Norfolk County Council

Great Yarmouth
Third River Crossing Order 202[*]

Document NCC/GY3RC/EX/075:
Response to Written Representations submitted by Perenco UK Limited at Deadline 5 (Planning Inspectorate Reference REP5-013)

Planning Act 2008

Infrastructure Planning

The Infrastructure Planning (Examination Procedure) Rules 2010

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Foreword

This document accompanies an application ('the Application') submitted by Norfolk County Council ('the Council' / 'the Applicant') to the Secretary of State for a Development Consent Order ('DCO') under the Planning Act 2008.

If made by the Secretary of State, the DCO would grant development consent for the construction, operation and maintenance of a new bascule bridge highway crossing of the River Yare in Great Yarmouth, and which is referred to in the Application as the Great Yarmouth Third River Crossing (or 'the Scheme').

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Glossary of Abbreviations and Defined Terms

ASCO	ASCO UK Limited
DCO	Development Consent Order
EIA	Environmental Impact Assessment
ES	Environmental Statement
ExA	Examining Authority
FTE	Full Time Equivalent
HCA	Homes and Communities Agency
GEA	Gross External Area
GIA	Gross Internal Area
NIA	Net Internal Area
Perenco	Perenco UK Limited
The Applicant	Norfolk County Council (in its capacity as Highway Authority and promoter of the scheme)
The Scheme	The Great Yarmouth Third River Crossing project for which the Applicant seeks development consent
The Site	Neptune Wharf

1 Introduction

1.1 Purpose of this Report

1.1.1 Norfolk County Council (herein referred to as the 'Applicant') intends to construct, operate and maintain a new crossing of the River Yare in Great Yarmouth together with associated connections to the existing local highway network (hereinafter referred to as the 'Scheme').

1.1.2 During the Development Consent Order (DCO) examination process, ASCO UK Limited ('ASCO') and Perenco UK Limited ('Perenco'), two businesses currently occupying land located on the east side of the River Yare and affected by the Scheme, have raised objections regarding the proposed permanent acquisition and temporary possession of land required for the Scheme (please refer to documentation with the following Planning Inspectorate References: for ASCO – RR-016, REP1-018, REP2-021; and for Perenco – RR-024, REP1-015, REP2-019, REP5-013).

1.1.3 As explained in their above-referenced submissions to the DCO examination, ASCO and Perenco are concerned that the proposed use and acquisition of land at Neptune Wharf ('the Site') would make their premises in Great Yarmouth unviable and would lead to the subsequent relocation of their premises and / or the closure of the Site.

1.1.4 In submitting this Report, the Applicant seeks to respond to the contention that the implementation of the Scheme and any consequential departure of ASCO and Perenco from Great Yarmouth would be detrimental to the use of the Site for employment purposes.

1.1.5 By way of background, ASCO is an international company that serves oil and gas operators and major service companies across six continents[1]. Perenco is an oil and gas company that has an onshore and offshore presence in 14 countries[2].

1.1.6 Throughout the DCO process (including the pre-application stage), the Applicant has endeavoured to formulate a package of measures, the provision of which would enable ASCO and Perenco to continue to operate from the Site in the event that the Scheme was implemented. Those endeavours are still continuing: negotiations between the Applicant, ASCO and Perenco are ongoing, with the Applicant's aim being to secure a reasonable solution which

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[1] ASCO (unknown) Company Overview. [Online] Accessed 31/10/19.
[2] Perenco (unknown) About Us. [Online] Accessed 31/10/19.

is agreed between, and which is acceptable to, all three parties. A number of potential solutions are being discussed.

1.1.7　In the meantime, this Report has been produced to assess the Site's potential for alternative employment uses in the event that, notwithstanding the above-mentioned endeavours to accommodate and retain ASCO / Perenco within the Site, they choose to leave their premises at Neptune Wharf in response to the implementation of the Scheme.

1.1.8　This Report shows that even in that scenario, there would remain an overall potential employment benefit with the Scheme in place and generating jobs as anticipated.

