

Report to:	Blackpool, Fylde and Wyre Economic Prosperity Board
Report Author:	Rob Green, Head of Enterprise Zones, Blackpool Council
Date of Meeting:	16 September 2020
Recommendation:	To note the report.

1. Blackpool Airport Enterprise Zone: Progress Report

a) Masterplan

Work continues on the revised delivery plan and the revised masterplan for the Enterprise Zone and airport which has been held up by Covid-19 but remains on target for presentation to Blackpool Council's Executive in October before presentation to the Local Enterprise Partnership and the Ministry of Housing, Communities and Local Government.

Whilst there have been substantial cost reductions as a result of the omission of the former Bomber Factory (Squires Gate Industrial Estate) from mainstream expenditure, other costs have risen as designs and site investigations have been progressed and Enterprise Zone Lifetime income projections have been hit by delays in getting Phase 1 into full play. However, there are now good prospects for grant funding being secured from the Towns Fund (up to £10m) and Growth Deal, with financed projects indicating a small forecast surplus over the lifetime of the project after the cost of Prudential Borrowing.

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. Work is also being undertaken in partnership with Lancashire's other Enterprise Zones to appoint an internationally focussed property agent.

Interviews were held for the two project manager posts but no appointments were possible. The job descriptions are being revised and they will be re-advertised in the autumn. One post is to be funded by Fylde Borough Council and one by Blackpool Council.

b) Fiscal Incentives

Work is progressing to lobby Ministry of Housing, Communities and Local Government to seek an extension of Enterprise Zone fiscal benefits which are due to expire in November 2021 for rates relief and November 2023 for Enhanced Capital Allowances.

With full Local Enterprise Partners support officers have joined nationally with The Local Enterprise Partnership Network to put a proposal to HM Treasury. Officers would seek an extension of business rates relief to 2025/26 as a low cost focus and engine for post Covid-

19 economic recovery and growth, and to recognise the delays in all Enterprise Zones being able to bring forward enabling infrastructure.

A questionnaire was issued to all 45 UK Enterprise Zones and 20 have been returned to use as evidence for the proposal. By the time of this meeting, a draft case will have been presented to the Treasury with the final submission due by the end of September, hopefully in time to be considered in the next spending review.

c) Current Activity Phase One

Planning consent was secured from Fylde Borough Council for the grass sports pitches on 20 May 2020 and the main contractor STRI is progressing well and ahead of programme and on track for the pitches to be ready for the start of the August 2021 season.

The second of three planning applications designed to release the Common Edge Sports pitches has been prepared, but submission is being delayed to allow resolution of outstanding issues in respect of the Playing Pitch Strategy and securing Sport England approvals. Soundings are also being taken from the Football Foundation to see what grant funding they may now be able to offer. This application will provide for new car parking and changing room facilities to serve the new grass pitches and a floodlit 3G pitch, which will serve both Football and Rugby League. The application will be submitted during September in anticipation of work being able to commence in January 2021 and with the core facilities being available for use in September 2021.

Detailed design work on the changing room and car parking is progressing in parallel with the planning application with a view to being able to tender the contract in the last Quarter.

Further detailed design work also continues on the Common Edge Road upgrade led by Blackpool Highways team. An outline planning application for the highways and commercial use of the current Common Edge Playing fields will be submitted once a number of property issues have been resolved with third party occupiers and the location of a new primary substation agreed with Electricity North West.

Ground condition surveys for the eastern gateway access road have now been completed and will enable design to progress to establish the final alignment of the road. The access road will be constructed in phases commencing from Amy Johnson Way, to enable early release of non-playing field land.

