

Notice of:	EXECUTIVE
Decision Number:	EX30/2019
Relevant Officer:	Alan Cavill, Director of Communications and Regeneration
Relevant Cabinet Member:	Councillor Mark Smith, Cabinet Member for Business, Enterprise and Job Creation
Date of Meeting:	15 July 2019

BLACKPOOL AIRPORT ENTERPRISE ZONE: ANNUAL REVIEW

1.0 Purpose of the report:

1.1 On 18 June 2018 the Executive considered a report in respect of Blackpool Airport Enterprise Zone and approved seven recommendations including agreement to the Enterprise Zone delivery and marketing plans and a funding allocation of £28.8m plus the cost of Prudential Borrowing to support capital investment and associated revenue costs for an initial three year period to 2020/21 (Decision EX26/2018 refers). This report sets out the progress that has been made since then.

2.0 Recommendation(s):

2.1 To note the progress against the recommendations of the Blackpool Airport Enterprise Zone Masterplan and Delivery Plan.

2.2 To approve a revised expenditure forecast as set out in paragraph 10.1 in respect of the previously approved £28.8 million, to fund delivery of the essential enabling infrastructure extending the original three year phase one period by one year to 2021 to reflect progress to date against the approved delivery plan, external influences beyond the direct control of the Council as Enterprise Zone accountable body and emerging opportunities within the Enterprise Zone.

2.3 To approve a partial review of the Enterprise Zone Masterplan and Delivery Plan to reflect changed circumstances with a further report and recommendations to be presented for consideration by March 2020.

3.0 Reasons for recommendation(s):

Since the approval significant progress has been made with the delivery of the Enterprise Zone Delivery Plan highlights of which have been included in paragraph 5.1.

Nevertheless, as with any major regeneration programme there have been some delays and changes. It is beneficial to explain to Executive the reasoning behind the delays and the actions being taken to minimise, mitigate and work round them.

These unavoidable delays have resulted in an underspend against the programme in the first year but it is expected that it will be possible to recover to a position close to the original forecasts by the end of the initial three year period, with a small amount of the expenditure rolling over into 2021/22. It is for this reason that approval is sought to extend the phase one programme by one year.

It is still anticipated that the programme can still be undertaken within the originally approved funding of £28.8m. It is however, likely that some expenditure will run beyond the original three year programme and up to a further 12 months may be needed to complete the phase.

In light of the potential impacts of the change of ownership of the former bomber factory, the completion of phase one on the sports village, highway design works and the anticipated recommendations from the data centre feasibility study, it is proposed that the masterplan be reworked and the delivery plan and financial forecasts be updated with a view to bringing a full report and recommendations back to Executive in early 2020. This work would see relatively light touch changes and would be funded from within existing allocations for specialist consultant expenditure.

3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.2b Is the recommendation in accordance with the Council's approved budget? Yes

3.3 Other alternative options to be considered:

Approvals obtained in June 2018 were for a three year programme of activity. This report identifies progress in the first year and makes recommendations for a further review of both masterplan and delivery plan to reflect significant changes impacting on ability and opportunity to deliver in accordance with these initial approvals.

4.0 Council priority:

4.1 The relevant Council priority is: "The economy: Maximising growth and opportunity across Blackpool".

5.0 Background Information

5.1 Since June 2018, significant progress has been made with the delivery of the Enterprise Zone Delivery Plan, highlights of which include:

- Phase one outline planning application lodged with Blackpool and Fylde Councils including a new eastern gateway access road and a sports village
- six planning applications currently logged for the site including a 40,000 sq ft speculative development
- Two new developments completed on site in the past 12 months
- News of a new transatlantic fibre optic cable landing on the Enterprise Zone and bringing with it new technological business opportunities
- Delivery of a comprehensive and strategic marketing and communications plan
- New Enterprise Zone stakeholder and relationship groups formed to help facilitate stronger communications with owner/occupiers, encourage shared information and to create a united ownership in the future success of the Enterprise Zone
- Expressions of interests received by several investors/developers in various elements of the Enterprise Zone
- Memorandum of Understanding signed with international investor/develop from UAE interested in opportunities at the Enterprise Zone and airport
- Investment in airport infrastructure to secure ongoing operations
- Approval of Blackpool Airport Strategy and Business Plan

