

Report to:	Blackpool, Fylde and Wyre Economic Prosperity Board
Report Author:	Rob Green, Head of Enterprise Zones, Blackpool Council
Date of Meeting:	9th December 2021

1.0 Purpose of the report:

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

2.0 Recommendation(s)

That the Board notes the report.

3.0 Hillhouse Enterprise Zone: Progress Report

a) Delivery Plan

Finalisation of the implementation and delivery plan has been held in abeyance pending the finding of interested parties in developing of large areas of the EZ and a decision by Government on the Rail Reinstatement Project for the Poulton to Fleetwood line.

Wyre Council have held discussions with interested parties for significant redevelopment of areas of the EZ, these parties are no in contact with LCC to better understand the Rail Reinstatement Project and its impact upon their ambitions.

Wyre Council will lead on the Delivery Plan refresh once the Government's position on Rail Reinstatement is known.

b) Getting Building Fund

NPL, who have secured funding from the Getting Building Fund toward the costs of essential infrastructure upgrades to enable the new speculative development to progress, have received planning permission from Wyre Borough Council and are progressing with the works.

The project encompasses some urgent upgrading and repair to ageing enabling infrastructure, including site access road, upgrade of utilities, and an extension and repair to Hillhouse's water ring main and electricity supply mains. It will also incorporate the extension of the Local Full Fibre Network (LFFN) super-fast broadband in a ring around the site, linking to the recently completed LFFN extension of the Fibre from the Tramway to the Hillhouse gatehouse, funded by Wyre BC as EZ accountable body.

The project has been allocated funding of £630,000 comprising £504,000 Getting Building Fund, with additional match funding provided by Wyre Council and NPL at £63,000 each.

The works are progressing to programme and budget, 1000m of water pipeline for mains water has been installed, the electrical substation has been installed and works to relocate the gatehouse are in preparation. The water pipeline and electrical substation works are 90% complete.

c) Residential Development

BXB have purchased the former Sainsbury retail site with a planning application imminent for residential development of up to 250 homes and potentially a smaller district retail centre which will support employment and provide some retained business rates growth. If approved, this development should see the further extension of the northern access road to the Fleetwood/Poulton railway line.

Substantial progress has been made by Dickie & Moore with their residential development plans for the former Thornton AFC site. This should see the completion of works to enable Bourne Road, the main access route to Hillhouse, to become an adopted Highway. In the meantime NPL have introduced a number of measures to reduce traffic speeds on Bourne Road, including a competition to involve the local children to design road side signage.

d) Fleetwood/Poulton Rail Line

An initial study undertaken by LCC leaves all three options on the table and as this includes heavy rail the requirement for a bridge over the track bed to enable the northern access road continues to be a constraint in progressing development.

e) Marketing & enquiries

The logos for Blackpool EZ have now been refreshed as part of the Lancashire Enterprise Zones branding but a collective strategic marketing and communications plan is outstanding along with updates to promotional literature and websites which is expected in the New Year.

The next quarterly winter EZ newsletter 2021 is planned for December.

A joint international agent for all four LAMEC sites has now been appointed in collaboration with LCC.

The Blackpool Makes it Work investment marketing campaign continues to spotlight local businesses in our key target sectors and welcomes any business on the EZ who would like to showcase their business and the EZs sector strengths. Please get in touch with the team if you would like to be considered.

Current enquiries include:

Date of enquiry	Target sector	Size and type of enquiry	Progress update
Feb 2021	Waste to energy project	10,000 sq ft	HOT agreed progressing to option
Jan 2021	Waste to energy recycling project	Up to 2.5 acres	HOT agreed progressing to option
Jul 2021	Window frames manufacturer	n/k via NPL	Still awaiting decision
Jul 2021	Energy from waste project	5 acres, £50m investment	HOT agreed
Jul 2021	Engineering company	1 acre rental	Now in place

Aug 2021	Advanced materials – USA sustainable chemical manufacturer via DIT	10 acres, £50m investment	No feedback received to date
September 21	Entertainment events	15000sqft storage	Now in place
October 21	Engineering manufacture	60,000sqft workshop	December 21 commences
October 21	Crane hire company	0.5 acre and 16,000sqft storage, investment £200,000	Now in place
October 21	Transport , office space	2 offices and 1 acre, £100k	Now in place
October 21	Asphalt production	2.5 acres, £2m investment	Pre application planning discussions held with Wyre Council and LCC
November 21	Housing and retail	10acre £30m investment	Planning Application submitted by BXB Ltd for housing development of part of their ownership

f) Hydrogen Steering Group

NPL who are the lead on hydrogen activity, will look to re-establish the hydrogen Hub meetings now that 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.

g) Site Activity

i) Vinnolit

Majority landowner NPL Estates own the vacant property of the former Vinnolit site and the property is currently been marketed jointly by Avison Young and Robert Pinkus & Co LLP. There is strong market interest in occupying former Vinnolit buildings which are to be retained and upgraded.

