are captured within the transport economic modelling that Mouchel are undertaking, using tools and techniques in-line with WebTAG guidance. Consequently, and in light of the time and resources available, our assessment of wider economic and regeneration benefits is largely qualitative in nature. Where quantification of benefits has been possible, the approach to attributing this to the TRC has been described.

1.9 Our approach to assessing the wider economic and regeneration benefits of the proposed TRC has been informed by the following:

- guidance prepared by HM Treasury (the Green Book) and the Department for Transport (webTAG), particularly with regard to the issue of 'dependent' development.
- a two-day site visit, including tours of the key sites on the Great Yarmouth peninsula, including the outer harbour and river port, key development and employment locations across the borough, the town centre and the 'Golden Mile' promenade.
- meetings with officers of Norfolk County Council (NCC) and Great Yarmouth Borough Council (GYBC).
- meetings and consultations with other stakeholders, including the New Anglia LEP, sector and business representative organisations and property and commercial agents.
- a review of the available policy, economic research and socio-economic data for Great Yarmouth, developing a baseline of the area's performance and prospects, as well as its opportunities and challenges.

## Report Structure

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1.10 The following provides an overview of the structure of the remainder of the report:

- Section 2 – an overview of relevant policy and strategic context in the borough
- Section 3 – an overview of the borough's socio-economic context, focussing upon opportunities and challenged
- Section 4 – an overview of key development sites and regeneration opportunities
- Section 5 – an assessment of the potential wider economic and regeneration benefits in Great Yarmouth as a result of the TRC
- Section 6 – conclusions

Figure 1.1 TRC Location and Wider Great Yarmouth Development Context



Source: Great Yarmouth Borough Council



Table 1.1 The TRC Scheme Objectives

**High level/strategic objectives**

- To support the creation of new jobs especially in the South Denes Local Development Order area and the Enterprise Zone
- To support Great Yarmouth as a Centre for Offshore Renewable Engineering, and as a port
- To support the regeneration of Great Yarmouth, including the town centre and the sea front, helping the visitor and retail economy
- To improve strategic connectivity, and reduce community severance
- To protect and improve the environment

**Specific or intermediate objectives**

- To provide traffic relief to Breydon Bridge and Haven Bridge
- To reduce congestion and delay in the town centre
- To improve journey time reliability
- To reduce traffic in historic areas, especially North Quay and Hall Quay
- To improve vehicular access to South Denes and the outer harbour, especially from the A12
- To improve access to the Great Yarmouth peninsula for buses
- To improve access to the Great Yarmouth peninsula for cyclists
- To improve access to the Great Yarmouth peninsula for pedestrians
- To reduce road accident casualties
- To reduce emissions of greenhouse gases
- To improve the resilience of the local road network

**Operational Objectives**

- To provide an additional crossing of the River Yare for vehicles, cyclists and pedestrians
- To reduce overall journey times and vehicle kilometres in Great Yarmouth
- To minimise environmental impact, compulsory purchase and demolition of residential and commercial property.

Source: NCC/Mouchel

## 2. Policy & Strategic Context

- 2.1 This section of the assessment sets out our analysis of the most relevant policy drivers and strategies at a national, sub-regional and local levels in respect of the proposed TRC and the Great Yarmouth economic development and regeneration context.

### National policy drivers

- 2.2 Since coming into power Theresa May has signalled a more active approach to industrial strategy compared to the previous government. The most recent addition to industrial strategy and the centre-piece of the current government's economic agenda is the February 2017 Green Paper titled "*Building our Industrial Strategy*<sup>1</sup>". The underlying motivation of the strategy is "to improve living standards and economic growth by driving productivity and growth across the whole country."
- 2.3 The Government identified 10 pillars as the bedrock of its industrial strategy, which are the means to spur economic growth, drive forward productivity and deliver prosperity. The pillars consist of predominantly cross-cutting interventions such as investing in science, research, innovation and infrastructure, access to finance and promotion of trade and inward investment.
- 2.4 Investment in infrastructure supports other pillars and are a means of increasing productivity by enabling towns and cities to achieve agglomeration effects and rebalance the economy. Connecting towns and cities more effectively increases the labour market pool and economic strengths. The strategy commits to £2.6bn for improvements in transport projects.
- 2.5 Securing affordable energy is also identified and will be important in delivering the government's industrial priorities. The strategy identifies two important areas of priority for energy: affordability and maximising industrial opportunities for UK economy from energy innovations. The strategy is keen to ensure that the UK secures a substantial share of global markets where its energy industries present an opportunity. This includes offshore oil and gas and clusters of excellence such as the east coast.
- 2.6 The implication of the Industrial Strategy is that it presents an opportunity for Great Yarmouth to develop its offshore energy cluster further, by building on the existing offshore oil, gas and decommissioning activities, while capitalising on the low carbon agenda with continued investment in offshore wind. Given the cross-cutting nature of the strategy, if Great Yarmouth is to realise this offshore energy opportunity, transport connectivity improvements will be needed in order to support the growth of the sector and ensure its future success.
- 2.7 In addition, the government has set up six Centres for Offshore Renewable Engineering (CORE) across the UK, one of which is in Great Yarmouth and Lowestoft. The intervention is driven by the need to meet the legally binding renewables target by 2020 as set out in the Renewable Energy Roadmap and there is a need to support the offshore wind manufacturing capacity in order to achieve it.<sup>2</sup> Hence CORE's aim is to maximise the ability of areas to benefit from opportunities in offshore engineering. Support structures that are in place include the establishment of Enterprise Zones with simplified planning regimes and enhanced capital allowances, among other incentives.

<sup>1</sup> Department for Business, Energy & Industrial Strategy (2017) Building our Industrial Strategy: 10 pillars

<sup>2</sup>HM Government (2011) Centres for Offshore Renewable Engineering

## Sub-regional policy context

2.8 Sub-regionally, the New Anglia Local Enterprise Partnership’s (LEP’s) Strategic Economic Plan (SEP) identifies the offshore energy sector as a growth opportunity over the next decade, along with advanced manufacturing and engineering, agri-tech, ICT and digital creative, and the life sciences. The LEP considers that growing these high-value sectors will play a vital role in merging the productivity gap which exists between the New Anglia LEP area and England average. In addition to these, the sectors underpinning New Anglia’s economic performance include ports and logistics, and tourism, which are of particular importance in Great Yarmouth.

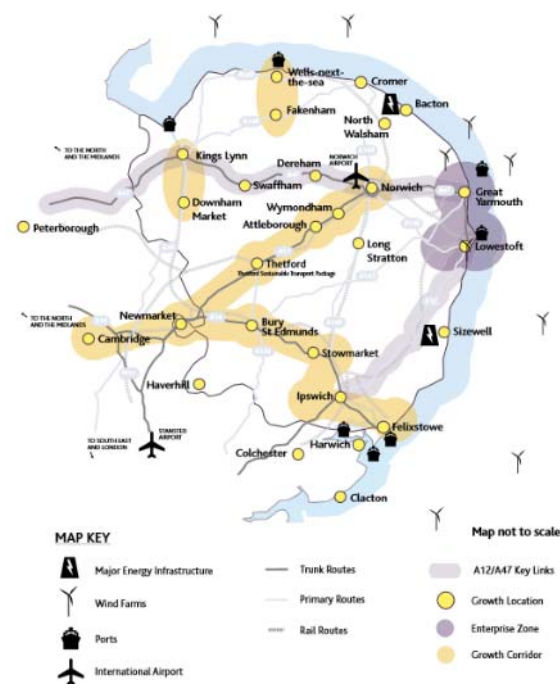
2.9 The SEP identifies the following targets between 2012 and 2026, supplemented by the SEP impact report published in July 2016 outlining the progress so far:

- **Delivering 95,000 additional jobs**, of which 32,300 jobs have been achieved so far (34%)
- **Creating 10,000 new businesses**, of which 4,980 (50%) have been achieved
- **Improving productivity by narrowing the gap with the UK average** from 7.8% in 2012 – so far limited progress has been made and the current gap stands at 7.6%
- **Delivering 117,000 new houses**: 18,850 (16.1%) have been achieved so far.

2.10 To implement these ambitions, the SEP identifies growth locations that house the high impact sectors, and are expected to deliver employment and housing growth of 1,000 units of each over the relevant Local Plan period. Overall, the SEP aims to deliver over 117,000 new homes by 2026 – a 32% increase compared to the previous decade (2001 – 2012). Among the main growth locations is Great Yarmouth, where the energy sector is a key driver for the allocation of 2,000 new dwellings in the area.

2.11 Furthermore, the establishment of the two Enterprise Zones (EZ) sites in the borough – Beacon Park and South Denes - aims to support the development of the offshore energy sector and the borough’s wider economy, attracting new businesses and job creation. The long term vision is to have 150-200 businesses across the two Enterprise Zone sites, directly creating 9,000 new jobs by 2025 and a further 4,500 jobs indirectly in the supply chains.

Figure 2.1 New Anglia LEP: Growth Locations



Source: Source: New Anglia LEP Strategic Economic Plan 2012

## Local policy context

2.12 Great Yarmouth is a coastal town and its location shapes the nature of its economy and growth prospects. In addition to offshore energy sector, the port and the tourism industry underpin its economy. The implication of the role of its visitor economy is that the borough is characterised by high levels of seasonal unemployment, often reaching double the national level. Parts of Great Yarmouth have ‘Assisted Area’ status, which reflects the economic performance and challenges

that parts of the borough face. This status is aimed at encouraging investment and business growth through, for example, grants or tax credits.<sup>3</sup>

- 2.13 The Core Strategy for the borough sets out a vision up to 2030. Its vision is to make Great Yarmouth an attractive and aspirational place to live, work and play with good connectivity to wider Norfolk and New Anglia areas. This vision was informed by a series of documents, including the Infrastructure Plan for Great Yarmouth and the Great Yarmouth Waterfront Area Action Plan (AAP). The TRC scheme features in both of these documents as a strategic priority for GYBC:
- The Infrastructure Plan produced in 2014 sees the TRC as important for unlocking future economic growth in the borough.<sup>4</sup>
  - The Waterfront AAP envisions the TRC as supporting the development of South Denes and the port. It should also remove a substantial level of traffic flows which currently go through or adjacent to the Waterfront area, making it a more attractive investment and development location, and allow the road network to cope with additional traffic generated from growth at the port and on sites on the peninsula.<sup>5</sup>
- 2.14 The TRC is positioned in the Core Strategy as a means of relieving congestion and to provide improved links to key facilities and services, including the outer harbour. The Core Strategy also identifies that the TRC will play a role in making the town more attractive with improvements to public transport and walking and cycling routes from the train station to the waterfront, aiding regeneration. The new crossing would also play a wider role in the connectivity of Norfolk, and is a key strategic connection to the port.<sup>6</sup>
- 2.15 The nature of the visitor economy is envisaged to focus on the Golden Mile as well as new visitor attractions – The Edge casino complex, as well as improvements to existing attractions. The ambition of GYBC is to develop visitor assets which help to reduce the seasonal nature of tourism by encouraging both day and staying visitors to visit Great Yarmouth throughout the year. Improved accessibility and reduced congestion will be an important part of ensuring visitors' experience of arriving in the town and navigating the town is positive.
- 2.16 The borough's economic and housing ambitions are clearly set out in the Core Strategy. This includes:
- Development of the two allocated Enterprise Zone sites in the borough, Beacon Park and South Denes. These two sites are expected to play a vital role in attracting new businesses into the area, enabling existing businesses to grow, and creating employment. The long term vision is to have 150-200 businesses across the whole New Anglia EZ, directly creating 9,000 new jobs by 2025 and a further 4,500 jobs indirectly. Given its proximity to the Port, the South Denes EZ has been designated as a location for businesses operating in or servicing the offshore industry, while Beacon Park also has an energy focus.
  - To facilitate growth, the Core Strategy aims to provide 52.48ha of undeveloped employment land of which around 15ha will be at Beacon Park.
  - The Core Strategy commits to delivering 7,140 new houses in total by 2030, with an annual rate of 300 dwellings per annum (dpa) between 2013 and 2020, and 504 dpa between 2021 and 2030. This compares to an average of 276 completions between 2001 and 2013.

<sup>3</sup> BIS (2014) 2014-2020 Assisted Areas

<sup>4</sup> Great Yarmouth Infrastructure Plan, March 2014

<sup>5</sup> Great Yarmouth Waterfront Area Action Plan 2010

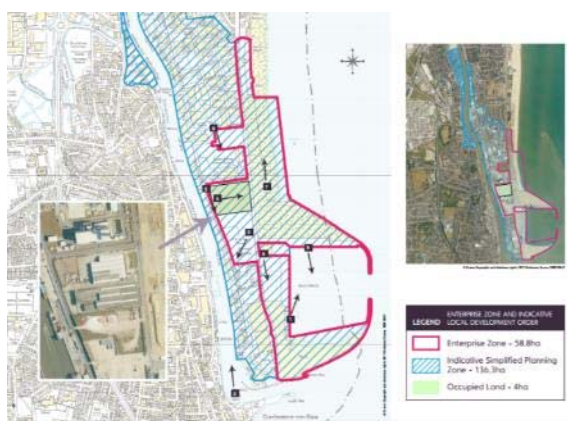
<sup>6</sup> Connecting Norfolk: Norfolk's Transport Plan 2015-2020



- To accommodate for economic growth, around 1,000 dwellings are planned at the Great Yarmouth Waterfront Area (with 300 delivered over the plan period), and another 1,000 at the Beacon Park Extension site.