5.2 Since June 2018 the Enterprise Zone delivery team (part of the Council's Growth and Prosperity Team) have been working to progress the delivery of the Enterprise Zone. As is to be expected of a project of this complexity and magnitude, some elements have progressed at a slower pace than originally hoped. There have also been some significant changes particularly to property ownership which impact upon the assumptions which underpinned the approved delivery plan.

The York Aviation report into the future of Blackpool Airport was approved in October 2018 and resulted in some changes to the masterplan in relation to the indicative layout for relocated airport operational facilities. Work over the past year has primarily focused on developing and implementing the Marketing Strategy, and on securing planning consent for the phase one works.

To date there has been no requirement for any formal agreements to be entered into with either the LEP or Fylde Borough Council. Good working relationships have been maintained with both and also with Marketing Lancashire who oversee the LEP's wider Enterprise Zone LAMEC branding.

Agreement has also been secured with Wyre Borough Council for a financial contribution for the provision of technical development and marketing support for the delivery of the sister Enterprise Zone at Hillhouse utilising the expertise of Blackpool's Enterprise Zone Team.

5.3 **Masterplan**

Following approval of the Masterplan, the Delivery Plan and the Marketing Strategy, by the Lancashire LEP, these were submitted to the Ministry of Housing, Communities and Local Government. The Council has yet to receive formal feedback from the Ministry of Housing, Communities and Local Government with regard to masterplan and delivery strategy and continue to work on the basis that silence can be taken as implied approval.

5.4 **Expenditure and Income**

The approved Delivery Plan envisaged expenditure of circa £28.8m plus Prudential Borrowing to deliver phase one works in the three years of the project from 2018 – 2021 the approved expenditure including funding of the Airport and related property acquisition incurred in 2017/18

Actual expenditure for FY 2018/19 was significantly lower than forecast at **£392,397**. A total which excludes the cost in for the purchase of the Airport and adjacent lands, incurred in 2017 but subsequently reallocated as a book transfer to form part of the Enterprise Zone delivery plan costs for financial year 2018/2019.

The anticipated expenditure for financial year 2018/2019 also included a substantial allowance for the acquisition of the former Wellington Bomber factory on Squires Gate Lane. Whilst a headline purchase price was agreed with the long term owner, the due diligence identified a series of major issues and risks relating both to the physical condition of the property, including cost of demolition and asbestos removal costs, together with concerns over the legal status and costs associated with existing building occupiers. It did not prove possible to produce a robust business case which supported the initially agreed purchase premium and reduced offers to purchase were rejected by the owner and the purchase was not completed prior to the year end.

In April 2019 the former Wellington Bomber Factory was acquired by a third party investor/developer. Early discussions with the new owner are underway but it appears their intention is to focus on refurbishment of the existing building rather than the demolition and redevelopment initially envisaged in the Masterplan which was to have been undertaken as part of the phase two works. The new owner is keen to progress work to secure new occupiers and generate employment which will help deliver Enterprise Zone employment targets. The Council's level of risk and

the associated expenditure associated with any direct delivery of this element of the Enterprise Zone will be reduced. It is also possible that the new owners may seek some element of Joint Venture development or financial contribution from the Enterprise Zone.

The requirement to undertake a series of detailed ecological, transport and highways studies prior to submission of the phase one planning application also pushed this back into financial year 2019/2020. Much of the identified expenditure will flow forward into subsequent financial years and is reflected in the revised forecast. The Delivery plan envisaged income from retained business rates growth of £533,000 for financial year 2018/2019; with the actual income from Retained business rates growth now assessed following completion of Treasury NNDR reconciliation as £769,000, a positive variance of some £236,000. Over the three year phase one programme the initial delivery plan forecast a business rate income of £3,023,000 whilst the revised forecast for the initial three years has reduced to £2,026,000 predominantly as a result of the delays previously referred to. Other revenue income is likely to be significantly reduced as a result of losing projected short term rental income from the Bomber factory in the period between acquisition and development.

