

Report to: Blackpool, Fylde and Wyre Economic Prosperity Board

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Date of Meeting: 4th FEBRUARY 2019

1. Blackpool Airport Enterprise Zone: Progress Report

a) Masterplan

Formal feedback is still awaited from MHCLG on the submitted Masterplan, Implementation/ Delivery Plan and Marketing Strategies for the Enterprise Zone – in the absence of any comment work continues to progress the implementation of the plan following the phase one funding allocation made by Blackpool Council. A familiarisation site visit by MHCLG officials is still anticipated during the first quarter of 2019.

The masterplan is available to download from the LAMEC EZ website, together with a summary version of the written document to assist potential developers.

b) Development and investment partnerships

Thirteen responses were received to the initial PIN notice inviting interest from potential developers and investors, these are being evaluated and several respondents will be invited for further discussion prior to progressing a formal procurement exercise later in the year.

c) Current activity

Work is progressing to deliver phase one, of the Enterprise Zone, (shown in the 3 coloured areas on plan A below). Messrs Cassidy and Ashton have been commissioned to prepare an outline planning application for the main phase one site (shaded green on plan A). An informal consultation on the proposals held on the 6th December was attended by more than 70 local residents and businesses with generally a positive reaction. The work has been delayed slightly whilst awaiting confirmation of traffic survey data and the application is now expected to be submitted to Blackpool and Fylde councils in February and thereafter, as this is in part Greenbelt land, to the Secretary of State with a decision expected in June.

Consultants LK2 are also continuing their work in developing the design scope and business plan for the new Common Edge Sports Village. This is due for completion by mid-February.

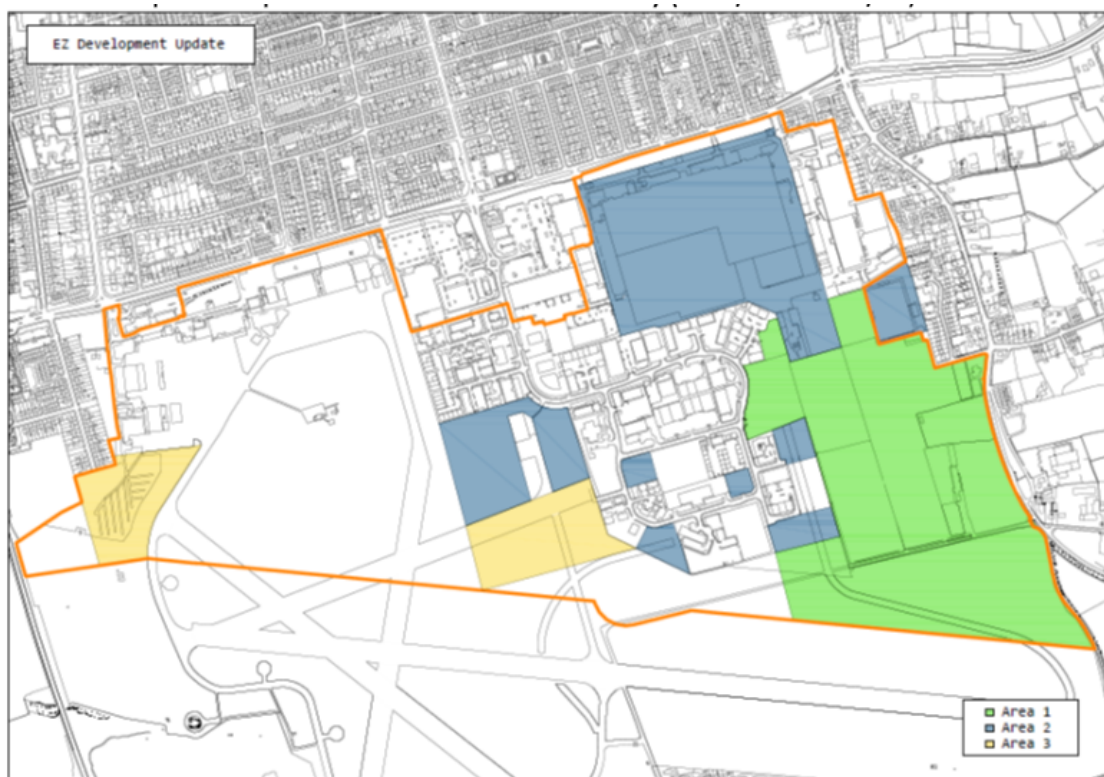
In parallel, detailed design work is to be commissioned for both the Eastern Gateway access from Queensway/Common Edge and sports village including the provision of two 3G all weather sports pitches, grass football pitches and a HUB building to house changing facilities, social club accommodation for the various sports clubs and refreshment and local service retail. The potential

inclusion of an indoor tennis facility and gym are being evaluated. The objective is to submit full planning applications for the road and Sports Village shortly after the outline consent is approved.