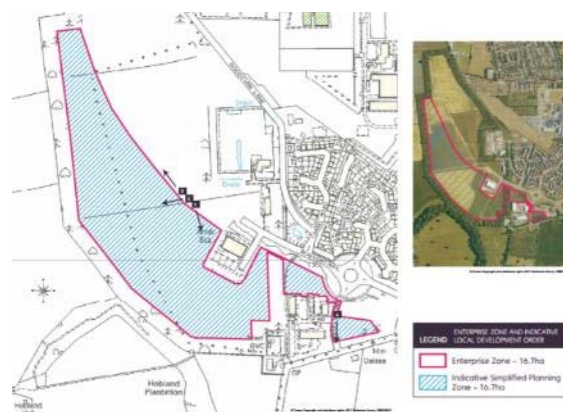
2.17 The two designated employment sites at South Denes and Beacon Park, both of which are partly covered by Enterprise Zone status, are identified as being key drivers of growth both in offshore and related sectors, but also other business sectors in Great Yarmouth. Both sites have been granted a Local Development Order (LDO) in 2012, providing a simplified planning regime to encourage/accelerate development within the EZ's. These sites present considerable opportunities for Great Yarmouth, and could unlock the potential to deliver an estimated 9,000 direct and 4,500 indirect jobs<sup>7</sup>, boosting employment in the borough.

Figure 2.2 South Denes EZ Area



Source: New Anglia LEP

Figure 2.3 Beacon Park EZ Area



Source: New Anglia LEP

<sup>7</sup> Estimates from New Anglia LEP

## Great Yarmouth Third River Crossing: Assessment of Wider Economic & Regeneration Benefits

Table 2.1 Summary of Policy & Strategic Context	
	Key Policy Messages
National	<p>The Industrial Strategy Green Paper has identified 10 pillars to support economic growth and prosperity. Among these are:</p> <ul style="list-style-type: none"> <li>• <b>Investment in infrastructure</b> as means of supporting productivity and rebalancing the economy across the UK, enabling towns and cities to achieve economic strength</li> <li>• <b>Securing affordable energy</b> and maximising opportunities from energy innovations in areas such as the east coast.</li> </ul> <p>Great Yarmouth is well-placed to act on this strategy, capitalising on the offshore energy cluster. Infrastructure investments will play an important role in enabling these opportunities and maximising local economic growth.</p> <p>Great Yarmouth and Lowestoft are one of six Centres for Offshore Renewables across the UK, identified as areas that can benefit from offshore engineering opportunities.</p>
Sub-regional	<p>New Anglia LEP has ambitions to achieve the following targets by 2026:</p> <ul style="list-style-type: none"> <li>• Delivering 95,000 additional jobs</li> <li>• Creating 10,000 new businesses</li> <li>• Improving productivity by narrowing the gap with the UK average</li> <li>• Delivering 117,000 new houses.</li> </ul> <p>These targets will be achieved by growing the priority sectors, including energy, port and logistics and the visitor economy, which are particularly important in Great Yarmouth. The establishment of two Enterprise Zone (EZ) sites in Great Yarmouth is aimed to support this growth by contributing to the wider EZ targets of housing 150-200 businesses and creating 9,000 direct and 4,500 supply chain jobs by 2025.</p>
Local	<p>Great Yarmouth Borough Council (GYBC) has outlined its ambitions and vision for growth up to 2030 in its Core Strategy:</p> <ul style="list-style-type: none"> <li>• In line with New Anglia’s SEP, the Beacon Park and South Denes EZs are expected to significantly contribute towards create 9,000 direct and 4,500 supply chain jobs in the Great Yarmouth &amp; Lowestoft EZ by 2025</li> <li>• 52.48ha of undeveloped employment land has been allocated to support employment growth</li> <li>• In addition, 1,000 homes are planned at Great Yarmouth Waterfront area and a further 1,000 at the Beacon Park extension.</li> </ul> <p>The Third River Crossing (TRC) will be important in supporting these ambitions, by relieving the existing and future pressures on the network resulting from the proposed developments. It will also make the town a more attractive place to live and to visit by relieving congestion and enhancing connectivity.</p>

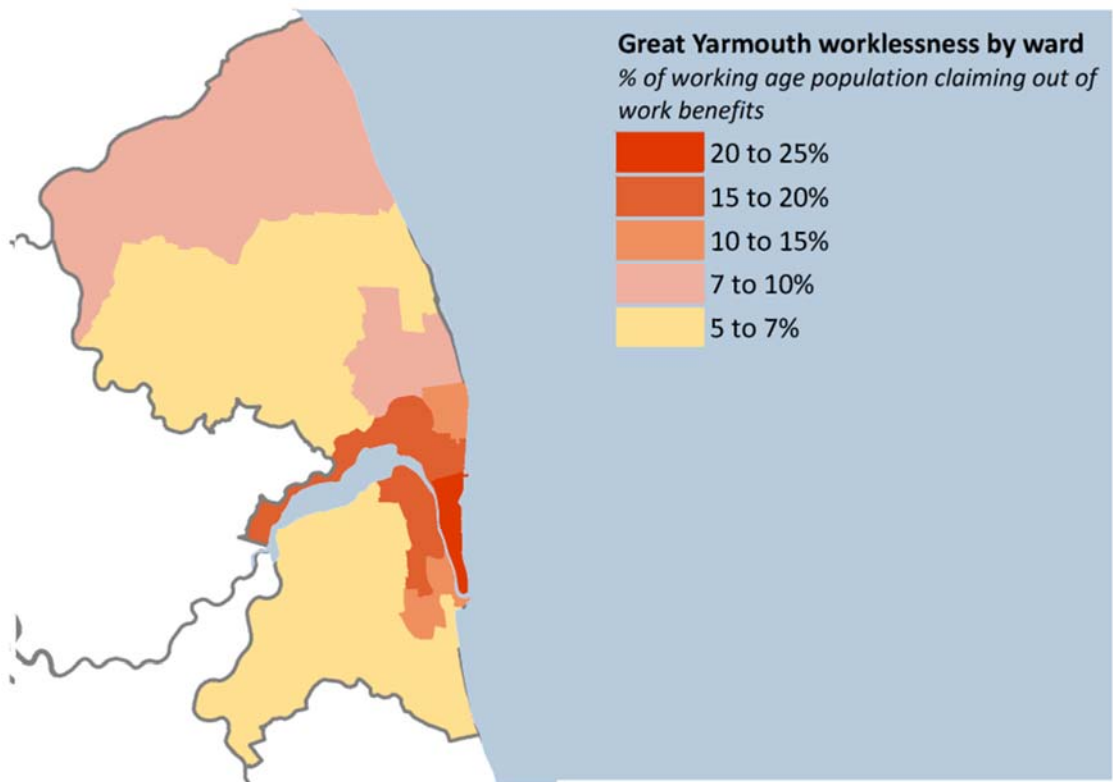
### 3. Socio-Economic Context

3.1 This section sets out the socio-economic context of Great Yarmouth, focusing on the challenges and opportunities it faces. A review of past trends on the economic performance of the area, as well as a view on economic forecasts, helps to set the context for the proposed TRC scheme and the challenges it is intended to address. We also focus on the key growth sectors in Great Yarmouth and the implications of this growth on infrastructure needs.

#### Great Yarmouth’s Current Socio-Economic Profile

- 3.2 The population of Great Yarmouth is around 99,000 people, of whom 58,000 are working age. This working age population (WAP) accounts for 59% of residents, somewhat below the national 63%. The economic activity and employment rates in Great Yarmouth are among some of the lowest in the New Anglia LEP area, with correspondingly high levels of economic inactivity. Latest data suggests 6% of the borough’s residents are unemployed, accounting for around 6,000 people. Again, this is higher than the average across the LEP area (3.5%).
- 3.3 Great Yarmouth also faces higher than average levels of worklessness, particularly around the town itself and in neighbourhoods on the peninsula. The levels of worklessness here - as measured by the proportion of working age residents (WAP) who are claiming out of work benefits – reach up to a quarter of the WAP, as shown in Figure 3.1.

Figure 3.1 Worklessness: % of WAP claiming out of work benefits, Great Yarmouth 2016

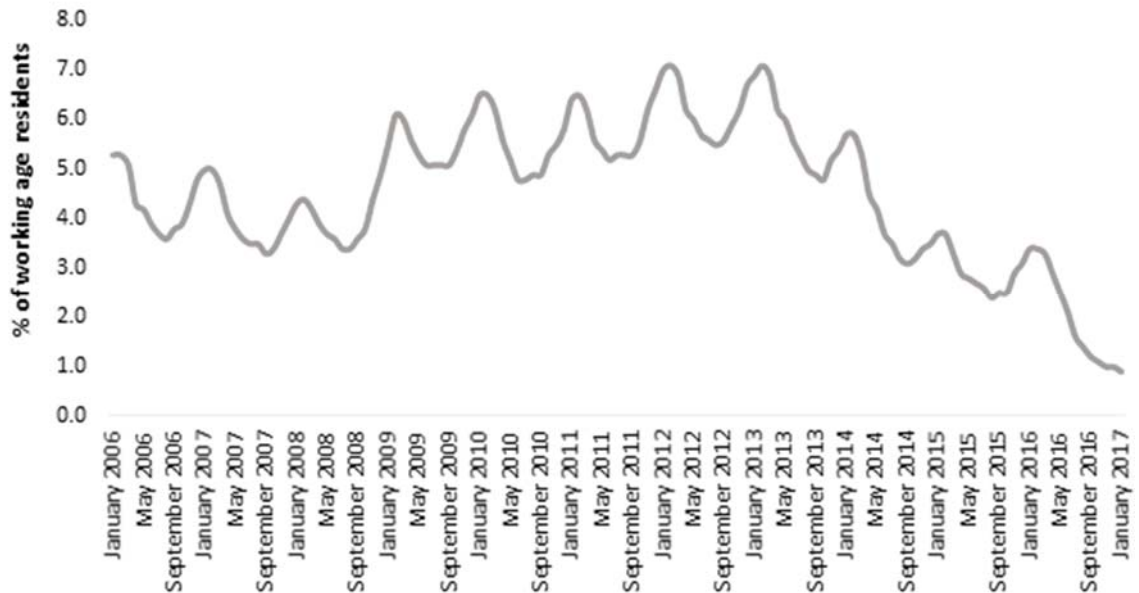


Source: ONS, DWP 2016

3.4 The most recent data on unemployment is the Job Seeker’s Allowance (JSA) claimant data. This dataset shows that in January 2017 there were 540 claimants, or 0.9% of the working age

population. The following chart illustrates historic unemployment trends in Great Yarmouth and reveals the highly seasonal nature of the labour market: the number of claimants tends to peak in the winter months, with troughs in the summer. Overall, however, the number of claimants has reduced considerably over the last decade, suggesting capacity in the labour market is currently narrowing.