1.1.9　This Report should be read alongside Chapter 14: People and Communities of the Environmental Statement ('ES') (Document Reference 6.1, Planning Inspectorate Reference APP-096) and the Case for the Scheme, notably paragraph 5.6.5 (Document Reference 7.1, Planning Inspectorate Reference APP-188).

2   Assessment

2.1   Methodology

2.1.1   For the purposes of this Report, a quantitative assessment has been undertaken to determine the potential alternative employment uses that could follow the proposed permanent acquisition and temporary possession of the ASCO / Perenco Neptune Wharf land required for the Scheme. The assessment has used existing land parcel information and GIS to determine the footprint of the Site that would be available for redevelopment / alternative employment uses following the permanent acquisition and temporary possession of land required for the Scheme. The assessment uses the Homes and Communities Agency ('HCA') Employment Densities Guide[3] to estimate the employment density (average floor space in m^2 per full time equivalent ('FTE') job) that could be sustained by the remaining footprint for different employment uses.

2.1.2   The HCA Employment Densities Guidance uses three measurements of floorspace: Gross External Area ('GEA'), Gross Internal Area ('GIA') and Net Internal Area ('NIA') depending on the employment use class. Additionality assumptions have been made in accordance with the HCA Additionality Guide[4]. A range of employment uses considered most viable for the ASCO / Perenco Site are presented to provide an estimate of jobs that could be supported by the Site.

2.2   Assumptions and Limitations

2.2.1   Both the adopted Local Plan Core Strategy[5] and emerging draft Local Plan Policies Map for Great Yarmouth[6] designate the location of the ASCO / Perenco Site as part of an area of 'Safeguarded Employment Area' under Policy CS6. Policy CS6 supports port related development proposals, technology and energy-based industries and small-scale business units. Based on this, the assessment has considered alternative employment uses that are appropriate or viable for the ASCO / Perenco Site including Industrial and Manufacturing, Small Business Units, Light Industrial Units and General

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[3] Homes and Communities Agency (2015) Employment Density Guide, 3rd edition.

[4] Homes and Communities Agency (2014) Additionality Guide, 4th edition.

[5] Great Yarmouth Borough Council (2015) Great Yarmouth Local Plan: Core Strategy 2013-2030.

[6] Great Yarmouth Borough Council (2019) Draft local Plan Policies Map (Great Yarmouth Borough Area).

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Warehousing. It is assumed that office or retail uses would not be appropriate in this location and therefore these have not been considered further.

2.2.2 It is important to note that all footprint area measurements are approximate as measurements are given in metres^2, and each measurement is rounded up to the nearest whole square metre.

2.2.3 Employment density calculations have assumed that the entire ASCO / Perenco Site footprint could be redeveloped or occupied without being constrained by the planning process (and as such does not go into detail with regards to either gross or net floor area). Calculations are conservative and assume the occupation of one storey only, therefore total employment figures could be increased dependant on the number of floors. On balance, it is therefore considered that the above assumptions represent a robust and reasonable case scenario.

2.2.4 Professional judgement has been used to determine Displacement (25%), Multiplier (1.7) and Leakage (20%) based on previous experience on similar schemes and definitions of each are provided below. These percentages and indices have been used to calculate indirect and induced employment for the alternative employment use types listed. Tables 1, 2 and 3 of this document show how each of these percentages and indices have been used in turn.

Displacement

2.2.5 The HCA guidance defines displacement as '*the proportion of intervention outputs/outcomes accounted for by reduced outputs/outcomes elsewhere in the target area*'. For this assessment a 'Low' displacement level of 25% has been used, as it is anticipated there would be a low number of jobs in the manufacturing sector that would be displaced by the alternative employment uses.

Multiplier

2.2.6 The multiplier refers to '*further economic activity (jobs, expenditure or income) associated with additional local income and local supplier purchases*' and calculates indirect and induced employment for the alternative employment uses. The HCA Additionality Guide provides guidance on income and supply linkage multiplier effects and Table 4.14 of the guidance suggests multipliers to be adopted (ranging from low 1.3, medium 1.5 and high 1.7). For this assessment, a 'High' multiplier of 1.7 has been selected based on strong supply chain linkages, income and guidance within the HCA Additionality Guide. Strong supply chain linkages are typical for the alternative employment uses being considered.