5.5 Development and Investment Partnerships

A Prior Information Notice (PIN) was advertised on the NW Chest on 10 October 2018 for six weeks inviting expressions of interest from potential developers and investors. Nine out of 13 thirteen respondents have now been interviewed and the intention is to now proceed to a formal procurement by the end of summer (once greater certainty over the phase one planning has been achieved,) to appoint a development management adviser for the whole of the Enterprise Zone and seek a developer/design and build partner for phase one.

Discussions have also been held with a range of investors expressing an interest in various aspects of the Enterprise Zone and a Memorandum of Understanding has been entered into with the Ajman Media Free Enterprise Zone in the United Arab Emirates, to explore opportunities for investment and development at the Enterprise Zone and Blackpool Airport. Discussions continue with investment groups from Malaysia, Australia and Singapore about entering similar Memorandum of Understanding.

5.6 Phase One Outline Planning Application

In April 2019, following extensive surveys and studies in respect of ecology, highway, transportation and an informal public consultation, architect, planning and surveying firm Cassidy + Ashton submitted an outline planning application for phase one development of the Enterprise Zone to include the proposed sports

village, housing, industrial accommodation, Enterprise Zone service hub and eastern gateway access road.

The application was submitted to both Blackpool and Fylde Borough Council with decisions in principle anticipated in September 2019. The application will then be referred to the Secretary of State for a decision as the land proposed for development currently sits within Fylde and Blackpool's greenbelt land. The final decision of the Secretary of State is anticipated in late Autumn. The original target date for submission of the outline planning application was delayed due to additional highway and transport studies being undertaken specifically to tackle issues which had been identified in discussion with Fylde Council and Lancashire County Highways.

The application has drawn a holding objection from Sport England as the detailed design of the proposed Common Edge Sports Village has yet to be completed, but specialist consultants working on this aspect of the development are confident that Sport England can be satisfied in respect of all areas of concern they have raised.

5.7 M55 Link Road

For some time there has been concern about the timing of the delivery of the M55 Link Road; a project to which the Enterprise Zone will be expected to contribute. Following extensive highway modelling works, it has been agreed with Lancashire County Council (the relevant Highway Authority) that a delay in delivering the M55 Link Road will not have a material effect upon the ability to undertake the development of Phase One of the Enterprise Zone. Subsequent phases of the Enterprise Zone may however be dependent upon the completion of the M55 Link Road and as a result, the consequences of the recent decision by Lancashire County Council to delay the tendering process for the construction of the road, will need to be monitored and any impact upon the Enterprise Zone's future development phases fully understood.

5.8 Eastern Access Gateway Road

Work is currently being commissioned to progress the design and delivery of the Eastern Gateway Access road with a view to appointing a design and build contractor in the summer who would prepare and submit a detailed planning application for the construction of the road connecting Queensway to Amy Johnson Way, targeting a date for commencement of construction in early 2020, with an 8-10 month construction programme.

5.9 **Common Edge Sports Village**

Consultants LK2 are revising the initial proposals and business case for the Common Edge Sports village to reflect issues raised by Sports England. The Blackpool Council Playing Pitch Strategy is also in the process of being updated to confirm support and both are anticipated to be completed shortly. This will enable a comprehensive business case to be put forward for consideration, recognising that relocation of existing playing fields and ancillary facilities is essential to allow the phase one development sites to be created. While there is a good prospect of securing more grant aid from sports governing bodies than initially envisaged, the cost of delivery is also expected to increase to meet the additional requirements driven by Sport England.

Work has been completed by agronomists on the design of the relocated grass playing pitches that will form the first phase of the sports village. A full planning application for the associated engineering works to create the playing surface and associated access track and airport boundary fencing will be submitted to Fylde Council once the phase one outline planning application has received a decision in principle and has been referred to the Secretary of State. Works will then commence as soon as possible to ensure that the playing facilities have time to fully establish themselves.

