

Report to: Blackpool, Fylde and Wyre Economic Prosperity Board

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Date of Meeting: 25 March 2021

HILLHOUSE TECHNOLOGY ENTERPRISE ZONE: UPDATE

1.0 Purpose of the report:

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

2.0 Recommendation(s)

- 2.1 To note the report.

3.0 Hillhouse Enterprise Zone: Progress Report

a) Implementation Plan

Finalisation of the implementation and delivery plan has again been delayed as it is amended to reflect both the closure of the Vinnolit facility and the loss of the proposed large scale waste to energy plant, and the conventional gas fired power station, alongside the progression of proposals by NPL Estates for an initial phase of speculative development totalling 6,100m² which would in part, assist the decanting of existing businesses from the old international business centre releasing that site for redevelopment. Similarly alternative use for retained former Vinnolit building and preparation of former site for development. The accountable body Enterprise Zone team are working with NPL to update the programme and costs estimates for delivery of enabling infrastructure and surveys. This will then be presented to Wyre Borough Council for approval as the accountable body and subsequently to the Economic Prosperity Board, Enterprise Zone Governance Committee, Lancashire Economic Partnership and Ministry for Housing, Communities and Local Government for information and endorsement.

NPL, who has secured an in principle offer of funding from the Getting Building Fund toward the costs of essential infrastructure upgrades to enable the new speculative development to progress, are now preparing detailed planning applications for the

development, which should be submitted to Wyre Borough Council before the end of April 2021 together with a planning application to relocate the existing gatehouse.

The project identifies a requirement for urgent upgrading and repair to ageing enabling infrastructure, including site access road, and an extension and repair to Hillhouse's water ring main and electricity supply mains.

The project has been allocated provisional funding £630,000 from the Getting Building Fund, with additional match funding provided by Wyre Borough Council and NPL at £63,000 each. Formal confirmation of funding is dependent upon completion of the Lancashire Economic Partnership's due diligence process but is expected to be confirmed at the next Project Board.

A purchaser for the former Sainsbury retail site has been identified and their intention is to secure a planning consent for up to 250 homes and a smaller district retail centre which will support employment and provide some retained business rates growth. To enable development to proceed the new owners of the site Promenade Estates and BXB Ltd will need to reach agreement for contributions toward highways, drainage and utility infrastructure, accelerating currently delayed delivery.

NPL have also submitted planning application for residential development of the former Thornton AFC site having now supported the relocation of the football club to their Poolfoot site. Once consent is granted and work commenced, this should see the completion of works to enable Bourne Road, the main access route to Hillhouse, to become an adopted Highway.

b) MARKETING

Marketing Lancashire has commissioned a new Enterprise Zone section of the Invest in Lancashire website <https://investinlancashire.com/lamec/> but phase 2 works on the individual LAMEC website has still to undertaken. Blackpool and Hillhouse Enterprise Zone's continue to push for an update to the websites to include an option for people to sign up to the respective Enterprise Zone newsletters, as the websites only offer a City Deal and Lancashire Business Brief that are not relevant to the Enterprise Zones.

Any updates to the web sites and printed media need to ensure the material is fully accessible for anyone with disability. Additional administrator rights have been obtained on elements of the LAMEC website to ensure regular news updates are

posted and linked to Enterprise Zone social media accounts, but further improvement is required.

A series of workshops are underway to discuss the branding and messaging for all four LAMEC sites and a combined communications strategy is to be implemented.

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 spring 2021 edition is planned by the end of March containing good news stories.

A double page spread in the Invest in Lancashire Guide 2021 has been secured along with editorial coverage and can be viewed here: [Lancashire Investment Guide 2021 \(flickread.com\)](https://www.flickread.com)

David Holmes, chair of the Enterprise Zone Governance Committee C is confirmed as a round table guest, representing LAMEC as part of the package.

Work is progressing with Lancashire County Council to appoint a joint international agent for all four LAMEC sites. So far no interest has been received and the advert has been extended till 12 March 2021.

An editorial report on Lancashire enterprise zones is also upcoming in the Mar/April Lancashire Business View and a wide range of individuals from each of the three active sites have been put forward for interview.

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 spring edition is planned by the end of March containing good news stories.

A marketing strategy has been prepared for inclusion in the Delivery Plan. When the Delivery Plan is completed, a communications campaign will be drafted to support site activity.