Leakage

2.2.7   Leakage is defined by the HCA as '*the proportion of outputs that benefit those outside of the intervention's target area of group'*. In this case the target area is considered the administrative boundary of Great Yarmouth, therefore this would represent a proportion of benefits from the Scheme (i.e. jobs available at Site) being available to those outside of Great Yarmouth. For this assessment, a 'low to medium' leakage rate of 20% has been applied, meaning '*a reasonably high proportion of the benefits will be retained within the target area/target group'*. This leakage rate has been based on professional judgement, considering factors including the type of potential alternative employment uses, average distance travelled to work and the labour market profile for Great Yarmouth.

2.3   Existing Employment

2.3.1   According to ASCO's written representation, ASCO employs approximately 120 people directly at its premises in Great Yarmouth with an estimated further 120 indirect and induced jobs directly dependant on these premises. These indirect and induced jobs include workers in local transport companies, port pilot services, fuel tankers, crane companies, water companies, drilling mud companies, cement companies, and various other trade suppliers. In addition, Perenco has stated that it employs 22 people directly at its premises in Great Yarmouth but has not provided an estimate of indirect and induced jobs supported by its Great Yarmouth premises.

2.3.2   Using the direct employment information provided by ASCO and Perenco, along with a multiplier of 1.7, in accordance with HCA Additionality Guide, it is anticipated that the Site currently supports roughly 142 direct and 99 indirect jobs.

2.4 Alternative Employment Uses

2.4.1 The ASCO / Perenco Site footprint is roughly 9,049m^2 and would be reduced by a total of 4,614m^2 as a result of the proposed permanent (3,452m^2) and temporary (1,162m^2) land requirements for the Scheme.

2.4.2 Table 2.1 below outlines the potential number of jobs that could be created for different employment uses, based on the reduced footprint during the construction phase and therefore includes permanent land acquisition and temporary land possession required for the Scheme (i.e. 4,435m^2 which is calculated from the current ASCO / Perenco Site footprint (9,049m^2) minus the proposed permanent (3,452m^2) and temporary (1,162m^2) land requirements for the Scheme).

Table 2.1: Estimated Number of Direct and Indirect Jobs Considering Permanent Land Acquisition and Temporary Land Possession[7]

Use Class	Floorspace (m²)	Employment Density (Floorspace (m²) per FTE job)	Gross Direct Jobs (Floorspace divided by Employment Density)	25% Displacement (Gross direct jobs x 0.25)	Net Direct Employment (Gross direct jobs minus displacement)	Indirect and Induced Employment (Net Direct Employment x 1.7 Multiplier[8])	Total Jobs (Net Direct Employment + Indirect and Induced Employment)	Total Jobs within Great Yarmouth (80% of Total Jobs Accounting for 20% Leakage)	Total Jobs outside of Great Yarmouth (20% Leakage of Total Jobs)
(B2) Industrial and Manufacturing	4,213 (GIA)	36	117.0	29.3	87.8	61.4	**149.2**	119.4	29.8

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[7] Note: numbers may not add up due to rounding (rounded to the nearest 0.1 FTE job).

[8] Net Direct Employment represents 1 x multiplier, therefore x 0.7 to obtain additional indirect and induced employment (total 1.7 multiplier).

