

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

## **1. Blackpool Airport Enterprise Zone: Progress Report**

### **a) Masterplan**

Work to revise the EZ masterplan and delivery plan has commenced in the first quarter 2020 with Cassidy and Ashton engaged to update the original Mott MacDonald/IBI plan and with Genecon updating the financial predictions and delivery plan, based on the revised layout and phasing reflecting specific details now agreed around phase one, highways and airport design. The new plan will also reflect the impacts of the data centre study recommendations and the changes surrounding the Squires Gate Industrial Estate.

The first draft of the revised financial modelling delivery plan will provide new estimates of cost retained rates revenue, jobs and impact upon GVA over the lifetime of the EZ. It is hoped that the revised plan and delivery plan can be completed and presented for approval to EPB by June. The approved Marketing Strategy will continue to be implemented for the Enterprise Zone and where appropriate will be updated upon completion of the masterplan update.

### **b) Fiscal Incentives**

The clock continues to tick with regards to the EZ fiscal benefits with the business rates relief due to expire on 31<sup>st</sup> March 2022 and the enhanced capital allowances (ECA) due to expire in November 2023, which will leave only a very short window of opportunity on which to capitalise on them once new development sites are released upon completion of key enabling infrastructure.

Agreement has been reached at the LEP EZGC for action to approach MHCLG and HMT on behalf of the four Lancashire and other Northern EZ's to seek extensions of the Fiscal benefits.

A formal proposal seeking an extension of the fiscal incentives available to EZ's is being circulated to all northern EZ's seeking their support in principle. Thereafter calling a virtual meeting of EZ's to be hosted by Lancashire to confirm the basis of a collective approach to MHCLG and HMT. An amendment to the original draft will be made prior to issue with regards to the further implications that the coronavirus pandemic will now have on the delivery of essential infrastructure over the coming months and we would wish to target government approval for a range of anticipated new post-pandemic, economic stimulation, fiscal measures.

### **c) Current Activity - Phase One**

A planning application for the grass sports pitch element of phase one has now been submitted to Fylde BC seeking approval for the creation of 12 no. grass sports pitches, a new airport perimeter track and new crash gates for the airport. The security perimeter fence is now complete and marks the area

where the new pitches will be situated. Contractors are currently on site undertaking preparatory works so that the seed can be sown in May/June so that the grass is ready for play at the start of the football season September 2021.

A second planning application will be submitted in the next few weeks for two 3G pitches, new changing room facilities, a new car park and access into the site. The planning application may also include provision for a new primary electricity substation required to support anticipated increased power demand from early development of the phase one sites including the potential for possible data centres, subject to agreement with ENWL. Plans to stage a public consultation in respect of the application have had to be shelved in light of the present restrictions and alternative methods of consultation to be explored for example an online portal displaying all plans and information and a feedback form for the public to record comment. This would be supported by a letter to the local residents and business community.

A third Outline planning application will follow for the use of the former Common Edge Playing fields for commercial and residential development, in line with the original masterplan and will encompass the access arrangements for the Eastern Gateway road and upgrading of Common Edge Highway between School Road and Division Lane.

A series of detailed planning applications are then envisaged for individual developments and the Highways over the coming years.

#### **d) Eastern Gateway Access Road**

Highway and transportation studies undertaken to support the phase one planning applications have confirmed that the M55 link road is not critical to the ability to develop out phase one of the EZ. Blackpool Highways team are currently remodelling the road design to ensure the local infrastructure can cope with additional commercial development.

The position of the access road which will now be a traffic light junction rather than a roundabout, will be located to the north of South Shore Cricket Club. Work to the existing highway at Common Edge Road upgraded with work undertaken via the existing Highways PFI. A separate design and build contract will be awarded for the new link between Common Edge Road and Amy Johnson Way, once the phase one outline planning consent has been secured. The target date for opening the through route remains first quarter 2022.

#### **e) Common Edge Sports Facilities**

Initial work focusses on the relocation of existing grass pitches onto former airport land which will take circa 18 months from completion until they can be fully utilised. At the request of Sport England the Blackpool Council Playing Pitch Strategy is also being updated and the composition of the Common Edge facilities will reflect new requirements.

