

Public Document Pack

Blackpool Council



wyre
council

9 March 2024

BLACKPOOL, FYLDE AND WYRE ECONOMIC PROSPERITY BOARD

Thursday, 14 March 2024 at 2.00 pm
in Meeting Room 3B. Bickerstaffe House, Blackpool

A G E N D A

1 WELCOME AND INTRODUCTIONS

2 DECLARATIONS OF INTEREST

Board Members are asked to declare any interests in the items under consideration and in doing so state the nature and extent of the interest.

If any Board member requires advice on declarations of interests, they are advised to contact the Lennox Beattie, Executive and Regulatory Manager, Blackpool Council in advance of the meeting.

3 EXCLUSION OF PUBLIC AND PRESS

If the discussion during items 7 or 8 of this agenda involves the disclosure of “exempt information”, as defined in Schedule 12A of the Local Government Act 1972 and the Board wishes to move to confidential session, it may at any point pass the following resolution: “That the public and press be excluded from the meeting whilst the agenda item(s) is/ are considered, on the ground that their presence would involve the disclosure of exempt information as defined in category 3 (Information relating to the financial or business affairs of any particular person, including the authority holding that information) of Part 1 of Schedule 12(a) of the Local Government Act, 1972, as amended by the Local Government (Access to Information) Variation Order 2006 and, that in the public interest in maintaining the exemption outweighs the public interest in disclosing the information”.

4 MINUTES OF THE LAST MEETING HELD ON 7 DECEMBER 2023 (Pages 1 - 8)

To approve the minutes of the last meeting held on 7 December 2023.

5 FYLDE COAST GREEN GROWTH UPDATE

To receive an update presentation on green growth on the Fylde Coast from Scott Butterfield, Strategy Policy and Research Manager, Blackpool Council.

6 LOCAL AUTHORITY ECONOMIC UPDATES

To receive verbal updates from representatives from each Council.

7 BLACKPOOL ENTERPRISE ZONE: PROGRESS REPORT (Pages 9 - 22)

To review the work of the Blackpool Airport Enterprise Zone and its future work and priorities against its role and remit.

8 HILLHOUSE ENTERPRISE ZONE: PROGRESS REPORT (Pages 23 - 34)

To review the work of the Hillhouse Enterprise Zone and its future work and priorities against its role and remit.

9 STRATEGIC SITES

To receive a verbal update on Strategic sites.

Blackpool Council



**MINUTES OF BLACKPOOL, FYLDE AND WYRE ECONOMIC PROSPERITY BOARD MEETING -
THURSDAY, 7 DECEMBER 2023**

EPB members present:

Councillors:

Councillor Karen Buckley, Leader, Fylde Council

Councillor Michael Vincent, Leader, Wyre Council by Teams

Councillor Mark Smith, Cabinet Member for Levelling Up: Place, Blackpool Council

Chief Executives:

Neil Jack, Chief Executive, Blackpool Council

Allan Oldfield, Chief Blackpool, Fylde Council

Co-opted Private Sector Representative:

Martin Long, Blackpool Council area representative

Neil Farley, Fylde Council area representative

Other councillors present:

None

Others present:

Lennox Beattie, Executive and Regulatory Manager, Blackpool Council

Scott Butterfield, Strategy, Policy and Research Manager, Blackpool Council

Nick Gerrard, Growth and Prosperity Programme Director, Blackpool Council

Rob Green, Head of Enterprise Zones, Blackpool Council

Marianne Hesketh, Corporate Director of Communities

Charlie Richards, Head of Regeneration Projects, Fylde Council

No members of the public or press attending the meeting.

1 APPOINTMENT OF CHAIR

In the absence of the Chair and with the Vice-Chair joining the meeting virtually. The Board considered the appointment of a Chair for the meeting.

Resolved:

That Councillor Mark Smith be appointed Chair of the Blackpool Fylde and Wyre Economic Prosperity Board for the meeting.

2 WELCOME AND INTRODUCTIONS

The Chair welcomed Board members to the meeting.

The Board noted apologies from Councillor Lynn Williams of Blackpool Council and noted that Councillor Williams had been replaced for this meeting by Councillor Mark Smith, Cabinet Member for Levelling Up: Place.

The Board also noted apologies from Rebecca Huddleston, Chief Executive, Wyre Council.

3 DECLARATIONS OF INTEREST

There were no declarations of interest on this occasion.

4 EXCLUSION OF PUBLIC AND PRESS

Resolved:

That the public and press be excluded from the meeting while agenda items 7 and 8 are considered, on the grounds that their presence would involve the disclosure of exempt information as defined in category 3 (Information relating to the financial or business affairs of any particular person, including the authority holding that information) of Part 1 of Schedule 12(a) of the Local Government Act, 1972, as amended by the Local Government (Access to Information) Variation Order 2006 and, that in the public interest in maintaining

the exemption outweighs the public interest in disclosing the information.

MINUTES OF THE LAST MEETING HELD ON 28 SEPTEMBER 2023

The Board considered the minutes of the last meeting held on 28 September 2023.

Resolved:

That the minutes of the meeting held on 28 September be approved and signed by the Chair as a correct record.

6 SILICON SANDS (ETHICALLY POWERED DATA TECH DEMONSTRATOR)

The Board received a presentation on Silicon Sands from Rob Green, Head of Enterprise Zones; Scott Butterfield, Strategy Policy and Research Manager and Dr Andy Pickard, Net Zero Innovation Manager, Blackpool Council.

The presentation built on previous presentations given to the Board regarding the ambition for greater provision of data centres within the Silicon Sands part of the Enterprise Zone. Mr Green explained the key ambition of Silicon Sands continued to be create new green jobs and boost the local economy. Growing sectors such as advanced manufacturing, Artificial Intelligence, Virtual Reality, eSports and telehealth needed access to high performance, low latency data centres. Dr Pickard reminded members of Blackpool Council's Net Zero Pledge and the challenges caused by the growth of data centre requirements within the climate emergency- it remained almost certain that by 2030, data centres would use 4% of global electricity consumption and become the largest single emitter of greenhouse gases. Dr Pickard reminded members of the Board that as outlined at previous meetings that energy reuse in data centres is currently very rare in the UK but much more common in Europe and now required by new EU regulations. This meant that Liquid immersion cooling, coupled with renewable energy and reuse of the waste heat could position the Fylde Coast as a leader in ethically powered data.

Mr Green explained that the Enterprise Zone had the potential to harness renewable energy, through wind farms, solar farm and battery storage.

Dr Pickard further outlined that a district heat network also would remove excess heat and repurpose it – reducing emissions and supporting businesses. A trial would shortly start at the Solaris Centre. A further update would be brought to a future meeting.

7 LOCAL AUTHORITY ECONOMIC UPDATES

Blackpool Council

Mr Nick Gerrard, Growth and Prosperity Programme Director, gave a brief presentation to the Board on the Town Deal programme. Mr Gerrard highlighted the 7 capital schemes under the themes of people and skills, and supporting local business community and place. The fund helped a wide range of activity which fed into the Board's priorities notably in town centre regeneration by the proposed move of the Blackpool Central Courts to facilitate the Blackpool Central development the Multiversity to enhance skills provision and the Edge business incubator; the Revoe Community Sports Village, Airport Enterprise Zone Infrastructure, and the Illuminations Rejuvenation to help extend the Tourism season. Mr Gerrard gave a range of examples including The Platform for employment support to young people which had recently helped its 1,000th person and the Illuminations development which provided a new image to a classic attraction.

Fylde Council

Mr Charlie Richards, Head of Regeneration Projects provided a brief update on the initiatives being undertaken by Fylde Borough Council. Mr Richards reminded members of three key investment themes for the £2.6m of UK Shared Prosperity Funds namely Communities and Place, Local Business, and People and Skills- the balanced approach between short term "quick wins" and longer term solutions. Mr Richards highlighted the development of event spaces at Clifton Drive to concentrate events on a sustainable and accessible site with early contractor discussion having already taken place, improvements and rationalisation of space at Pleasure Island and progress on delivering improvements to Kirkham Town Centre were also highlighted.

Wyre Council

Ms Marianne Hesketh, Corporate Director of Communities, Wyre Council, updated the Board on issues within Wyre Borough. Ms Hesketh highlighted the recent visit of civil servants from the Department for Levelling Up, Housing and Communities and that Fleetwood would be considered to deal with underspends. The recent success of the Wyre Business awards was also noted.

8 BLACKPOOL AIRPORT ENTERPRISE ZONE: PROGRESS REPORT

Mr Rob Green, Head of Enterprise, Blackpool Council presented the Board with the progress report. A copy of the report had been circulated with the agenda. Mr Green highlighted from the report as follows:

A further review of the Delivery Plan had been undertaken and would be presented for consideration by Blackpool Council's Executive on 11 December 2023. This would allow adjustment to costs and included contingencies following receipt of tenders for the major highway and infrastructure work.

