

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

1. Blackpool Airport Enterprise Zone: Progress Report

a) Masterplan

Work to revise the EZ masterplan and delivery plan will commence in the first quarter 2020 pending completion of key work on specific details around phase one, highways and airport design. The new plan will also reflect the impacts of the data centre study recommendations and the changes surrounding the Squires Gate Industrial Estate. A procurement process is underway to revise the plan and thereafter re-work the delivery plan, which will provide new estimates of cost retained rates revenue, jobs and impact upon GVA over the lifetime of the EZ. It is hoped that the revised plan and delivery plan can be completed and presented for approval to EPB by March 2020. The approved Marketing Strategy will continue to be implemented for the Enterprise Zone and where appropriate will be updated upon completion of the masterplan update.

b) Fiscal Incentives

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

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

To progress matters it is therefore intended, to prepare a draft formal proposal seeking an extension of the fiscal incentives available to EZ's and circulate this to all northern EZ's seeking their support in principle. Thereafter calling a meeting of EZ's to be hosted in Lancashire to confirm the basis of a collective approach to MHCLG and HMT.

Preparatory work is underway to identify contacts for all other Northern Enterprise Zones for a combined approach to government as well as ongoing discussions with other LAMEC Enterprise Zones on next steps.

c) Current Activity - Phase One

A revised hybrid planning application for phase one is in the final stages of preparation and on target to be submitted at the end of January, once a few minor outstanding issues relating surrender and renewal of sports leases have been concluded. The new application will reflect a revised location for the eastern gateway road and changed aspirations in respect of replacement sports provision which will satisfy previous objections raised by Sport England.

Work commenced with dispensation under airport permitted development rights on Monday 9th December, to provide a new boundary fence to Blackpool Airport to carve off the land needed to accommodate new grass sports pitches, with an engineering contract due to commence in the new year, to provide a new airport perimeter track and crash gates prior to the engineering contract beginning in March to create the playing surface and drainage.

A further informal public consultation, will take place in January with a decision in principle, subject to Secretary of State consideration as it is Green Belt, anticipated in late Spring 2020.

The hybrid planning application will also include provision for a new primary electricity substation required to support anticipated increased power demand from early development of the phase one sites including the potential for possible data centres.

d) Eastern Gateway Access Road

Work on the eastern gateway access road design had been delayed whilst wider highway issues were resolved. The position of the access road which will now be a traffic light junction rather than the originally mooted roundabout, will be located to the north of South Shore Cricket Club. Work to the existing highway at Common Edge Road will be undertaken via the existing Highways PFI, whilst a separate design and build contract will be awarded for the new link between Common Edge Road and Amy Johnson Way, once the phase one planning consent has been granted. The target date for opening the through route is first quarter 2022.

e) Common Edge Sports Village

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

f) Link Road

Highway and transportation studies undertaken to support the phase one planning applications have confirmed that the M55 link road is not critical to the ability to develop out phase one of the EZ. Ongoing issues in relation to the funding and delivery of the proposed M55 link road continue and are being managed by Lancashire County Council, particularly in terms of funding and a delivery timescale.

g) Initial Speculative Development

Full planning consent has been granted by Blackpool Council for the development of a speculative 4,000m² B1/B2 unit on a site at Amy Johnson Way. Negotiations are in the final stages with a prospective occupier and subject to agreement on Heads of Terms and full financial sign off it is expected that a construction contract can be entered into with work commencing in January.

h) Planning Applications

There is currently one live planning application being considered by Blackpool Council for a proposed development of a 20MW gas fired power generation facility.

In November planning consent was awarded for a 1,400m² development on land in private ownership off Amy Johnson way and construction has now commenced, the majority of the property will be occupied by the developers business.

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

The new owners of Squires Gate Industrial Estate have commenced some works on the property seeking to return some previously vacant accommodation to use and upgrading site security fencing. At the present time it is most unlikely that the owner would wish to explore the demolition and redevelopment of the property as initially proposed in the masterplan, although efforts continue to encourage appropriate development to come forward.

j) Communications Infrastructure

Work has continued to support the installation of the new transatlantic fibre optic telecommunications cable, part of the North Atlantic loop from New York to Denmark, which is being developed by Aquacomms. Cable ducting has been laid from the proposed landing point to the base station at Blackpool Airport. Additional cable ducting has been laid across the EZ estate, with a further expansion of the network under the Local Fast Fibre Network (LFFN) programme at the planning stage. The new transatlantic cable is due to come ashore in Q1 2020. Discussions are ongoing to conclude agreements for the completion of the LFFN link to Hillhouse EZ via the tramway.

Presence of the new optic fibre link will provide fast communication links with timings of less than 64 milliseconds to transmit data from Blackpool to New York, providing a distinct competitive advantage and USP for the EZ. The new connection will open up the possibility of securing investment in the provision of data centre facilities at the EZ and of securing investment from data driven industries.

