

**Report to the Overview and
Scrutiny Management Committee**

21 November 2025

Wards: Drypool

Purchase of 1 Studley Street and remediation of the former Evans Halshaw Site

Report of the Corporate Director for Regeneration

Report Status:

This item is not exempt

Therefore exempt reasons are not applicable

[Click here to enter details relating to the Forward Plan](#)

0052/25

1. Purpose of the Report and Summary

1. This report proposes that Hull City Council seek to purchase 1 Studley Street, Hull and remediate the adjoining 'former Evans Halshaw' site, owned by Hull City Council, to provide a large 'oven ready' employment site with enhanced access and igress arrangements. The enhanced site will facilitate the development of new employment space, investment and job creation opportunities.
- 1.2 The report highlights the opportunity for the City Council to obtain up to £1.5m of Seed Capital Funding from the Humber Freeport company as a contribution to the project.
- 1.3 The report proposes that the authority for the purchase and assembly of the wider site be delegated to the Director of Economic Development and Regeneration.

2. Recommendations

- 2.1 To invest up to £1.5m of Humber Freeport Seed Capital Funding to purchase land and property at 1 Studley Street Hull and remediate the adjoining former Evans Halshaw garage site off Holderness Road.
- 2.2 To delegate authority to the Assistant Director of Economic Development and Regeneration to enter into a funding agreement worth £1.5m with Humber Freeport company.
- 2.3 To delegate authority to the Assistant Director of Property and assets to agree terms to purchase the freehold of 1 Studley Street and agree appropriate disturbance/relocation costs.
- 2.4 To delegate authority to the Assistant Director of Property and Assets to agree terms for a short term lease with Enviromail Ltd.

3. Reasons for Recommendations

- 3.1 The acquisition of 1 Studley Street is part of a wider funding bid for Freeport Seed Capital funding, which includes the remediation of the surrounding former Evans Halshaw site, the total value is up to £1.5m.
- 3.2 Acquiring 1 Studley Street will be enable the Council to assemble a larger site amalgamating the subject site with the former Evans Halshaw site, creating a site of 3.7 acres. In assembling the site, the Council will also be able to improve access arrangements to and from the site.
- 3.3 The Council has already purchased the long leasehold of the former Evans Halshaw site, carried out demolition of the former Evans Halshaw garage buildings as well as commissioning site investigations on the former garage site. These works were carried out at risk in the context of the funding bid.

4 Key Organisational Impacts

Impact on other Executive Committees (including Area Committees) and decision makers:

- 4.1 The development of the wider site will impact the ward of Drypool within the East Area. When construction on the site takes place there will be some additional traffic on the local network, however the area will benefit from the transformation of this key development site and the associated employment created by it.

Contribution to the delivery of the Community Plan, the Council Plan and/or Area Plans:

- 4.2 The proposal will help to deliver against ambition four of the community plan: Economic Growth that works for all, through improving productivity.
- 4.3 The project will deliver against this aim: by bring forward a key employment site on brownfield land which will facilitate new employment and investment in the city.

Impact on other key strategies business plans

- 4.3 The proposal will help to deliver against the levelling up aims associated with the Freeport strategy: by bringing forward a brownfield site that has been underutilised for years.
- 4.4 Under the Freeport funding the Council will be required to report against development undertaken, Jobs created/safeguarded and investment that has been facilitated by the project. In order to effect this there will be a requirement placed on the end user/developer of the site to report against this information.

Hull planning Policy 2016-2032

- 4.5 The site is identified within the Local plan as suitable for employment uses, in line with neighbouring uses in and around the site.

Equalities Impact Information

- 4.6 It is proposed to monitor the impact of the development of the site, with any developer or end user required to have an equalities statement.