#### **f) Link Road**

Ongoing issues in relation to the funding and delivery of the proposed M55 link road continue and are being managed by Lancashire County Council, particularly in terms of funding and a delivery timescale, with a final decision on the roads delivery timetable hopefully due by the end of March. Blackpool Council as the EZ accountable body, have agreed to a mechanism which assists Fylde Council to accelerate contributions toward the M55 link road by adjusting arrangements for use of retained

business rates growth. This may have a slight decelerating effect upon the overall EZ delivery programme.

#### **g) Initial Speculative Development**

Full planning consent has been granted by Blackpool Council for the development of a speculative 4,000m<sup>2</sup> B1/B2 unit on a site at Amy Johnson Way. Heads of terms have now been agreed with a prospective occupier and the formal contracts are being drawn up. It is expected that a construction contract can be entered into with work commencing in June with the property in occupation from late Spring 2021.

#### **h) Planning Applications**

In addition to the phase one applications there is currently one live planning application for new development being considered by Blackpool Council for a proposed development of a 20MW gas fired power generation facility. Concerns have been lodged surrounding safeguarding airport operations and these are being worked through.

A retrospective planning application for a concrete batching plant and materials handling on land to the rear of the Squires Gate Industrial Estate is also under consideration attracting a number of local objections.

In November planning consent was awarded for a 1,400m<sup>2</sup> development on land in private ownership off Amy Johnson way and construction has now commenced, the majority of the property will be occupied by the developer for his business but marketing has commenced for the adjacent unit which offers 5,730 sq ft B2/B8 industrial space with an option for mezzanine ancillary.

#### **i) Squires Gate Industrial Estate (Former Wellington Bomber Factory)**

The new owners of Squires Gate Industrial Estate continue to carry out improvement works on the property and have filled some of the vacant accommodation with new tenants. At the present time it is most unlikely that the owner would wish to explore the demolition and redevelopment of the property as initially proposed in the masterplan, although efforts continue to encourage appropriate development to come forward.

#### **j) Communications Infrastructure**

Work has continued to support the installation of the new transatlantic fibre optic telecommunications cable, part of the North Atlantic loop from New York to Denmark, which is being developed by Aqua Comms. Cable ducting has been laid from the proposed landing point to the base station at Blackpool Airport. Additional cable ducting has been laid across the EZ estate, with a further expansion of the network under the Local Fast Fibre Network (LFFN) programme at the planning stage. The new transatlantic cable is due to come ashore in May/June 2020. Discussions are ongoing to conclude agreements for the completion of the LFFN link to Hillhouse EZ via the tramway.

The presence of the new optic fibre link will provide fast communication links with timings of less than 64 milliseconds to transmit data from Blackpool to New York, providing a distinct competitive advantage and USP for the EZ. The new connection will open up the possibility of securing investment in the provision of data centre facilities at the EZ and of securing investment from data driven industries. The availability of power, particularly green power will be vital to secure major data centre investment and initial proposals for the development of solar PV facilities across the EZ estate and airport are being investigated.

Further to a study by data centre specialists COWI, a specialist task group has been established to progress the opportunities in this sector working closely with BITC and the Blackpool Pride of Place board. The last meeting took place on 28<sup>th</sup> Jan and it was agreed that a series of workshops would take place to identify specific sectoral opportunities and next steps for marketing to this particular sector. The Town Deal Board will explore the opportunities enhanced digital connectivity presents for Blackpool as it develops the Town Investment Plan. This will be supported later in the year by an event in London organised by Business in the Community and Pride of Place Partnership to promote the investment opportunities in this sector. As available plots are identified at the Enterprise Zone and brought to market, the team will have further discussions with the wider group on how these plots are marketed to this target sector.

#### **k) Fibre Blackpool**

Fibre Blackpool is a project run by a co-operative group from the private and public sectors working together to roll out the extension of a local full fibre network (LFFN) that will give an improved, gigabit capable, broadband internet connection to residents and businesses on the Fylde Coast. Early enquiries have been very positive and the Internet Service Providers involved in the campaign are actively marketing to businesses across the Fylde. Case studies and press releases from ITS Group are awaited for phase 2 promotion and when received, the EZ team will share on the various website and social media platforms. ITS Group are also planning to hold an open free event for EZ businesses, but this will now be postponed until further notice during the current COVID-19 crisis.

