

DECISION ITEM



REPORT OF		MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE		FINANCE AND DEMOCRACY COMMITTEE	20 JUNE 2016	5
BLACKPOOL AIRPORT CORRIDOR ENTERPRISE ZONE: BUSINESS RATE RELIEF POLICY				

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

During 2015 the government announced the creation of two new Enterprise Zones on the Fylde Coast. The first announcement was for the Blackpool Airport Corridor Enterprise Zone which overlaps the Blackpool and Fylde borough boundaries and the second announcement was for the Hillhouse Energy and Chemical Enterprise Zone, fully within the borough of Wyre.

This report presents the proposed business rate relief policy to be operated consistently across both zones. The rationale is that a joint policy will avoid unnecessary competition between the two zones and limit the displacement of businesses. The Enterprise Zone came into effect on the 1st April 2016 and it is proposed that business that meet specific qualifying criteria may receive business rates relief of up to £275,000 over a five-year term, subject to European state aid limits.

The award of business rate relief will be cost neutral to Fylde Council who will be compensated for any business rate income foregone as a result of granting reliefs through the business rate calculation and distribution methodology.

The policy has been developed by the Blackpool, Fylde and Wyre Economic Development Company which will act as the Programme Board for the two new Enterprise Zones on behalf of Lancashire Enterprise Partnership. A decision making process has been devised with an intention to create a transparent and consistent approach across the two zones. The authority to grant discretionary business rate relief rests with the billing authority for that area and the application of the policy once approved will be carried out by the Section151 officer (in Fylde that being the Chief Financial Officer).

RECOMMENDATIONS

1. The Committee is recommended to consider and approve the Blackpool Airport Corridor Enterprise Zone Business Rate Relief Policy as attached at Appendix A.

SUMMARY OF PREVIOUS DECISIONS

This is the first occasion on which the proposed Blackpool Airport Corridor Enterprise Zone Business Rate Relief Policy has been considered by the Finance and Democracy Committee.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services (Value for Money)	√
Delivering the services that customers expect of an excellent council (Clean and Green)	
Working with all partners (Vibrant Economy)	√
To make sure Fylde continues to be one of the most desirable places to live (A Great Place to Live)	√
Promoting Fylde as a great destination to visit (A Great Place to Visit)	

REPORT

1. The creation of the Blackpool Airport Corridor Enterprise Zone was first announced by the government alongside the Chancellor's spring 2015 budget announcement and came into effect on 1st April 2016.
2. The broad aim of the Enterprise Zone to deliver economic growth on the site, including that formerly used as a commercial airport, for the benefit of the residents of the Fylde area, by encouraging new businesses to move onto the site and/or existing businesses to expand, creating highly-skilled and secure training and employment opportunities and contributing towards the general economic well-being of the area. The Enterprise Zone designation will also help secure a long term sustainable future for Blackpool Airport
3. One of the benefits to an organisation of locating their premises within an Enterprise Zone is the possible eligibility to receive Business Rate relief, up to a level as defined by EU State Aid rules, equivalent to a total sum of around £275,000 over a five-year period (i.e. c£55,000 per annum).
4. The policy has been developed by the Blackpool, Fylde and Wyre Economic Development Company and is a generic policy to be applied by Blackpool Council and Fylde Council in respect of the Blackpool Airport Corridor Enterprise Zone and by Wyre Council in respect of the Hillhouse Energy and Chemical Enterprise Zone.
5. The Blackpool, Fylde and Wyre Economic Development Company is a company limited by guarantee, and its shareholding is held equally by the three Fylde coast local authorities, Blackpool Council, and Fylde and Wyre Borough Councils.

The company has a board of directors drawn from the member authorities and the private sector, and is chaired by Ms Bev Robinson, who is Chief Executive and Principal of Blackpool and the Fylde college. In addition to the chair the current directors are:

Neil Jack	Chief Executive of Blackpool Council
Allan Oldfield	Chief Executive of Fylde Council
Garry Payne	Chief Executive of Wyre Council
Alan Cavill	Assistant Chief Executive Blackpool Council
Neil Farley	Springfield Fuels – Fylde Economic Forum
Jane Littlewood	Rabbit Patch & Chair of 'Wyred up'
Martin Long	Napthens LLP & Chair Blackpool Business Leaders
Mark Towers	Blackpool Council is the Company Secretary

A number of alternate directors have been appointed by the public sector members to deputise Chief Executives who are not available, including:

Paul Walker	Director of Development Services at Fylde Borough Council
Stephen Smith	Economic Development Officer at Fylde Borough Council
David Thow	Head of Development Management at Wyre Borough Council

It is proposed subject to formal confirmation by Lancashire LEP that the Board of the EDC will act as the Programme Board for both Blackpool Airport and Hillhouse Enterprise Zones on the LEP's behalf.

6. Fylde Council will be fully compensated for any business rate income foregone as a result of granting reliefs through the business rate calculation and distribution methodology.
7. The proposed policy is attached at Appendix A.

IMPLICATIONS	
Finance	There are no financial implications arising directly from this report. Fylde Council will be compensated for any business rate income foregone as a result of granting reliefs within the Enterprise Zone through the business rate calculation and distribution methodology.
Legal	None arising from this report
Community Safety	None arising from this report
Human Rights and Equalities	None arising from this report
Sustainability and Environmental Impact	None arising from this report
Health & Safety and Risk Management	None arising from this report

LEAD AUTHOR	TEL	DATE	DOC ID
Paul O'Donoghue Chief Financial Officer	01253 658566	June 2016	

LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
none		

Attached documents

1. Map of Blackpool Airport Corridor Enterprise Zone
2. Proposed Blackpool Airport Corridor Enterprise Zone Business Rate Relief Policy.