The Common Edge Sports Village had now been completed with the exception of the new floodlit rugby league pitch where the late seeding of grass due to weather had meant that it would be playable from October 2023. The new pavilion had been formally opened on the 30 June 2023 with the facilities having been in use since the completion of the Division Lane Junction in the first week of June 2023. The new grass pitches had completed their second season of use.

Industrial enquiries had reduced in the light of recent economic turbulence but were expected to pick up once stability returns to the markets and once the final design for the Eastern Gateway highway is confirmed allowing proactive marketing campaigns to restart.

Blackpool Airport Operations Limited had agreed a ten year business plan with the shareholder, Blackpool Council, to return the airport to profitable operation, with the emphasis on securing new commercial opportunities. Initial interest had been good and delivery would be dependent upon provision of new enabling infrastructure and commercial hangar accommodation.

The Eastern Gateway highway and plot development project had secured £7.5m funding from the Blackpool Town Deal allocation of £40m, as a contribution to an initial £18m project, additional works particularly around service diversions and new connections plus a 26% in material costs has seen the overall project price increase. The Town Deal project covers the remodelling of Common Edge Road between School Road and Division Lane incorporating traffic signalled junctions, and the construction of the Eastern Gateway access road to link Amy Johnson Way and Common Edge, opening a further 10.5ha land for commercial development. The project will also enable two new access points to be constructed off Amy Johnson Way to the eastern side of the airport to support development of new aircraft hangars.

9 HILLHOUSE ENTERPRISE ZONE: PROGRESS REPORT

Mr Rob Green, Head of Enterprise Zones, presented the Board with an update on the Hillhouse Technology Enterprise Zone and its future work and priorities against its role and remit. A copy of the report had been circulated with the agenda.

Mr Green highlighted the following key areas:

- Network Rail had submitted the Strategic Outline Business Case (SOBC) to the Department for Transport in February 2023 for the re-opening of the Fleetwood/Poulton-Le-Fylde rail line. This Strategic Outline Business Case indicates that a Tram/Train option is the most impactful in terms of Benefit/Cost analysis. However this would only become a preferred option if the relevant Minister approves the project to progress to the next stage.
- BXB had been granted planning consent from Wyre Council in June 2023 for a social housing development to be undertaken by Places for People and work on up to 130 units will commence in the near future following discharge of planning conditions, this scheme crucially provides for the construction of the next section of the northern access road. A further site, also in the ownership of BXB, is the subject of an ongoing planning application for a small retail development and petrol filling station, together with a small residential element.
- Majority landowner NPL Estates had acquired the vacant property of the former Vinnolit site in 2022 and having cleared much of the former production facilities have refurbished and actively marketed the remaining buildings, the majority have now been let. The revised Masterplan for Hillhouse would identify the availability of

new development plots in this area.

- As outlined at the previous meeting, finalisation of the implementation and delivery plan has been delayed pending the completion of a full masterplan review and a decision by Government on the Rail Reinstatement Project for the Poulton to Fleetwood line, Consultants WSP had been commissioned to undertake a concept design for the Northern access route – incorporating the worst case cost option of a rail overbridge and thereafter to undertake a full refresh of the masterplan, to include recent new developments – the clearance of the former Vinnolit site and emerging opportunities within the energy and sustainable waste management sectors. An update would be brought to a future meeting.

Chairman

(The meeting ended at 3.55pm)

Any queries regarding these minutes, please contact:

Lennox Beattie, Executive and Regulatory Manager

Tel: 01253 477157

E-mail: lennox.beattie@blackpool.gov.uk

This page is intentionally left blank

| | |
|-------------------------|---|
| Report to: | Blackpool, Fylde and Wyre Economic Prosperity Board |
| Report Author: | Rob Green, Head of Enterprise Zones, Blackpool Council |
| Title: | Blackpool Airport Enterprise Zone: Progress Report |
| Date of Meeting: | 14 March 2024 |

1.0 Purpose of the report:

To review the work of the Blackpool Airport Enterprise Zone and its future work and priorities against its role and remit.

2.0 Recommendation

That the Board notes the report.

3.0 Progress

a) Masterplan and Delivery Plan

Blackpool's Executive approved the refreshed Enterprise Zone Masterplan in December 2020. The Masterplan for the Eastern Gateway development has been fixed, with the detailed technical masterplan for relocation of airport infrastructure on track for being finalised by Q2 2024. In particular, this is also looking at impacts and opportunities presented by the proposed routing of Morecambe and Morgan Windfarm transmission routes via the airport and confirmation by Electricity North West of the location for the agreed new 32MVA Primary substation.

A detailed review of the masterplan for Silicon Sands (formerly Knowledge Quarter) [replacing former airport operational facilities] has commenced and the second iteration, assessing highway and infrastructure networks will be completed by end of February 2024. The plan retains flexibility to respond as new opportunities arise, particularly from the data energy and aviation sectors. A full review of the Masterplan will be undertaken in 2026, following completion of the enabling infrastructure to phase one centred upon Common Edge.

A revised Delivery Plan was approved by Blackpool Council Executive in December 2023 – accepting an anticipated whole life spend of £84m plus the cost of prudential borrowing against a projected income (reflecting 40% optimism bias) of £70m. New spending of up to £21 m, to the end of financial year 2023/24 was also approved, bringing the level of anticipated total investment to £44m by March 2024, which includes the cost of acquiring Blackpool Airport. The delivery plan reflects further increased costs for construction and associated delivery, increasing the gap between cost and income. Extensive value engineering will be required to enable all planned objectives to be achieved within the Enterprise Zone lifetime.

The currently approved business plan does not take direct account of the value of retained assets on completion of the Enterprise Zone project, particularly the Airport and new sports facilities constructed to release land for commercial development at Common Edge. Regular reviews of the delivery plan model are undertaken along with value engineering of all planned infrastructure works

as part of a robust expenditure approval process to mitigate the anticipated impact of high material cost inflation. As much of the development is funded in the early years by prudential borrowing the recent increases in interest rates applicable to borrowing have had a significant negative impact on the viability of the overall project. Work is underway to identify areas of investment that can be deferred or removed from the programme without significantly affecting income generation from retained business rates growth and land sales. Agreement by Electricity North West to provide a new primary sub-station and network reinforcement at its expense has helped to ease immediate budget pressures and to increase market confidence, therefore, progression of future phases will be dependent on ability to generate sufficient income to cover cost of delivery.

The approved marketing strategy will continue to be implemented for the Enterprise Zone and where appropriate will be updated in line with the revised masterplan and emerging opportunities and guidance from Marketing Lancashire and marketing consultants. A refresh of the Enterprise Zone websites is underway with the Blackpool Enterprise Zone marketing manager undertaking the lead in the refresh and the first steps in the process should be completed by the time of REiif UK in May.

A major presence at UK REiif on 16-18th May 2023 saw a relaunch of the Common Edge/Eastern Gateway marketing and a soft launch of the Digital prospectus, and Blackpool will again be exhibiting at REiif in May 2024, as will Lancashire County Council.

b) Project Management

The Enterprise Zone delivery team presently comprises four full time staff, with part time financial officer support. One project management position, which is currently fulfilled by a Fylde Council secondee is leaving and discussions are taking place with Fylde regarding their replacement. The core team is supported by other team members of Blackpool Council's Growth and Prosperity team and external consultants, Cassidy and Ashton and WSP.

c) Fiscal Incentives

Both the Enterprise Zone rates relief and Enhanced Capital allowances (ECA) fiscal incentive have now ended. The five year period of rates relief in particular which some companies continue to benefit from played a significant role in re-establishing business confidence in the Enterprise Zone and securing the large numbers of new jobs recorded. Between 2016 and 2022 Blackpool Council (as the accountable body for the EZ and on behalf of Fylde Council) awarded a total of £2.7m in business rates relief to 75 local Fylde and Blackpool businesses, supporting more long term, sustainable and highly skilled jobs for the local community, and helping businesses to grow and prosper. The Councils are committed to awarding a further £1.6m in legacy relief until 2027, taking the estimated total to £4.3m over the lifetime of the scheme.

d) Phase One - Current activity

The Common Edge Sports Village is now complete with the new floodlit rugby league pitch being handed over in November. The new £3m pavilion opened on the 30th June 2023 following completion of the Division Lane Junction improvement works, which had been delayed by a number of unforeseen issues. The new grass pitches have completed their second season of use – and again hosted a very successful Blackpool Cup youth tournament over Easter and May bank holiday weekends, voted the best competition of its type in Europe for a second year. The tournament will return to Blackpool in 2024.