Figure 3.2 Great Yarmouth JSA Claimants, 2005-2017

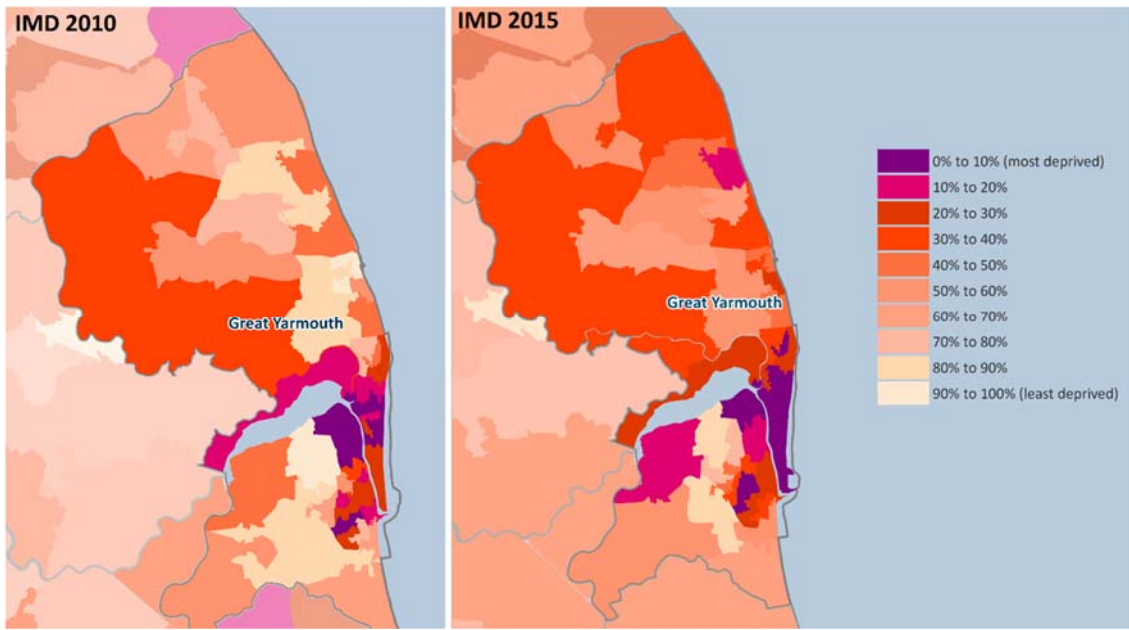


Source: ONS, JSA Claimants 2005-2017

- 3.5 The skills profile of local residents shows there is an underrepresentation of residents with higher level skills, with only 17% of working age residents qualified to level four or above. This is significantly below the sub-regional and national averages of 28% and 37% respectively. This can also be a contributing factor to the reliance on seasonal jobs in the borough. The occupational profile of residents reinforces the message, with almost half of residents employed in low skill occupations (48%).
- 3.6 Resident wage levels in Great Yarmouth are around £25,000 per annum, around £2,000 below the average level in the New Anglia LEP area and £3,000 below the national average, which is not surprising given the occupation and skills profile in Great Yarmouth. There is also a discrepancy between resident and workplace wages: while resident wages are underperforming, workplace wages are equivalent to almost £29,000. This suggests that there are high value jobs in Great Yarmouth (e.g. within the offshore sector and its supply chains), but that local residents are not, in sufficient numbers, accessing these jobs, with higher levels of in-commuting by skilled workers from outside of the borough.
- 3.7 Great Yarmouth is the 29<sup>th</sup> most deprived local authority in England, with more than a quarter (26%) of lower super output area (LSOAs) among the 10% most deprived in the country. It is particularly deprived based on access to education skills and training and is among the worst in the country on this measure. The map below shows how deprivation worsened between 2010 and 2015, particularly in neighbourhoods on the peninsular.



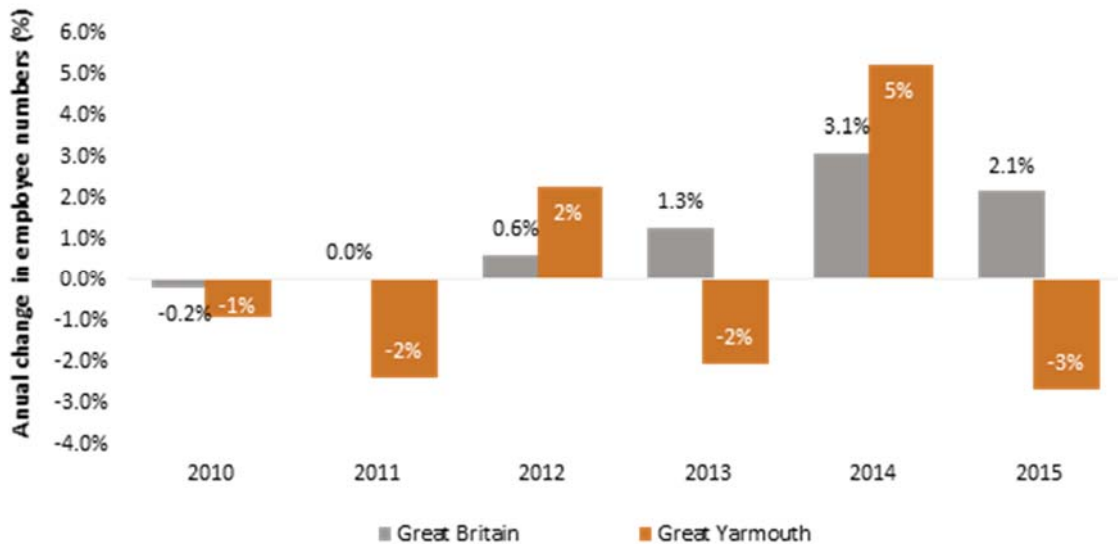
Figure 3.3 Change in Deprivation in Great Yarmouth, 2010 – 2015



Source: ONS, IMD 2015

3.8 The ONS Business Register and Employment Survey (BRES) provides an insight into recent employment trends in the borough. Over the past five years, employment in Great Yarmouth has changed very little overall, decreasing by 300 jobs (or less than 1%). However, annual employment growth rates suggest year on year employment trends are volatile and much more pronounced than the national picture.

Figure 3.4 Employment change, 2010-2015

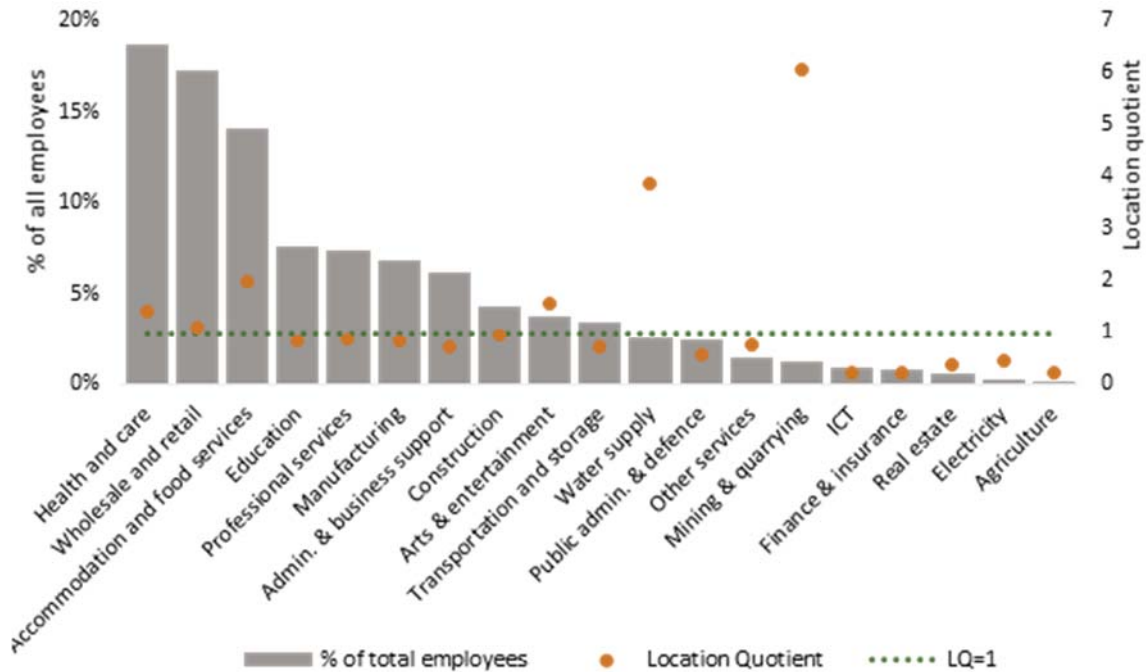


Source: ONS, BRES 2015

3.9 In 2015 there were 37,000 employees in Great Yarmouth. Health and care followed by wholesale and retail are the two largest sectors, accounting for 36% of the borough’s employment. These sectors are associated with low productivity levels, and the sectoral profile of Great Yarmouth,

despite the prominence of the offshore sector, overall shows employment is concentrated in low value sectors. The prominence of accommodation and food services is characteristic of the borough’s tourism sector, while location quotient analysis also highlights energy related activities. These are examined in more detail in the following sub-section.

Figure 3.5 Employment by Sector, Great Yarmouth 2015

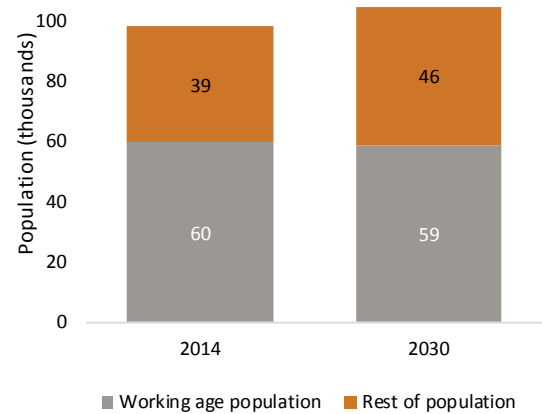


Source: ONS, BRES 2015

## Future Outlook – Population & Economic

- 3.10 Sub-national population projections (SNPP) forecast the number of residents in Great Yarmouth to increase by 7% between 2014 and 2030, placing additional pressures on the town’s infrastructure in the years to come. However, the number of working age residents is projected to decline as a result of an ageing population.
- 3.11 The East of England Forecasting Model (EEFM) projects the employment in the borough to increase by 3,400 jobs between 2016 and 2030. The projections are based on employment trends and so do not take account of the expected growth in the offshore energy sector and the planned investments over the next fifteen years. The implication is that is likely to be increased pressures on local infrastructure, including roads, to accommodate this growth.

Figure 3.6 Population Projections, 2014-2039



Source: ONS, SNPP 2014-based

- 3.12 The Core Strategy has committed to building 7,140 new homes by 2030 across the borough to account for population changes, of which 35% have been allocated to the towns of Great Yarmouth and Gorleston-on-Sea.

## Sector Growth Opportunities

- 3.13 The overview of local policy of Great Yarmouth has highlighted energy, port and logistics and the tourism industry as the three drivers of economic growth in Great Yarmouth. The opportunities presented by these sectors are fundamentally important to the borough's economic growth agenda, while these sectors, particularly offshore energy, have implications for land-use and demand for sites and premises within the borough's main employment locations.

### Offshore Energy

- 3.14 The offshore energy sector has a historic presence in Great Yarmouth, particularly offshore gas production. In recent years, the offshore gas and oil sectors have been going through a transition with some established/global energy companies divesting some of their assets and smaller operators entering the market in the southern North Sea. In addition, the volatility of market prices and wider economic circumstances, alongside uncertainty over UK government offshore energy policy, particularly around offshore wind, has had a knock on effect on the levels of investment in the sector. That in turn has had major implications for the pace of development activity and the growth of the offshore sector in Great Yarmouth, which has not been as fast as originally anticipated when the policies around establishing energy-related enterprise zone sites were designed.

- 3.15 The river port and outer harbour port at Great Yarmouth are important enablers of offshore activity in the borough. While the development of the outer harbour was part-funded via investment from the former East of England Regional Development Agency (EEDA), initially for container based cargoes, this port infrastructure enables Great Yarmouth to capitalise upon the opportunities arising from offshore gas, oil and gas decommissioning, as well as providing the scope to provide space for construction and operation and maintenance (O&M) needs for the offshore wind sector. The port was purchased by Peel Ports in 2015, and alongside its role as a port for grain and aggregate cargoes, offshore energy was seen as a major growth area for the port.

Figure 3.7 East Coast Offshore Wind Activity



Source: Peel Ports

- 3.16 There are several offshore wind projects taking place off the east coast and are being serviced by the port. The choice of Great Yarmouth port as the construction and installation base for East Anglia One and Galloper wind farms has been a game changer for the port and the presence of the industry in Great Yarmouth (e.g. Seajacks HQ), while O&M facilities have also been developed for Dudgeon (e.g. Statoil). The offshore wind farms represent a substantial investment and with them carry significant supply chain opportunities. Siemens has also set up a base in Great Yarmouth at the port as an assembly location and installation base, representing a significant investment for the borough.

- 3.17 It is difficult to accurately comment on the number of businesses and employment which are in the offshore sectors in Great Yarmouth due to the limitations of sector definitions in published datasets. However, given the presence of energy-related activities across the main employment locations in Great Yarmouth, we can look at the composition of businesses that are based there.

Table 3.1 South Denes Business base

	South Denes	Gorleston	Southtown	Total
Mining and quarrying	2	43	58	58
Manufacturing	27	39	120	120
Construction	18	137	189	189
Transportation	7	13	28	28
Storage	5	6	12	12
Professional services	66	168	295	295

Source: Great Yarmouth BC

- 3.18 A best-fit analysis of employment related to offshore supply chain activities shows there are 6,700 people employed in these sectors within the borough. Energy generation activities have a particularly high location quotient, showing the industry is four times more concentrated in Great Yarmouth than nationally.

Table 3.2 Offshore Energy Supply Chain Employment, Great Yarmouth 2015

Supply chain sector	Number of employees	Location quotient
Manufacturing	1,100	0.6
Construction	1,600	0.9
Land based transport	1,100	0.8
Engineering	1,400	1.2
Energy Generation	1,500	4.0
Marine Transport	-	0.8

Source: ONS, BRES 2015. Note: Employee numbers are rounded to the nearest 100.