5.10 **Initial Speculative Development**

Work is progressing to secure a planning consent for a speculative development B2 industrial unit of 4,000 m² on an existing council owned, serviced site on Amy Johnson Way. This will enable a rapid response in progressing development should, as is anticipated, one of several strong occupier enquiries under negotiation, be secured. A full planning application was submitted in June and the unit could be ready for occupation by October 2020.

5.11 **Third Party Planning Applications and Development**

In addition to the phase one outline planning application and the speculative development, Fylde ARC opened a new 20,000 sq ft new facility to the public on April 2019 and the first of two, peak demand gas fired electricity stations is due to be commissioned within a few months.

There are currently a number of other planning applications being considered by Fylde Borough Council and Blackpool Council including:

- A proposal for a 20MW gas fired power generation facility which aims to be carbon neutral and has the potential to provide power and heat to businesses across the Enterprise Zone
- Aqua Comms has had an application granted from Fylde Borough Council

- for a 'meet me' station on the airport for the subsea fibre optic cable
- Fylde Borough Council is also considering an application for development of small industrial units on a site adjoining airport
- A new planning application has been lodged in June for 1,396 sq m, two industrial units and associated parking.

5.12 **Communications infrastructure**

A new transatlantic fibre optic communications cable linking New York to Ireland to Blackpool is being constructed by Aqua Comms and an agreement has been reached to route this via the Enterprise Zone for onward connectivity to Newcastle and Denmark. The planning application for the 'meet me' point which will house the cable has been approved by Fylde Borough Council and a lease for the construction of the facility granted by Blackpool Airport Properties Ltd with construction scheduled to commence imminently.

Presence of the new fibre optic cable link will provide fast and resilient communication links with timings of less than 0.06 seconds, faster than the best current connections to London, providing a distinct competitive business advantage. The new connection will open up the possibility of securing investment in the provision of data centre facilities at the Enterprise Zone and of securing investment from data-driven and hyperscale industries. A study to confirm the feasibility of undertaking such specialist development has been commissioned and will be completed by late summer 2019. This report may well recommend the acceleration in the planned delivery of enhanced Enterprise Zone utility capacity.

A local fast fibre network is being developed in association with this to serve Blackpool Enterprise Zone and link Hillhouse Enterprise Zone in Wyre via the Blackpool Tramway and enabling the Fylde Coast to be 5G ready ahead of many large UK cities and conurbations.

5.13 **Marketing**

The approved marketing strategy will continue to be implemented for the Enterprise Zone. Since the appointment of a dedicated marketing and administration officer in May 2018, there has been a high level of marketing activity implemented over the past 12 months and highlights include:

- grass roots public consultations and meet the team events with key Enterprise Zone stakeholders
- presence at MIPIM UK as part of the Lancashire delegation
- presence at MIPIM Cannes with representatives from LEP on hand to promote the Enterprise Zones
- sponsorship, hosting and participation in various North West business

- networking events and conferences
- development of a suite of branded sales and marketing materials including roadside marketing boards and a digital fly through video showing the Enterprise Zone Masterplan aspirations
- Registering as an official Northern Powerhouse Partner to raise the regional/national profile of Blackpool Enterprise Zone
- Creation and management of a new Enterprise Zone newsletter, social media sites and website
- Inception and support of Enterprise Zone Project Team, Enterprise Zone Security Group and Airport Operators Group
- Appointment of joint commercial property consultants to promote vacant land and property on site
- Ongoing validation of new companies to the site, management of enquiries for land and property and monitoring jobs creation
- Full programme of topical and tactical press releases to key media implemented throughout the 12 month period.

The team continues to work in partnership with DIT, BEIS, Northern Powerhouse and Marketing Lancashire (on behalf of the LEP), co-operating with, and feeding into the initial plans for Lancashire's Local Industrial Strategy (LIS) to promote, engage and build awareness of Blackpool as a credible and attractive business destination as part of the LAMEC brand and as a key player in Lancashire's advanced manufacturing and engineering offer. A familiarisation site visit by MHCLG officials is anticipated in the next three months and the Enterprise Zone continues to host regular ministerial visits, the most recent by Business, Energy and Industrial Strategy minister Lord Henley on 17 May 2019.

