

Invest

Hull

HULL CITY COUNCIL PROPOSITION FOR THE GREAT BRITISH RAILWAYS HQ





HULL

Our workforce demographics offer both availability and sustainability, with more than three million people within an hour's commute of Hull.

Hull has lower property costs and staffing costs than many places within the UK.


The city of Hull has major advantages when it comes to digital connectivity.

 **£4bn**
invested in Hull
since 2013

 **3m**
people live within
an hour of the city

Hourly wages
in Hull are
80% 
of the national average and
63% of the London average

Hull is
the UK's
1st 
full broadband
fibre city in the country

Average Grade A
Office space is
£18 
per sq ft in Hull,
£30 per sq ft in Leeds,
£75 per sq ft in City of London

16,000 
students at University of Hull

8 direct 
trains to London from Hull
hourly service to East Coast
Mainline and across the Pennines

CONTEXT

Hull is located on the east coast of England, 200 miles from both London and Edinburgh. The City of Hull is the capital of the Humber sub-region, with a population of over 500,000 people within half an hour of the city centre.

The proposal to locate Great British Railways within the city has been developed by Hull City Council and supported by the Hull and East Riding of Yorkshire LEP.

Hull is a great location for the HQ of the Great British Railways (GBR), as it;

- Has a working age population of 330,000 within half an hour of the city centre.
- Has existing expertise in transport and logistics.

- Will provide opportunities to augment the area's existing supply chain with the rail industry.
- Offers a highly cost competitive location with unrivalled internet connectivity.
- Is an ideal location for trialling innovative projects linked to multi-modal transport, the development of low carbon technologies as well as new digital applications linked to the increased take up of sustainable travel.
- Aligns with the City of Hull's 'levelling up' ambitions.