## The Visitor Economy

- 3.19 The tourism sector is also identified as an important priority for Great Yarmouth and is an important contributor to its economy. As a seaside resort, Great Yarmouth has a very seasonal visitor economy and so the challenge for the borough is to turn tourism into a year-round industry via attracting day and staying visitors. The Core Strategy recognising the constraints which seasonality places on local businesses, including constraints on employment, business performance and investment opportunities. GYBC is keen to make Great Yarmouth a year-round destination and encourage festivals and events throughout the year.
- 3.20 The Core Strategy also highlights the commitment to promoting tourism, leisure and culture in the borough. Tourism will continue to be focused along the Golden Mile, improving existing facilities and increasing resilience of the cluster of attractions to encourage new visitors and lengthen the season. Great Yarmouth has multiple culture and leisure facilities that cater for its visitors, including the Pleasure Beach, the Sea Life Centre, Great Yarmouth Racecourse, Hippodrome, the Marina Centre, Britannia and Wellington Piers and St Georges Theatre. Ensuring the accessibility of the borough and good public transport links is an important priority for the sector, as it encourages day and staying visitors to the area. It also plays an important role in the perceptions of Great Yarmouth as a visitor destination and forms a key part of the visitor's overall experience.



- 3.21 The Economic Impact of Tourism<sup>8</sup> report estimates that tourism related employment in the borough supported 11,700 jobs in 2015, equivalent to a third of the borough's employment.
- 3.22 In 2015, there were 6.7 million trips made to Great Yarmouth. This number of visits is down from the previous year, however, the value of tourism increased. This is attributable to the fact that there have been more overnight visits compared to the previous year, and visitors have been spending more money in the local economy. The report estimates a 5% increase in value of day trips and 1% increase in value of overnight tourism. Overall in 2015 tourism made a significant contribution to the borough's economy of over £590m, accounting for a fifth of Norfolk's visitor economy.
- 3.23 The number of visitors and their spend fluctuates throughout the year, reflecting the seasonality of the industry:
- Day tourism tends to peak in August, with 12% of visitors, while February is the least visited month with 6% of visitors.
  - Overnight tourism is slightly less seasonal, and peaks in December with 11% of visitors, and troughs is February with 6%.
- 3.24 Great Yarmouth attracts different types of visitors. The majority come for a holiday (85%), but business tourism is also important (9%). The development of the offshore sector is likely to stimulate business tourism further and demand for accommodation, as more businesses get established in Great Yarmouth.

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Tourism contributed over £590m to Great Yarmouth's economy in 2015

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## The Business Perspective on Road Improvements

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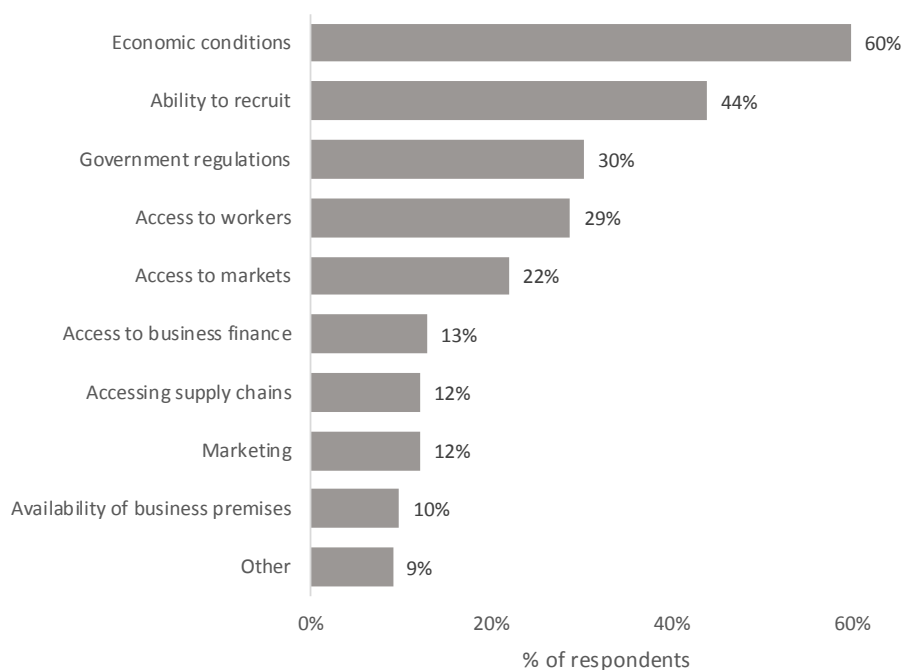
- 3.25 Regeneris was previously commissioned by NCC in 2016 to undertake an assessment of the potential wider economic benefits from dualling sections of the A47. This previous study included a survey of businesses across Norfolk. One of the proposed improvement sections – the Acle Straight – runs from Acle to Great Yarmouth. As such, some of the issues covered in the survey can be drawn upon in this assessment as additional evidence to the business consultation process undertaken for the TRC by Mouchel and NCC (cited later in this assessment and by Mouchel).
- 3.26 The outputs from our survey provides a business perspective on the wider challenges and opportunities which businesses in Norfolk are facing, and views on Norfolk as a business location. Where possible, the assessment draws out issues specific to Great Yarmouth and its connectivity.
- 3.27 The survey revealed a strong growth appetite among businesses, with more than a half (57%) of respondents planning to grow their turnover in over the next three years, with around 44% planning growth in employment and business investment. However, there are a number of barriers which impact on these aspirations:
- **The general economic conditions** are seen as a common barrier to growth by the majority of business respondents (60%). Consultations with business representatives provide sector insight - the perception in the energy and renewables sector links these to the uncertainty associated with Brexit, and linked to this, the lack of clarity on Government policy.
  - **Skills and ability to recruit** are a commonly cited barrier across Norfolk. The challenge in attracting and retaining skilled workers has been cited by most economic development

<sup>8</sup> Economic Impact of Tourism, Great Yarmouth 2015

officers, and is reinforced by the survey findings with 44% of businesses struggling to recruit workers with the right skills.

- **Infrastructure.** Poor infrastructure quality across Norfolk was linked to local businesses readiness to invest locally, as well as to the attractiveness of inward investment.

Figure 3.8 Business barriers to growth, Norfolk

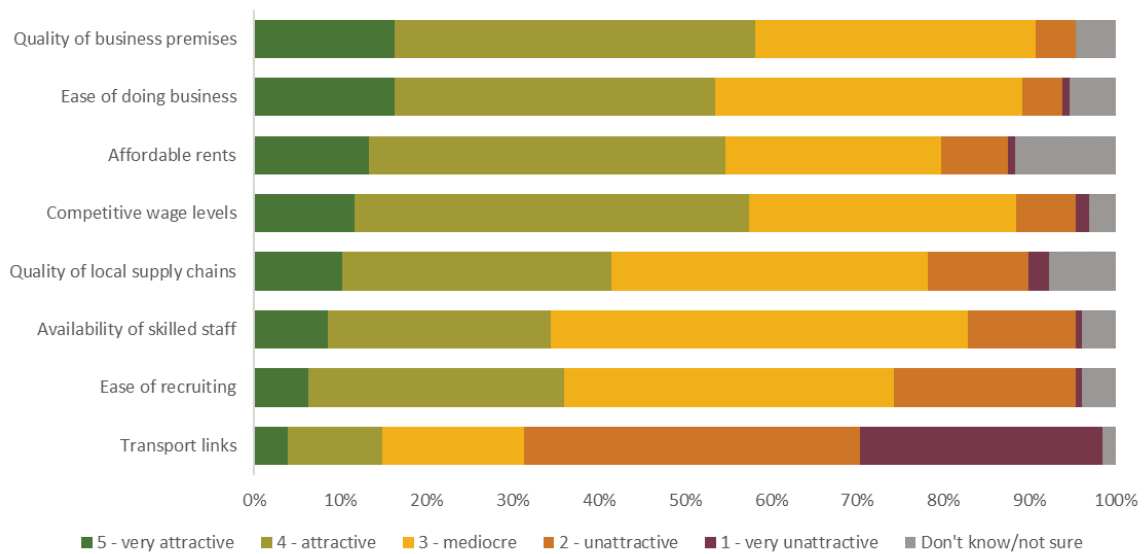


Source: Regeneris Consulting, A47 Improvements Business Survey 2016

3.28 Businesses that are based in Norfolk were asked to rate the attractiveness of the county as a business location based on various factors. The results can be summarised as follows:

- Norfolk is seen as an affordable location based on rent levels and competitive wages, alongside the quality of premises and ease of doing business – more than half of respondents rated the location as attractive or very attractive on these factors
- Reinforcing the messages above about the barriers to business growth, availability of skilled staff and the ability to recruit are a challenge.
- The least attractive factor by far is transport links – more than two thirds of respondents ranked these as unattractive or very unattractive. This was most significant for businesses based in Great Yarmouth, where **76% of respondents** found Norfolk unattractive or very unattractive based on transport links.

Figure 3.9 Business perceptions on attractiveness of Norfolk as a business location



Source: Regeneris Consulting, A47 Improvements Business Survey 2016

- 3.29 Moreover, businesses were asked about how satisfied they are with their current business location and whether they are considering to relocate. A fifth (20%) of businesses said they had plans to relocate, the vast majority of which said that road connectivity was influencing their decision (14% of all respondents).
- 3.30 The findings of the survey highlight the connectivity concerns across Norfolk, some of which are more pronounced in Great Yarmouth. Connectivity and resilience on the road network may require a package of improvements to be delivered together in order to unlock the benefits of the TRC scheme and other transport schemes together.
 

“Bottle neck at Great Yarmouth causes big delays, especially during peak times of day and during holiday periods”.

“The bottleneck is the roundabout at Great Yarmouth which would need to be improved at the same time”.
- 3.31 The A47 survey found that that business users were experiencing difficulties on the Acle Straight that were tied to congestion in Great Yarmouth, as bottlenecks at either end are causing knock on effects for the network of the town or the A47 and vice versa.
 

“[Acle Straight is] less of an issue, as without the third river crossing or dualling the bascule bridge, the gains going into GY are going to be limited”.

## 4. Key Development Sites & Opportunities

4.1 This chapter provides an overview of Great Yarmouth's key employment and development/regeneration opportunity sites and areas. From our stakeholder consultations it is clear that it is these locations which will drive Great Yarmouth's economic growth in the next 10-20 years. In particular, key sectors such as offshore oil and gas, offshore renewables, their associated supply chain industries, the visitor economy, as well as support wider issues, such as town centre regeneration.

4.2 While some of these sites are important existing employment areas, some include significant potential for further growth, rationalisation and new development activity. While investment has already been seen at some locations (e.g. Peel's investments at the Port), our stakeholder consultations indicate that a wider set of criteria, over and above just road infrastructure and accessibility, have played an important role to date in these investment decisions.

4.3 Consultees pointed to these occupiers and investors recognising that road accessibility and congestion between the port area and the trunk road network from the peninsula is a significant and long-term problem. However, for some occupiers it is their operational requirements to be in close proximity to the outer harbour or the river port which have carried greater weight in their overall decision making. For example, Statoil with the need to develop their operations and maintenance (O&M) facility in order to serve the Dudgeon offshore wind farm, and Seajacks to support the development of the East Anglia One windfarm.

4.4 Nonetheless, as the Mouchel transport economics assessment demonstrates, improved accessibility to employment areas and development sites via the proposed TRC would deliver improved journey times, operational savings and other benefits for businesses currently located on the peninsula. It will also deliver travel benefits to a wider set of road users, including commuters, suppliers and other businesses in the town given the additional road capacity the TRC would deliver.

4.5 While there has been significant support for the development of the TRC from all stakeholders that we consulted with, consultees were clear that these development sites in Great Yarmouth are either already seeing some form of investment and development activity, or that their future development was **not wholly dependent** upon the TRC being constructed. However, the majority of consultees put forward the case that they considered that any potential investment in a TRC would play an important role in potentially **accelerating** development activity at these sites.

4.6 Given the importance of these sites to the growth of the borough's key sectors, over-time these sites and developments will generate additional traffic and movement of people and goods in and out of Great Yarmouth (as Mouchel's transport modelling has demonstrated). As such, without

Figure 4.1 Overview of Key Employment Areas



Source: NCC/Mouchel

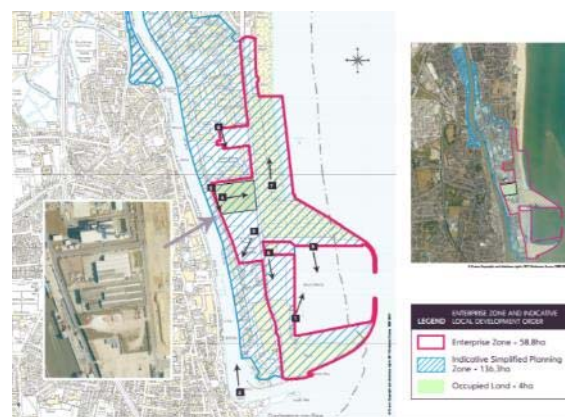
targeted infrastructure investments across Great Yarmouth, with a TRC being part of a **wider package of investments** to address congestion and improve the town’s resilience, there was wide consensus that economic growth in Great Yarmouth will be **constrained and current problems further exacerbated**.

## South Denes Area

### The South Denes Enterprise Zone

4.7 The Great Yarmouth and Lowestoft Enterprise Zone (EZ) is themed around energy. This is not just in anticipation of the major investments that are due over the next few years across the offshore renewables sector, but also those in oil and gas exploration, extraction and storage, the decommissioning of oil and gas, as well as civil nuclear energy. The Enterprise Zone aims to make the most of the £50 billion expenditure in the renewables energy sector that is anticipated over the next 10-15 years. New Anglia LEP expects that the EZ will be home to between 150 and 200 businesses and will support around 9,000 direct new jobs (and a further 4,500 indirect and induced jobs).