The team also works closely with Marketing Lancashire to develop the content of the Blackpool Airport Enterprise Zone pages of the LAMEC website group. Downloadable information on business rates relief and ECA benefits, masterplan summary brochure and fly through imagery have all been added. The team also updates the news section on a regular basis.

A similar marketing service is provided to assist Wyre Council to promote Hillhouse Enterprise Zone and team members recently provided advice to Cumbria LEP and the Kingmoor Enterprise Zone in Carlisle on Enterprise Zone best practice.

More could be done to the website to make the content more dynamic and interactive with a live property search function, blog pages and video content rather than a pdf based news section, LinkedIn and Twitter feeds and links to other business-based Council owned websites such as blackpoolunlimited.com and businessinblackpool.com for supporting information on setting up business in Blackpool. Approval is awaited from LCC/LEP to progress these initiatives.

A fully integrated communications campaign for April 2019 – March 2020 has been developed to build on the success of the past 12 months and highlights will include:

- targeted PR and media relations
- sponsorship and attendance at selected key sector trade shows and conferences including MIPIM UK in London
- additional roadside frontage marketing boards at the airport
- online social media campaigns to encourage ongoing awareness, engagement and conversion
- continued external community engagement with local action and community groups, Enterprise Zone stakeholders and neighbours including a regular quarterly Enterprise Zone newsletter
- corporate and social responsibility initiatives e.g. support of local school activities
- hosting the Enterprise Zone Project Team and Sub-Security group, Airport Project Board and Airport Operators Consultation Group meetings on a bi-monthly basis

The team also works closely with the Visit Blackpool business conferencing team and Blackpool Council corporate communications team to maximise any exposure for the Blackpool Enterprise Zone to the business community.

Marketing of the Enterprise Zone is also a key part of the Growth and Prosperity Team's inward Investment marketing steering group that has been responsible for co-ordinating perceptions marketing analysis and the subsequent commission of an inward investment marketing strategy, place marketing and value proposition for Blackpool: The Place for Business.

The contract with an external creative agency collaboration Clarity Strategies and Diva Creative was signed at the end of 2018 with strategic marketing research taking place early 2019 to form a comprehensive value proposition and place marketing strategy ahead of a local launch in May 2019 and due to end in December 2019.

Activity so far has included:

- an in-depth value proposition based on statistical marketing research
- creative content including case studies and blog posts from key EZ business spokespeople and influential Blackpool stakeholders
- vlogs and promotional videos
- a dedicated business-focused website
- Creation of a LinkedIn profile connecting with key target sectors
- Creation of a twitter feed connecting with key target sectors

- Local campaign launch event on 17 May 2019 at Lancashire Energy HQ for local businesses and key stakeholders to launch an online communications campaign.

This work is now also supported by a newly formed collaborative Inward Investment Steering Group with Business in the Community which will be supporting the @businessinblackpool campaign in promoting and building awareness of Blackpool Airport Enterprise Zone to external audiences (regional, national and international) as a key business destination in Lancashire.

5.14 Enquiries, new business and jobs creation

The team continue to monitor new companies and jobs creation to the Enterprise Zone and although not an exact science, we have recorded 57 new companies to the Enterprise Zone and over 1,330 jobs have located to the Enterprise Zone since its commencement in April 2016, making it by far the most successful of Lancashire’s four Enterprise Zones.

The team continue to receive enquiries on a regular basis, although the rate of enquiries has been slow in the last few months due to the lack of available sites and accommodation on the Enterprise Zone and are generally generated from strategically placed roadside signage, through business and agent referrals and through the LEP website contact form and there are currently 180 live enquiries from companies looking for commercial space in the area, ranging from incubator start-up flexible office less than 1,000 sq ft space up to 200,000 sq ft bespoke industrial design and build for a multi-national.

