

<b>Report to:</b>	<b>Blackpool, Fylde and Wyre Economic Prosperity Board</b>
<b>Report Author:</b>	<b>Rob Green, Head of Enterprise Zones, Blackpool Council</b>
<b>Date of Meeting:</b>	<b>3 March 2022</b>

### 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 findings of interested parties in developing 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 now in contact with LCC to better understand the Rail Reinstatement Project and its impact upon their ambitions, with the last meeting held prior to the Christmas break.

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 all the works.

The project tackles a requirement for 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. Planning consent has been secured for the relocation of the gatehouse and NPL have commenced construction.

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, and designs have been completed for all three elements – sub-station, water pipeline and gatehouse move. The design for fibre broadband is also

complete. The water pipeline works are ahead of schedule, expected to be completed by April 2022. Work on the new gatehouse has commenced, with an expected April 2022 completion date.

### **c) Residential Development**

BXB have purchased the former Sainsbury retail site and a planning application has been lodged for the main site 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. A decision is anticipated Q1/Q2 2022 and BXB are commencing plans for an additional acre 'island' site with a view to submission Q2 2022.

Substantial progress has been made by Dickie & Moore with their residential development plans for the former Thornton AFC site. The first show home will be completed in Feb 22. The works to complete Bourne Road, the main access route to Hillhouse, to become an adopted Highway will commence in Q2 22. 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. In addition Dickie and Moore, NPL, Hillhouse remediation and Breck Developments have an agreement to sweep and maintain Bourne road.

### **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. The Department of Transport have confirmed receipt of the Feasibility Study. This is the major constraint to progressing key infrastructure to open up the Northern part of the EZ with one prospective developer directly engaged with LCC to try and progress a decision. Cost of a bridge across the line will be circa £3.5m.

Initially NPL considered only an at grade crossing would be acceptable because of potentially high loadings associated with transport of equipment for the proposed gas fired power station development which has now been abandoned. Assuming a bridge option would now be acceptable funding still needs to be identified and there would likely be a three year plus lead time to development.

### **e) Marketing & enquiries**

Sarah Kemp CEO of Lancashire LEP is due to visit Hillhouse on 22<sup>nd</sup> March as part of a familiarisation process to aid and benefit a new collaborative marketing strategy for the four EZs.

The Hillhouse logo now been refreshed as part of the Lancashire Enterprise Zones branding and now all marketing literature requires updating to reflect the changes. Site signboards will be refreshed during 2022.

Workshops are ongoing to inform updates to the four websites to reflect each of the current EZs sites and their commercial development land and property availability. Content, searchability and usability

will all be addressed to ensure the websites are attractive, visually effective, informative and easy to use.

Regular newsletter updates continue to be issued and the next quarterly edition is due March 2022.

Hillhouse EZ will also be represented under the Blackpool Makes it Work campaign banner at UK REiIF (Real Estate Investment and Infrastructure Forum) in Leeds, May 2022, where there will be an opportunity to promote investment opportunities across the two active Fylde Coast EZs.

Current enquiries include:

Date of enquiry	Target sector	Size and type of enquiry	Progress update
Feb 2022	Low carbon power generation via DTI	£100m investment	Offer in preparation
Jan 2022	PPT recycling plant via DTI	20acre £30m investment	Awaiting feedback
Jan 2022	Battery Storage	£1m	HOT agreed
Jan 2022	Manufacturing	£500k, 1 acre	HOT agreed
Jan 2020	Business park	60,000sqft	HOT in discussion
Feb 2021	Waste to energy project	10,000 sq ft	HOT agreed progressing to purchase
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	HOT agreed
Jul 2021	Energy from waste project	5 acres, £50m investment	HOT agreed
Oct 21	Engineering manufacturer	60,000 sq ft workshop	To commence spring 22 subject to planning and funding
Oct 21	Asphalt production	2.5 acres, £2m investment	Pre application planning discussions held with Wyre Council and progressing to option
Nov 21	Housing and retail	10acre £30m investment	Planning Application submitted by BXB Ltd for housing development
Jan 2020	Business park	60,000 sq ft spec development	HOT in discussion

#### f) Hydrogen Steering Group

NPL who are the lead on hydrogen activity, will hold the first meeting of the year on 22<sup>nd</sup> March 2022 at Wyre Borough Council's civic offices. 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 have acquired 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 with an events company having already occupied one warehouse.

**ii) New companies on site**

A fast growing transport company has located at Hillhouse and also have taken additional office space.

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.

**h) Job Creation**

The EZ team will continue to liaise with NPL Estates on any new or safeguarded jobs on the site.

NPL and Addisons, supported by Wyre Council, are exploring the opportunity to set up a training centre/centre of excellence for workplace development at the Hillhouse site to cover all aspects of training; providing school experience placements/leavers opportunities and workplace development to include all aspects of the workforce from apprenticeships through to management training. The plan is to improve the availability of suitable candidates for job vacancies for all businesses in the area and the Hillhouse site. An Initial meeting with Lancashire Local Skills Improvement and Lancashire Skills Hub has been arranged to progress.

**i) EZ Board Meetings**

A Board meeting took place on 4<sup>th</sup> February online with a group of stakeholders including Hillhouse tenants. The next meeting is planned for 25<sup>th</sup> March via MS Teams.

**j) EZ fiscal benefits**

Local MPs have pledged their full support but the LEP Network continues to be focused on the evolving role of the LEPs. Paul Maynard MP for Blackpool North and Cleveleys recently received a letter from DLUHC confirming that whilst the Government is glad to hear that the EZ program has been well received in Blackpool, the Government has no plans to create new, or extend existing EZs.

**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
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Change of key personnel at NPL and staff resources at Wyre BC stretched due to staff departures.	Clarify role and ongoing support from Blackpool EZ Delivery team with new SLA to be put in place and strengthening Wyre support team, new staff members recruited at Wyre BC to strengthen the team
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. Regular responses submitted to DiT large scale enquiries.
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), LCC and Network Rail
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:

Milestones	Dates
Forsa Energy completion of build and commissioning	Completed
Getting Building Fund grant fund agreement - LEP/NPL agreed	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
Demolition and clearance of Vinnolit plots complete	Completed
Procure subsidy control advice once Implementation plan complete	TBC
Completion of revised Delivery Plan and masterplan refresh	Ongoing
Risk Register updated regularly by Project Board	Ongoing
Planning application submitted for 60,000 sq ft development	Mar 22
Construction commences for utilities infrastructure and new gatehouse	Underway
Subsequent roll out of fibre ducting on site	Q2 2022
A flood risk assessment to be scoped and commissioned for the entire site subject to identification of funding	Q2 2022

A transport assessment be scoped and commissioned for the entire site subject to identification of funding- subject to progress on study of options for Fleetwood Poulton rail route	Q2 2022
An Environmental and Ecology study to be scoped and commissioned for the entire site subject to identification of funding *	Q2 2022
Completion of electric and water main upgrades	Oct 2022

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

**Report Author**

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