Figure 4.2 South Denes EZ and LDO Areas



Source: New Anglia LEP

4.8 Employment in the energy and renewables sectors is key for the growth and success of the Enterprise Zone. The sector can deliver roles in engineering, construction, manufacturing, fabrication, as well as operations and maintenance which are accepted as being key drivers of growth. The energy sector’s supply chain will also benefit, with many suppliers being able to work across oil, gas and renewables (e.g. hydraulics, precision engineering etc). Furthermore, the growth of the energy and renewables sector across the area will also result in a number of supporting (indirect and induced) jobs across hospitality (such as hotels, B&Bs and restaurants), retail and other recreation businesses, helping to offset the seasonality effects of tourism-related jobs.

4.9 The Enterprise Zone covers six sites in and around the two towns, including two sites in Great Yarmouth: South Denes and Beacon Park. The South Denes Enterprise Zone (EZ) location is approximately 59 hectares and is situated towards the southern end of the Great Yarmouth. The area is characterised by the activities of the Port and related industries. However, there is significant land for development within the EZ site, most of which is in the ownership of Peel Ports. GYBC has recently sought to expand the EZ at South Denes with the inclusion of three additional sites. More detail on this addition will be made available in due course by GYBC.

4.10 The EZ also benefits from:

- A business rate discount worth up to £275,000 over a five-year period for eligible businesses that move into the Zone.
- Simplified planning procedures to help businesses build or extend premises more swiftly – in the case of South Denes, GYBC has a Local Development Order which specifies these simplified planning procedures for development.
- Support from Government to ensure high speed broadband is rolled out in the Zone.



- 4.11 To date the Enterprise Zone site at South Denes has seen limited development activity. The latest monitoring data provided by the LEP showed that **just 1%** of land had been developed (0.65 hectares), supporting just 2,000 sqm of floorspace. A further 800 sqm of floorspace had been refurbished<sup>9</sup>.

### The Port (River Port and Outer Harbour)

- 4.12 The river port and its berths has long played an important role in the economy of Great Yarmouth. However, it was the development of the deep water outer harbour, using a mix of private sector funding and around £9m of public funding from the former East of England Regional Development Agency, that has been an important in enabling Great Yarmouth to begin to capitalise opportunities from both established and emerging offshore energy developments (i.e. gas, wind, construction, maintenance and decommissioning). The port, now owned by Peel Ports since 2015, has a significant areas of adjacent development land which is prime for regeneration and included within the EZ. There are also potential development options for extending the outer harbour walls and reclaiming further development land in due course. The key point to note on the Port are:

- Peel Ports Great Yarmouth is strategically located to serve the oil and gas fields of the southern North Sea and the existing and planned Offshore Wind development off the UK East Coast. The Port also offers the shortest North Sea crossing between the UK and continental Europe.
- The Port is well established and is categorised as a centre of excellence in the renewable and offshore energy sectors. It has a combination of modern deep sea facilities in the outer harbour for larger offshore vessels, as well as long established facilities for offshore operations and maintenance in the river port.
- The Port also has also traditionally handled a wide range of cargoes including aggregates, cement, grain, fertilisers, forest products, dry and liquid bulks, pipeline and onshore wind farm equipment.
- In 2016 the outer harbour was chosen to be Sieman's assembly location and installation base for the 56 turbine Galloper offshore wind farm and as the port of construction for the 102 turbine East Anglia ONE wind farm. Great Yarmouth's river port was also chosen as the Operation & maintenance location for the Dudgeon offshore windfarm in 2014. Key reasons for this include flexibility of a 24/7 harbour, ability to handle a range of vessels and the opportunity to locate offices and warehousing on the quayside.

<sup>9</sup> New Anglia LEP. Data from April 2012-December 2016

## Energy Park and Wider South Denes LDO Area

4.13 The Energy Park project is led by the Great Yarmouth Development Company, a joint venture between Great Yarmouth Borough Council and Norfolk County Council.

4.14 The 50-acre Energy Park, in close proximity to the EZ, is being established to ensure that businesses related to the offshore energy sector continue to have suitable land available, close to the riverport and outer harbour, so the area is best placed to capture these anticipated future jobs, investment, economic growth and regeneration opportunities. The location will have superfast broadband and benefits from being within the GYBC LDO area. This means that development activity within this area follows a streamlined planning permission route.

4.15 This area of South Denes is currently characterised by small plots, long term leases and licences and a narrow grid pattern of streets and roads. While the borough council already owns much of the land, work has been progressing to gain control of key sites within the Park so they can be offered for sale or rent to growing offshore energy sector-related businesses, which would then invest and create jobs. This rationalisation process is important if the vision for the Energy Park is to be realised. The proximity of the Energy Park to the proposed TRC is also a very important consideration for local stakeholders. Access to both the port and to the trunk road network, while avoiding the town centre, will be one of the key elements in the successful marketing and occupation of the site.

4.16 In addition, between the Energy Park and the EZ, this area of South Denes is also the location for the South Denes Business Park (shown as orange on Figure 4.3). This site, approximately 5 acres, is owned by Chaldean Properties. It has the capacity to accommodate between 70-80,000 sqft of mixed-use employment floorspace. Seajacks have already located at the Business Park, with a HQ facility for their offshore activities. We understand that Chaldean are currently in negotiations for the sale of other plots for design and build opportunities.

Figure 4.3 Energy Park & Wider LDO Area



Source: GYBC

## Harfreys and Gapton Hall Industrial Areas

4.17 These industrial locations grew in popularity given the need for employment land and modern premises in the 1960s and onwards as a result of the growth in the offshore oil and gas sector and their supply chains. These locations have been very successful in terms of historically providing the space for growth of manufacturing and industrial premises in Great Yarmouth, as well as other sectors more recently, such as trade counters and automotive/mechanical.

4.18 However, from consulting with local agents and stakeholders, it is clear that these locations are very well occupied, with low vacancy rates and limited space available for further expansion. While there will be opportunities that emerge at these sites, strategically GYBC has had to consider where future employment growth can be located. Given ground conditions on neighbouring land being

4.19 unviable for an expansion of these sites, land at Beacon Park, towards the south of the borough, was identified for employment needs.

4.20 This site was also designated as the second EZ site for the borough. There is a broad vision that some of the energy sector related occupiers currently at these locations may wish to relocate to modern premises at Beacon Park, helping to free up space within Harfreys and Gapton. This in turn may encourage occupiers within the current Energy Park location to consider moving their activities to one of Great Yarmouth’s other industrial areas and to free up development space here too.

Figure 4.4 Harfreys & Gapton Hall



Source: GYBC

## Beacon Park EZ Site

4.21 Beacon Park is located to the south west of the port in Great Yarmouth accessed directly off the main A12 trunk road. The Beacon Park site was designated as an EZ location in 2012. It is approximately 16.7 hectares, with the ability for the Park to accommodate a wide range of size requirements for industrial and office units (e.g. from 3,000 sqft to 100,000 sqft).

4.22 At Beacon Park, the vision is ‘to create a prestigious business environment that combines high quality, distinctive design with best practice sustainable design features’. Beacon Park and the future westward extension, which includes employment land and housing land, will be promoted for higher value technology and research and development sector businesses, particularly those associated with the offshore energy industry. This specialisation is clear, given the range of existing occupiers at the site.

4.23 As with the South Denes EZ site, Beacon Park occupiers benefit from business rates relief, superfast broadband and a simplified planning regime. To date, **around half** of the available development land (8.2 hectares) has been developed, with around 21,700 sqm of new employment floorspace developed. The EZ has so far attracted 17 businesses and supports around 340 jobs.

Figure 4.5 Beacon Park EZ Area



Source: New Anglia LEP

## Waterfront AAP Area/Edge of Town Centre

4.24 The overall approach to the future development and regeneration of the Waterfront area is to facilitate the comprehensive regeneration of Great Yarmouth’s historic quaysides in the heart of the town and provide improved linkages between the town centre and its riverfront, which for many years has been subject to industrial decline and under-utilisation. The overall development aspiration for the area is to create a series of vibrant, mixed-use urban neighbourhoods that meet the needs of existing and future residents, with easy access to jobs, community facilities and public

4.25 transport services, helping to reduce the need for the private car and creating a more sustainable environment.

4.26 The Great Yarmouth Waterfront Area Action Plan (AAP) was developed by GYBC and Aecom and is a statutory planning document which forms part of Great Yarmouth's Local Plan. The AAP covers a total area of approximately 40 hectares of predominantly brownfield waterfront land in Great Yarmouth. The AAP seeks to ensure that development within this area comes forward in a coordinated manner by setting out a policy framework to guide the delivery of new housing, employment space, retail, leisure and tourism facilities, community facilities, open space, transport initiatives and environmental enhancements.

4.27 The objectives of the AAP area are to provide approximately 1,000 dwellings (focussed on North Quay, Ice House Quay and Bure Harbour Quay); provide 16,500 sqm of employment floorspace and around 14,200 sqm of new retail and leisure uses as part of a mixed use development; contribute towards the provision of 5,000 jobs; and to ensure that high standards of urban design are deployed in order to create an attractive destination to live, work and visit.

4.28 Importantly, the regeneration of the AAP area will play a key role in creating an **attractive gateway** to Great Yarmouth, as well as improve the character and identity of the town's river frontage. The proposed TRC scheme is identified as being critically important to the successful delivery of the Waterfront area's regeneration, helping to significantly reduce congestion from the key routes that serve it.

Figure 4.6 Waterfront Regeneration Area



Source: GYBC



## 5. Wider Economic & Regeneration Benefits

- 5.1 This section of the report presents our assessment of the wider economic and regeneration benefits as a result of the development of the proposed TRC. Given the nature of the scheme, the location of the key development and regeneration areas in relation to the TRC, as well as existing evidence on the investment activity and sector growth opportunities, the issue of dependency of development on the TRC has been an important consideration here. While it is clear that some types of site development are not considered to be wholly dependent upon the TRC coming forward, the scheme has the potential to play an important role in **accelerating** development activity in the borough, helping to realise benefits more quickly than would have otherwise been the case.
- 5.2 This assessment of benefits and impacts is therefore largely qualitative in nature. However, any quantification of benefits is clearly outlined (e.g. on attributing employment and GVA impacts). The focus of the assessment is on the impacts upon employment land and existing sites and premises, as well as town centre regeneration and visitor economy impacts. There is also commentary on demographic change and the how increased investment and development activity in Great Yarmouth will lead to requirements for and supply of a skilled labour market.
- 5.3 While the Mouchel analysis focusses upon the monetised transport economic benefits as a result of the TRC scheme (e.g. monetised value of time, monetised value from fewer accidents and reduced emissions etc), the investment in the TRC can also lead to a number of wider economic and regeneration impacts. It is these types of wider economic and regeneration benefits which are assessed and described here.

### Impact on Development Sites and Employment Land

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#### Improved Access to and between Employment Sites and Premises

- 5.4 We have reviewed the existing evidence, local strategies and policies, as well as undertaken our own socio-economic research and consultations with stakeholders. In light of this, it is clear the development of a TRC linking the A12/A47 and the peninsula would be a **fundamentally important component** in delivering modern and resilient road infrastructure in Great Yarmouth. The TRC would improve accessibility to the borough's river port, outer harbour and key regeneration sites on the peninsula, as well as improve access to other employment areas. In addition, the proposed TRC will also have positive wider effects via reducing traffic flows and congestion through the town, as well as supporting wider aspirations to regenerate the town centre and to support Great Yarmouth's visitor economy (see below).
- 5.5 We have described the TRC as an 'important component' in improving accessibility, as a new bridge on its own will not be a panacea to addressing all of Great Yarmouth's congestion issues. However, in addition to a proposed TRC, **a package of other investments** in the town's road infrastructure have been identified by local stakeholders. Taken together these investments are important to maximise the full potential of the transport and economic benefits that can be delivered for Great Yarmouth. We understand that other road infrastructure improvements are currently the subject of other funding decision processes (e.g. the dualling of the Acle Straight on the A47, roundabout improvements on the A12/A47).
- 5.6 Nonetheless, the proposed TRC scheme has the potential to deliver significantly improved access to and from the south of the peninsula for HGV vehicles and other traffic (e.g. mainly business and commuter related to the port and existing industrial areas) seeking faster routes to the main trunk road network or to connect with existing employment areas in the borough. As shown in Figure



5.1, the development of the TRC will be a **transformational project** in terms of shortening the distance, both in mileage and time, between existing employment sites in the borough and the port and industrial areas on the peninsula which are key to the borough’s regeneration and economic growth agenda. In particular, the borough’s focus upon offshore energy.

### Increasing Demand and Investor Interest

5.7 Our discussions with local stakeholders and property agents have demonstrated that the proposed TRC would play an important role in **sustaining and growing** the offshore energy sector and its supply chain in the borough, particularly within the South Denes area, as well as at other employment sites in the borough (e.g. Beacon Park and Harfreys and Gapton Hall).