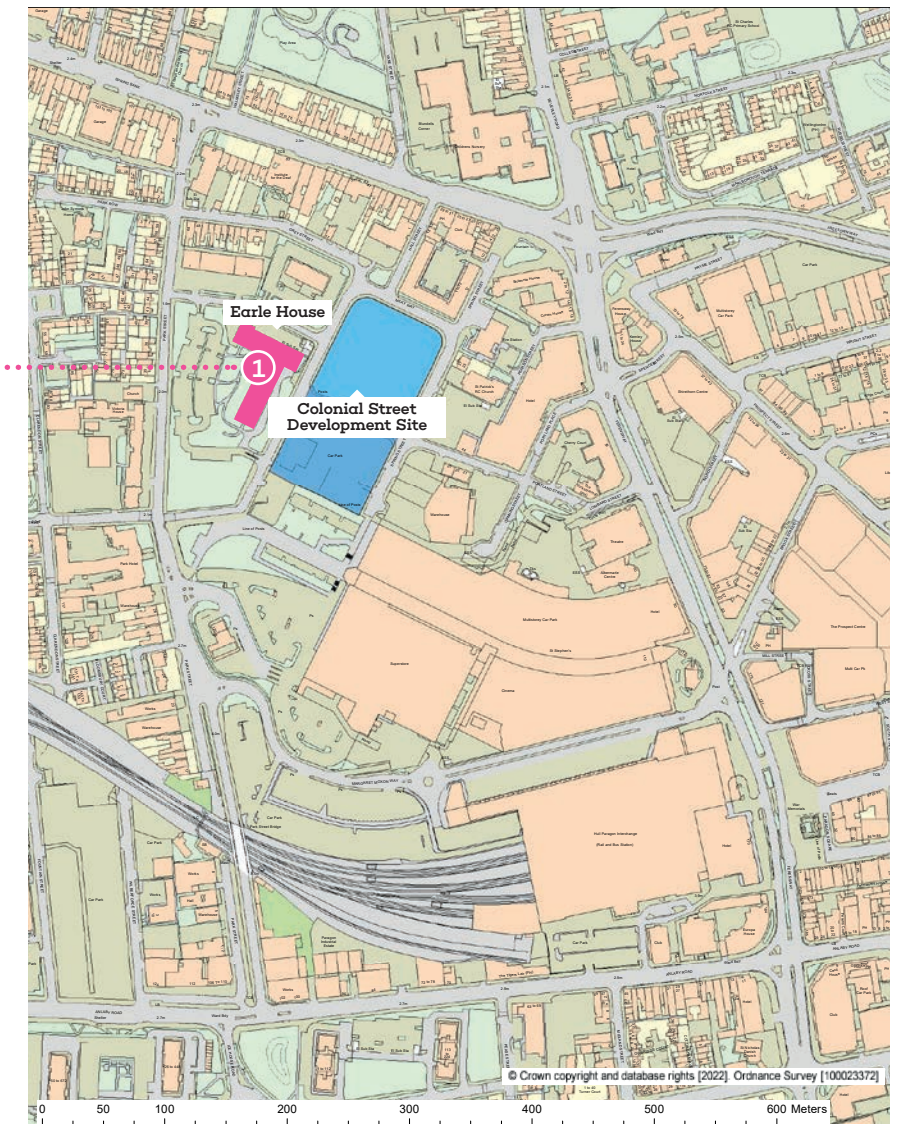
THE PROPOSED SITE

The proposed site(s) for the Great British Railways HQ are Earle House and/or the adjoining Colonial Street development site in the city centre immediately to the west of the city's transport interchange.

Colonial street lies to the south and east of Earle House on the western edge of the city centre, next to the £200m St Stephens shopping centre and the transport interchange.

This site is designated in the Local Plan as a key development site and covers 1.5 ha. The site is in the ownership of Hull City Council.

The site would be available to Great British Railways for either a purpose-built office facility, an expansion facility and/or a hub for the development of an emerging rail cluster.



Norfolk Property Services (NPS) has recently served notice on Earle House, leaving the southern wing of the building with 30,000 sq. ft of high-quality office vacant. The site is currently on a long lease to the Land Registry Office; however it is understood that this site will be transferred over to the Government Property Agency as of the 31.3.22.



LEVELLING UP

In order to deliver on the ‘Levelling up’ agenda, the Council has focused on the opportunities associated with the redevelopment of the city centre as well as the development of renewable/ low carbon technologies.

Hull City Council has invested over £100m in the development of the city centre, in assembling significant sites, upgrading the public realm as well as investing in the cultural and heritage assets to coincide with the award of UK City of Culture.

The ‘City of Culture’ was both a critical and commercial success and has delivered a ‘step change’ for investment in the city centre, as well as enhancing the profile of the city and the aspirations of its residents.

In developing the physical fabric of the city centre, the Council has created a signal to investors which has acted as a catalyst for residential, office, retail and leisure developments, however, the city centre property market remains fragile following the impact of the Covid pandemic.

By continuing to focus investment in this spatial area, there is the opportunity to create a virtuous circle of economic activity, creating new high quality employment opportunities for all the residents of the city.



2 THE REDEVELOPMENT OF WHITEFRIARGATE

Whitefriargate is an older retail area within the city centre, under the scheme £12.5m of the funding will be focused on this area with £7.5m made available for grants to bring vacant buildings back into use and a further £5m will be made available for a multi-million pound modern cultural and educational hub. The site will feature modern digital technologies as part of a collaborative space that will support education and the arts.



3 THE DEVELOPMENT OF ALBION SQUARE

A total of £7m from the Levelling Up Fund will be used to support the £96m development. This large development in Hull city centre will feature a mixture of residential, office and retail space, as well as a large urban park.

Demolition of the site will begin imminently, with construction starting in 2023. The transformative project is set to be completed in 2026.



THE DEVELOPMENT OF LOW CARBON TECHNOLOGIES/ RENEWABLE ENERGY

The City Council and the HEY LEP both identify the development of low carbon technologies/renewable energy as a key driver for the enhancement of the local economy, environment and wider society, with the Council setting a target for net zero emissions by 2030.

The movement of passengers and freight to more sustainable forms of transport creates a significant opportunity to improve air quality, reduce carbon emissions and ensure people are more active and healthy.

The local area is known as the Energy Estuary with notable developments including;

- Siemens-Gamesa offshore wind blade manufacturing and nacelle assembly facility, with the company currently employing 1,000 local people and investing £500m into the facility.

- Vivergo, biofuel plant is the 2nd largest bio-fuel plant in Europe. The total investment in the plant is over £200m to date.
- Energy Works Limited, a Waste to Energy plant on Stoneferry, is one of the largest in the UK with investment of £200m.
- Hull and East Yorkshire has become a hub for the development of Hydrogen production with Equinor proposing to develop a 600 MW Hydrogen production facility along with carbon capture on the Saltend Chemical Park.
- The £150m investment by Drax in the Port of Hull; the facility provides storage for bio mass fuel, which is stored at the port and moved via rail to the UK's largest power station just outside Selby. Moreover, the availability of Hydrogen creates an opportunity for more sustainable transport locally.