5. Consultation

- 5.1 Consultation has taken place with the Humber Freeport company around the re-development of the site, leading to the award of grant funding.
- 5.2 The Assistant Director of Property and Assets undertook consultation with Director of Legal Services and Partnerships, Director of Finance and Transformation (Section 151 Officer) Assistant Director of Organisation Development and Human Resources and Portfolio Holder for Property prior to the demolition of the garage buildings on the former Evans Halshaw site.
- 5.3 As part of the Deputy Leaders Decision Record comments were sought from the Director of Legal Services and Partnerships, Director of Finance and Transformation, Assistant Director of Organisation Development and Human Resource as well as the Deputy Leader.

6. Background to the Humber Freeport

- 6.1 An initial bid for Freeport status was submitted by the four local authorities in partnership with private sector entities. Following a change of government these bids were mothballed, with a new initiative for Investment Zones superseding this. Following a further change of government the former Freeport initiative was revived, however a further change of government and the requirement for each Freeport to have a Freeport customs site approved by HMRC, delayed the legal designation of the Humber Freeport until November 2024.
- 6.2 As well as obtaining a tax site designation and with it the fiscal benefits associated with the designation, Freeport were issued with a £25m Seed Capital Fund. This fund only became available in February 2025 following the designation of a Freeport customs site.
- 6.3 Of the £25m seed capital to the Humber Freeport, £10M was allocated to projects in Hull. This was to support four major projects including the redevelopment and enhancement of the former Evans Halshaw site. Seed capital funding is conditional upon end beneficiaries being linked to Advanced Manufacturing, Logistics and Renewable Energy/Low carbon Technologies. In addition, projects are required to demonstrate that they will facilitate increased traffic through the ports.
- 6.4 Under the terms of the Freeport Seed Capital funding all funds need to be spent with the financial year 2025/6.
- 6.5 As well as alignment with the Humber Freeport Seed Capital Funding, the project also aligns with both the Community Strategy and the Council's Plan by accelerating delivery of investment and regeneration of key sites across the city, bringing more investment and jobs into the city and creating vibrant and attractive communities for people to live, work and visit.
- 6.6 The project is to acquire 1 Studley Street and grant a lease back of the premises at a peppercorn rent to allow time for the company to identify a property to relocate to, and once the building is vacant it will be demolished.
- 6.7 Negotiations for the purchase will be undertaken by an RICS Registered Valuer in accordance with the requirements of the Section 123 of the Local Act 1972.

7 Issues for Consideration

Purchase price for 1 Studley Street

- 7.1 The purchase price for 1 Studley street will be subject to negotiation between the Assistant Director of Property and Assets and the freehold owner. The price will be set in accordance with the legal framework under subsidy control and in light of the wider value associated with the site.
- 7.2 The length of lease provided to Environmail, following the purchase of the Freehold of the site.

- 7.3 It is proposed that following the purchase of the Freehold interest in the site the Council leases back the site on a short-term basis to Environmail enabling them to find alternative premises and remain trading. In providing this short term lease, there is the potential for the Council to reduce its holding costs associated with the site. The length of lease will be subject to negotiation between the Assistant Director of Property and Assets.
- 7.4 Delegation of Authority
- 7.5 The proposed delegation arrangements are consistent with Council practice and will ensure efficiency in the decision making process.

8. Options and Risk Assessment

- 8.1. Delegate authority to the Director of Regeneration to manage the process within the proposed wider arrangements;
- 8.2. Delegating decision making for the proposed project and government structure, subject to final decisions being determined through a published decision record will ensure that the final decision is in a public form with clear reasons enabling review as necessary.
- 8.3. The proposal enables the authority to move quickly in response to the requirements of funders to conclude the purchase and remediation of the site within the current financial year.
- 8.4. Retain all decision making with the purchase and acceptance of terms with Cabinet
- 8.5 The proposal to seek cabinet approval for the finalised agreement, this would not be consistent with the role of cabinet to set strategy and allocate funding to the proposed purpose for implementation.
- 8.6. This would result in the Council losing the opportunity to draw down Freeport Seed Capital Funding to facilitate the development of this much needed 'oven ready' employment site within a critical city centre gateway. In the event that the funding was not able to be spent it would be distributed to other potential projects around the Humber or returned to Central Government.