5.8 Improved accessibility to the port and employment land at South Denes, via the TRC, was cited by consultees as being a key factor, amongst others, in **re-orientating investor and developer perceptions** of this location. There will always be a requirement for some occupiers to use the port or to be located in close proximity to it. However, our consultees cited that a TRC, in combination with existing proposals to rationalise and regenerate employment land (e.g. to develop the Energy Park) at South Denes, would be key factors which will help to **drive up investor and developer interest** as the advantages of being located in Great Yarmouth become more tangible.

5.9 NCC also undertook a public consultation process for the TRC between November 2016 to January 2017. This was to improve their understanding of current transport issues in Great Yarmouth and to measure the public’s perception of the TRC project. NCC prepared a wide-ranging questionnaire and received 479 responses. In terms of their views on inward investment, three-quarters of all respondents either strongly agreed or agreed that the TRC **would encourage investment** in Great Yarmouth.

75% strongly agreed or agreed that the TRC would encourage investment in Great Yarmouth

5.10 The provision of serviced development plots, of a suitable scale within South Denes, would also help to improve the borough’s wider portfolio of sites and premises. This location would also be well connected via the TRC to A12/A47 roundabout which serves the existing and successful industrial and commercial estates of Harfreys and Gapton Hall, to the west of the A12/A47, and then onwards to Beacon Park or to the Acle Straight (avoiding the town centre).

5.11 Consultees at GYBC, NCC and New Anglia LEP all saw the importance of improving connectivity between employment sites, as well as the overall land and property product within the borough, in attracting investment to Great Yarmouth. There is a broad vision that the improvements proposed at South Denes, alongside existing provision at Harfreys and Gapton and Beacon Park, provides Great Yarmouth with a **circuit of sites and premises** to meet varying needs of businesses as they grow

Figure 5.1 Circuit of Sites and Premises



Source: GYBC

and wish to remain in Great Yarmouth, or for new businesses looking to locate in the borough.

- 5.12 The provision of serviced development plots, of a suitable scale within South Denes, will help to improve the borough's wider portfolio of sites and premises. This location would also be well connected via the TRC to A12/A47 roundabout which serves the existing and successful industrial and commercial estates of Harfreys and Gapton Hall, to the west of the A12/A47, and then onwards to Beacon Park or to the Acle Straight (avoiding the town centre).
- 5.13 Consultees at GYBC, NCC and New Anglia LEP all saw the importance of improving connectivity between employment sites, as well as the overall land and property product within the borough, in attracting investment to Great Yarmouth. There is a broad vision that the improvements proposed at South Denes, alongside existing provision at Harfreys and Gapton and Beacon Park, provides Great Yarmouth with a **circuit of sites and premises** to meet varying needs of businesses as they grow and wish to remain in Great Yarmouth, or for new businesses looking to locate in the borough.

### Increasing Employment Land & Rental Values in South Denes

- 5.14 From consultations with local agents, it is considered that the development of the proposed TRC, alongside other factors such as site assembly/rationalisation and levels of demand, could in the future lead to land values on South Denes reaching similar levels to land values at other employment locations in the borough, for example at Harfreys and Gapton Hall industrial estates.
- 5.15 As can be seen on the Figure 5.2, one independent local commercial agent put forward the case that for some occupiers sites in South Denes (for example the Energy Park or on Peel's land) would become very attractive and have increasing land value, given excellent access to the A12/A47 via the TRC, as well as access to the port. Depending upon each occupier's needs, the TRC could potentially play a major role in enabling sites in the South Denes area to become the **destination of choice** for some offshore energy businesses and their supply chains, as well as other types of occupiers, who wish:
- to be in close proximity to the port,
  - be located in modern premises, and
  - have excellent access to the A12/A47.
- 5.16 A further benefit which could arise from the TRC contributing towards increased land and rental values in South Denes is that this uplift in values and in the property product in Great Yarmouth may give confidence to or catalyse other land and property owners to invest and improve land and property in the borough.

Figure 5.2 The Proposed TRC and access to the A12/A47 from South Denes



Source: GYBC

## Supporting Job Creation & GVA Growth

- 5.17 While this assessment mainly focusses upon qualitative impacts, it has identified the key employment and development sites in Great Yarmouth. It is these sites, including on the peninsula and at Beacon Park, that can accommodate growth over the next few decades. While economic growth is forecast within the EEFM baseline scenario, there is potential for the Great Yarmouth economy to grow more quickly and to a higher level if the right market, policy, economic and investment conditions arise. This includes ensuring that Great Yarmouth has created the right environment to support growth, including having the right mix of sites and premises, as well as the appropriate infrastructure.
- 5.18 We understand that NCC and GYBC aspire to **attract inward investors** to their key employment and development sites, particularly those in the offshore energy and renewable sector. Clearly the attraction of energy-related businesses, particularly those with a manufacturing basis, rather than solely offshore construction and O&M purposes is the over-riding objective for local stakeholders. It is these types of inward investments which deliver significantly more jobs, which are longer-term in nature and provide a range of low-medium-high skilled roles. They can also deliver wider benefits via helping to attract a supplier base too.
- 5.19 In the absence of information on specific investments in Great Yarmouth, our assessment of the potential for employment and gross value added (GVA) growth in the borough has been based upon the list of employment and development sites provided by GYBC and NCC. For consistency with Mouchel's work, this is the list of sites which has also been used within their transport assessment model. This list of sites covers key sites in South Denes, the Waterfront, Beacon Park and its proposed extension, and Harfreys and Gapton Hall industrial estates. These are all sites which are identified to be brought forward within the Local Plan period.
- 5.20 For the purposes of our assessment, we have assessed the scale of potential B1a, B1c, B2 and B8 floorspace uses that GYBC and NCC consider could be brought forward between 2018-2030 (a twelve-year period). Using a range of assumptions, rooted in guidance from the HCA's Employment Densities Guide (2015), and assumptions provided by GYBC on uses at some of the sites, we have estimated a gross and net employment impact by 2030. Our assessment of sites is outlined in Table 5.1. The key points to note are:

- In gross terms, the combined employment impact of all of these sites<sup>10</sup>, if the identified floorspace was fully developed and occupied by 2030, would be in the order of **5,100 full-time equivalent (FTE) jobs**. This would equate to a total GVA contribution of **around £364m**.
- However, as the development trajectory for this floorspace is subject to range of factors it is uncertain when these impacts would actually arise. Taking a simple 12-year average, which assumes an even distribution of development and impacts, the annual impacts would be in the order of 420 FTE jobs and £30m of GVA.
- To assess net impacts, we have taken account of the issue of displacement. Given the aspiration for an improved portfolio of sites and premises in the borough, we expect that a proportion of future occupiers are likely to be relocations from businesses within the borough. As such, we have applied a displacement factor of 35%<sup>11</sup>. Based on this, the net employment impact by 2030 would be in the order of **3,300 full-time equivalent (FTE) jobs**, with a total GVA contribution of **around £237m**. The average annual impacts of a 12 year period would be in the order of 280 FTE jobs and £20m of GVA.

5.21 As outlined earlier, the proposed TRC scheme will not be a panacea to address all of Great Yarmouth's congestion issues, nor do we expect that all of the employment and GVA benefits described here can be attributable to the TRC investment. There will be a wide range of factors which will shape investment decisions by businesses in choosing Great Yarmouth, with prioritisation of accessibility and connectivity to the port and to the trunk road network, as well as wider market considerations, likely to vary by sector and occupier.

Nonetheless, for the purpose of assessing the potential scale of employment and GVA impacts attributable to the TRC, a low level of dependency has been assumed - **just 10%**. This is a conservative assumption and assumes that there are some modest employment and GVA uplift effects linked to the TRC scheme. However, as there a wide range of other factors typically involved in business investment/location decisions, it is assumed that around 90% of the benefits would be attributable to other factors and that these impacts would happen anyway. On this basis, the impacts attributable to the TRC would be of the order of **330 FTE jobs and £24m of GVA by 2030**.

<sup>10</sup> Discussions with GYBC indicate that any businesses who have been affected by the CPO processes for sites to accommodate the TRC's development have been compensated and where necessary have relocated within the borough. We understand that the chosen location for the TRC only directly affects a small number of existing workplaces and businesses.

<sup>11</sup> Informed by guidance for physical regeneration projects in the HCA's Additionality Guide, 2014 (4<sup>th</sup> Edition).

Great Yarmouth Third River Crossing: Assessment of Wider Economic & Regeneration Benefits

Table 5.1 Gross and Net Employment & GVA Impacts by 2030

Site	Use	GEA sqm developed 2018/19-2030	Proposed Uses	Measurement	Adjusted sqm developed 2018-2030	Density (sqm per job)	FTE Jobs <sup>1</sup>	Total GVA £m
Bure Harbour Quay (AAP)	B1	1,400	B1a	NIA	1,131	12	85	£4,897,878
The Conge (AAP)	B1	1,800	B1a	NIA	1,454	12	109	£6,297,272
Ice House Quay (AAP)	B1	7,000	B1a	NIA	5,653	12	424	£24,489,390
North Quay (AAP)	B1	6,200	B1a	NIA	5,007	12	375	£21,690,602
Beacon Park (EZ/LDO B2)	B2	40,000	B2	GIA	38,000	36	950	£80,855,460
Beacon Park (EZ/LDO B8)	B8	10,000	B8	GEA	10,000	77	117	£7,829,452
Beacon Park (15ha extension) B1	B1	21,000	B1a/B1c	NIA	16,958	12/47*	609	£35,170,932
Beacon Park (15ha extension) B2	B2	26,250	B2	GIA	24,938	36	623	£53,061,395
Beacon Park (15ha extension) B8	B8	5,250	B8	GEA	5,250	77	61	£4,110,462
Gapton Hall (allocated undeveloped site)	B8	10,000	B8	GEA	10,000	77	117	£7,829,452
Eastport (EZ LDO B1)	B1	10,000	B1c	NIA	8,075	47	155	£13,160,516
Eastport (EZ LDO B2)	B2	10,000	B2	GIA	9,500	36	238	£20,213,865
Eastport (EZ LDO B8)	B8	80,000	B8	GEA	80,000	77	935	£62,635,615
South Denes (Non EZ LDO B2)	B2	2,000	B2	GIA	1,900	36	48	£4,042,773
South Denes (Non EZ LDO B8)	B8	5,000	B8	GEA	5,000	77	58	£3,914,726
Harfreys Industrial Estate	B8	7,500	B8	GEA	7,500	77	88	£5,872,089
Former Mushroom Farm and land to south	B2	4,000	B2	GIA	3,800	36	95	£8,085,546
<b>Total Gross Impacts</b>		<b>247,400</b>			<b>234,163</b>		<b>5,086</b>	<b>£364,157,424</b>
<b>Total Gross Annual Average (12-year timeline and even distribution of development)</b>							<b>424</b>	<b>£30,346,452</b>
<b>Total Net Impacts (applying 35% displacement)~</b>							<b>3,315</b>	<b>£236,702,326</b>
<b>Total Attributable Net Impacts (assuming 10%)</b>							<b>332</b>	<b>£23,670,233</b>

Source: Regeneris. Note: Based upon site and development parameters prepared by GYBC/NCC and used in Mouchel's transport assessment. Derivation of adjusted floorspace based upon guidance within the HCA Employment Densities Guide. <sup>1</sup> Occupancy rate of 90% applied. \* assumes 30% B1a uses/70% B1c uses. GVA estimates for B1a, B1c/B2 and B8 uses estimated by using assessment of FTE jobs and using ONS's GVA by region for the East of England (2016 prices). B1a uses: £57,767 per FTE job; B1c/B2 uses: £85,111 per FTE job; B8 uses: £66,985 per FTE job. ~This has been informed by guidance on benchmark displacement factors for land and property/physical regeneration projects within the HCA's Additionality Guide, 2014 (4<sup>th</sup> Edition).



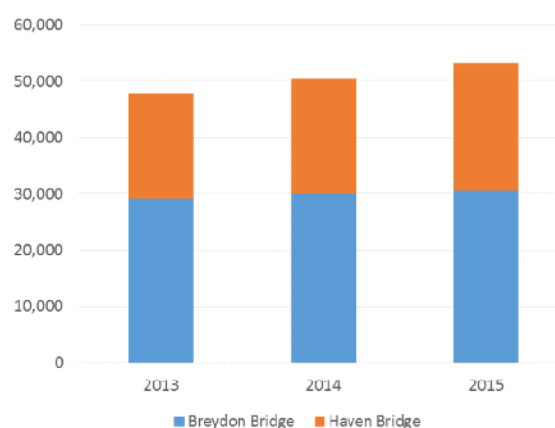
## Impact on Town Centre Regeneration

5.22 Congestion and the volume of traffic have been identified as some of the main problems affecting the current functioning of Great Yarmouth's town centre. These issues have been identified across a range of sources, including traffic counts, public surveys, as well as more recently through our own stakeholder consultations. In addition, the recent Great Yarmouth Town Centre Masterplan Consultation Draft, published in December 2016, identifies traffic and congestion issues at the core of constraining the town centre's growth and investment potential. Addressing this issue is a primary objective of the Masterplan.