Overview:

From April 2016 till end of FY 2018/19	
Total new jobs (inc. safeguarded, relocated and construction)	1341.5
New Companies located on site	57
Live enquiries received for land and property	180
Total new developments	7
Refurbs and extensions	3
Live planning applications lodged with Blackpool and Fylde Councils (06/19)	5

5.15 State Aid

Initial State Aid advice has been secured from solicitors DWF Manchester office to ensure that any potential risks are addressed. This has indicated that there are a few significant risks in relation to State Aid as much of the land and property which will benefit Enterprise Zone related investment, is in public ownership or will confer benefit on a single number of parties and this will be covered by a number of standard exemptions. Further meetings are planned with DWF to confirm actions

to be taken to mitigate any risk particularly in respect of Blackpool Airport where special rules apply.

5.16 **Enterprise Zone Project Team and Enterprise Zone Security Sub-Group**

A Project Team Meeting and the Sub-Security group were set up in 2018 and continue to meet regularly every 8 weeks on the Enterprise Zone at Lancashire Energy HQ. The forums give the team and key stakeholders on the existing business parks to keep updated with planning news, have the opportunity to raise any concerns with estate management or share any good news stories with the team.

The sub-security group has implemented a grass roots communication network with a What's App group at the heart, used to share any information across tenants, local community police officers and key council contacts about possible traveller sightings, fly tipping or anti-social behaviour on the site.

Over 60 businesses throughout the site are now also displaying business watch notices in the windows to help deter any low level anti-social behaviour and a plan of the site mapping all privately owned CCTV cameras has been provided to the local police to help speed up reactions and help catch any criminal activity that may take place.

5.17 **Blackpool Airport**

The Council's Enterprise Zone team continues to provide extensive support to the Blackpool Airport management team in the face of some significant operational challenges, with activity focused on marketing support and occupier liaison, facilitating a new airport operator's group and supporting the Council's Airport Project Board.

The Council's Enterprise zone team has also led the process of York Aviation's report setting out the future options for Blackpool Airport, and negotiated the agreement reached with Spirit Energy and their contractor NHV to continue operation of Irish Sea gas platform support out of Blackpool Airport for a minimum of five years. Discussions continue with a number of parties on a range of commercial issues including acquisition of property.

There has been substantial investment in the airport infrastructure in the past 12 months with a new instrument landing system (ILS) now installed and commissioned, this being essential to retaining the crucial off-shore services.

In the course of the next year work will be undertaken, with contribution from Enterprise Zone funds, to upgrade the electricity supply and replace the water main serving the airport and future Enterprise Zone development phases, with feasibility

studies to be commissioned into provision of new apron areas, new hangars and control tower facilities which will be required to maximise future Enterprise Zone development potential outlined in the masterplan.

Blackpool Airport Operations Limited, the council-owned operating company, is continuing the process of preparing long and medium term business plans.

5.18 **Future Activity**

The level of work on the Enterprise Zone will ramp up considerably in the next 12 months, with the ongoing marketing activity and Airport operational support activities remaining to the fore.

Key activities will include, subject to approvals:

- Letting of design and build contract for relocation of grass sports pitches
- Letting of design contract for Sports Village
- Letting of design and build contract for Eastern Gateway access road
- Acquisition of key sites at Blackpool Airport and Enterprise Zone
- Completion of data centre feasibility study
- Extension of Fibre Broadband throughout Enterprise Zone
- Letting of contract to replace airport water main
- Provision of new substation to serve Blackpool Airport/ Enterprise Zone Phase 2 development
- Letting of Airport control tower, hangar and apron feasibility study
- Letting of construction contract for speculative 4000 m2 building at Amy Johnson Way
- Selection and Appointment of Enterprise Zone development management consultants
- Appointment of consultants to undertake Enterprise Zone /Airport site wide drainage and utility strategies

5.19 Does the information submitted include any exempt information? No

5.20 **List of Appendices:**

None.