The existing Jepson Way changing facilities will be utilised as the construction compounds and offices until Q4 2025 when they will be demolished and make way for a small c36 unit residential development.

Extensive site investigations have informed the detailed design of the highways across a challenging site with large areas of peat and a high water table subject to tidal influence. With design complete early contractor involvement has seen progression toward an agreed contract price and programme – with the construction contract on an 18 month programme close to agreement. All pre-commencement planning conditions have now been submitted for approval. Statutory undertakers are fully engaged for diversion of existing services and provision of new connections, which alone will exceed £3.5m in cost, with their activities co-ordinated with the main contractor. The first diversion works of trunk telecommunications cables commenced in November and was completed before the Christmas break. The main Highway contract will be let in March with a planned start on site on 2nd April, immediately after the Easter Weekend – to avoid impacting on peak holiday traffic flows.

The outline planning application for the new Highways, submitted in March 2022 was approved by Blackpool Council in October 2022, and Fylde Council in early November 2022 with the Secretary of State confirming on the 10th November 2022. Work is now underway to discharge the 39 appended conditions. A detailed design guide to shape the public realm and the overall arrangement of buildings in the Eastern Gateway will be complete by March 2024.

A second planning application was submitted to Fylde Council in August 2023 to secure consent for the realignment of the junction from Amy Johnson Way to provide access to the eastern sector of the Airport and enable development of new hangar accommodation. A decision on the application is now anticipated mid-2024, due to an objection from United Utilities which was resolved on the 7 February 2024, but now requires formal re-consultation on minor changes – including reduction in the number of Code C hangars from two to one.

The provision of new hangar accommodation accessed from the new private roads will allow the commencement of releasing land on the Squires Gate frontage for new development. The application seeks consent for the re-alignment of the existing highway, a new estate road, a new business premises, three aircraft hangars of 20,000 sqft each and one 'Code C' hangars totalling 90,000 sq ft. Initially only the roads, the business facility and two northernmost hangars can be constructed. The access road will open up the potential for developing land to the west of the 'J-Max' hangar for up to three additional Code C hangars capable of accommodating aircraft up to A321 and B737 size.

Work has also continued with support from consultants WSP, to determine power requirements to serve future phases of the Enterprise Zone – with specific focus on opportunities to provide sustainable power solutions with a combination of onsite Solar PV, battery storage and potential connections to offshore wind farms. Design studies are also underway for the provision initially of a new 2 MW substation (capable up being uprated to 6MW) to serve the first smaller data centre for the Airport Silicon Sands development. Engagement with Electricity North West has confirmed their agreement to construct a new 32mw Primary sub-station at their expense at Silicon Sands. Discussions continue to finalise agreement and to ensure that the new infrastructure will serve and benefit the planned new solar farm and battery storage.

The pace of discussions with BP and Offshore Wind regarding the delivery of the Morgan and Morecambe offshore windfarms has stepped up with the establishment of specialist working groups to review technical issues and commercial arrangements. There are a number of very significant concerns of the impact that construction of the transmission assets will have on airport navigational aids and indeed on the safety of operations with some concerns that the airport may need to reduce the level of operations for a short period. A technical study to identify construction routes methods impacts and mitigations is being prepared by WSP as a joint instruction between the Airport and The windfarm developers ,and will be available imminently .This will inform the next steps in terms of commercial negotiations and it is hoped that these negotiations will result in some direct benefits as well as improved social value outcomes for the Fylde, with power purchase agreements benefiting not only the data sector at the Enterprise Zone but the wider populations. The present timetable for the new windfarms to go live is now circa 2029.

Phase 1 of the Silicon Sands is progressing, with feasibility studies and concept drawings showing that a three story, 34,000sqft, detached facility is deliverable on the site of the former airport fire engineering workshops. This project is being fiscally appraised and delivery method discussed. If successful with further funding submissions, it is possible development of this facility will commence on Q3/4 2024.

e) Social Value and Environmental Activity

Social value outputs are monitored for all activity at the Enterprise Zone with Social value comprising 20% of all tender assessments. Blackpool Council has recently engaged with the Social Value Engine who provide software program to assist with the monitoring, delivery, assessment and recording of social value delivered across projects. This will be adopted for the Eastern Gateway.

The Eastern Gateway design guide will establish clear requirements for the provision of bio-diversity net gain, the utilisation of suds in all drainage – with the Eastern gateway access road incorporating drainage swales to either side – as part of a balanced drainage design which will limit surface water run off to existing greenfield run off rates.

f) Town Deal

The Eastern Gateway highway and plot development project has secured £7.5m funding from the Blackpool Town Deal allocation of £40m, as a contribution to an initial £18m project, additional works particularly around service diversions and new connections plus a 26% in material costs has seen the overall project price escalate to circa £25m. The costs of the increase in match funding met by Blackpool Council will be funded by way of prudential borrowing. The Town Deal project covers the remodelling of Common Edge Road between School Road and Division Lane incorporating traffic signalled junctions, and the construction of the Eastern Gateway access road to link Amy Johnson Way and Common Edge, opening a further 10.5ha land for commercial development. The project will also enable two new access points to be constructed off Amy Johnson Way to the eastern side of the airport to support development of new aircraft hangars.

These works as outlined above have secured planning consent with the first works underway, whilst slightly behind the original programme the works will complete before the fund deadline on March 2026.

g) Communications and digital Infrastructure

The Aquacomms base station facility is operational. There are now eleven expressions of interest in the development of data centres at the Enterprise Zone in phase two, known as Silicon Sands, the largest being for a 20MW facility. The pace of negotiations will be escalated as soon as the timescales for availability of power from the grid via the new primary substation are confirmed. The most advanced project is for a 2MW facility designed to demonstrate world leading liquid immersion cooling technology coupled with a district heating system, which will substantially reduce energy consumption and operating costs whilst also enabling the use of the highest capacity servers and GPU's which cannot be fully utilised when cooled conventionally. The potential for surplus heat from a number of planned data centre facilities within the Enterprise Zone will enable the construction of a district heating system to support office and commercial development on the Airport - Phase 2 site is being explored. With support from the Connected Places Catapult a grant of £250,000 was secured from the Fast Followers Innovate UK government fund to enable the employment of a specialist officer and external consultants to develop the detailed District Heating concept for both the Enterprise Zone, commercial sites in central Blackpool and some social housing schemes.

The Connected Places Catapult have completed their road map for the delivery of an integrated Data centre and sustainable energy the Enterprise Zone, a road map for the delivery of a sustainable data centre cluster which is now guiding the development programme for Silicon Sands and has informed the first edition of the Enterprise Zone digital prospectus. The initial 2MW Edge compute data facility will provide the necessary capacity to meet local demand and to support wider industrial applications of robotics, AI, digi-health and agri-tech across Lancashire and the wider Northern- Powerhouse, with longer term ambitions that this capacity will also provide support to the likes of the National Cyber force and in the sphere of command and control requirements for the emerging UAV / drone delivery sector. This activity will allow the Enterprise Zone to be positioned as a transitional Enterprise Zone to support businesses journey toward a low carbon economy.

h) Marketing

Industrial enquiries have reduced in the light of the recent economic turbulence but are expected to pick up once stability returns to the markets and once the final design and delivery programme for the Eastern Gateway highway is confirmed allowing proactive marketing campaigns to commence. The Enterprise Zone team continues to keep dialogue open with interested parties whilst work moves forward to opening up new development land. Several existing Enterprise Zone occupiers are also looking to move to larger units as they continue to grow and expand.

Overall demand is still far greater than the present availability of stock or development plots whilst financial viability of new development in the current period of rapid inflation and higher interest rates remains the greatest barrier to translating enquiries into delivered development.

Enterprise Zone delivery will spearhead Blackpool's attendance at UK REiiF in May 2024 An updated masterplan graphic of the Enterprise Zone has been created to give a more recent version incorporating new and upcoming developments while a refreshed marketing approach has increased reach and impressions on social media.

The Blackpool Enterprise Zone marketing manager is now leading on the revamp of the Enterprise Zone web sites commencing with those for Blackpool and Hillhouse Enterprise Zones to make them more current, interactive and functional.