Use Class	Floorspace (m²)	Employment Density (Floorspace (m²) per FTE job)	Gross Direct Jobs (Floorspace divided by Employment Density)	25% Displacement (Gross direct jobs x 0.25)	Net Direct Employment (Gross direct jobs minus displacement)	Indirect and Induced Employment (Net Direct Employment x 1.7 Multiplier[8])	Total Jobs (Net Direct Employment + Indirect and Induced Employment)	Total Jobs within Great Yarmouth (80% of Total Jobs Accounting for 20% Leakage)	Total Jobs outside of Great Yarmouth (20% Leakage of Total Jobs)
(Mixed B Class) Small Business Units	4,213 (GIA)	60	70.2	17.6	52.7	36.9	**89.6**	71.6	17.9
(B1c) Light Industrial Units	3,371 (NIA)	47	71.7	17.9	53.8	37.7	**91.5**	73.2	18.3
(B8) General Warehousing	4,435 (GEA)	70	63.4	15.8	47.5	33.3	**80.8**	64.6	16.2
(B8) Large Scale and High Bay Warehousing	4,435 (GEA)	80	55.4	13.9	41.6	29.1	**70.7**	56.5	14.1

2.4.3   Following the construction of the Scheme, there would be approximately 1,162m² of the Site released from temporary possession and available for redevelopment and / or alternative employment uses not included in the figures in Table 2.1. Table 2.2 outlines the further potential number of jobs that could be generated for different employment use scenarios on the ASCO / Perenco Site, following the release of the land subject to temporary possession.

Table 2.2: Estimated Number of Direct and Indirect Jobs Considering Temporary Possession of Land[9]

Use Class	Floorspace (m²)	Employment Density (Floorspace (m²) per FTE job)	Gross Direct Jobs (Floorspace divided by Employment Density)	25% Displacement (Gross direct jobs x 0.25)	Net Direct Employment (Gross direct jobs minus displacement)	Indirect and Induced Employment (Net Direct Employment x 1.7 Multiplier[10])	Total Jobs (Net Direct Employment + Indirect and Induced Employment)	Total Jobs within Great Yarmouth (80% of Total Jobs Accounting for 20% Leakage)	Total Jobs outside of Great Yarmouth (20% Leakage of Total Jobs)
(B2) Industrial and Manufacturing	1,104 (GIA)	36	30.7	7.7	23.0	16.1	**39.1**	31.3	7.8
(Mixed B Class) Small Business Units	1,104 (GIA)	60	18.4	4.6	13.8	9.7	**23.5**	18.8	4.7
(B1c) Light Industrial Units	883 (NIA)	47	18.8	4.7	14.1	9.9	**24.0**	19.2	4.8
(B8) General Warehousing	1,162 (GEA)	70	16.6	4.2	12.5	8.7	**21.2**	16.9	4.2

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[9] Note: numbers may not add up due to rounding (rounded to the nearest 0.1 FTE job).

[10] Net Direct Employment represents 1 x multiplier, therefore x 0.7 to obtain additional indirect and induced employment (total 1.7 multiplier).

Use Class	Floorspace (m²)	Employment Density (Floorspace (m²) per FTE job)	Gross Direct Jobs (Floorspace divided by Employment Density)	25% Displacement (Gross direct jobs x 0.25)	Net Direct Employment (Gross direct jobs minus displacement)	Indirect and Induced Employment (Net Direct Employment x 1.7 Multiplier[10])	Total Jobs (Net Direct Employment + Indirect and Induced Employment)	Total Jobs within Great Yarmouth (80% of Total Jobs Accounting for 20% Leakage)	Total Jobs outside of Great Yarmouth (20% Leakage of Total Jobs)
(B8) Large Scale and High Bay Warehousing	1,162 (GEA)	80	14.5	3.6	10.9	7.6	**18.5**	14.8	3.7

2.4.4 The total potential number of direct and indirect jobs, per use class, that could be created on the remaining area of the ASCO / Perenco Site (i.e. 5,597m² which is calculated from the current ASCO / Perenco Site footprint (9,049m²) minus the proposed permanent (3,452m²) land requirements for the Scheme) is set out in Table 2.3.
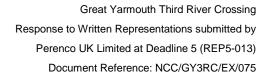
Table 2.3: Estimated Total Number of Direct and Indirect Jobs on the ASCO / Perenco Site[11]