5.23 The evidence on traffic and congestion in the town centre and its key routes has been emphasised within Mouchel and NCC's earlier analysis, as well as in the TRC OBC. However, the key points to highlight in relation to the town centre are:

- NCC's October 2015 traffic count data demonstrates the scale of congestion in and around the riverside, existing river crossings and key roads leading to and from the town centre and links to the A47/A12.
- For example, on the Haven Bridge, traffic count data for roads feeding on to the bridge showed that the maximum observed queue lengths were of the order of approximately 150 vehicles at peak times.
- NCC traffic counts on both bridges in the town show that traffic has been increasing in recent years (2013-15), playing a key part in the lengthy queues forming on the bridges and on feeder roads in the town, particularly at peak times of the day. It is these queues which constrain access to and through the key routes in Great Yarmouth which has knock on implications for local residents, businesses, port users.
- Peak hour congestion issues are then further exacerbated during the periods of the year when visitor numbers significantly increase as the resort attracts both day and staying visitors.
- While not reported in the traffic counts or other surveys, our consultations have pointed to even more significant congestion problems in the town when bridges are operational to let vessels through, or when maintenance or repairs are required to be undertaken. Given the current routing and traffic management principles in place in the town, this can lead to extensive gridlock in the town centre and key roads when these issues occur.

Figure 5.3 Bridges Traffic Growth



Source: NCC/Mouchel. Note: 2013-15, 12hr counts

5.24 In regard to the public's perception on traffic, congestion and the town centre, the following from NCC's public consultation survey highlights the public's views on how congestion negatively impacts upon road users, as well as views on the importance of reducing congestion:

- 72% of respondents see congestion as a very serious issue in the town centre
- 92% of respondents see congestion approaching the town as a very serious and serious issue

- 72% of respondents have been affected by congestion in the Great Yarmouth and Gorleston areas at least once a week
- 80% would either strongly agree or agree congestion would be reduced as a result of the TRC.

5.25 The regeneration of Great Yarmouth town centre is one of the **highest priorities** for Great Yarmouth Borough Council (GYBC). It is important in order to drive down vacancies in the town<sup>12</sup>, increase national and independent interest, change the mix and diversity of town centre uses, and to drive up footfall and improve the retention of Great Yarmouth residents’ expenditure which leaks out to other retail and leisure destinations.

5.26 The town centre provides the link between Great Yarmouth’s seafront and the riverside, for both pedestrians and for movements of vehicles and cyclists. Taken together, this whole area has the potential to attract and deliver a critical mass of investment and development activity. The 2016 Draft Town Centre Masterplan builds upon previous work undertaken by GYBC and aims to set out *“...a commercially-realistic and flexible framework for the development of Great Yarmouth town centre up to 2025”*.

5.27 The 2016 Draft Town Centre Masterplan sets out a clear vision for the future development of the town centre. Key to this vision is building upon the town’s existing assets, including historic, cultural and retail assets; its growing economy and role in the offshore energy and visitor economy sectors; alongside the ability to attract new investment and employment in the town centre.

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*“By 2025, new investment and employment in the town centre is generating renewed pride in Great Yarmouth and building confidence for the future”*

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5.28 The masterplan is underpinned by six objectives. The table below provides an overview of each objective and the broad activities and projects proposed in order to realise the vision for the town centre’s regeneration.

Table 5.2 Town Centre Masterplan Objectives

1.Strengthening the Heart of the Town Centre:	To build upon recent improvements around the junction of King Street and Regent Street/Regent Road due to a range of new occupiers and operators including a leisure-based anchor, cafes, bars and restaurants the masterplan focusses upon attracting a new cinema development to anchor this area and investment in public realm
2.Improving the Market & Market Place	Trade and custom in the 6-day and 2-day markets will be greatly improved, supported by new stalls and service facilities and by the newly-paved Market Place to create an appropriate setting for an expanded programme of outdoor events and for the improved building frontages.
3.Transforming The Conge	The Conge is transformed, with new mixed-use development lining both sides of the lower half of the street connecting it to the renewed Marketplace. Delivered by improved public realm and pedestrian and cycle improvements too between the station and the town centre.
4.Creating a sense of arrival and departure at the train station	The setting of the train station creates a new sense of arrival and departure, with new mixed-use development around the station, and connecting it to The Conge and onwards to the town centre.

<sup>12</sup> Currently retail unit vacancies are at around 4%, with a five-year average at just under 6%. However, in 2014 retail vacancies in the town centre reached near to 9% (Source: Co-Star Retail Analytics, February 2017).

5.Unlocking the potential of Hall Plain	Hall Plain connects from the Town Hall through to Haven Bridge area. Following investments in road infrastructure, including the TRC, this objective is focussed upon capitalising upon future commercial interest in investing in Hall Plain. Mainly as a location for leisure-based development through the refurbishment and regeneration of buildings in this location, alongside improved public realm.
6.Linking it all together with The Rows	Wayfinding through public realm improvements is improved across the town through key parts of the network of Rows, with footfall significantly increased and commercial vacancies significantly reduced.

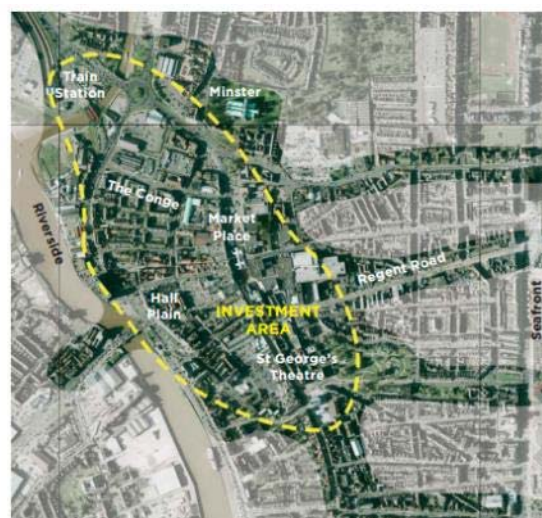
Source: GYBC, December 2016

5.29 The TRC will play an important role in supporting the delivery of all six masterplan objectives as a result of the congestion relief it will bring to the town centre. However, alongside congestion relief, the TRC will be critical to unlocking the value of some of the town’s most historic buildings at Hall Plain and along the river quayside towards the station, helping to shape developer and occupier interest in the town centre.

5.30 Given the issue of congestion, it is the view of GYBC that **‘no single investment is likely to do more to boost the regeneration of the town centre than the proposed third river crossing’**<sup>13</sup>. Other strategic consultees we have spoken to also agreed with this position. It is clear that in order to realise the vision and the objectives of the town centre masterplan, as well as achieve the investment and development that the town centre requires, the funding and delivery of the TRC is critically important.

5.31 This importance is clearly evident when reviewing the phasing of the masterplan activities up to 2025. The masterplan requires a series of projects to be undertaken in a coordinated approach across the town centre over the years ahead in order to maximise public and private sector investment, as well as the regeneration opportunity for Great Yarmouth town centre. At present, there is significant uncertainty attached to the extent to which aspects of the masterplan and town centre regeneration activity can be delivered, given how contingent they are upon the investment decision by government on the TRC.

Figure 5.4 Town Centre Investment Area



Source: GYBC, Draft Town Centre Masterplan, December 2016

## Impact upon the Visitor Economy

5.32 The tourism sector in Great Yarmouth is identified as an important priority and is an important contributor to its economy. In 2015, there were 6.7 million trips made to Great Yarmouth, contributing over £590m to the borough’s economy. Putting this into context, the borough accounts for around a fifth of Norfolk’s visitor economy – a major contributor to the region’s visitor economy.

5.33 However, as with many seaside resorts it has a seasonal visitor economy. The key challenge for the borough is to turn tourism into a year-round industry through attracting day and staying visitors.

<sup>13</sup> Page 16, Draft Town Centre Masterplan, December 2016

There is a clear commitment amongst local stakeholders to ensure that the visitor offer in Great Yarmouth moves forward in light of changing market trends, as well as in the quality of the attractions. The Golden Mile is the focus of visitor assets in the town, including attractions, accommodation and other leisure activities. The southern end of the Golden Mile is also the location for 'The Edge', a proposed multi-purpose entertainment complex consisting of restaurants, bars, a cinema, a hotel and a casino. The land-owner is currently seeking investors/occupiers to bring this scheme forward.

- 5.34 As set out in earlier sections, it is congestion on the roads leading in to Great Yarmouth, as well as on the town centre's roads, which is a particular problem at peak times throughout the year. This is exacerbated even further during the key holiday periods. The combination of traffic from local residents, businesses, port-related activities can lead to gridlock and to significant delays for all road users.
- 5.35 As Mouchel's transport assessment demonstrates, the proposed TRC will enable the separation of a significant level of port and industrial related traffic. This is traffic which travels through the town to reach South Denes and out again, as well as worker/commuter traffic. Allied to wider proposed improvements to road junctions on the A12/A47, as well as town centre regeneration projects (outlined earlier), consultees stated that this would deliver a markedly improved experience for visitors arriving in Great Yarmouth by road.

## Impact upon the Demand for & the Supply of Labour

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- 5.36 The growth resulting from current and future opportunity sites (outlined earlier), as well as the positive effects of the TRC on the town centre and visitor economy will result in additional jobs within the borough. The following section outlines the demands this will generate on the local labour market and how the investment in the TRC can lead to some further important economic development and regeneration benefits for Great Yarmouth.

### Local Population & Employment Growth

- 5.37 Sub-national population projections (SNPP 2014) forecast that the number of residents in Great Yarmouth is to increase by 7% between 2014 and 2030, placing additional pressures on the town's infrastructure in the years to come, including the road network and housing. However, the Core Strategy is very clear on addressing this from a housing infrastructure perspective, with a commitment to build 7,140 new homes by 2030 across the borough. Around a third of new housing has been allocated to the towns of Great Yarmouth and Gorleston-on-Sea, including sites in close proximity to Great Yarmouth town centre and the existing river crossings (e.g. the Waterfront AAP area).
- 5.38 However, despite population growth, the SNPP data also shows that the number of working age residents is projected to decline as a result of an ageing population – a fall from 60,000 working age adults to 59,000 by 2030. This is an important consideration in light of the borough's employment forecasts.
- 5.39 The latest East of England Forecasting Model (EEFM) projects that employment in the borough will increase by 3,400 jobs between 2016 and 2030. The projections are a 'baseline scenario' and are based on employment trends. As such, they do not take account of the expected growth in the offshore energy sector and planned investments over the next fifteen years. As our earlier analysis has shown, the key employment sites in the borough, if fully developed, could support in the region of 5,700 FTE jobs by 2030. Allied with a regenerated town centre and improving visitor offer, employment growth in the borough could well be higher. The implication is that there is likely to

be increased pressure on local infrastructure, including roads, to accommodate both baseline growth, as well as higher levels of growth.

- 5.40 Although people are expected to stay in work for longer (following changes to State Pension rules), and efforts will be made to support Great Yarmouth residents back in to employment through labour market interventions, the projected contraction in the borough's working age population means that Great Yarmouth is unlikely to be able to find enough local people to fill new jobs. It will therefore need to expand its labour market and attract workers from its surrounding areas or from further away.
- 5.41 With a requirement for Great Yarmouth's future workforce to also be reliant upon in-commuters, particularly in employment locations on the peninsula and in the town centre, the congestion situation, if left unchecked, will only worsen. In terms of attracting labour and in-commuters to work in the town, the perception of accessibility in to and around Great Yarmouth as peak times is already negative. If investment to improve this situation is not made, businesses will continue to find it challenging to attract workers to commute in to Great Yarmouth.

### Skills Requirements

- 5.42 As our earlier evidence has demonstrated, the borough has higher than average levels of unemployment and worklessness, as well as some of the most deprived neighbourhoods nationally. Many of these neighbourhoods are within close proximity to the town centre and the South Denes/Port area of the Great Yarmouth peninsula – locations where future employment growth opportunities are expected to arise.
- 5.43 The jobs that could be created as a result of current and future opportunities in Great Yarmouth are expected to be in a mix of sectors and sub-sectors, which will in turn require a mix of skills. However, the latest qualifications data shows that skill levels amongst the local workforce are lower than average, with only 17% of residents having NVQ 4 and above qualifications compared to 33% across the Eastern region and 37% nationally<sup>14</sup>. While the borough has a higher proportion of residents who are in typically lower skilled occupations, such as process plant and machine operatives and elementary occupations (24%). This is higher than the Eastern region (16.6%) and national average (17.2%).
- 5.44 The growth of employment in the energy sector (mainly the offshore wind, gas and decommissioning sectors), its supply chains and other port-related activities are also expected to lead to a greater demand for a range of skilled workers, including higher skilled workers. The development of the TRC can play an important role in supporting this growth, as well as in accelerating the pace of activity and investment interest in Great Yarmouth. The upshot from this is there will need to be further consideration given by local stakeholders to how local young people are prepared for the workforce, in addition to making it easy for people already in employment to access training opportunities that would allow them to access new and highly skilled jobs.
- 5.45 This is already starting to happen via initiatives via the LEP and other stakeholders around sector development strategies, identification of skills gaps and relationship building across the sector. In addition, sector representative organisations, such as the East of England Energy Group (EEEGR) are working alongside businesses, schools, colleges and universities to focus efforts and resources on maximising skills and training opportunities for local people. In particular, local people from

<sup>14</sup> ONS Annual Population Survey, 2015



some of the borough's more disadvantaged neighbourhoods. It is these types of existing<sup>15</sup> and future initiatives that are required in order to ensure that Great Yarmouth's workforce is well prepared to meet the needs of businesses in the sector, as well as ensure that the benefits of growth are shared equitably amongst all communities in the borough.