#### **l) Marketing**

Marketing Lancashire are currently awaiting proposals from Richard Barber & Co. for phase 2 of the EZ websites. A conference call will be set up to progress implementation of new website features when the proposal is received.

Blackpool EZ marketing officer attended a workshop about website accessibility recently and this will also be fed into any new design for the websites and brochures.

Press and promotional activity continue and since the last meeting the team has exhibited at the following profile raising events:

- Place NW Lancashire Development Update, Feb, Nick Gerrard also spoke at this event
- Northern Powerhouse EVO North Conference, March

Sponsorship of Lancashire Business View's Regional Hotspot Feature is coming up in the May/June edition in which there will be a focus on EZ developments.

A briefing presentation to new LEP Board members was due to take place at the end of March but is currently postponed. We will wait for further advice from the LEP as to how they would like to progress.

Attendance at an aviation conference in London in June has been cancelled and the event rearranged for October.

Marketing Lancashire was due to have a Lancashire delegation at MIPIM Cannes where there will be members of the LEP team well positioned to promote the LAMEC websites to an international audience. The event is currently rescheduled to take place 2-5 June 2020 and the team will monitor the situation as the date gets nearer.

We are also working with LCC to appoint a joint international agent for all four LAMEC sites by September 2020.

In Q1/2 2020 we will be looking at updating and streamlining the promotional material to reflect any changes made to the websites, the Masterplan and Delivery Plan.

The fifth EZ newsletter is scheduled for distribution to 120 registered recipients at the end of March and work continues to engage more people to sign up to the newsletter. An interim newsletter was issued on 16<sup>th</sup> March with updates on the coronavirus outbreak and links to government webpages offering guidance and advice to businesses. The team will continue to update all EZ stakeholders through the website and social media channels on new developments and any help that is available to them. Further updates will be issued as more government information becomes available.

Levels of short term and urgent enquiries for commercial property are anticipated to reduce due to the current restrictions on movement and uncertainty to many businesses financial situation. Longer lead enquiries and enquiries for design and build, we expect to remain steady but will monitor the situation over the next few months.

#### **m) Blackpool: The Place for Business**

The online communications campaign has come to the end of the initial 12 months contract with external agency collaboration Clarity/Diva. A tender is currently live on the NW Chest portal for a new 12 month marketing campaign, deadline is 27<sup>th</sup> March. Interviews and presentations are due to take place w/c 13<sup>th</sup> April and the team will discuss the best way forward in light of the current restriction of movement.

#### **n) Blackpool Airport**

Work continues to replace worn out systems and upgrade the airports operational capabilities with the new Instrument landing System (ILS) and replacement of taxiway lighting now complete.

Architects Cassidy + Ashton have been appointed to undertake initial feasibility/option studies for the replacement of old aircraft hangars and associated aircraft parking aprons as a first step toward opening up the frontage of Squires Gate Lane for new business park development. Their work will also include studies on the provision of a new control tower, fire station and administration facility, probably to be located south of the main runway outside of the EZ boundary.

C+A will be meeting existing aviation and interested external parties to hold informal workshops to define requirements for new hangars.

#### **o) Third Party Development**

The only construction presently underway is the development on land to the east of Seneca House off Amy Johnson Way.

To date:

- A total of 202 live enquiries are currently logged for Blackpool EZ.
- Some 73 businesses have located to the Enterprise Zone since April 2016.
- A total of 1520 jobs have located to the Enterprise Zone, this figure includes jobs new to the area, safeguarded jobs within Blackpool and construction full time equivalent jobs.

**p) Project Team**

The meeting of the Blackpool Airport EZ Project Team took place on 7<sup>th</sup> February at NW Chamber of Commerce offices. The next meeting has been cancelled due to restrictions on movement and a written report will be circulated to the group.

**r) Risk Register**

The Blackpool Airport Enterprise Zone risk register is available for consideration and review and is fully updated on a quarterly basis or when significant changes occur.

**Report Author**

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