The area is also home to the University of Hull's Centre for Sustainable Technologies, which carries out research into energy efficiency, renewable energy and energy management, which contributes to the global drive towards decarbonisation and accelerating economic growth and living standards.

THE IMPACT OF ESTABLISHING THE GREAT BRITISH RAIL HQ IN THE CITY CENTRE

In contrast to the larger UK provincial cities, locating the Great British Railway HQ in Hull will provide a more focused local impact due to the size of the city and the context of the local labour market which is subject to high unemployment, low wages and a lower level of skills than nationally.

In addition to the direct employment impacts locally, the development will act as a catalyst for the redevelopment of the city centre by;

- Providing an influx of new well-paid jobs which will drive a growth in demand for both retail and leisure services.
- Creating career paths in Hull for the graduates of the city's University, as well as local residents, by providing high quality, highly skilled and well-paid positions, which are underrepresented locally.
- Providing an anchor tenant for a key city centre development site, as well as giving a clear signal to the market, leading to increasing values of neighbouring properties, thereby creating opportunities for additional office developments locally.

- Promoting city centre living. City centre living is currently at a relatively low level and the influx of professional people into the city will help to create significant opportunities to build on this market, it will also help to remove underutilised sites elsewhere in the centre.

As a result of these factors the displacement of employment within the local area will be less than other areas, and the impact of the investment will be greater than in larger provincial cities.

CONNECTED AND EASY TO GET TO

The Colonial Street site is in very close proximity to Hull's Paragon Station, the city's and one of the UK's only truly multi-modal integrated passenger transport interchanges. Opened in 2007, Paragon Interchange brings together rail, bus, coach and cycle travel under one roof.

The city has extensive regular direct train services linking Hull with towns and cities across the North of England, including at least hourly services to Bradford, Leeds, Manchester, Sheffield, Doncaster and York. In December, Transpennine Express will launch a new fast hourly service between Hull and Liverpool.

In 2000, Hull Trains, pioneered rail travel by becoming one of the UK's first open access train operators. Hull Trains remains based in the city, operating 94 services a week between Hull and the capital with a journey time of a

little over two and half hours. In 2020, Hull Trains invested £60m in an entire new fleet of bi-mode Class 802 'Paragon' trains.

The Interchange is one of the largest bus stations in the UK with over 1000 daily departures to local and regional destinations across Yorkshire and Northern Lincolnshire. National Express and Megabus operate regular long distance coach services connecting Hull to many towns and cities in the UK including Doncaster, London, Nottingham and Sheffield.

Earle House is approximately a quarter of a mile, from the transport interchange, providing easy access by bus and rail to other areas of the city, and the surrounding suburbs. The site offers on site car parking, is well lit and is subject to a high level of footfall. The offices are modern and are fully DDA compliant.



The city has supported the development of a range of successful collaborations between public/private organisations including;

GREENPORT HULL

Greenport Hull is a partnership between Hull City Council, East Riding of Yorkshire Council and Associated British Ports (ABP) along with partner organisations including the University of Hull.

The initiative is focused on developing Hull and the surrounding areas as a centre of excellence for the offshore wind industry. The government supported this initiative with a Regional Growth Fund grant of over £25m, with the scheme facilitating the development of over 2000 new jobs.

OH YES NET ZERO

Consumer goods manufacturer Reckitt is working with more than 35 businesses and community representatives to transform areas of Hull into a "living lab" that showcases how the nation can reach net-zero emissions.

HUMBER FREEPORT

Freeports aim to create economic activity near shipping ports and airports.

The Humber Freeport is a partnership between local industry, the two LEP's in the area and the four local authorities within the Humber, (Hull City Council, East Riding of Yorkshire Council, North Lincolnshire Council and Northeast Lincolnshire Council).

The Humber Freeport is focused around the development of new research and development /manufacturing investments focused around the renewable energy/ low carbon industries, with a view to developing new jobs and promoting innovation and regeneration locally.



OPPORTUNITIES FOR GREAT BRITISH RAILWAYS

Hull is the capital of the Humber sub-region, over 500,000 people live within 30 minutes of the city centre.