<sup>15</sup> For example, further investment is proposed in the EPIS Centre (Energy Production Innovation and Skills Centre) to coordinate skills training for all energy sector and to work with all stakeholders to support the skills agenda of the sector. The centre is currently located at Minerva House in the borough.

## 6. Conclusions

- 6.1 A Third River Crossing (TRC) across the River Yare in Great Yarmouth, creating a new link between the A12/A47 and the southern end of the peninsula and port, has been discussed by local politicians and stakeholders for several decades. The genesis for the TRC scheme amongst its supporters is that traffic congestion in the town and around the two existing crossings is imposing a negative impact upon the success of the local economy. This is in turn constraining investment, job creation and economic growth. It is considered that the proposed TRC scheme would play an important role in increasing road capacity, reducing congestion in the town, and potentially a major role in removing barriers to future economic growth in the borough.
- 6.2 Mouchel's assessment focusses upon the transport economic benefits of the proposed TRC scheme (e.g. the monetised economic benefits arising from improved journey times, reduced congestion, accident savings etc). It is these benefits which feature in the benefit cost ratio (BCR) and value for money assessment for the scheme. However, major transport investments such as these have the potential to lead to a number of wider economic and regeneration benefits which are not typically captured in traditional transport economic appraisals. This is an important consideration, as the wider economic and regeneration benefits arising from transport investment projects can play a significant role in supporting the growth of local economies.
- 6.3 This assessment provides the evidence for the business case on the potential range of wider economic and regeneration benefits which the TRC scheme could deliver for Great Yarmouth. This is particularly important in the context of the policy and strategic context of the borough, with its focus upon growing its offshore energy sector, including offshore wind, its visitor economy and town centre regeneration, as well as the associated supply chains and multiplier effects (see section 2 in the main report). In addition, such benefits are also important in the context of the borough's clear socio-economic challenges. For example, around employment opportunities, unemployment and worklessness, deprivation, skill levels and low average earnings (see section 3 in the main report).
- 6.4 Given the nature of the proposed scheme, the location of the key development and regeneration sites in relation to the TRC, as well as existing evidence on the investment activity and sector growth opportunities which are already happening, the issue of the dependency of development on the TRC has been an important consideration in this assessment. In addition, the transport economics assessment undertaken by Mouchel also captures some of the wider benefits to businesses (for example, through enhanced journey time savings, fuel and operational cost savings for businesses). Consequently, and in light of the time and resources available to prepare the assessment of wider economic and regeneration benefits, it has been largely qualitative in nature. Where quantification of benefits has been possible, the approach to attributing this to the TRC has been described.

### Impact upon Development Sites & Employment Land

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#### Improved Access to and between Employment Sites and Premises

- 6.5 Our assessment concludes that the development of a TRC linking the A12/A47 and the peninsula would be a fundamentally important component in delivering resilient, modern road infrastructure in Great Yarmouth. The TRC would improve accessibility to the borough's river port, outer harbour and key regeneration sites on the peninsula, as well as improve access to other employment areas. In addition, the proposed TRC will also have positive wider effects via reducing traffic flows and

congestion through the town, as well as supporting wider aspirations to regenerate the town centre and to support Great Yarmouth's visitor economy.

- 6.6 However, while the investment has the potential to make a transformational change to Great Yarmouth's road infrastructure and deliver improved accessibility to key development and employment sites, a new bridge on its own will not address all of Great Yarmouth's congestion issues. It will need to form part of a package of infrastructure investments (e.g. the dualling of the Acle Straight on the A47, roundabout improvements on the A12/A47) in order to maximise the overall transport and economic benefits that can be delivered for Great Yarmouth.

### Increasing Demand & Investor Interest

- 6.7 Our consultations with a range of local stakeholders and property agents demonstrated that the proposed TRC and the improved accessibility it would deliver would, amongst other factors, play an important role in increasing demand from occupiers and shape perceptions of the peninsula as an investment location. They noted that in particular it would help to sustain and grow the offshore energy sector and its supply chain in the borough, particularly within the South Denes area, as well as at other employment sites in the borough (e.g. Beacon Park and Harfreys and Gapton Hall).
- 6.8 It is clear from our discussions that there will always be a requirement for some occupiers to use the port or to be located in close proximity to it. However, consultees cited that a TRC, in combination with proposals to rationalise and regenerate employment land at South Denes (e.g. the Energy Park), as well as create a wider portfolio of sites and premises in the borough, would be key factors in driving up investor and developer interest as the advantages of being located in Great Yarmouth become more tangible. In addition, NCC's consultation survey showed that three-quarters of the general public strongly agreed or agreed that the TRC would encourage investment in Great Yarmouth.

### Increasing Land and Rental Values in South Denes

- 6.9 From consulting with an independent property agent in Great Yarmouth it was their view that the proposed development of the TRC could be a significant factor which leads to future land and rental values on South Denes reaching similar levels to other employment locations in the borough (e.g. at Harfreys and Gapton Hall industrial estates). Such an increase would be driven by significantly improved access to the A12/A47 via the TRC, as well as excellent access to the port and, importantly, quality modern premises and good sized development plots.
- 6.10 Consequently, the TRC has the potential to play a major role in enabling sites in the South Denes area to become the destination of choice for some offshore energy businesses and their supply chains, as well as a range of other types of occupiers. A further benefit which could arise from the TRC contributing towards increased land and rental values in South Denes is that this uplift in values and in the property product in Great Yarmouth may give confidence to or catalyse other land and property owners to invest and improve land and property in the borough.

### Supporting Job Creation & GVA Growth

- 6.11 An assessment of the potential for employment and gross value added (GVA) growth in the borough has been undertaken based upon a list of employment and development sites in the borough. The sites are consistent with those used in the transport assessment by Mouchel. We have concluded that if these sites were developed and occupied by 2030 the net employment impact would be in the order of 3,300 full-time equivalent (FTE) jobs, with a total GVA contribution

of around £240m. The gross average annual employment and GVA associated with these occupiers over this period s would be in the order of 280 FTE jobs and £20m of GVA.

- 6.12 However, the TRC scheme alone will not address all of Great Yarmouth’s congestion issues, nor do we expect that all of the employment and GVA benefits at these sites can be attributable to the TRC investment. A wide range of factors will shape investment decisions by businesses in choosing Great Yarmouth. For the purpose of assessing the potential scale of employment and GVA impacts attributable to the TRC (i.e. the uplift in jobs and GVA attributable to he TRC), a low level of dependency has been assumed - just 10%.
- 6.13 This is a conservative assumption and assumes that there are some modest employment and GVA uplift effects linked to the TRC scheme. However, as there a wide range of other factors typically involved in business investment/location decisions, it is assumed that around 90% of the benefits would be attributable to other factors and that these impacts would happen anyway. On this basis, the impacts attributable to the TRC would be of the order of 330 FTE jobs and £24m of GVA by 2030.

## Impact on Town Centre Regeneration

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- 6.14 The regeneration of Great Yarmouth town centre is one of the highest priorities for Great Yarmouth Borough Council. It is important in order to drive down vacancies in the town, increase national and independent interest, change the mix and diversity of town centre uses, and to drive up footfall and improve the retention of Great Yarmouth residents’ expenditure which leaks out to other retail and leisure destinations. Congestion and the volume of traffic have been identified as critical problems affecting the current functioning of Great Yarmouth’s town centre. In addition to standard peak traffic congestion, town centre gridlock significantly worsens during peak holiday periods when visitor numbers increase, and when bridges are opened or when they are being repaired.
- 6.15 The 2016 Draft Town Centre Masterplan sets out a clear vision for the future development of the town centre, with six objectives to deliver change. Consultations with stakeholders demonstrated how important the proposed TRC is to supporting the delivery of the masterplan objectives. As well as providing congestion relief, the TRC will be critical to unlocking the value of some of the town’s most historic buildings at Hall Plain and along the river quayside towards the station, helping to shape developer and occupier interest in the town centre. The masterplan is very clear in stating that ‘no single investment is likely to do more to boost regeneration of the town centre than the proposed third river crossing’.
- 6.16 The importance of the TRC is clearly evident when reviewing the phasing of the masterplan activities up to 2025. The masterplan requires a series of projects to be undertaken in a coordinated approach across the town centre over the years ahead in order to maximise public and private sector investment (e.g. in terms of reducing traffic, improving public realm and pedestrian improvements in key locations). At present, there is significant uncertainty attached to the extent to which aspects of the masterplan and town centre regeneration activity can be delivered, given how contingent they are upon the investment decision by government on the TRC (e.g. Hall Plain, public realm).

## Impact upon the Visitor Economy

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- 6.17 The tourism sector in Great Yarmouth is identified as an important priority and is an important contributor to its economy. In 2015, there were 6.7 million trips made to Great Yarmouth, contributing over £590m to the borough’s economy. A key challenge for the borough is to turn tourism into a year-round industry through attracting day and staying visitors outside of the main

holiday periods. There is already a clear commitment and momentum amongst local stakeholders to ensure that the visitor offer in Great Yarmouth moves forward in light of changing market trends, as well as in focussing on the quality of the attractions. However, congestion on the roads leading in to Great Yarmouth, as well as on the town centre's roads, is a particular problem at peak holiday periods in the year and considered a major constraint. The combination of traffic from local residents, businesses, port-related activities and visitors can lead to gridlock and to significant delays for all road users.

- 6.18 As Mouchel's transport assessment demonstrates, the proposed TRC will enable the separation of a significant level of port and industrial related traffic. This is business traffic which travels through the town to reach South Denes and out again, as well as commuter traffic. Allied to wider proposed improvements to road junctions on the A12/A47, as well as town centre regeneration projects, consultees stated that the delivery of the TRC would deliver a markedly improved experience for visitors arriving in Great Yarmouth by road.

## Impact upon the Demand for Labour & Skills

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- 6.19 The development of current and future opportunity sites, as well as the positive effects of the TRC on the town centre and visitor economy, will result in additional jobs in the borough. Put simply, this growth will generate additional demands on the local labour market in order to fill these roles. However, while new housing growth is proposed and people are expected to stay in work for longer (following changes to State Pension rules), as well as efforts to support Great Yarmouth residents currently outside of the labour market back in to employment, the projected contraction in the borough's working age population means that Great Yarmouth is unlikely to be able to find enough local people to fill all of these new jobs. It will therefore need to expand its labour market and attract workers from its surrounding areas or from further away.
- 6.20 With a likely requirement for Great Yarmouth's employers to be reliant upon in-commuters, particularly in employment locations on the peninsula and in the town centre, the congestion situation, if left unchecked, will only worsen. In terms of attracting labour and in-commuters to work in the town, the perception of accessibility in to and around Great Yarmouth at peak times is already negative. If investment to improve this situation is not made, businesses will continue to find it challenging to attract workers to commute in to Great Yarmouth.
- 6.21 The future growth of employment in the energy sector (including offshore wind, gas and decommissioning), its supply chains and other port-related activities are also expected to lead to a greater demand for a range of skilled workers, including higher skilled workers. The development of the TRC can play an important role in supporting this sector's overall growth, as well as in accelerating the pace of activity and investment interest in Great Yarmouth. However, the upshot from this is there will need to be further consideration to how local young people are prepared for the workforce, in addition to making it easy for people already in employment to access training opportunities that would allow them to access new and highly skilled jobs. Stakeholders want to ensure that the benefits of growth are shared equitably amongst all communities in the borough.



## Appendix A - Consultees

<b>Public &amp; Private Sector Stakeholders</b>	
David Glason	GYBC, Group Manager: Growth & Strategic Planning
Peter Wright	GYBC, Economic Development Manager
John Clement	GYBC, Principal Strategic Planning
David Dukes	NCC, Economic Development Manager
Eunice Edwards	New Anglia LEP EZ Manager
Chris Starkie	New Anglia LEP Managing Director
Simon Gray	CEO, East of England Energy Group (EEEGR)
Neil Orford	Great Yarmouth Chamber of Commerce President
Natalie Chapman	Freight Transport Association, Head of Policy East of England

<b>Agents &amp; Property Experts</b>	
Daniel Bycroft	Bycroft Commercial
Gary Ellis	Chaldean Properties
Sam Kingston	Partner Industrial & Warehousing, Roche
Chris Squirrell	Surveyor, Bidwells Property Consultants
Mike Younger	Commercial Director, Aldreds



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