Top enquiries are:

| Date of enquiry | Target sector | Size | Type of enquiry | Progress to date |
|-----------------|---------------|--------------------|---|---|
| Oct 2023 | ADM | 15,000 sqft | Manufacturing | Initial Discussions – awaiting final programme of highway |
| Oct 2023 | O | 20,000 sqft | Storage | Initial Discussion |
| Sept 2023 | FM | 200,000 sqft | Production | DBT enq - Site Details sent |
| Sept 2023 | O | 10-15,000 sqft | Trade | Initial Discussions – awaiting final programme of highway |
| Sept 2023 | O | 20,000 sqft | Trade | Initial Discussions – awaiting final programme of highway |
| Aug 2023 | ADM | 40,000 sqft | Manufacturing | Initial Discussion – concept plans in design. |
| May 2023 | AV | 20 acres | Aviation Manufacturing | Initial Discussion |
| March 2023 | DC | 4 acres | Data / Energy Campus | Initial Discussions. |
| February 2023 | DC / E | 15,000 sqft | Data / Energy | Initial Discussion. Progress subject to progression of Knowledge Quarter. |
| January 2023 | DC | 5-30,000 sqft | Data Facility | Initial Discussion. Follow up meeting due in June 23. |
| January 2023 | ADM | 25,000 sqft | Manufacturing Facility | Initial discussions undertaken. Awaiting refined plans. |
| December 2022 | ADM | 10,000 sqft | Manufacturing Facility | Initial discussions undertaken. Awaiting refined plans. |
| November 2022 | L | 10,000 sqft | Leisure Facility | Early stage discussions. Concerns with planning. |
| November 2022 | O | 20,000 sqft | Self Store facility | Early stage discussions |
| November 2022 | O | 20,000 sqft | Showroom facility | Early Stage discussions |
| October 2022 | O / E | 20,000 sqft | Office facility for a Energy company | Early stage discussions |
| October 2022 | E | 7-10 acres | Data campus | Early stage discussion |
| September 2022 | ADM | 30,000/60,000 sqft | Aviation parts manufacture and distribution | Early stage discussions. |
| September 2022 | FM | 70- 100,000 sqft | Food sector manufacturer | Initial discussions on Design and Build options in progress |
| March 2022 | E | 16,000 sqft | Warehousing, manufacturer renewable energy | Initial discussions initiated |

| | | | | |
|-----------|-----|--------------------|---|---|
| Feb 2022 | ADM | 20,000 sqft | Furniture manufacturer | Initial discussions |
| Feb 2022 | ADM | 7-10,000 | Signage manufacturer | Initial discussions |
| Jan 2022 | ADM | 20,000 sq ft | Roofing merchants/trade counter | Initial discussions |
| July 2021 | DC | Up to 30,000 sq ft | D&B LH for data centre facility, adjoining tech hub using green energy | Update August 2022: Discussions ongoing and preliminary design commenced pending planning application |
| Nov 2021 | O | 20,000 sq ft | Online bank | Discussions ongoing |
| Sep 2021 | ADM | 25,000 sq ft | Springs manufacturer and engineering | Discussions ongoing |
| June 2021 | ADM | 15,000 sq ft | Engineering | Discussions ongoing |
| June 2021 | ADM | 8-12,000 sq ft | Storage and manufacturer of flues | Discussions ongoing |
| Nov 2020 | FM | 70,000 sq ft | D&B lease for fast growth, local target sector company | Discussions ongoing |
| Dec 2020 | ADM | 50,000 sq ft | D&B sale for established local manufacturers constrained at existing premises | Update August 2022: Contact re-established, discussions ongoing with overseas parent company |

SECTORS: ADM - Adv. Manufacturing & engineering, AV - Aviation, OA - Office administration, FM - food manufacturing, E - Energy, DC – digital and creative, L – Leisure, O - Other

i) Blackpool Makes It Work

The new Blackpool Makes It Work website, www.businessinblackpool.com went live in August 2022, aimed at promoting inward investment to the Fylde coast. Work is now taking place to increase web traffic, awareness and engagement in the campaign, with a view to generating more inward investment enquiries. This work includes creating a strong portfolio of case studies and videos from businesses across the area, plus strategically attending key events to raise the profile of local investment. Recently, interviews discussing local investment and opportunities with Jellymedia and Blackpool Pride of Place and Ellandi have been published through the campaign with a range of future case studies including Holiday Inn, expected throughout the year.

As detailed above, Blackpool Makes It Work was represented at the UK Real Estate and Inward Investment Forum (REiIF) from 16-18 May 2023 and has committed to attend again in 2024. The event welcomed around 8,500 delegates, specifically focused at developers and inward investment. The event was a success from Blackpool's perspective, with plenty of useful conversations being progressed following the event, both with existing and potential new developers. Ahead of next

year's event, a range of speaking opportunities are being sourced, while plans are under way for the promotion of Blackpool Makes it Work at the event. An updated video showing the main Blackpool projects will be showcased, along with an updated Growth and Prosperity prospectus. Additionally, an updated brochure for the Enterprise Zone's Eastern Gateway commercial plots will be published, along with an updated digital brochure to facilitate discussions around the Enterprise Zone's Silicon Sands.

j) Blackpool Airport

The Managing Director has agreed, in principle, a ten year business plan with shareholder Blackpool Council to return the airport to profitable operation, with the emphasis on securing new commercial opportunities. Initial interest has been good and delivery will be dependent upon provision of new enabling infrastructure and commercial hangar accommodation. The 10 year plan is also being assessed by independent consultants to advise on opportunities which may arise and confirm the nature and levels of investment that will be required to achieve the targets set. The plan will see the focus on growing existing business sectors with increased executive/corporate aviation, MRO activity and aviation training, with the ability to resume regional air services also possible.

The energy issues following the Ukraine conflict are also likely to see an extension in the life of the Irish Sea gas operations by Spirit and ENI. Bristow Helicopters are also operating an offshore support service for a new Carbon Capture platform in the Irish Sea. Discussions are ongoing with a number of parties interested in constructing and occupying the proposed larger new Code C hangars on the eastern and western flanks of the airport – these proposals are presently being assessed against CAA criteria. Consultants WSP have been leading a review of the airport operational masterplan and infrastructure proposals to ensure these both meet Ci requirements and are operationally optimised, with locations identified for the provision of a new fire and rescue centre and new fuel farm – with the intention that the latter provides facilities to cater for future electric/battery powered aircraft and Hydrogen cell technology.

k) Business Enquiries and Jobs

To date:

- A review of all live enquiries is ongoing to assess the viability of each requirement. An internal matrix of enquiries has been developed to identify the top enquiries based on potential investment, deliverability, size of development, job creation and strategic implications.
- Some 145 businesses have located to the Enterprise Zone since April 2016.
- A gross cumulative total to date of 2471 new jobs have been enabled on the Enterprise Zone, this figure includes jobs new to the area, safeguarded jobs within Blackpool and construction full time equivalent jobs.

l) Estate Management

There are a number of Estate Management and Service Charge protocols in operation across the extent of the Enterprise Zone, including for Squires Gate Industrial Estate and Sycamore Industrial Estate. The main service charge is administered by Blackpool Council as reversionary Freeholder for the developments served by Amy Johnson Way. There are also a number of sub-management companies related to individual developments with some intermediary landlords no longer in existence, creating difficulties in collecting full service charge and requiring ongoing action under the principle of 'bona vacantia' to step into the shoes of Landlord companies that no longer trade.

The Intention for the next two phases of commercial development at Eastern Gateway and Silicon Sands is to establish dedicated management companies who will be party to the long leasehold sale of development plots who will manage the common areas of the designated estates and collect the service charges. The companies will be established before any development agreements are concluded for Eastern Gateway, with Blackpool Council responsible for meeting service charge obligations in respect of undeveloped plots. Further consideration is being given to the potential to establish a Business Improvement District designation for the entirety of the Enterprise Zone to provide wider services including provision of public transport subsidy, security and networking and trade marketing – however this may be too challenging as the BID would have to operate over two separate rating authorities and would need a 75%+ majority of all eligible business rate payers to be adopted.

m) Project Team

Meetings are held with key external stakeholders on a quarterly basis. The latest meeting was held on the 22nd February 2024.

n) Risk Register

The Blackpool Airport Enterprise Zone risk register is reviewed regularly with Blackpool’s corporate risk team, the Project Board and the Programme Board (EPB) every quarter.

Many of the main risks are external and ubiquitous to development in the UK and are outside the direct control and influence of the Enterprise Zone team such as, the conflict in Ukraine, energy and general cost of living and interest rate pressures. This has seen a significant increase in energy and interest rate costs and logistical interruptions to supply chains adding inflationary pressure to the cost and availability of materials. Strategy to mitigate impacts from such risks is dependent on specific factors pertaining at any one time and these potential impacts are reviewed in all project meetings. Additional levels of contingency for costs inflation are being built into delivery plan budgets.

