

Report to: Blackpool, Fylde and Wyre Economic Prosperity Board
Report Author: Rob Green, Head of Enterprise Zones, Blackpool Council
Date of Meeting: 7th April 2020 (CANELLED)
Recommendation: That the Committee notes the report.

Hillhouse Enterprise Zone: Progress Report

IMPLEMENTATION PLAN

A series of meetings have been held with the senior managers at NPL Estates to better understand their proposals for a phase of speculative development which would in part, assist the decanting of existing businesses from the old International Business Centre, releasing that site for redevelopment with the focus on the need for enabling infrastructure and the funding thereof.

Further clarification has also been obtained on the phasing and costings of the wider on and off site infrastructure costs and for individual development plots. This information is now being modelled into a revised delivery plan by consultants Genecon. The implementation plan will also reflect the impacts of the withdrawal of Vinnolit from the site over the next 12 months and the release of additional development land that this may enable. A draft of the implementation plan is due and a meeting is to be scheduled to go through costings.

MARKETING

Newsletter

The previous newsletter was distributed to 52 recipients on 11th February:
<https://mailchi.mp/fd16f90c03fe/may-e-newsletter-582797>. Work continues to engage more people to sign up to the newsletter.

Marketing Strategy

A marketing strategy has being drafted for inclusion in the Delivery Plan which will be circulated with these notes. The EZ marketing team will support tenants on the site with any good news stories and a news is anticipated from Forsa Energy about starting on site in April (dependent on current COVID-19 restrictions).

Events

Hillhouse EZ literature was made available at the recent Northern Powerhouse EVO North event (March) in Manchester and the Place NW Lancashire Development Update (Feb) as part of the

Blackpool: The Place for Business delegation. Some useful contacts were made and shared with the Lancashire Hydrogen Steering Hub for follow up.

Hydrogen Steering Group

The second Lancashire Hydrogen Steering Hub took place at Wyre BC offices on 27th February 2020. 18 people attended from both the public and private sectors and BOC delivered a presentation on hydrogen fuelled vehicles. The next meeting that was scheduled to take place on 30th March has been postponed till further notice.

The Hillhouse and Wyre teams are in the process of drafting Terms of Reference for this group.

The vision for hydrogen power on the Fylde Coast is to help meet local ambitions to deliver a clean low carbon energy economy in the area and to create a centre of excellence supported by education and industry. The plan is to deliver hydrogen research and production at Hillhouse, leading to the creation of a support network for hydrogen production, hydrogen storage, and supplies to local authorities, transportation companies, businesses and housing is in its infancy and more work needs to be commissioned to develop the proposals and look at integration with other renewable energy provision needed to power the Hydrogen generation.

SITE ACTIVITY

Vinnolit - It is confirmed that Vinnolit ceased trading on August 31st 2019 and the site is now in the process of decommissioning and staff redeployment. Key staff will remain on site until at least Summer 2020 to assist in the decommissioning of the site. It is understood that a majority of the existing workforce have either opted for retirement or secured new roles with other businesses at Hillhouse with employment support and re-training advice being provided. Close contact is being maintained with Vinnolit management both onsite and via the immediate parent company in Germany.

The plant ceased operating as tier 1 COMAH status although lower tier COMAH status remains in respect of other manufacturing operations and upper tier COMAH status would be easily re-instated if required.

Biomass - Heads of Terms have been agreed between a Biomass developer and Le Fylde Estates (Landowner NPL Group) for a 150,000 tonne p/a EfW plant within the Hillhouse Enterprise Zone. Site investigations and early planning works are taking place. It is projected this will create a number of short-term constructions jobs and permanent operative jobs once completed.

Forsa Energy – Forsa are expected to start work on site in April on the development of a new 20MW Short Term Operating Reserve (STOR) gas turbines, planning consent having been granted in 2017.

Job Creation – We expect a high number of construction jobs to be created this next quarter due to the start on site by Forsa Energy. At the time of writing, the team is waiting for confirmation on how many construction full time equivalent jobs are currently on site. In Q1 2020 the team will contact all Hillhouse businesses to assess what additional growth and jobs creation there has been over the past 12 months.

Joint Agent for LAMEC Cluster – The team is working with LCC to appoint a joint international agent for all four LAMEC sites by Spring 2020.

EZ Fiscal Benefits - The clock continues to tick with regards to the EZ fiscal benefits with the business rates relief due to expire on 31st March 2021 and the enhanced capital allowances (ECA) due to expire in November 2023, which will leave only a very short window of opportunity to capitalise once new development sites are released upon completion of key enabling infrastructure. As detailed in the Blackpool Airport report a combined approach to seek an extension of fiscal benefits is underway.

FORTHCOMING ACTIVITY

- Complete implementation plan by January 2020
- Procure specialist State Aid advice once IP completed
- Complete updated Risk Register by January 2020
- A flood risk assessment to be commissioned for the entire site
- A transport assessment be commissioned for the entire site
- A utilities assessment to be commissioned for the whole site
- An Environmental and Ecology study to be commissioned for the entire site

Ends

List of Background Papers

Paper	Date	Contact/Tel
None		

Reason for inclusion in Part II, if appropriate

Exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972. The report contains information relating to the financial or business affairs of any particular person (including the authority holding that information). It is considered that in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information.