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| Report to: | Blackpool, Fylde and Wyre Economic Prosperity Board |
| Report Author: | Rob Green, Head of Enterprise Zones, Blackpool Council |
| Date of Meeting: | 2nd May 2018 |

BLACKPOOL AIRPORT ENTERPRISE ZONE – UPDATE REPORT

1. Main progress on the Enterprise Zone

a. Masterplan

Consultation on the Masterplan closed in December 2017. 117 responses were received in total and seven substantive changes were recommended to Blackpool Council Executive and Fylde Council Planning Committee.

Blackpool Council approved the Masterplan on 5th February and Fylde Council on 7th February.

Final changes are being made by Mott Macdonald and then the document will be published on the dedicated website.

b. Blackpool Airport

Blackpool Council have appointed York Aviation to prepare a strategic business plan for the airport to secure its future and maximise growth opportunities in consultation with a wide variety of interested parties. The commission is due to complete in late May. Their initial work is focused on the strategic aspects of the airport business plan and will provide the basis to look in detail at the physical interventions required to deliver a long term sustainable airport. This is likely to result in some modifications to the masterplan in terms of the current indicative locations for control tower, aprons and hangar accommodation and offshore helicopter terminal facility.

c. Marketing and Administration Officer

Interviews took place on Friday 23rd March for recruitment of a Marketing and Administration Officer and Nicole Billington commences in post on the 1st May. Reporting to the Head of Enterprise Zones she will be responsible for enquiry handling and promotion of the EZs amongst other things, and will be the primary point of contact with Marketing Lancashire.

Site signage is also being progressed and signs should be in situ in May.

d. Delivery Plan

Work is continuing on the detailed EZ Delivery Plan essential to secure the outputs from the approved Masterplan in conjunction with consultants Genecon LLP. It has undergone many variations to reflect sensitivity analysis impacted by alternative delivery assumptions. The approach to modelling is credible and robust and has benefitted from input from across Blackpool and Fylde Councils.

Overall the plan, based on costings provided by Mott McDonald, suggests that capital investment in primary enabling infrastructure, including some key property acquisitions for infrastructure site assembly, together with revenue expenditure to support delivery and marketing will be many millions over the life of the EZ, with the bulk of expenditure required in the crucial early years.

The Delivery Plan provides a broad framework for one particular model of development and concludes that the EZ 'benefit' of retained business rates growth across both Fylde and Blackpool sectors should, over the lifetime of the EZ, just be sufficient to cover costs including the costs of prudential borrowing by Blackpool Council as EZ accountable body. The viability for the infrastructure led development proposed in the Masterplan is, however, marginal and will be reviewed on an annual basis, with each element of enabling infrastructure being subject to a detailed business case prior to approval

This work is sensitive to assumptions but represents a credible estimation of the likely cost and potential revenues of the remaining 23 years of the EZ.

The initial early year's gap between projected cost and revenue generated will necessitate substantial levels of prudential borrowing to be undertaken by Blackpool Council and will therefore require a commitment of funds by the Council to meet the initial cost of prudential borrowing.

Once finalised the Delivery Plan (and Marketing Plan) will be presented to the Executive of Blackpool Council (as the accountable body for the EZ) for consideration and agreement in principle to the levels of prudential borrowing, prior to its submission to the LEP EZ Governance Committee and thereafter, subject to LEP approval, formally submitted to MHCLG. The Delivery Plan and Marketing Plan will also be reported to Fylde Finance & Democracy Committee as an information item

2. Forthcoming Activity

a. EZ Eastern Access Road

Detailed traffic modelling is to be undertaken in advance of commencing work on the design, specification and planning permission on the access road shown in the south east corner of the EZ on the Masterplan, essential to open up sites within the EZ.

This commission should be out in May, with 6 weeks during for the work, having been slightly delayed whilst awaiting key responses from Lancashire County Highways team

b. 'Sports Village' Development

LK2 have been instructed to prepare the business case for the Sport Village development and commence detailed discussions with all sports clubs about a joint facility, this will include work on a viable business model for Blackpool Council to operate the completed facility.

Meetings held with sports governing bodies will ensure all funding opportunities are maximised

c. Joint Planning and Building Regulations Protocols

Draft planning and building regulations protocols to be agreed between Fylde and Blackpool Council to ensure consistency of decision taking and service levels throughout EZ

e. Launch of EZ websites

The LAMEC web site is scheduled to go live in April with the content of the Blackpool and Hillhouse pages being managed by the new Marketing officer

f. Update of Business Rates Relief Policy

To ensure compliance with the new GDPR regulations the application forms for award of EZ business rates relief and Expressions of Interest from prospective occupiers are being reviewed to ensure that there is full compliance with the new GDPR regulations

arm/epb/cr/0205 Item 10 Blackpool Airport EZ