Key Risks:

| Risk and Issues | Mitigation and Actions |
|---|---|
| Objections to planning application from United Utilities leading to a delay of commencement of the Eastern Gateway. | Ongoing dialogue with United Utilities – escalated discussions with senior member to resolve current impasse on design proposals. Resolved 7 February 2024. |
| After short period of uncertainty, property enquiries are returning but overall lack of market demand due to Energy cost/ Cost of living issues and market uncertainty and the commercial viability of development. | Clear marketing strategy defined and implementation underway with robust delivery schedule for serviced plots with specific emphasis on future data/digital sector opportunities external marketing lead by dedicated in –house team. |

| | |
|--|--|
| <p>Increased construction and material costs are affecting viability of development projects.</p> <p>Interest rates rises will adversely impact upon cost of delivering enabling infrastructure and will reduce short term demand and business confidence. High 26% plus inflation cost for construction materials – risk project affordability and financial viability.</p> | <p>Work with contractors and architects on regular value engineering to ensure viability and ensuring that adequate contingencies are built into estimates –ECI undertaken on highway contracts.</p> <p>Ongoing value engineering and review of timescales for delivery to defer non critical expenditure.</p> <p>Regularly revised delivery plan budgets have included 25% allowance for material cost inflation.</p> |
| <p>Due to delays in ability to progress the Common Edge infrastructure, interest may find alternative sites.</p> | <p>Regular communication with prospective occupiers and interested parties - work scheduled to commence January 2024 – now allows more accurate project planning in negotiations.</p> |

o) KPIs & Milestones

| KPI / Metrics | Baseline (2016) | Target (2041) | Actual (2016-2022) | RAG |
|---|--|---------------|--|-----|
| Jobs created / Jobs Safeguarded (FTE) | C1150 (2018 figures recorded at 1800) | 5,000 | 2471 (inc 150 construction fte jobs). Full business occupier job survey undertaken March 2023. | |
| Construction Jobs | N/A | N/A | c150 | |
| New Commercial / Employment Space (SQM) | N/A | 450,000 sqft | c198,000 sqft | |
| Refurbished Commercial / Employment Space (SQM) | N/A | N/A | 1,900,000 sqft (primarily the former Wellington Bomber Factory) | |
| New businesses located on EZ (over baseline) | c260 | 140 | 145** | |
| No. of businesses receiving EZ business rates relief (£ rates relief awarded) | N/A | N/A | 75 (£4.3m) | |

| | | | | |
|---|-------------------|-----------------|---------------|--|
| Net amount of EZ business rate growth received (£m) | £2,373,000 (2016) | N/A | £2,205,000*** | |
| Private Sector Investment (£m) | N/A | c £300m | c £60m | |
| Public Sector Investment (£m) | N/A | c £80m | £44m* | |
| Gross Value Added (£m) | N/A | £2bn cumulative | N/A | |

*current financial approval of £44m committed to be prudentially borrowed to cover initial costs of new road and infrastructure, following further approval of Delivery plan on the 5th December 2022 February.

** this figure includes a significant number of smaller businesses occupying space within the existing small unit developments and at Squires Gate Industrial estate

*** this is the net figure after accounting for backfilling shortfalls against the baseline (i.e. due to voids and Covid-19 reductions).

| Milestones | Dates |
|--|--|
| Appoint international marketing agents LAMEC brand | Complete but little practical progress |
| Changing rooms and car park/3G pitch planning application decision | Complete |
| Changing rooms and 3G pitch contractor appointed – start on site 6 th Sept- complete March 23 | Complete |
| No. 12 grass football pitches ready for use | Complete |
| 40,000 sqft development handover for client fit out (Multiply) | Complete |
| Design and submission of outline planning application for eastern gateway access | Complete |
| Land / property acquisitions x 4 | Complete |
| Release of existing sports pitches and commencement of highway and utility infrastructure | Complete |
| Site investigations commence on upgrades to junction at CER & Division Lane | Complete |
| Appointment of engineer | Complete |
| Outline planning approval for highways (Approved Nov 2022) | Complete |
| 3G pitch designed and tendered | Complete |
| Airport Control tower, system review commenced | Complete second stage study underway to confirm location and costs |

| | |
|--|--|
| Proposition and identifying opportunities for data centre market /appointment of Connected Places Catapult | CP Catapult report received & digital prospectus prepared – occupier negotiations ongoing- EOI for private sector partners in preparation & discussions progressing with universities and National Data Centre Academy on skills issues. Fast Followers funding secured from Innovate UK to support ambition to develop data centre powered district heating for Silicon Sands. Funding applications prepared for low carbon data centre technology demonstrator |
| Focussed marketing of Common Edge Phase 1 commences – launched at UK REiiFF May 2023 | Complete. UKREiiF booked for 2024. |
| Architectural feasibility study & design work for airport. | Ongoing –delayed by ATC review |
| Outline planning app for airport redevelopment (Phase 1 – Airport East) submitted August 2023 | Decision delayed due to objections by United Utilities and Sport England resolved 7 th February. Planning Expected Q2 2024 |
| Outline planning app for airport redevelopment (Phase 2 – Airport West (P2 car park)) – feasibility ongoing | Q3 2024 delayed following further revisions to Airport relocation master-plan |
| 18 month construction contract for Eastern Gateway Access road. ECI with preferred contractor (off framework) ongoing. | 2 April 2024 commencement. This had been delayed by planning objections by United Utilities and will commence immediately post the Easter holiday weekend to minimise impact of peak holiday traffic |
| Masterplan for Silicon Sands | Ongoing – Phase one - High level concept masterplan complete. Phase two – Highway and utility networks – draft produced. |
| Development of Data facility | Feasibility design and site layout complete. EOI to be issued. Expected to be submitting outline planning application Q4 2024. |
| Completion of airport redevelopment works (of existing accommodation) | August 2028 |

** Subject to satisfactory CAA consultation*

Objectives over 2-3 years (end 2026)

- Phase 1 (common Edge) infrastructure complete
- Phase 1 (Common Edge) spec and bespoke developments commenced and pre-lets secured
- Phase 2 (airport) infrastructure complete
- Phase 2 (airport) developments complete and pre-lets secured
- Commenced relocation of aviation operational infrastructure to enable new development
- Commenced upgraded utilities including PV solar site and new primary sub station

- Full data sector and sustainable energy proposition for Silicon Sands identified and implemented
- Sustainable Data Centre & Tech Demonstrator completed, let and operational
- New ATC system agreed and on site provision underway

Objectives over 5 years (end 2029)

- Eastern Gateway Phase 1 development complete – all plots occupied
- Residential development off Common Edge complete
- Relocation of airport existing operational property stock and infrastructure complete
- New airport spec development in planning stages
- Airport PV development underway (outside of designated EZ)
- First phase of the ‘Silicon Sands’ ongoing with a number of small ‘demonstrator’ plots developed.

Objectives over 10 years (end 2034)

- Continued spec development of remaining plots airport site
- Continued development of the Knowledge Quarter
- Squires Gate Industrial Estate – spec proposals for future development

Report Author

Rob Green Head of Enterprise Zones, Blackpool Council

Rob.green@blackpool.gov.uk

07500 786402

This page is intentionally left blank



| | |
|-------------------------|---|
| Report to: | Blackpool, Fylde and Wyre Economic Prosperity Board |
| Report Author: | Rob Green, Head of Enterprise Zones, Blackpool Council |
| Date of Meeting: | 14 March 2023 |

1.0 Purpose of the report:

To review the work of Hillhouse Technology Enterprise Zone and its future work and priorities against its role and remit.

2.0 Recommendation(s)

That the Board notes the report.

3.0 Hillhouse Enterprise Zone: Progress Report

a) Delivery Plan

Finalisation of the implementation and delivery plan has been held in abeyance pending the findings of interested parties in developing large areas of the Enterprise Zone and a decision by Government on the Rail Reinstatement Project for the Poulton to Fleetwood line, which is presently subject of further studies being led by Network Rail. Potential to undertake partial revamp of masterplan to reflect the loss of Vinnolit and opportunities presented. With Consultants WSP commissioned to refresh the current plan.

Wyre Council will lead on the Delivery Plan refresh once the position on Rail Reinstatement is clarified, and the revised masterplan agreed but assumption is now that a rail bridge will be required at a cost in the region of £13m, for which delivery funding has yet to be clearly identified.

b) Getting Building Fund

NPL, who secured funding from the Getting Building Fund toward the costs of essential infrastructure upgrades to enable the new speculative development to progress, received planning permission from Wyre Borough Council and are progressing with all the works, however some elements, notably the new security gatehouse, has fallen behind schedule following issues with original contractors – work is now largely complete with a target completion for operation of April 2024 – with ongoing liaison with LEP and Wyre Council to monitor progress.

