

LEADER OF THE COUNCIL –‘CORPORATE’ PORTFOLIO AREA
COUNCILLOR SIMON BLACKBURN

The Corporate area covers my portfolio and those of:

- Councillor Ivan Taylor (Cabinet Member for Projects and Partnerships)

The full details of the portfolio areas can be found on the Council’s website at
<https://www.blackpool.gov.uk/Your-Council/Your-councillors/Executive-members.aspx>

Corporate Issues

Financial Monitoring

The Council’s 2017/ 2018 Accounts have now been completed in line with the format required by the International Financial Reporting Standards (IFRS). The accounts will now be examined by our external auditors and reported to the Audit Committee on 30 July 2018. The draft accounts show that the Council’s working balances as at 31 March 2018 stood at approximately £4 million, below our target of £6 million; however, the Provisional Outturn report makes a recommendation that £2.0m of earmarked reserves become unearmarked to make good the difference.

I am naturally concerned about the difficulty of maintaining target balances in the context of the unprecedented pressures we currently face and I continue to be in close discussion with Chief Officers to ensure that the situation remains under continual review. At the same time, the Council’s wider financial position remains sound. Our continued financial sustainability is no small achievement, not least when set in the context of the extreme financial difficulties now being faced publically by a number of large local authorities in other parts of the country. One large council has now failed financially and if the government does not offer some respite its reductions of funding for essential public services, I fear it inevitable that other councils are sure to follow.

As Members are well aware, we have to continue to make very difficult choices here in Blackpool to live within our increasingly smaller means. The Budget for 2018/2019 required total savings to be found of £5.5 million. The first Corporate Budget Savings report for 2018/ 2019 was reported to the Corporate Leadership Team on 5 June. As at 30 April 2018 (month 1) 29% of the 2018/ 2019 savings target had already been delivered.

As at the end of March 2018, in-year Council Tax collection was 91.3% compared to 90.0% at the end of 2016/ 2017. The total amount collected has therefore risen by £2.9m due to

increases in both the Council Tax rate and base, besides the collection rate itself. I am also pleased to report that Business Rates collection showed an improvement when compared to 2016/ 2017, standing at 95.6% at the end of March compared to 93.9% the previous year. This increase in collection of 1.7% equates to £1.2m. The average number of days to process Housing Benefit and Council Tax Reduction Scheme new claims and changes in circumstances for April and May was 13 days.

Business Loans Fund

Despite relentless reductions in central government funding, I am determined that the Council exhausts every means at its disposal to help stimulate growth in our economy. Our Business Loans Fund is a key part of our efforts in this regard. So far, this initiative has been very successful providing funding to local businesses to create jobs and stimulate the local economy alongside supporting public sector partners to deliver their own budget savings and contributing to the Council's own target. To date 21 loans (£51,734,000) have been issued since its inception of which three (£498,000) have been fully repaid, 16 are live and two (£320,000) have been written off including the VIA Partnership (£300,000). Due diligence work is currently underway with a further five proposals amounting to £50,550,000, which will take the balance of loans to just under the £100m authorised limit after taking account of loan instalments repaid to date.

Strategic Issues

Catalytic Development Proposals: Central Leisure Quarter

In March 2017, the Council entered into an 'Exclusivity Agreement' with a developer and international leisure company to work up comprehensive development proposals for the Central Leisure Quarter site. On 21 May, the development team was invited to give a presentation to the Council's Leadership Team on their proposals for the site. The proposals presented were aimed at meeting the aspirations of the Council for a major leisure development befitting of Blackpool's rich history and heritage and include a number of world-class attractions, some of which will be the first in the UK. The development would also seek to replace the loss of car parking within the town centre and would be appealing to a wide variety of people, from seasonal visitors to local residents. Most importantly, the scheme would play a catalytic role in the continuing revitalisation of Blackpool's visitor economy, providing a wide range of employment opportunities and regeneration for the benefit of the local community. The presentation of these initial proposals to the Leadership Team was very well received. In concluding the discussion I secured agreement from the meeting that the Council and Developer continue to work together to the next phase of the development and commence drafting out the contractual terms. At a further stage, these terms would then be subject to further scrutiny and approval by the Council prior to finalising any legal agreement to develop. It will only be at this stage that full details of the scheme would be announced.

Winter Gardens Conference and Exhibition Centre

I am pleased that construction activity continues to progress. Specific tasks undertaken so far include:

- Repairs to the existing building facades which will abut the new building
- Site clearance and remediation
- Utility diversions
- Redundant buildings have been demolished
- Demolition of the Foyer and basement areas is underway
- Piling for the new build foundations is complete
- Relocation and opening of the new Quilligans restaurant
- Installation of the new drainage system and associated groundworks
- Installation connection and commission of new gas main
- Sprinkler mains diversions complete
- Installation of ground slabs in the basement/ electrical infrastructure housing area

Activity to be undertaken over the summer includes:

- Further underpinning and piling of the existing building
- Installation of ground slabs to the main new build element
- Commencement of the structural steel installation forming the frame of the new build

I can confirm that the project is now currently scheduled to be complete August 2019.

