

Appendix 1: Blackpool Fylde and Wyre Economic Development Company Ltd

Progress report for information

Purpose of report

To provide an overview of the role and work of Blackpool, Fylde & Wyre EDC, (BFWEDC) highlighting recent successes and priorities for 2016.

The Economic Development Company

BFWEDC is a company limited by guarantee, and its shareholding is held equally by the four Fylde coast local authorities, Lancashire County Council, 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 Wyred up
Martin Long	-	Napthens LLP & Chair Blackpool Business Leaders

In addition the board, which generally meets every two or three months, is regularly attended by Stuart Sage and Nicholas Jackson from the Homes and Communities Agency and by Rob Green from the EDC executive team on an observational basis.

The EDC operates from premises in Blackpool at FYCreatives on Church Street, and presently has three staff members, seconded from Blackpool Council: a full time Head of Enterprise & Investment, Rob Green; a part time Project Officer, Mark Gillingham; and an unpaid part time Intern, Sarah Miller. Additional specialist resources are made available when required through Blackpool Council, whilst the EDC team works closely with the respective Economic Development teams in Wyre, Fylde and Blackpool, and with LCDL on behalf of LCC.

The relative lack of resource available to the EDC remains one of the biggest constraints on its ability to deliver fully against a broad spectrum of key economic interventions required across the Fylde coast. Its activities, range from attracting inward investment, through to the development of major sites and key sector support covering the whole of the area of Fylde, Wyre and Blackpool as illustrated below in Fig 1:

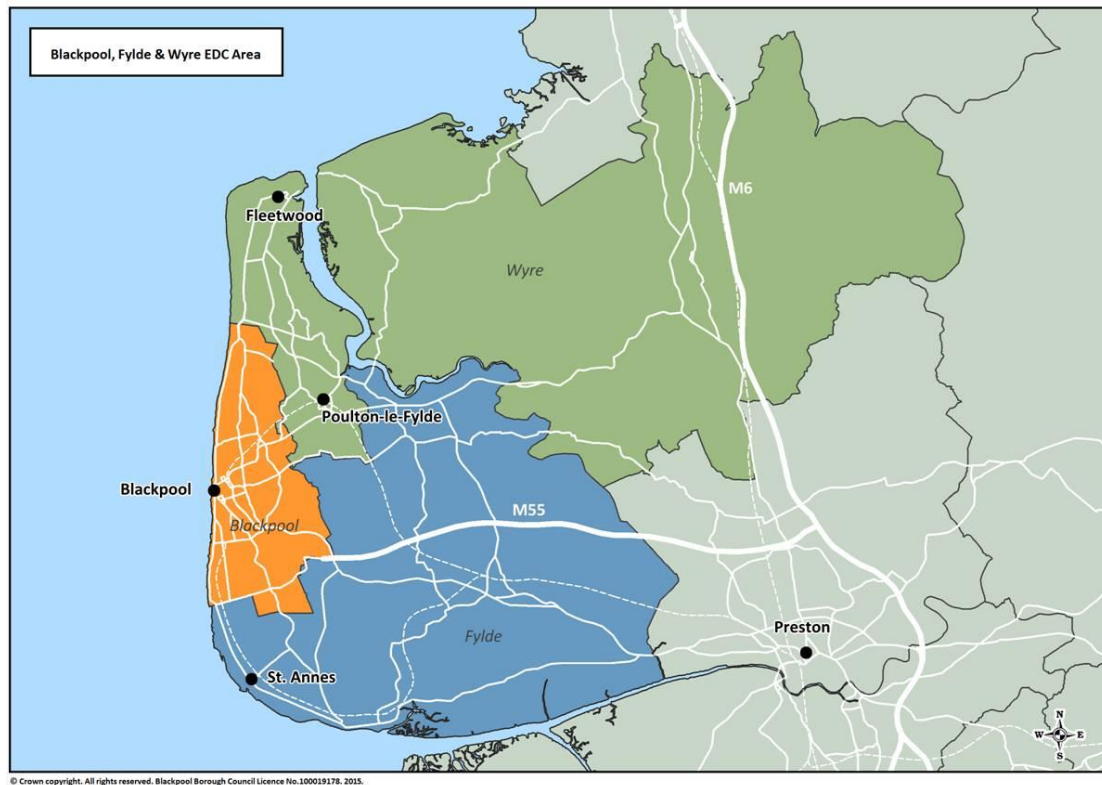


Fig 1: Area covered by Blackpool, Fylde and Wyre Economic Development Company

Financial Aspects

The EDC does not have a bank account and currently files accounts with Companies House as a dormant company. All financial matters are conducted on its behalf by Blackpool Council, which, in addition to meeting staff and accommodation costs, has made available an operational budget of £20,000, for FY 2015/16. None of the other member councils has makes a direct financial contribution to the ongoing operations of the EDC. The EDC carries its own Employees, Directors' Indemnity and Public Liability Insurances.