9. Comments of the Monitoring Officer (Town Clerk)

- 9.1 Section 120 of the Local Government Act 1972 provides a general power for the Council to acquire land by agreement for the benefit, improvement or the development of its area. Section 123 of the Local Government Act 1972 provides the Council with the power to dispose of land by way of a short lease for less than best consideration. The Council will however have to consider the requirements of the Subsidy Control Act 2022 as part of the negotiation of any terms of the purchase and lease of the land. To be completed by the Monitoring Officer.

10. Comments of the Section 151 Officer (Director of Finance and Transformation)

10.1. As the decision record points out the proposed cost of acquisition exceeds the freehold market value, although potentially in line with costs if the CPO process were followed, with a lease of up to 12 months at a peppercorn rent thus mitigating holding costs. This is conditional upon the award of a Freeport Seed Capital grant. Costs are expected to be ultimately recovered from the disposal of the land as part of a wider site assembly plan including the already acquired Evans Halshaw site. Ergo, there is a risk that the subsequent proceeds do not fully fund the wider site assembly costs but this risk should be small, especially in comparison to the wider economic benefits that should be derived. To be completed by the Section 151 Officer.

11. Comments of the Assistant Director OD & HR and compliance with the Equality Duty

11.1 The content of the report is noted. There are no staffing or equality issues arising from this decision for the council.

12. Comments of Overview and Scrutiny

12.1 This report will be considered by the Overview and Scrutiny Management Committee, at its meeting on the 21st November 2025. Any comments or recommendations agreed by the Commission, will be submitted to the Deputy Leader of the Council for consideration. Ref: Sc9038.

13. Comments of the Deputy Leader of the Council – Councillor Jackie

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13.1 The proposal to purchase the property on Studley Street will augment the investment on the former Evans Halshaw car showroom site and supports the regeneration of the Holderness Road corridor. It also creates a large site within single ownership for commercial use which in turn will provide employment opportunities for the local community and improve the appearance of this stretch of Holderness Road. (PF0100).

Chris Jackson Corporate Director for Regeneration

Contact Officer: Richard Lowther Telephone No.: Insert your contact number 613089

Officer Interests: None

Background Documents: - none.

Implications Matrix

I have informed and sought advice from HR, Legal, Finance, Overview and Scrutiny and the Climate Change Advisor and any other key stakeholders i.e. Portfolio Holder, relevant Ward Members etc prior to submitting this report for official comments	Yes
I have considered whether this report requests a decision that is outside the Budget and Policy Framework approved by Council	Yes
Value for money considerations have been accounted for within the report	Yes
The report is approved by the relevant Director/Assistant Director	Yes
I have included any procurement/commercial issues/implications within the report	Yes
I have considered the potential media interest in this report and liaised with the Media Team to ensure that they are briefed to respond to media interest.	Yes
I have included any equalities and diversity implications within the report and where necessary I have completed an Equalities Impact Assessment and the outcomes are included within the report	Yes
Any Health and Safety implications are included within the report	Yes
Any human rights implications are included within the report	Yes
I have included any community safety implications and paid regard to Section 17 of the Crime and Disorder Act within the report	Yes
I have liaised with the Climate Change Advisor and any environmental and climate change issues/sustainability implications are included within the report	Yes

I have considered how the decision may contribute or impact on culture and heritage within the city.	Yes
I have included information about how this report contributes to the Community Plan/ Area priorities within the report	Yes
I have considered the impact on air quality, carried out an appropriate assessment and included any resulting actions or opportunities necessary to improve air quality in the report.	Yes
I have considered the impact on Children Looked After and Care Leavers and any resulting actions/implications have been included within the report.	Yes