The Humber Estuary is home to the largest port complex in the UK, incorporating the four ports of Hull, Goole, Immingham and Grimsby, and is a vital industrial area and trade gateway, handling over 14% of the UK's international trade. In addition to being a hub for international trade, the area is a driver for the economic growth of the region and the country as a whole.

There is direct rail access to King George Dock and Queen Elizabeth Dock in Hull, as well into the ports of Immingham, Goole and Grimsby, creating significant opportunities for moving freight off the road and reducing the carbon footprint associated with transport.

The Humber is home to some of the UK's leading transport and logistical companies including; ABP, P&O; DFDS and GXO logistics, providing the area with acknowledged expertise in logistics and transportation.

The Humber is known as the 'Energy Estuary' and is a UK centre for energy production and the development of renewable energy/low carbon technologies.

The city and the surrounding area has a 100% coverage of fibre to premises, providing amongst the fastest broadband speeds in the world.

Hull is a hub for digital businesses, providing GBR with opportunities to link in with the development of new and innovative IT applications

Should Great British Railways decide to locate within the city, the Council will provide a Key Account Manager, who will be able to;

- Provide relocation advice to existing staff relocating from outside the area.
- Act as a single point of contact for all dealings with the Council, including planning, building control, traffic etc.
- Introduce GBR to local businesses, trade associations and local learning institutions.
- Assist with any ongoing recruitment requirements. Hull City Council would be willing to work with GBR to promote new employment opportunities locally, undertake initial aptitude tests as well as shortlisting potential candidates.



There is a significant rail supply chain within the City of Hull, with leading engineering organisations C Spencer, Colt Construction, C R Reynolds, Bemrose Booth Paragon and ESP Systex located here. The city is also home to Hull Trains, with TransPennine and Northern Rail having significant operations in the city. Journey Call has recently invested in a new contact centre in the city to support its contract with Network Rail.

The Centre for Digital Industries (C4DI) is the largest private sector digital incubator in the country, with expertise in rolling out applications for the logistics industry, one recent example of which has included the development of a logistics partnership with Nestle and XGO.

The University of Hull Logistics Institute is a world-renowned centre for research, education and expertise in logistics and supply chain management, and is a leader in applied logistics research and industry outreach programmes, both national and internationally.

Siemens-Gamesa were able recruit 97% of their staff locally, from within a 30 minute radius of their site.

More recently, Siemens Mobility has chosen Goole (approximately 25 miles from the city) as the location for its new train assembly plant and hub for the rail supply chain.

The site for Siemens Mobility, covers 67 acres and will lead to the creation of 700 new jobs and investment of £200m.

Raise Goole comprises an £8m dedicated rail business centre, as well as a £50m centre of excellence for rail research and innovation. This initiative has been developed between Siemens Mobility and the University of Birmingham.

Earle House offers an existing building footprint of approximately 30,000 sq ft. Should additional office capacity be required, either initially or in the future, there would be the opportunity for GBR to expand its footprint onto the adjoining development site on the other side of Colonial Street.

The IT infrastructure within the city is unrivalled within the UK, providing the organisation with the fastest broadband in the country, as well as enhanced resilience in operations, providing opportunities for greater efficiency for employees when operating remotely.

Given the unique local IT infrastructure, the city provides GBR with the opportunity to develop and test new digital applications in and around the city before looking to undertake a national roll out.

RAILWAY HERITAGE AND LINKS TO THE NETWORK

As a port city, Hull has a rich railway history which can be traced back to the 1840s, with the Hull to Selby railway which linked the city with the West Riding. With the opening of a further railway to Bridlington in 1846 came the impressive Grade II* Listed Hull Paragon Station and adjoining hotel that we see today. Built in the Italian renaissance style, this impressive 5-bay structure is one of the finest railway stations in the North of England, standing as a monument to the city's railway heritage.

Hull had one of the UK's first suburban passenger railways. In 1853, the Victoria Dock Branch Line linked Paragon Station and the east of the city with a number of intermediate stations.

Victoria Dock was the first enclosed dock to be built east of the city, and signified the relationship between docks and railways. Indeed, the industrial development of the city in the Victorian era was largely dominated by the growth of the port, which in turn relied on the railways. Prior to this, the port had largely been constrained to the city centre and River Hull. The railways enabled the port to develop rapidly, enabling large volumes of cargo to be moved efficiently and effectively, making Hull one of the country's largest ports.