The EDC has undertaken a number of specific projects including; the development of the Fylde Coast Growth Accelerator Strategy (GAS); work on the two successful Enterprise Zone bids; and Central Station site feasibility studies that have received funding from Blackpool Council, LCC/LEP, HCA, Wyre Borough Council and NPL Estates Ltd. The need for the Fylde coast authorities to work closely together on economic matters will take on greater significance over coming months as discussions on the implementation of the Combined Authority progress.

In the past 18 Months the EDC has been involved in supporting a number of notable successes for the area including the **Enterprise Zone bid for Blackpool Airport**, with formal confirmation of the EZ status being confirmed in early November 2015.

The initial application for this complex EZ was undertaken within a very short (2 week) timescale between 8th and 23rd January 2015. The EZ is designed to protect the long-term future operational capability of Blackpool Airport by leaving the operational main runway and required CAA clearances out of the EZ boundary, whilst providing opportunity for the Airport to generate much needed capital receipts from the

development of surplus land to ensure it has the means to continue to invest at the required level to maintain operational capability. The EZ (illustrated below in Fig 2) will become operational from 1st April 2016 and continue until 2037. It will offer the twin, but mutually exclusive, financial incentives of Business Rates Relief of up to £275,000 over 5 years (where business rates will be paid on behalf of occupiers by Central Government) and Enhanced Capital Allowances (ECA) enabling larger investors in fixed plant and machinery to offset cost fully against tax.

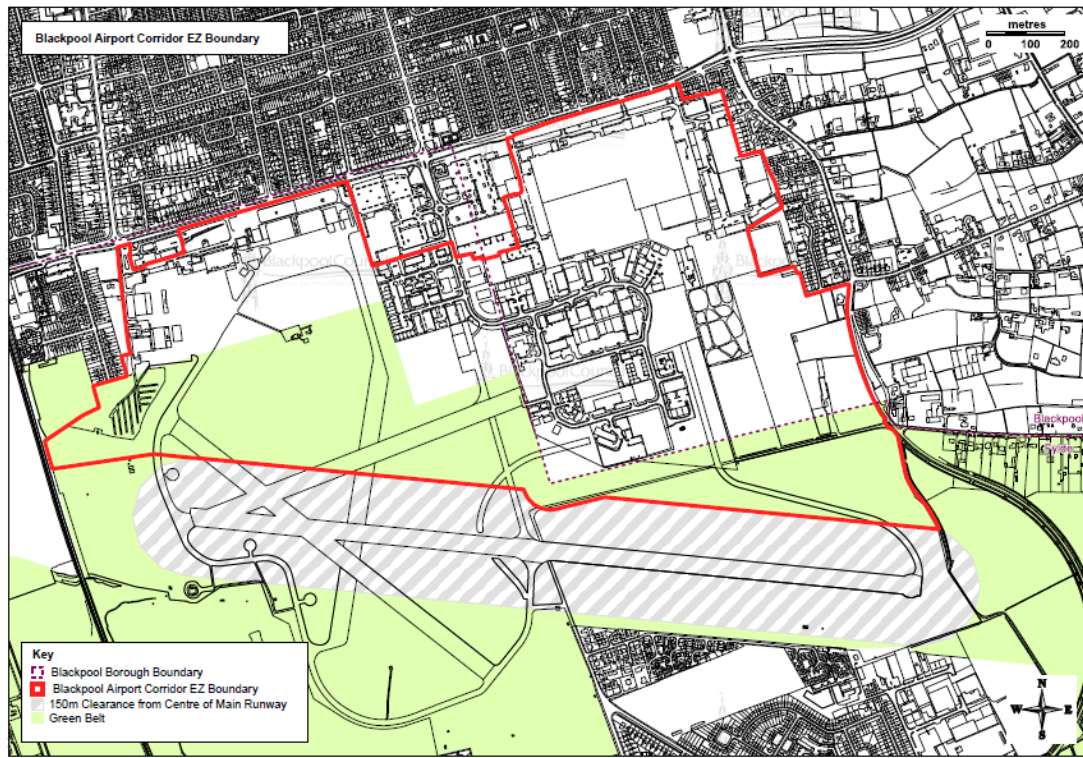


Fig 2: Outline area of Blackpool Airport EZ

New infrastructure investment to enable future development within the EZ will be funded in part by retained growth in business rates from new investment secured within the EZ.

The ECA area is located entirely within the Blackpool Council area, with the majority of the business rates relief zone located within the Fylde area of the EZ.

Significant parts of the EZ, which totals 141 ha in area, are located within the designated Fylde green belt. The green belt status is not impacted by the EZ designation, where the only development will be that currently permitted within green belt, including playing fields and open space, and the development of aviation facilities where permitted development rights exist.

The Airport EZ will be targeting a number of key sectors to attract new investment and employment, including the civil aerospace sector, food and drink manufacture, the energy sector and digital and creative sectors, although no appropriate user would be excluded. It is hoped the EZ can provide a base for 3000 new jobs, and 180 new businesses with over £300m of investment, and will get off to a flying start with the proposed development of the new Lancashire Energy HQ, which will commence in March subject to planning.

The EZ will work to compliment and strengthen the Lancashire investment portfolio rather than compete with the existing Warton EZ, and will make a very significant contribution to meeting the employment land needs of both Blackpool and Fylde authorities over the local plan period.