<https://www.avisonyoung.co.uk/properties/-/property/detail-109705>

ii) New companies on site

A fast growing transport company has located at Hillhouse and also have taken office space too. A small engineering upcycle company has located on the Hillhouse site. An expanding company that delivers large events and concerts Europe wide have taken storage space on the Hillhouse site.

h) Job Creation

The EZ team will continue to liaise with NPL Estates on any new or safeguarded jobs on the site. 10 new jobs have been created since the last report.

i) EZ Board Meetings

A Board meeting took place on 19th November online with a group of stakeholders including Hillhouse tenants. The date and time of the next meeting is to be confirmed.

j) EZ fiscal benefits

There has been no further activity to lobby the government for the extension of fiscal incentives. Local MPs are supportive of the proposals but other EZ teams around the country have also received negative feedback from government officials where the focus is now on other initiatives such as Freeports. It looks highly unlikely that there will be any extension of the EZ rates relief beyond March 2022 as this was not referenced in the late October budget.

k) 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. Copies will be available upon request.

Key risks:

Risk and Issues	Mitigation & Actions
Change of key personnel at NPL and staff resources at Wyre BC stretched due to staff departures.	Maintain relationships with NPL and Wyre key contacts, provide ongoing support whilst the team restructures and recruits new personnel.
Lack of market demand due to Covid-19/Brexit uncertainty and the commercial viability of development with existing scheme such as Energy from waste/Biomass plant which are in development being cancelled or postponed long term.	Allocated government Getting Building funding to help kick start essential infrastructure to better market the site to potential occupiers and stimulate private investment
Continuing delays in applying for and securing planning and highway approvals and potential land contamination issues that need to be overcome.	Close liaison with NPL, Wyre (accountable body) and LCC, refresh of EZ Project board and securing additional delivery support resource
Requirement for flood mitigation measures and utility upgrades across the site and issues surrounding the ability construct western access road over Fleetwood-Poulton railway line. Delay in commissioning essential pre-planning surveys	Close liaison with NPL, Wyre (accountable body) and LCC and securing additional delivery support resource
Failure to secure purchase or rights over the Fleetwood rail line will impact upon ability to construct Northern Access road and add costs.	Close liaison with NPL, Wyre (accountable body) and LCC
Decision on future use of rail line will impact on cost and timing of western access road if bridge is required	Participation in Fleetwood and Poulton working group chaired by LCC

I) Milestones:

The table below lists key milestones discussed and approved at the Hillhouse EZ Project Board on 19th November.

Milestones	Dates
Risk Register updated regularly by Project Board	ongoing
Revised Delivery Plan	abeyance
Forsa Energy completion of build and commissioning	completed
NPL Grant agreement in place for Get Britain Building Fund	completed
Appointment of joint international marketing agent LAMEC brand	completed
Planning application submitted utilities and infrastructure upgrade including new gatehouse	completed
Planning permission granted for utilities infrastructure and new gatehouse	completed
Construction commences for utilities infrastructure and new gatehouse	15% complete
Demolition and clearance of Vinnolit plots complete	90% complete
Completion of electric and water main upgrades*	90% complete
A flood risk assessment to be scoped and commissioned for the entire site subject to identification of funding	abeyance
A transport assessment be scoped and commissioned for the entire site subject to identification of funding	abeyance
An Environmental and Ecology study to be scoped and commissioned for the entire site subject to identification of funding **	abeyance
Fiscal benefit extension decision from HM Treasury (not looking likely)	Mar 2022
Procure subsidy control advice once Implementation plan complete	Mar 2022
Subsequent roll out of fibre ducting on site	Q1 2022
60,000 sq ft speculative development of small multi-use units planning submitted*	Q3 2022

*Applications still to be submitted by NPL

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

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