Current enquiries include:

Date of enquiry	Target sector	Size and type of enquiry
Feb 2021	Waste to energy project	10,000 sq ft
Feb 2021	Construction	1 acre outdoor secure storage
Jan 2021	Chimney manufacturer	2 acres
Jan 2021	USA owned PPE manufacturer	200,000 sq ft
Jan 2021	Energy and renewables	20,000 sq ft new build industrial
Jan 2021	Organic waste recycling centre	10 – 20,000 sq ft industrial

Jan 2021	Waste to energy recycling project	Up to 2.5 acres
Jan 2021	Warehousing and distribution of beauty supplies	20,000 sq ft new build
May 2020	Manufacture of PVC compound	15,000 sq ft industrial
Jan 2020	Manufacturing of mobile kitchens	Up to 4 acres

c) Hydrogen Steering Group

Further Hydrogen Hub meetings have been put on hold until further notice due to furloughed key members of the group. These will be re-established once social distancing restrictions are lifted. 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.

d) Site Activity

i) Vinnolit

Majority landowner NPL Estates have completed the purchase of the vacant property of the former Vinnolit site and are seeking planning consent to demolish with work likely to take up to 12 months releasing new sites for development resulting in increased long term employment.

ii) Victrex

Global polymer solutions supplier Victrex, which is a FTSE 250 company with a 900-strong workforce, has made 79 redundancies across operations at its Thornton Cleveleys HQ due to the effects of Covid-19 on the business, but hopes to re-recruit once market stabilises post Brexit and Covid.

iii) Forsa Energy

Construction work is ongoing for a new 20MW Short Term Operating Reserve (STOR) gas turbines, planning consent having been granted in 2017. The development is due to complete in Spring 2021.

A number of construction jobs have been created by Forsa Energy and NPL/Wyre BC will confirm with the contractor the final numbers for the project.

e) Job Creation

A number of construction jobs have been created due to the start on site by Forsa Energy. The team continues to chase confirmation of how many construction full time equivalent jobs are currently on site and work will continue to make connections with Hillhouse tenants.

f) Enterprise Zone Board Meetings

A Board meeting took place on 15 January 2021 online with a group of stakeholders including Hillhouse tenants. The February meeting was postponed, rescheduled for 19 March 2021.

g) Communications Infrastructure

Funding of up to £250,000 was approved by Wyre Borough Council to support the extension of the Local Full Fibre Network broadband fibre optic network to the site gates, work which is now been delivered. It is now for NPL to commit to further expenditure to progress the extension of the fibre optic broadband capability throughout the Enterprise Zone site.

h) Enterprise Zone fiscal benefits

Work is continuing to lobby Ministry for Housing, Communities and Local Government to seek an extension of Enterprise Zone fiscal benefits which are due to expire for Hillhouse on 31 March 2021 for rates relief and November 2023 for enhanced capital allowances.

With full Lancashire Enterprise Partnership support, Hillhouse Enterprise Zone joined nationally with The Local Enterprise Partnership Network to put a proposal to HM Treasury. This seeks 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.

Further to being informed by HM Treasury that there is presently no opportunity for the proposal to be included in the 3 March 2021 budget which focussed on the Freeports programme, the Local Enterprise Partnership Network will now look to re-engage with Treasury and Ministry for Housing, Communities and Local Government to further discuss Enterprise Zone policy, with the objective of securing support in the Autumn financial and business rates review.

In the meantime local MPs have been briefed; Blackpool South and Fylde (Blackpool Enterprise Zone), Blackpool North and Cleveleys and Fleetwood and Lancaster (Hillhouse Enterprise Zone) on the campaign so far, the benefits of Enterprise Zone and the role they have to play in a post-Covid-19 recovery strategy and why there is a pressing need to push for an extension of benefits.

A template clearly articulating issues and actions has now been shared with northern Enterprise Zone counterparts in the absence of any strong centralised push from the LEP Network.

i) 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 on 19 March 2021. Copies will be available upon request.

k) Milestones:

The table below lists key milestones scheduled to be discussed and approved at the Hillhouse Enterprise Zone Project Board on 19 March 2021.

Milestones	Dates
Getting Building Fund grant funding agreement to be signed	Mar 2021
Planning application submitted utilities and infrastructure upgrade including new gatehouse	Apr 2021
60,000 sq ft speculative development of small multi-use units planning submitted	Apr 2021
Risk Register updated regularly by Project Board	Apr 2021
Appointment of joint international marketing agent LAMEC brand	Apr 2021
Revised Delivery Plan	May 2021
Procure state aid advice once Implementation plan complete	May 2021
Fiscal benefit extension decision from HM Treasury	Mar 2021
Planning permission granted for utilities infrastructure and new gatehouse	July 2021
Construction commences for utilities infrastructure and new gatehouse	July 2021
A flood risk assessment to be scoped and commissioned for the entire site subject to identification of funding	Q2 2021
A transport assessment be scoped and commissioned for the entire site subject to identification of funding	Q2 2021
An Environmental and Ecology study to be scoped and commissioned for the entire site subject to identification of funding **	Q2 2021
Forsa Energy completion of build	Q2 2021
Demolition and clearance of Vinnolit plots complete	Q2 2021
Completion of electric and water main upgrades*	Sep 2021
Subsequent roll out of fibre ducting on site	Q3 2021

*Applications still to be submitted by NPL

** Habitat assessments to be undertaken Nov 21-Mar 22

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