In July the opportunity arose to apply for new Enterprise Zones and although the Lancashire LEP supported a proposal to seek EZ status for the Hillhouse International Business Park, an application was submitted to Government for Hillhouse to become an extension to the anticipated Blackpool Airport EZ. The application was approved in the Comprehensive Spending Review at the end of November and the Hillhouse EZ will become operative from 1st April 2016, similar to Blackpool, this location will be able to offer both Business Rates Relief and Enhanced Capital Allowances. It will also be targeted at the energy sector and advanced polymer sector. This EZ will be operated in tandem with Blackpool Airport EZ to maximise efficiencies and ensure complementarity.

In 2015, the EDC was instrumental in **Victrex PLC securing a £1.3m RGF grant** toward the cost of developing new research and development pilot plant at Hillhouse, helping to secure long term investment by the company in this location. In 2015 the EDC led the establishment of the **Blackpool Coastal Communities team** and supported the subsequent establishment of the Fleetwood and St Anne's CCTs, all three of which were successful in securing specific project funding via the Government's Coastal Revival Fund.

2015 also saw the completion of the **Fylde Coast Growth Accelerator Strategy (GAS)** which has identified the EDC area's best opportunities for future economic growth and key project areas for future EDC activity, to ensure best use of scarce resource to deliver benefits for the whole area. This document will be used to guide ongoing activity and to support future applications for funding and other support to the LEP and Government. An annual action plan will also be developed against which progress can be measured, and which will also be employed to support ongoing activity in respect of the development of the proposed Lancashire Combined Authority.

Future Activity

Six key priority areas have been identified as the EDC's focus for 2016:

- The progression of the new Enterprise Zones
- The development of a diverse Fylde Coast Energy Sector
- Progression of the strategic Central Station site in Blackpool
- Support the development and diversification of the Visitor Economy
- Promoting the development of Blackpool Town Centre
- Working with the LEP, Marketing Lancashire and UKTI to attract Inward Investment

In addition various ad hoc work will be undertaken as requirements dictate, including supporting future bidding to the Coastal Communities Fund, and a review of the impact of public sector employment across the Fylde Coast with an emphasis on the potential economic impact of ongoing austerity cuts. The intention is that the EDC will assume

day to day responsibility for the progression of the two new Enterprise Zones, with the existing EZ at Warton remaining the responsibility of LCC and BAe Systems to progress.

Work on the two new Enterprise Zones will focus on: commissioning and completing master-plans for both sites; establishing the Programme Board to oversee the developments and report back to the LEP; and securing the funding required to establish a small delivery team for the EZ's, appointing appropriate external consultant support and commencing activity to market the sites and commence activity to provide infrastructure investment necessary to develop the locations. Full consultation will be undertaken with all key stakeholders as the master-plan is progressed during the first half of the year.

Whilst a number of planning applications may be submitted to both Fylde and Blackpool Council for projects at Blackpool Airport EZ, it is unlikely, with the exception of the new Energy HQ development, that there will be a great deal of new build development undertaken at either EZ during 2016. However, a number of new businesses are likely to locate into existing vacant premises at Blackpool Business Park, with the potential to generate around 100 new jobs in the first year of activity.

Activity across the energy sector will focus on establishing the Fylde Coast's credentials as a key player in the sector, building upon existing strengths in the renewables and conventional energy sectors with more than 80 businesses already active, and in particular supporting major new initiatives such as the proposals for a Wyre Barrage, opportunities to expand and diversify activity within the nuclear sector based at Salwick, and provision of skills and supply chain development to ensure that maximum local economic advantage can be secured should there be progression in the unconventional oil and gas sector.

The former Central Station site in Blackpool will be brought to the market, to identify potential operators and developers for this key strategic site, which has the potential in the medium term to support more than 1000 new jobs and attract upward of 2 million additional tourists to the area, although no on site development should be anticipated until at least 2018. This project will, if successful, have a major positive impact on the long term sustainability of the visitor economy across the whole of the EDC area.

Other visitor economy related activity will include looking a potential opportunities to secure funding for projects via the next round of Coastal Communities Fund, which will be announced later this year, including work on a possible Fylde Coast Heritage Transport museum. Activity will also continue with Network Rail to help secure improved rail services to the Fylde Coast and to seek to minimise the impacts of the potential 4-6 month closure in 2017 of the rail links from Preston to facilitate the electrification of the Preston to Blackpool North line.

Development of Blackpool Town Centre will continue to be a focus for activity, with an emphasis on securing more food and beverage outlets to support the visitor economy, and to encourage greater levels of commercial activity, including lobbying Government to develop a regional civil service hub, as the alternative to relocating large numbers of civil servants away from the Fylde Coast and Preston.

Inward investment activity will largely be focused on working with Lancashire County Council, the LEP and Marketing Lancashire, alongside UKTI, to promote the opportunities offered by the area's three Enterprise Zones, and the sector strengths in the energy, food and drink, digital and creative and advanced materials sectors, and also looking to see if there are opportunities for targeted promotion within China.

The EDC is currently carrying out a review of the existing arrangements to reaffirm its role and purpose.

Report Author

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