I am delighted that the first conference to take place in the newly completed venue will be the Tourism Society in late summer 2019. This was announced at their 2018 conference a few weeks ago and Blackpool will be the first non-city location they have ever used. I am sure Members will share my pleasure in seeing the new Conference Centre succeeding in bringing new business to the town before any steel has hit the ground!

I am also extremely pleased that the shopworkers' union, Usdaw, has committed to staging its annual conference in Blackpool's Winter Gardens until at least 2024. The union, which is the UK's fifth biggest and the fastest growing with over 430,000 members, has hosted its annual delegate meeting in the resort regularly since being first formed in 1947. It has also met in Blackpool exclusively every year since 1991. To mark the agreement, Usdaw's General Secretary John Hannett signed a commemorative brick, which will form part of Blackpool's new Conference and Exhibition Centre.

Blackpool Airport Enterprise Zone (EZ)

Blackpool Airport Enterprise Zone is our biggest opportunity in a generation to grow the diversity of our local economy. I am clear that we do all we can to propelling this project forward.

As Members may recall the Enterprise Zone Masterplan was February and extensive work has been undertaken since then to produce the Enterprise Zone Delivery Plan and Marketing Strategy. These crucial plans were approved by the Executive on 18 June. The Delivery Plan and Marketing Strategy will be reported to Fylde Borough Council later in June for information and formally presented to the Lancashire LEP Enterprise Zone Governance Committee for approval at its meeting on 9 July. Thereafter they will be submitted to Ministry of Housing Communities and Local Government.

The Delivery Plan identifies the potential for the Enterprise Zone to accommodate circa 270,000 m2 of commercial property, which will be capable of hosting some 5,000 new jobs over the next 23 years, adding a cumulative £2bn in Gross Value Added (GVA) to the Fylde coast economy. It will provide a unique opportunity to deliver a sea change in the economic prospects for Blackpool and the wider Fylde coast, substantially increasing and diversifying the economy creating the ability to attract new investment from a range of sectors ranging from advance manufacturing, through aviation and energy to the creative and digital sector with some early successes already achieved.

Enterprise Zone status enables us to retain 100% of the estimated £73m new business rates that will be generated within the lifetime of the Enterprise Zone. The retained business rates therefore give us the ability to support the prudential borrowing that is needed to deliver essential enabling infrastructure and acquire key properties.

We have therefore committed to an initial investment of up to £28.8m over the next three years (which includes the acquisition of Blackpool Airport) in a bold and decisive step to get the Enterprise Zone off to a flying start. As part of this, preparatory work is already underway to deliver a new state of the art playing field and sports campus at Common Edge, thus releasing land for the construction of the new Eastern Gateway route into the EZ, reducing the congestion, which has restricted investment at Blackpool Business Park in recent years and opening up new development plots. We are anticipating that work could start on this before the end of the year.

It is important to point out to Members that the EZ has, to date, seen effort focused on backfilling existing vacant accommodation and supporting the private sector by encouraging development of existing serviced plots. Indeed, five new developments have already been completed, three more properties refurbished and two further developments presently under construction. 625 jobs have already located in the Enterprise Zone since it became operational and a very good level of enquiries has been maintained. I am particularly pleased that the long awaited Lancashire Advanced Manufacturing and Energy Cluster (LAMEC) website, which showcases the County's four Enterprise Zones to international markets has now gone live.

Funding Success: Blackpool Museum Project

I last reported to Members about the Blackpool museum project in January. I am absolutely delighted to confirm very important progress since this time. Firstly, the Heritage Lottery Fund

Round 1 bid was successful, with an initial award of £400,000 with the opportunity access a further £4million. Furthermore, we were also successful in our bid to the Northern Cultural Regeneration Fund, which has resulted in a £4million award. Can I congratulate everyone who worked so hard to secure this success, which now creates the essential financial backbone needed for the scheme to progress with confidence.

Further funding is required to cover the total cost of the project. Hot on the heels of recent funding successes we have recently submitted a Stage 1 Coastal Communities Fund (CCF) application. We will hear in July whether we will be invited to Stage 2. We have also resubmitted the business case to secure the £1.5 million Lancashire Growth Deal money, which was ring-fenced for the project back in 2014.

I can also confirm that sound progress is being made on the capital development aspect of the project. We are continuing to work with the same architects (Buttress) and exhibition designers (Casson Mann) to move the designs on to RIBA Stage 2. Our aim is to have some new designs to share more widely a little later in the summer. We intend to share these designs as part of an exercise to increase engagement with sections of the local community around the revised museum concept.

We have now appointed a freelance curator and an image and copyright researcher to conduct detailed research for the museum displays. We are also looking to make new appointments shortly to strengthen the team further in terms of finance and curatorial capacity. In the meantime, the team continues to review museum display ideas, cross-referencing with the national curriculum to ensure that there will be lots of relevant content to encourage schools to visit the museum once opened.