The project has been allocated funding of £630,000, comprising £504,000 Getting Building Funding, with additional match funding provided by Wyre Council and NPL at £63,000 each.

c) Residential Development

BXB purchased the former Sainsbury retail site. Wyre Council granted planning consent in June for a social housing development to be undertaken by Places for People and work on up to 130 units will commence in the near future following discharge of planning conditions, this scheme crucially

provides for the construction of the next section of the northern access road . A further site in the ownership of BXB is the subject of an ongoing planning application for a small retail development and petrol filling station, together with a small residential element. The residential element is unlikely to secure planning approval which will delay implementation of the commercial scheme that could commence shortly after the grant of a planning consent. WSP are liaising with the engineers for Places for People to ensure that the first section of the Northern Access road which they need to construct will tie in with the proposals for the next section it provide the rail crossing and access to the site- the space available for the road is very restricted but a suitable compliant structure with a single footway cycleway can just be accommodated – a plan of the concept design for the Northern access road is included as appendix A.

Two Residential developments which are accessed from Bourne Road are nearing completion and work has now commenced on upgrading Bourne Road, the only HGV access route to Hillhouse, to enable this to be adopted in accordance with planning conditions .Once adopted there will be an even greater requirement for the provision of a new access route as the impact on residential properties may be a material consideration in determining new planning applications for Hillhouse.

d) Fleetwood/Poulton Rail Line

Network Rail submitted the Strategic Outline Business Case (SOBC) to the Department for Transport in February 2023 for the re-opening of the Fleetwood/Poulton rail line, a ministerial decision is still awaited with little if any progress since – a plan to step up permitted lobbying to secure a decision is in preparation. The SOBC indicates that a Tram/Train option is the most impactful in terms of Benefit/Cost analysis. However, this would only become a preferred option if the relevant Minister approves the project to progress to the next stage. Network rail appointed consultants are continuing to develop the proposals for a Tram/Train option organising series of technical workshops, but the project is essentially stalled and beyond the direct influence of the accountable body and Enterprise Zone delivery teams This remains the major practical and financial constraint to progressing key infrastructure to open up the Northern part of the Enterprise Zone. Cost of a bridge across the line will be circa £10m up from original estimates at the start of £3.5-£4m. Consultants WSP have undertaken a study and concept design for a new Northern approach road and bridge over the rail line Funding still needs to be identified for the construction of the bridge and there would likely be a three-year plus lead time to development. Outline Planning application to be targeted for Q4 2024.

e) Marketing & Enquiries

The main Enterprise Zone site signage has been refreshed in line with the recently adopted Enterprise Zone standards additional signage will be provided in proximity to the new gatehouse when this is completed.

Work to upgrade the Enterprise Zone suite of websites is now being undertaken led by the Blackpool Enterprise Zone delivery team who will ensure there is much improved functionality of the Hillhouse web site.

Regular newsletter updates continue to be issued by Wyre Council’s Communications team.

Following the success of UK REiiF 2022 and 2023, Hillhouse Enterprise Zone will again be represented under the Blackpool Makes it Work campaign banner at UK REiiF (Real Estate Investment and Infrastructure Forum) in Leeds, in May 2024 which will serve as an opportunity to promote investment opportunities across the two active Fylde Coast Enterprise Zones. Blackpool have confirmed their attendance at REiiF in May 2024. Lancashire County Council will also have a presence at UKREiiF affording increased exposure for investor occupier and developer the opportunities

Current enquiries:

The updated schedule below has been provided by landowners NPL and includes a number of projects subject to non-disclosure agreements, the nature of many of these larger scale enquiries means that negotiations and conversion of interest into legal agreements takes some considerable time, with planning responsibilities split between Lancashire County Council (e.g. waste and energy projects) and Wyre Council - and with external infrastructure factors including availability of utilities, grid export connectivity and capacity and short term highway restrictions, adding to complexity and delay. Responses are provided to all DBT enquiries forwarded via Lancashire County Council.

| Date of enquiry | Target sector | Size and type of enquiry | Progress update |
|------------------------|-----------------------------------|---------------------------------|--|
| Nov-23 | Automotive Parts Supplier | 100,000 sqft facility | DBT Enquiry – site not suitable |
| Oct-23 | Battery recycling plant | £9m / 50,000 sqft | DBT Enquiry – Details sent over, no response – ongoing |
| Oct-23 | Food and Beverage Manufacturer | £150m + / 150,000 sqm | DBT Enquiry – Site not suitable |
| Aug-23 | Food Manufacture - Bakery | 200,000sqft Facility | DBT Enquiry – site not suitable |
| Feb 2023 | Construction Concrete Manufacture | £1m investment | Site visit arranged |
| Feb 2023 | Machine tool manufacture | £300k investment | Lease of existing premises To complete in Dec 23 |
| Jan 2023 | Waste recycling | £400m investment | HOT / Due Diligence |
| Jan 2023 | Laser Manufacture | £1.5m Investment | Proposal |
| Jan 2023 | Environmental support | £600k investment | HOT/ Review |
| Dec 2022 | Chemical production | £600k investment | HOT/ Review |

| | | | |
|------------|---|--|---|
| Nov 2022 | Transport and shipping | £1m investment | Completed |
| Nov 2022 | Syn Gas production | £6m investment | HOT issued |
| Oct 2022 | Power production & CCUS | £10m investment | HOT under review |
| Sept 2022 | Battery Storage (x 3) | £10m | Connection appraisal underway – but a major barrier is capacity to export to the grid |
| | | | |
| Aug 2022 | Recycling | £50m investment | HOT / Due Diligence |
| Aug 22 | Green Energy | £100m investment | Modelling |
| July 2022 | Solar power | £10m investment | Project Scoping |
| July 2022 | Battery storage | £7m investment | Project scoping |
| July 2022 | Hydrogen production | £10m investment | Project scoping |
| July 2022 | Hydrogen generation | £10m investment | Project scoping |
| June 2022 | Workshop | £300k investment | Complete |
| May 2022 | Transport | £500k investment | Complete |
| April 2022 | Green rubber innovation centre and recycling facility via DIT | £30m investment, 180 jobs, 36,000 sqft | Submitted proposal via LCC, awaiting response |
| Feb 2022 | Low carbon power generation (small modular reactor SMR) via DIT | £100m investment | Request for further information |
| Jan 2022 | PPT recycling plant via DBT | 20 acre £30m investment | Shortlisted to final 4 |
| Jan 2022 | Battery Storage* | £1m | HOT agreed |
| Jan 2022 | Manufacturing | £500k, 1 acre | HOT agreed |
| Jan 2021 | Waste to energy recycling project | Up to 4 acres | Option signed progressed to planning But stalled at LCC |
| Jul 2021 | Window frames manufacturer | 1 acre | In operation |
| Oct 2021 | | 60,000 sqft workshop | To commence spring 24 subject to planning and funding |
| Oct 2021 | Asphalt production | 2.5 acres, £2m investment | Pre-application planning discussions held with Wyre Council and LCC progressing to option |

| | | | |
|----------|---------------|--------------|--|
| Jan 2020 | Business park | 60,000 sq ft | Spec devt by NPL, HoTs in discussion, subject to funding |
|----------|---------------|--------------|--|

f) Hydrogen Project and Steering Group

NPL who are the lead on hydrogen activity, hold regular meetings, at Wyre Borough Council's Civic Offices, with attendees from many Lancashire businesses including, Victrex, Blackpool Transport, APB, and Westinghouse, in addition to Lancashire LEP, Wyre Council and Enterprise Zone representatives from Blackpool and Hillhouse. Added impetus to the work of the group is anticipated in the wake of Government announcements about the new green agenda and the role of hydrogen as a clean fuel source for transportation. The next meeting is expected to be held in spring 2024 at Wyre Borough Council's Civic Offices. NPL have a comprehensive plan to deliver 10MW Hydrogen on site by 2025, with 100MW by 2026 subject to planning and regulatory approvals.

NPL are waiting to launch their Hydrogen strategy for the Hillhouse EZ, 'The Hylane Project' - 'Hylane – The pathway to H2 in Lancashire' is initially a 10MW electrolyser and will provide Hydrogen to the Hillhouse existing companies to replace methane use on the site. This will be extended to 100MW, where up to 70% of the Hydrogen produced will be used within the Enterprise Zone, with the remaining Hydrogen being used locally or sent to grid. Finally, the project will develop to GW scale Electrolyser with CCHT power production.

NPL have submitted an expression of interest application for Hydrogen Allocation Round 2 for the UK Government Support for Hydrogen production scheme.

Discussions are progressing with several major power companies in the UK, Germany and Japan to establish timescales, investment and delivery programmes.

g) Vinnolit

Majority landowner NPL Estates acquired the vacant property of the former Vinnolit site in 2022 and the property is currently been marketed, with strong market interest for the refurbished warehouse properties all of which are now let / purchased and interest in the cleared sites for Waste to Energy facilities and bottom ash recycling.