St Andrews Dock to the west of the city opened in 1883 and was initially designed for handling coal, but soon became the home of the world's largest deep sea fishing industry. One of the advantages of the site was the close proximity of the railway next to the fish market, which enabled trains to swiftly move the perishable cargo to feed the nation, including daily trains of fish to London.

In 1885, Alexandra Dock was constructed by the Hull, Barnsley & West Riding Junction Railway and Dock Company, along a new line between Hull and Barnsley, to export coal from the industrial West Riding.

In 1893 the Hull Dock Company was sold to North Eastern Railway (NER) for £3m, giving them control of both the docks and railway. In 1907, the NER opened Riverside Quay, initially jointly operating a continental ferry to Zeebrugge in Belgium, with the Lancashire and Yorkshire Railway. Ferries to Norway and Holland then followed.

By 1914, the North Eastern Railway with the Hull Barnsley & West Riding Junction Railway and Dock Company, jointly built King George Dock, initially for coal exports. In 1923, both companies became part of the London & North Eastern Railway.

Next to Paragon Station is the Grade 2 listed former immigrant station and railway platform. These buildings played a pivotal role in American history, transporting an estimated 2.2m people between 1836 and 1914, from north-west Europe to America, travelling to Hull by sea then on by train to port of Liverpool for the voyage across the Atlantic.

Hull railway station is home to a memorial for the 4531 men from East Yorkshire who passed through Paragon Station on their way to World War 1, never to return.

The streetlife museum in the old town area of the city celebrates 200 years of transport heritage and includes a railway gallery with a reconstructed 1930's goods shed and vintage signal box.

The statue outside the Humber Quays celebrating the European migration through the city

Locating the GBR HQ in the city would facilitate opportunities to promote Hull's railway heritage, which could include developing:

- A visitor centre at the listed ticket office within the station.
- A walking tour (with a city guide) of the rail heritage sites in the city centre.
- A film of the railways through Hull's history.

There may also be opportunities of linking the city's rail heritage to the £30m new Hull Maritime project.

Moreover, there would be an opportunity to promote the railway heritage of the city through the Northern Cities experience, which promotes city breaks across the cities of Hull, Leeds, Manchester, Liverpool and Newcastle-Gateshead, using a single rail ticket.





VALUE FOR MONEY

The costs associated with establishing the Great British Railways HQ in Earle House in Hull will be substantially less than comparative buildings around the country and provides utilisation of an existing public sector asset, which may otherwise remain vacant.

Should Great British Railways seek to develop a new purpose-built office, the costs will be highly competitive. Typically, grade A new build office rentals are £18 per sq. ft. per annum in Hull, in contrast to rates of £30 in Leeds and up to £75 in London. In addition, as business rates are linked to rental levels, the level of rates will also be significantly lower than in other areas of the Country.

As the wages will be higher than average in the area, there will be less likelihood of staff turnover. Anecdotally,

we understand that the staff turnover within the area is significantly lower than other localities, which will in turn result in cost savings associated with recruitment.

The area has its own broadband service provider, KCOM, who have provided full fibre connections to all businesses, ensuring the city has amongst the greatest broadband speeds in the world. In addition, there are other local providers of broadband services increasing the resilience of the local network, as well as plans for several new data centres.

In working with the Key Account Manager there will be a significant opportunity to reduce both the management time and costs associated with starting a new operation.

PUBLIC SECTOR BENEFITS

The City of Hull has a number of challenges including;

- Low pay
- Low skills levels
- Fewer opportunities for training in higher level skills
- A lower healthy life expectancy
- Relatively low levels of research and development

Establishing the GBR headquarters will help to augment the existing transport and logistics cluster within the city, and more specifically will help to address the challenges identified with the city's 'levelling up prospectus' by;

- Enhancing the reputation of the city and increasing the aspirations of local people.
- Providing high quality and well-paid employment opportunities locally.

- Providing high quality training opportunities, enabling the city to retain its higher skilled residents, school leavers and graduates.
- Providing a catalyst for wider investment in the local office, residential, retail and leisure market.
- Facilitating greater opportunities for the city to develop as a research and development test bed for new digitally driven applications.
- Creating opportunities for more integrated sustainable transport, increasing the air quality within the city and promoting health and well-being.
- Providing a catalyst for new employment in the professional services, retail and leisure services.
- Increasing footfall in the city centre as well as providing greater connectivity with the surrounding areas and suburbs.

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Hull
City Council

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