Use Class	Floorspace (m²)	Employment Density (Floorspace (m²) per FTE job)	Gross Direct Jobs (Floorspace divided by Employment Density)	25% Displacement (Gross direct jobs x 0.25)	Net Direct Employment (Gross direct jobs minus displacement)	Indirect and Induced Employment (Net Direct Employment x 1.7 Multiplier[12])	Total Jobs (Net Direct Employment + Indirect and Induced Employment)	Total Jobs within Great Yarmouth (80% of Total Jobs Accounting for 20% Leakage)	Total Jobs outside of Great Yarmouth (20% Leakage of Total Jobs)
(B2) Industrial and Manufacturing	5,317 (GIA)	36	147.7	38.9	110.8	77.5	**188.3**	150.6	37.7
(Mixed B Class) Small Business Units	5,317 (GIA)	60	88.6	22.2	66.5	46.5	**113.0**	90.4	22.6
(B1c) Light Industrial Units	4,254 (NIA)	47	90.5	22.6	67.9	47.5	**115.4**	92.4	23.1
(B8) General Warehousing	5,597 (GEA)	70	80.0	20.0	60.0	42.0	**102.0**	81.6	20.4

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[11] Note: numbers may not add up due to rounding (rounded to the nearest 0.1 FTE job).

[12] Net Direct Employment represents 1 x multiplier, therefore x 0.7 to obtain additional indirect and induced employment (total 1.7 multiplier).

Use Class	Floorspace (m²)	Employment Density (Floorspace (m²) per FTE job)	Gross Direct Jobs (Floorspace divided by Employment Density)	25% Displacement (Gross direct jobs x 0.25)	Net Direct Employment (Gross direct jobs minus displacement)	Indirect and Induced Employment (Net Direct Employment x 1.7 Multiplier[12])	Total Jobs (Net Direct Employment + Indirect and Induced Employment)	Total Jobs within Great Yarmouth (80% of Total Jobs Accounting for 20% Leakage)	Total Jobs outside of Great Yarmouth (20% Leakage of Total Jobs)
(B8) Large Scale and High Bay Warehousing	5,597 (GEA)	80	70.0	17.5	52.5	36.7	**89.2**	71.4	17.8

2.5   Comparison between Existing Use and Potential Future Use

2.5.1   As presented in Table 2.3, the remaining ASCO / Perenco Site (i.e. the current ASCO / Perenco Site footprint minus the proposed permanent land requirements for the Scheme) has the potential to generate between approximately 52 and 110 direct jobs and between approximately 36 to 78 indirect, jobs, based on the redevelopment and occupation of the Site for a range of use classes considered to be appropriate at the Site. In total the number of jobs that could be created at the Site would be in the range approximately 89 to 191, dependant on the employment use.

2.5.2   At present, it is assumed the number of jobs supported by ASCO and Perenco is in the order of (241 (comprising 142 direct and 99 indirect)). Based on class B2 providing the highest number of jobs at approximately 191, it may be seen that post-development there could be a reduction of 51 (best case) jobs on the Site. In the worst case, based on class B8 providing the lowest number of jobs at approximately 89, there could be a reduction of approximately 152 jobs.

2.5.3   It is important to consider that the estimated potential employment figures are based on the occupation of one floor alone and the number of jobs that could be created could be increased based on the number of floors occupied on the Site, subject to the planning process.

2.5.4   It is likely that the existing ASCO / Perenco Site will contain several uses, some of which may be lower density than that assumed. It is only possible to estimate the number of jobs that could be generated as part of the potential future use of the Site, however, it is considered that Table 2.3 provides a reasonable estimate of the likely numbers for different use class scenarios. It may be seen that within the range of variation for assessing possible current and future employment prospects at the ASCO / Perenco Site, including the potential for intensifying floorspace in the future, there is ongoing but anticipated reduced employment potential post-construction.

2.5.5   In terms of the overall Scheme, the Case for the Scheme (Document Reference 7.1, Planning Inspectorate Reference APP-188), notably paragraph 5.6.5 states that approximately 330 FTE jobs[13] could be generated as a result of the Scheme and therefore there would remain an overall potential employment benefit.

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[13]   Numbers from 'Regeneris Consulting (March 2017). Great Yarmouth Third River Crossing: Assessment of Wider Economic & Regeneration Benefits'.