The new users of the former Vinnolit units on the site are:

- Karpa - a heavy engineering company 7000sqft building and 10 new staff - Complete
- Express Windows - windows manufacture - 18,000sqft building and upto 40 new jobs - Complete
- Daly Cranes (crane hire) 2000sqft building and 5 new jobs - Complete
- Events company 12,000sqft building and 5 new jobs - Complete
- A - Waste to Energy company about to start refurbishment of a 90,000sqft warehouse to convert to a WTE plant - expected 20 new jobs. – Building works commenced.
- Bottom ash recycling - 10 new jobs. This is progressing to legals and is expected to be signed shortly subject to planning consent. Further development opportunities exist on the site of Vinnolit's now demolished construction facility

Closure and demolition of the Vinnolit property has resulted in a reduction in the baseline rateable income which has to be backfilled by retained business rates growth acting as a temporary constraint on Wyre Council's ability to fund surveys development and promotion of Hillhouse.

Recent new occupiers:

- A fast growing and award winning transport company has located at Hillhouse and also have taken additional office space.
- A small engineering upcycle company has located on the Hillhouse site.
- An expanding company that delivers large events and concerts in Europe have taken additional storage space.
- Express windows now operational
- Work started on EFW building
- Environmental consultant on site
- Medical services company now on site
- Civil construction engineer expansion
- 2x Crane Hire / Support companies

h) Job Creation

The Enterprise Zone team will continue to liaise with NPL Estates on any new or safeguarded jobs on the site.

NPL and Addison Project, supported by Wyre Council, are exploring the opportunity to set up a training centre/centre of excellence for workplace development at the Hillhouse site to cover all aspects of training; providing school experience placements/leavers opportunities and workplace development to include all aspects of the workforce from apprenticeships through to management training. The plan is to improve the availability of suitable candidates for job vacancies for all businesses in the area and the Hillhouse site. An Initial meeting with Lancashire Local Skills improvement and Lancashire Skills Hub has been arranged to progress. Planned implementation in Q2 2024.

i) Estate Management

The majority of the Hillhouse Enterprise Zone is owned by NPL Estates and is managed by Thornton Facilities Management (TFM) as subsidiary of NPL, who are responsible for all roads landscaping and the majority of the utility services provided to site occupiers. They also provide the security and emergency first response (fire and Ambulance service) for this COMAH designated location – with costs recharged on a proportional basis to the existing occupiers. This comprehensive management regime is one of the site's selling points and is fully explained to all interested parties. TFM will also become involved in the operation of any new site amenities and the proposed Apprentice/ training facility. A short brochure will be produced as a marketing aid to illustrate the full range of services offered by TFM.

j) Hillhouse Board and Project Team Meetings

The latest Hillhouse Enterprise Zone Project Team board meeting took place on the 1st March 2024, held in person at Addisons main office.

k) Risk Register

The Hillhouse Technology Enterprise Zone risk register is regularly reviewed by Wyre Borough Council's corporate risk team and will be reviewed again at the upcoming Project Board. Copies will be available upon request.

Key risks:

| Risk and Issues | Mitigation & Actions |
|---|--|
| Uncertainty over change of key personnel at NPL Estates and Wyre BC. | Clarify role and ongoing support from Blackpool EZ Delivery team with new SLA to be put in place and strengthening Wyre support team. |
| Lack of market demand due to Energy uncertainty and the commercial viability of development with existing scheme such as Energy from waste / Biomass plant which are in development being cancelled or postponed long term. | Allocated government Getting Building funding to help kick start essential infrastructure to better market the site to potential occupiers and stimulate private investment. Regular responses to DBT large scale enquiries. |
| Continuing delays in applying for and securing planning and highway approvals and potential land contamination issues that need to be overcome. Highway usage impacted by proximity of residential accommodation. | Close liaison with NPL, Wyre Council (accountable body) and Lancashire County Council, refresh of Enterprise Zone Project board and securing additional delivery support resource – seeking to implement series of overarching survey report e.g. Topographical survey (now completed) Environmental, flood risk, transport to benefit all applications , and progression of design feasibility studies for northern access road and rail bridge. |
| Requirement for flood mitigation measures and utility upgrades across the site and issues surrounding the ability construct western access road over Fleetwood-Poulton railway line. Delay in commissioning essential pre-planning surveys. | Close liaison with NPL, Wyre Council (accountable body) and Lancashire County Council and securing additional delivery support resource. Consultancy support secured utilizing Wyre Council retained Enterprise Zone rates growth funding |
| Failure to secure purchase or rights over the Fleetwood rail line will impact upon ability and costs to construct Northern Access road and add significant costs. | Close liaison with NPL, Wyre (accountable body), Lancashire County Council and Network Rail- concept design commissioned and ongoing favoured Tram/Train solution. Awaiting government decision |

| | |
|--|---|
| Decision on future use of rail line will impact on cost and timing of western access road if bridge is required. | Participation in Fleetwood and Poulton working group chaired by Lancashire County Council ongoing dialogue with Lancashire County Council. |
| Lack of export capacity at the Stanah bulk supply point | Mitigation can be achieved by lobbying National Grid and looking to support opportunity to utilise generated energy within the Enterprise Zone for the generation of Hydrogen |

I) KPIs & Milestones:

| KPI / Metrics | Baseline (2016) | Target (2041) | Actual (2016-2022) | RAG |
|---|-----------------|---------------|--------------------|--------|
| Jobs created / Jobs Safeguarded (FTE) | C 1650 | 3700 | 133 | Yellow |
| Construction Jobs | N/A | N/A | C 150 FTE | Yellow |
| New Commercial / Employment Space (SQM) | N/A | 450,000 sqft | N/A | Yellow |
| Refurbished Commercial / Employment Space (SQM) | N/A | 13,000sqft | 36118 sqft | Green |
| New businesses located on EZ (over baseline) | c45 | 10 | 12 | Yellow |
| No. of businesses receiving EZ business rates relief (£ rates relief awarded) | N/A | N/A | 0 N/A | Yellow |
| Amount of EZ business rate relief received (£m) | £2,500,000 | N/A | £0N/A | Yellow |
| Private Sector Investment (£m) | N/A | N/A | Circa £30m | Yellow |
| Public Sector Investment (£m) | N/A | N/A | £2m | Yellow |
| Gross Value Added (£m) | N/A | N/A | N/A | Yellow |

| Milestones | Dates |
|--|--|
| Forsa Energy completion of build and commissioning | Completed |
| Getting Building Fund grant fund agreement - LEP/NPL agreed | Completed |
| Appointment of joint international marketing agent LAMEC brand | Completed |
| Planning application submitted utilities and infrastructure upgrade including new gatehouse | Completed |
| Planning permission granted for utilities infrastructure and new gatehouse | Completed |
| Demolition and clearance of Vinnolit plots complete | Completed |
| Procure subsidy control advice once Implementation plan complete | TBC |
| Completion of revised Delivery Plan and masterplan refresh | Underway |
| Risk Register updated regularly by Project Board | Ongoing |
| Construction commences for utilities infrastructure and new gatehouse | Ongoing |
| Planning application for energy from waste plant HH North | Complete/ decision awaited |
| Planning application to demolish old buildings (Lab) | Complete |
| Topographical survey of Northern site | Complete |
| Completion of electric and water main upgrades | Complete |
| Concept design Rail Bridge and Northern Access road | Draft proposal received and under review |
| Planning Application for energy from waste plant ex Vinnolit store | Decision awaited |
| Planning application submitted for 60,000 sqft development | Awaited- target May 2024 |
| A flood risk assessment to be scoped and commissioned for the entire site subject to identification of funding | Q2 2024 |
| A transport assessment be scoped and commissioned for the entire site subject to identification of funding- subject to progress on study of options for Fleetwood Poulton rail route | Q2 2024 |
| An Environmental and Ecology study to be scoped and commissioned for the entire site subject to identification of funding * | Q2 2024 |
| Planning application for new training centre to replace demolished buildings | Q3 2024 |
| Planning application for new rail bridge crossing | Q4 2024 |

*subject to habitat assessments to be undertaken between Nov 23 -Mar 24

Objectives over 2 years (by end 2025):

- Local Full Fibre Network roll out across site complete
- All full site supporting studies (topographical, flood/utility transportation, ecological and environmental) commissioned and completed
- Commencement of spec dev build of 60,000 sq ft multi-use units
- Utilities and infrastructure work including new gatehouse complete
- Railway Line purchase or access agreement completed following decision on future rail options
- Major development agreed for former power station site