A public consultation is planned in Q4 2020 to inform local residents and the wider Enterprise Zone business community and stakeholders of the proposals and progress to date, but ability to undertake this in a meaningful way which allows full two way dialogue with all stakeholders, has been restricted by Covid-19 requirements. Further consideration is being given as to how this may be best hosted, and it may be undertaken alongside a required consultation on the Blackpool Playing Pitch Strategy.

d) M55 Link Road

Efforts continue to have this project funded and it is now included in the Getting Building Fund programme, and whilst it was not possible to extend funding via the Growth Deal it is now anticipated that a full funding package will soon be in place to allow work to progress, this will include a contribution of up to £1m from the Enterprise Zone, with Fylde generated Enterprise Zone business rates growth monies being hypothecated to this.

e) Initial Development

Funding for a 40,000 sq ft development to be occupied by Multiply Components Ltd was approved Blackpool's at Executive on 13 July 2020 and Eric Wright Construction will undertake construction on a Design and Build contract starting on site in September for a nine month build for a targeted October 2021 opening.

A total of £800,000 Growth Deal funding has now been approved by Local Enterprise Partnership, subject to formal a Grant Funding Agreement, to cover abnormal development cost and a 25 lease for the unit has been agreed with Multiply Components Ltd who manufacture Carbon Fibre-based technologies for the health sector. A ground breaking ceremony is planned for 2 October 2020 with possible ministerial attendance.

A number of minor issues remain to be resolved prior to commencement of work including the diversion of 33kva electricity cable and diversion of fibre optic cables at the site entrance, but it is expected that all matters will be satisfactorily resolved within a few weeks.

The development which will allow Multiply to generate 85 high quality jobs in the medical technology/advance materials sectors, will also raise an anticipated £75,000 business rates growth receipt annually. The development will be held as a long term investment by Blackpool Council who will fund the development via Prudential Borrowing.

f) Current Planning Applications

Three live planning applications are currently being considered by Blackpool Council, the first for a proposed development of a 20MW gas fired power generation facility, which continues to encounter problems related to impact upon aeronautical activity, an application for a small fibre switching data centre to support roll out of superfast broadband across the Fylde coasts and a retrospective application for construction of a cement batching plant at the Squires Gate Industrial Estate, which is attracting a degree of local objection on environmental impact grounds.

Work is continuing apace on the construction of a 1400m² facility for exhibition designers Love Expo and the build is due for completion in September. A tenant has been found for the smaller portion of the development not required for occupation by the developer.

g) Squires Gate Industrial Estate (Former Wellington Bomber Factory)

The new owners of Squires Gate Industrial Estate have started work subdividing units and at least 12 new occupiers have been identified, work is progressing to resolve technical issues relating to planning permissions, building regulation and fire certification, whilst individual rating assessments are still to be put in place for individual units.

The Enterprise Zone team continues to engage constructively with the owners of the property but communications with the owners are sporadic and usually centre on large space floor enquiries passed on from Enterprise Zone marketing. Whilst some jobs are undoubtedly being created and eventually rates income will be derived, it is difficult to actively promote the asset at this time.

h) 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, being developed by Aqua Comms. Cable ducting has been laid from the proposed landing point to the base station constructed at Blackpool Airport with a further expansion of the network under the Local Fast Fibre Network (LFFN) programme at the planning stage. The subsea landing cable is now expected late early October 2020 dependent on weather conditions in the Irish Sea. All Council planning and legal consents are in place.

Blackpool Council and BITC are leading a series of planned workshops to develop a digital strategy for Blackpool and to clearly identify market sectors leading to the development of an operational business plan.

i) Fibre Blackpool

The Fibre Blackpool campaign continues to promote the roll out a local full fibre network for improved, gigabit capable, broadband internet connection to residents and businesses on the Fylde Coast. The dedicated website www.fibreblackpool.com has received over 260 enquiries registering interest in the scheme and various suppliers are now active in the Blackpool area. The Enterprise Zone marketing officer will provide marketing support for any co-op members for the benefit of Enterprise Zone businesses. Discussions are now underway to secure extension of the Local Full Fibre Network along the coast to serve Wyre and Fylde, particularly the rural areas of both authorities.

j) Marketing

Marketing Lancashire has commissioned new proposals from Barbers for Phase 2 of the Enterprise Zone website and the marketing officer continues to chase a start date. Work is needed to ensure the material is fully accessible for anyone with disability. Additional administrator rights have been obtained on elements of the Lancashire Advanced Manufacturing and Energy Cluster web site to ensure regular news updates are posted and linked to Enterprise Zone social media accounts, but further improvement is possible.