6.0 **Legal considerations:**

6.1 There are no additional legal considerations.

7.0 Human resources considerations:

7.1 There are no additional Human Resources considerations.

8.0 Equalities considerations:

8.1 There are no additional Equalities considerations.

9.0 Financial considerations:

9.1 The expenditure forecast and profile have been substantially modified from that reported in June 2018, to reflect actual spend in 2018/9, the book transfer expenditure in respect of the Acquisition of Blackpool Airport and the rolling forward of phase one expenditure into a fourth year 2021/22.

Enterprise Zone Expenditure



Business Rate Income Figures



10.0 Risk management considerations:

10.1 A full risk register is maintained and reviewed on a monthly basis

11.0 Ethical considerations:

11.1 None

12.0 Internal/external consultation undertaken:

12.1 Following the consultation on the Masterplan which took place and its subsequent

approval consultation on individual elements of the Enterprise Zone will take place through the normal planning application process.

13.0 Background papers:

13.1 None.

14.0 Key decision information:

14.1 Is this a key decision? No

14.2 If so, Forward Plan reference number:

14.3 If a key decision, is the decision required in less than five days? No

14.4 If **yes**, please describe the reason for urgency:

15.0 Call-in information:

15.1 Are there any grounds for urgency, which would cause this decision to be exempt from the call-in process? No

15.2 If **yes**, please give reason:

TO BE COMPLETED BY THE HEAD OF DEMOCRATIC GOVERNANCE

16.0 Scrutiny Committee Chairman (where appropriate):

Date informed:

Date approved:

17.0 Declarations of interest (if applicable):

17.1 None.

18.0 Executive decision:

18.1 The Executive agreed the recommendations as outlined above namely:

1. To note the progress against the recommendations of the Blackpool Airport Enterprise Zone Masterplan and Delivery Plan.
2. To approve a revised expenditure forecast as set out in paragraph 10.1 in respect of the previously approved £28.8 million, to fund delivery of the essential enabling infrastructure extending the original three year phase one period by one year to 2021 to reflect progress to date against the approved delivery plan, external influences beyond the direct control of the Council as Enterprise Zone accountable body and emerging opportunities within the Enterprise Zone.
3. To approve a partial review of the Enterprise Zone Masterplan and Delivery Plan to reflect changed circumstances with a further report and recommendations to be presented for consideration by March 2020.

19.0 Date of Decision:

19.1 15 July 2019

20.0 Reason(s) for decision:

20.1 Since the approval significant progress has been made with the delivery of the Enterprise Zone Delivery Plan highlights of which have been included in paragraph 5.1.

Nevertheless, as with any major regeneration programme there have been some delays and changes. It is beneficial to explain to Executive the reasoning behind the delays and the actions being taken to minimise, mitigate and work round them.

These unavoidable delays have resulted in an underspend against the programme in the first year but it is expected that it will be possible to recover to a position close to the original forecasts by the end of the initial three year period, with a small amount of the expenditure rolling over into 2021/22. It is for this reason that approval is sought to extend the phase one programme by one year.

It is still anticipated that the programme can still be undertaken within the originally approved funding of £28.8m. It is however, likely that some expenditure will run beyond the original three year programme and up to a further 12 months may be needed to complete the phase.

In light of the potential impacts of the change of ownership of the former bomber factory,

the completion of phase one on the sports village, highway design works and the anticipated recommendations from the data centre feasibility study, it is proposed that the masterplan be reworked and the delivery plan and financial forecasts be updated with a view to bringing a full report and recommendations back to Executive in early 2020. This work would see relatively light touch changes and would be funded from within existing allocations for specialist consultant expenditure.

21.0 Date Decision published:

21.1 16 July 2019

22.0 Executive Members in attendance:

22.1 Councillor Blackburn, in the Chair

Councillors Benson, Brookes, Cain, Jackson, Kirkland, Smith, I Taylor and L Williams.

23.0 Call-in:

23.1

24.0 Notes:

24.1 The following non-Executive members were in attendance: Councillors Burdess, Critchley and Farrell