- Energy from waste operator(X2) confirmed and large scale facility under construction
- Housing Development on former Thornton AFC and Sainsbury sites completed – circa 200 dwellings
- Concept design of Rail Bridge and western access road completed and planning applications submitted

Objectives over 5 years (by end 2029):

- Phase 1 spec build complete and fully let
- Phase 2 new spec development in planning pipeline
- Northern Access Road Constructed
- International business centre redevelopment
- Pilot Hydrogen production plant operative

Objectives over 10 years (by end 2034):

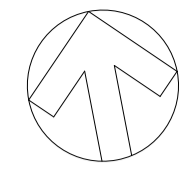
- 60% of site built out and thriving business hub

Report Author

Rob Green Head of Enterprise Zones

Rob.green@blackpool.gov.uk

07500 786402



DO NOT SCALE

ASSUMED DESIGN PARAMETERS

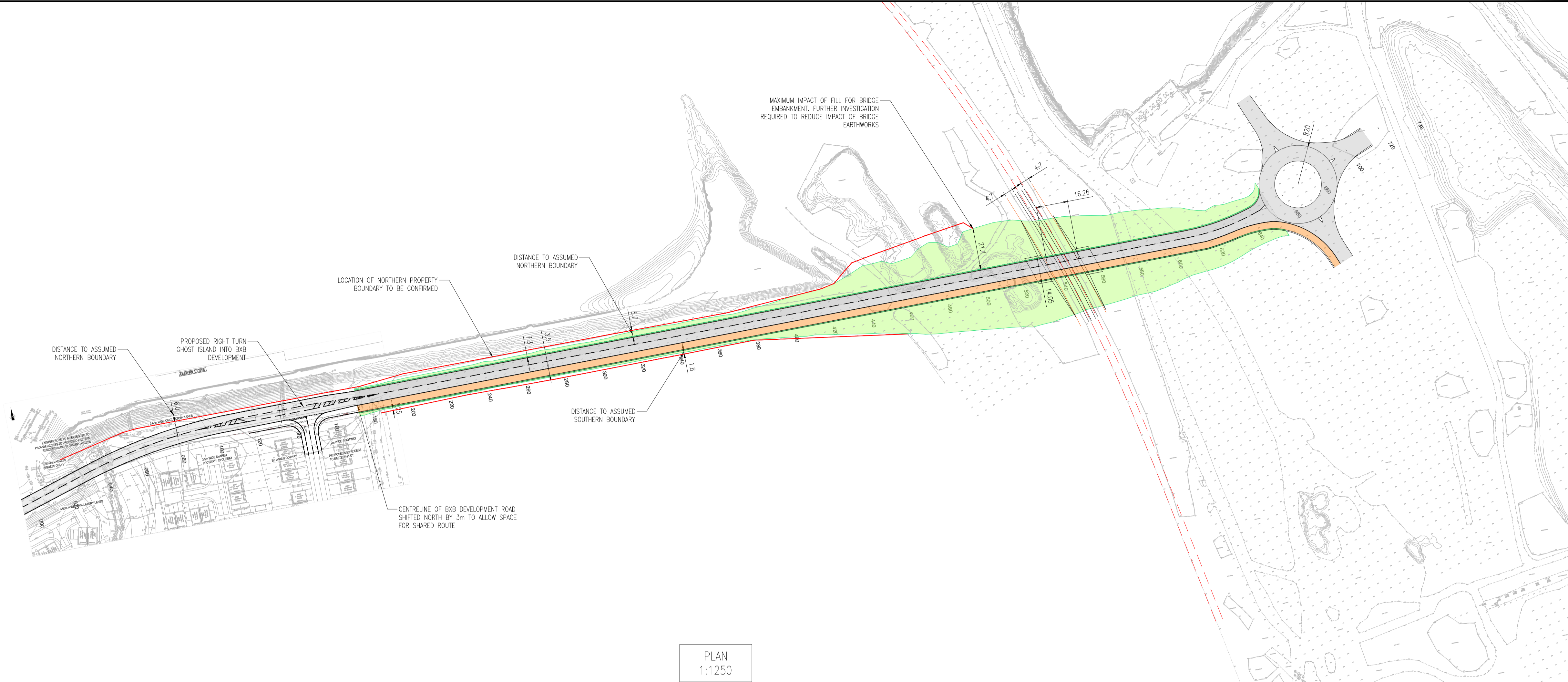
| | |
|-----------------------|-------|
| DESIGN SPEED | 30mph |
| MINIMUM CREST K VALUE | 10 |
| MINIMUM SAG VALUE | 9 |

NOTES:

1. DO NOT SCALE FROM THIS DRAWING.
2. DRAWING TO BE PRINTED IN COLOUR.
3. ALL DIMENSIONS ARE IN METRES UNLESS OTHERWISE STATED.
4. THE TOPOGRAPHICAL SURVEY UPON WHICH THIS DESIGN IS BASED HAS BEEN PROVIDED BY A THIRD PARTY AND SHOULD BE CHECKED ON SITE FOR ACCURACY.
5. THE ALIGNMENT OF THE RAILWAY HAS BEEN EXTRAPOLATED FROM THE TOPOGRAPHICAL SURVEY AND SHOULD BE VERIFIED ON SITE FOR ACCURACY.
6. BRIDGE DETAILS TO BE CONFIRMED.
7. A CLEARANCE OF 5.9m HAS BEEN ASSUMED, COMPRISING OF 4.8m RAIL CLEARANCE (INCLUDING ELECTRIFICATION), 1m DECK THICKNESS AND 0.1m ROAD CAMBER.
8. ASSUMED NORTHERN BOUNDARY IS AT TOE OF EMBANKMENT

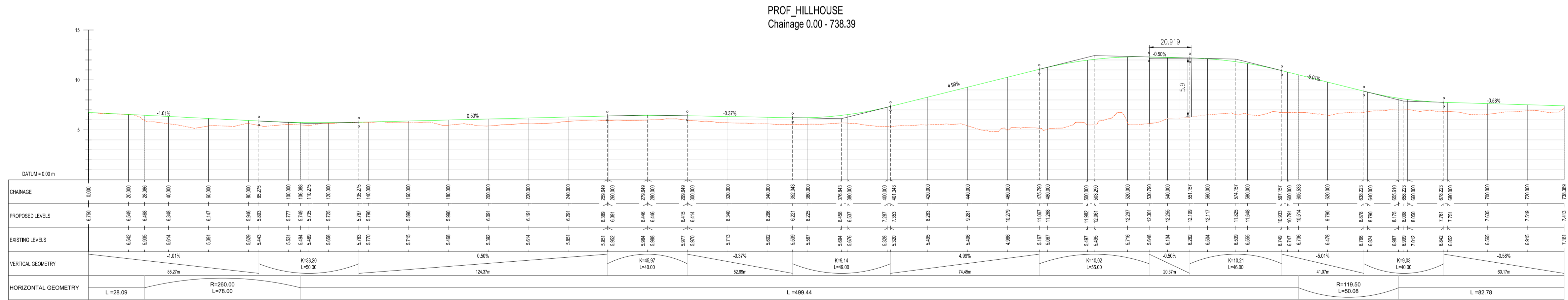
KEY:

- PROPOSED CARRIAGEWAY
- PROPOSED NON-MOTORIZED USED (NMU) ROUTE
- PROPOSED EARTHWORKS
- PROPOSED ROAD MARKING
- RAILWAY LINE
- PROPOSED BOUNDARY



KEY:

- PROPOSED LEVELS
- EXISTING LEVELS



VERTICAL ALIGNMENT
1:250
HORIZONTAL ALIGNMENT
1:1250

| REV | DATE | BY | DESCRIPTION | CHK | APP |
|-----|------------|----|-------------|-----|-----|
| P01 | 01/11/2023 | BO | FIRST ISSUE | MS | RV |

DRAWING STATUS: **S0 - WORK IN PROGRESS**

8 First Street, Manchester, M15 4GU, UK
T+ 44 (0) 161 200 5000
wsp.com

CLIENT: **BLACKPOOL COUNCIL**

ARCHITECT: _____

SITE/PROJECT: **HILLHOUSE ACCESS STUDY**

TITLE: **GENERAL ARRANGEMENT DRAWING OPTION 2**

| | | |
|-------------------------|-----------------|----------------------|
| SCALE @ AT: AS SHOWN | CHECKED: MS | APPROVED: RV |
| PROJECT NO: 70110563 | DESIGNED: BO | DATE: November 23 |

| | |
|---|--------------------|
| DRAWING No: 0563-WSP-HIL-XX-DR-C-0002 | REV: P01 |
|---|--------------------|

© WSP UK Ltd

This page is intentionally left blank