Regular newsletter updates have continued throughout lockdown providing Covid-19 business support advice with the Marketing Officer continuing to monitor the situation carefully. The next quarterly autumn edition is planned by the end of September containing good news stories.

Although large physical events are still prohibited by social distancing measures, the Marketing Officer has been working with NW Insider Magazine on a Northern Enterprise Zone Online Conference which is planned for 23 October 2020. The Lancashire Advanced Manufacturing and Energy Cluster will be sponsoring the event with David Holmes from BAE confirmed as Lancashire Advanced Manufacturing and Energy Cluster spokesperson for the panel. The aim is to raise awareness of the Enterprise Zones successes and to galvanise further support for the national fiscal benefits extension campaign to the Treasury. Now is an ideal opportunity to throw the spotlight on the benefits the Enterprise Zones can bring to the local economy and how they can be useful in the Covid recovery effort.

Enquiries of since the last meeting have as anticipated been slow due to the impacts of Covid-19 but are starting to show some signs of picking up in the past few weeks. Some enquiries of note have included:

- 6-7000 m2 with 6 loading bays for surgical mask and medical equipment production and distribution
- Enquiry for TV/film studios
- DIT Singapore Vertical Farm
- DIT Dutch engineering company
- Data centre enquiry
- 1000 m2 for Foodbank
- 5,700 sq ft enquiry for an advanced manufacturer for the food production industry

k) Blackpool: The Place for Business

The online communications campaign came to the end of the initial 12 months contract with external agency collaboration Clarity/Diva. A tender was advertised on the NW Chest portal for a new 12 month marketing campaign and Whistlejacket London have been appointed to progress the campaign to the next stage of development. The team are currently undertaking a series of interviews with Fylde Coast stakeholders which will inform the next 12 months campaign strategy.

l) Blackpool Airport

Best and Final offers for an Air Navigation Service Provider (ANSP) and operational tenders will be submitted by the end of September with a decision to be taken by the Blackpool Airport Operations Board at special meeting in October. There have been slight delays in agreeing final contract terms and updating the spec following further meetings with remaining bidders.

The airport has remained fully operational during the Covid-19 crisis, primarily to support offshore operations whilst airfields at Barton, Warton and Carlisle have closed, but also hosted a flight of private aviators and BAE staff who are on standby to operate NHS support flights at short notice. The airport is now fully operational.

Architects Cassidy + Ashton are progressing the 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, possibly to be located south of the main runway,

Spirit have confirmed their contract presently held by Babcock will transfer to NHV from 1st December. NHV the successful bidder for the new contract will commence base operation mid-August, initially occupying Hangar 1 East until the main hangar used by Babcock becomes available.

Airport management contractors RCA have revamped the website so that it can now be easily viewed on mobile devices and will step up social media activity in the coming months. Marketing is being carried out by RCA and the council continues to provide additional support fielding media enquiries.

New airport estate signage has been costed and will the upgrade will be implemented in the coming months as many of the estate boards are out of date and in a poor state of repair.

m) Third Party Development

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

To date:

- A total of 321 live enquiries are currently logged for Blackpool Enterprise Zone.
- Some 91 businesses have located to the Enterprise Zone since April 2016.
- A gross cumulative total of 1492 jobs have located to the Enterprise Zone, this figure includes jobs to the area, safeguarded jobs within Blackpool and construction full time equivalent jobs.

n) Project Team

The 12th meeting of the Blackpool Airport Enterprise Zone Project Team was hosted online and the next meeting is due to take place on Friday 15 September 2020 on MS Teams.

o) Risk Register

The Blackpool Airport Enterprise Zone risk register is currently under review with our corporate risk team given recent events and is available on request. It is also regularly reviewed by the accountable body's own project board.

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