Work is also progressing at a pace to agree a bespoke 40,000 sq ft manufacturing facility within the phase one area, with a planning application targeted for April /May.

Planned activity over the next quarter also includes continuation of negotiations to either acquire or encourage the sites shaded blue on plan A to be brought forward for development , and the progression of initial design proposals for airport related infrastructure within the yellow shaded sections .Activity will also encompass the production of EZ wide drainage and utility strategies.

Plan A – PHASE ONE DEVELOPMENT ACTIVITY



d) Marketing

Work is ongoing to develop the content of the Blackpool Airport EZ pages of the LAMEC web site, with a news feed, downloadable facts sheets, rates relief and ECA information sheets, masterplan summary brochure and fly through imagery having been added prior to Christmas. Subject to approval from Lancashire County Council, additional features including social media feeds and links and an interactive property search facility will be added by Marketing Lancashire.

EZ site signage is in place with further signs planned for the airport frontage. An EZ newsletter is in preparation for distribution to all existing occupiers and a successful EZ security forum has been established which has served to bring together a number of existing businesses in a new collaborative network.

Following the successful showcasing of the Enterprise Zone at MiPiM UK in October 2018, Marketing Lancashire will be attending MiPiM Cannes in March as part of the Manchester delegation. Consideration is being given to supporting Marketing Lancashire to host a small breakfast event highlighting the Lancashire Enterprise Zones, although cost and logistical issues mean that it will not be possible to have a representative attend to support Marketing Lancashire.

There is a steady stream of enquiries for the EZ, driven both by the web site and site signage, although the volume has declined in recent months in part due to widespread market uncertainty but also reflecting the relative paucity of available accommodation and serviced development land presently available.

e) State Aid

Whilst the majority of the new developable area at the Enterprise Zone is either in public ownership or is the subject of ongoing negotiations to acquire, the issue of potential State Aid resulting from the investment of public funds still has to be addressed, this being particularly so in the case of Blackpool Airport where special rules are applicable. Initial investigation suggests that a number of specific mitigation strategies and approaches will need to be adopted to minimise any risks in respect of State Aid compliance, but that these will be relatively simple to instigate. The situation at Hillhouse EZ is more problematic given that the primary beneficiary of any public sector funding would be a single private sector company. It is proposed to take specialist legal advice, with the potential to secure a substantial discount by jointly commissioning advice for both sites.

f) Blackpool Airport

Work has been commissioned for the provision of new Instrument Landing System and other key navigational aids to maintain the airport's operational capability – particularly to support the core off-shore helicopter operations where the prime contractor, Spirit Energy, has indicated their willingness to renew its contracts for a further five years, subject to final agreement of commercial terms and the renewal of the outdated navigational aids.

SGAOL the council-owned operating company are in the process of drawing up short, medium and long term business plans for the airport based upon the York Aviation recommendations. These business plans will help shape the requirement and timing for the provision of new aviation infrastructure to enable the relocation of existing business and release of valuable frontage land for EZ development. Initial EZ supported investment by the airport is most likely to focus on the provision of new apron space to enable development of new hangar capacity.

A number of potential interests from aviation related businesses are being followed up with training looking the most likely short term growth area.

g) Enquiries and Development

Two developments – the 20,000 ARC facility and the Gas Fired Power generation facility are nearing completion of construction and will be operational from April 2019. One planning application for 12 small units on a privately owned one acre plot has been received, and subject to it securing planning

consent development is anticipated to commence in mid-2019 .There are few remaining serviced plots until the new infrastructure opens up new development plots

To date:

- A total of 230 enquiries have been received since commencement of the EZ.
- Some 54 businesses have located to the Enterprise Zone since April 2016 with two additional businesses scheduled to take occupation of premises within the next two months.
- A total of 711 jobs have located to the Enterprise Zone of which some 165 are considered to be completely new jobs.

h) Project Team

The third meeting of the reconstituted Blackpool Airport EZ Project Team will take place on the 18th January at Lancashire Energy HQ

Report Author

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