A study to confirm the feasibility of undertaking such specialist data centre development has been completed by Danish based specialists COWI. A specialist task group has been established to progress the opportunities in this sector working closely with BITC and the Blackpool Pride of Place board and held its initial meeting on 10th December to discuss the overall findings of the report and approaches to a number of data centre developers and operators .and the group identified potential next steps to take.

k) Fibre Blackpool

An communications campaign was launched in November supporting and promoting Fibre Blackpool, a project run by a co-operative group from the private and public sectors working together to roll out a local full fibre network that will give an improved, gigabit capable, broadband internet connection to residents and businesses on the Fylde Coast. Early enquiries have been very positive with over 50 initial enquiries made to register interest through the dedicated website www.fibreblackpool.com

The first phase of the campaign was launched under the Co-operative banner due to restrictions imposed on the council's promotional activity during purdah. Phase 2 of the communication campaign will resume post-election when the council will promote the Fibre Blackpool campaign across all the council websites and social media platforms.

l) Marketing

Marketing Lancashire have now engaged with Richard Barber & Co. to discuss phase 2 of the EZ websites, phase 2 of the overarching Invest in Lancashire site and options around the integration of Evolutive. We await confirmation of a meeting early in the New Year to discuss draft proposals and implementation of new website features.

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

- Eco-I Conference, Lancaster University (19-20/09)
- Tourism Society Conference, Blackpool (23-24/09) Presentation at Kirkham Grammar School (14/11)
- Growth 4 Business event part of Blackpool Enterprise Week (26/11)

Members of the EZ team have also attended as delegates at sector specific exhibitions to learn more about the key audiences the EZ is looking to attract and to make strategic connections within the various industries for example:

- World Aviation Festival, London (5-6 Sep)
- DCD (Data Centre Dynamics) Conference, London (5-6 Nov)

The team have also capitalised on opportunities to meet with international industry influencers whilst the contacts have been in the country attending other sector specific events such as 1025 Connect Capacity Europe Conference, London (Oct 2019).

Marketing Lancashire attended MIPIM UK this year and the team will receive feedback as to its suitability for future EZ sponsorship opportunities and the possible collaboration of all four Lancashire EZ sites under the LAMEC banner.

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

In the coming few months, the team will be speaking at the Forum for the Built Environment, NW Built Environment Network and the Place NW Lancashire Development Update. The EZ team will also be exhibiting at EVO North, a two day, Northern Powerhouse event in Manchester attracting large numbers from public and private sectors to debate and discuss Transport and Connectivity, Business, Innovation and Investment, Health, Social Care and Wellbeing, Housing, Energy and Infrastructure, Science and Technology, Education, Skills and Employment.

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

Additional EZ site signage has now been approved for location on the airport roadside frontage and the new signs displaying airport occupiers will be erected early Q1 2020.

The fourth EZ newsletter is scheduled for distribution to 115 registered recipients in January and work continues to engage more people to sign up to the newsletter.

There continues to be a steady stream of enquiries for the EZ, driven by the web site, site signage, and word of mouth. The enquiries remain steady although the volume remains low in part due to widespread market uncertainty, but also reflecting the relative paucity of immediately available accommodation and serviced development plots on the market.

Enquiry trends are for smaller accommodation in the 1-5000 sq ft category, with several live enquiries up to 10,000 sq ft, and a small number in the 30-40,000 sq ft range.

m) Blackpool: The Place for Business

The online communications campaign continues to grow from strength to strength as we approach the end of the initial 12 months contract with external agency collaboration Clarity/Diva. A marketing steering group met on 13th December where the team presented a round-up of the campaign's success and highlights over the past 12 months and delivered recommendations for taking the campaign forward, continuing to build momentum, changing perceptions and creating new opportunities for lead generation. It was put to the group which direction the campaign should now take, awareness building place marketing, or lead/sales led inward investment marketing or a combination of both. The group delivered some very valuable feedback that will be worked into the tender document and ongoing vision for the marketing strategy 2020/2021. The next 12 months inward investment marketing contract will be out for tender end Q1 2020.

n) Blackpool Airport

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

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

o) Third Party Development

Work has now completed on the 9MW Gas Fired Power generation facility and this is operational, similarly work to the Aquacomms base station has completed. The only construction presently underway is the development on land to the east of Seneca House off Amy Johnson Way.

To date:

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

p) Project Team

The seventh meeting of the Blackpool Airport EZ Project Team took place on 13th September at Blackpool Airport and the eighth meeting took place on 8th November at Lancashire Energy HQ. The next meeting subject to confirmation will take place on Friday 24th January at Lancashire Energy HQ.

r) Risk Register

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



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