



## Portfolio Holder Report

The portfolio holder will make a decision on this item after seven days have elapsed (including the date of publication).

Report of:	Portfolio Holder	Date of publication
Marianne Hesketh, Service Director Performance and Innovation	Cllr Alan Vincent, Resources Portfolio Holder	14 March 2019

### Support for the Procurement of an Economic Impact Toolkit

#### 1. Purpose of report

- 1.1 To approve the use of retained business rates growth from the Hillhouse Technology Enterprise Zone (EZ) be used to contribute towards the purchase of an Economic Impact Toolkit, joint funded by Fylde and Blackpool Councils.

#### 2. Outcomes

- 2.1 We will attract investment to Wyre and support businesses to survive, grow and prosper.

#### 3. Recommendation

- 3.1 That retained business rates growth from the Hillhouse Technology Enterprise Zone be used to contribute towards the purchase of an Economic Impact Toolkit.

#### 4. Background

- 4.1 Blackpool, Fylde and Wyre Councils are developing priority land and property schemes for economic benefit across the entire Fylde Coast. With Hillhouse Technology Enterprise Zone and Blackpool Airport Enterprise Zone, the scheme proposals are growing steadily.
- 4.2 There is a need to quantify the economic impacts of certain proposals at an early stage to obtain necessary support to add weight and value to these proposals. In particular the Hillhouse Technology Park will require economic impact assessments on each development brought forward via the recently adopted Hillhouse Masterplan (November 2018), which

supports the delivery of the Wyre Local Plan. Funding applications to aid the delivery of the EZ and gap fund development will also require a high level of economic data to assist in proving demand, which is not always readily available or up-to-date. To determine the impact of these projects and proposals, specialist expertise is required which is normally only available from procured external consultants.

- 4.3** At the Economic Prosperity Board (EPB) on 4 December 2018 it was proposed that the three councils jointly pursue through a tender exercise the purchase of an Economic Impact Toolkit (EIT). This was on the basis that Blackpool Council would fund 50% of the cost while Fylde and Wyre Councils would part fund to the value of 25% each (minimum £11,250/maximum £12,500) at a total cost of approximately £45-50k.
- 4.4** We have asked applicants to include a cost for updating the data once in the three year contract. That cost will be incorporated in the “overall cost” to be split 50%/25%/25%. All three Councils will be involved in the procurement exercise. However, Blackpool Council will be the contracting authority and therefore Blackpool Council’s standard terms and conditions will apply. Blackpool Council will be the only signatory to the contract. A service level agreement will be drawn up once the tender process has ended to confirm that the EIT is owned by all three parties.
- 4.5** The toolkit would allow the user (in each Council separately) to enter a series of data and the model will estimate the resulting indirect and induced economic impacts. It would allow the user to adjust employment, output and productivity by sector in each local authority area and by year and should include an option for the user to select the land use, enter the size of the development, when it will become operational and if required, be the sectoral focus of the development (i.e. an office block can accommodate a range of activity). The user would also be able to add assumptions on displacement and occupancy rates of the development being modelled. The toolkit would then estimate the associated direct impact and the associated indirect output impacts by sector, geography and year and hence the model can estimate the sectoral GVA impacts, before estimating the sectoral employment impacts.

- 4.6** The table below sets out the procurement timetable:

PROCESS	DATE
Issue Invitation to Quote	6 February 2019
Deadline for clarifications	15 February 2019
Deadline for receipt of quotations	1 March 2019
Evaluation of quotations	By 15 March 2019
Award of contract	By 15 March 2019
Contract Start Date	22 March 2019

An officer from each council will take part in the procurement process including interviews and the final appointment of the contract.

## 5. Key issues and proposals

- 5.1** It is proposed that retained business rates growth from the Hillhouse Technology Enterprise Zone be used to contribute towards the purchase of an Economic Impact Toolkit.
- 5.2** Whilst the EIT has applications across the borough, the primary and most urgent need is in relation to the EZ and the development of the Implementation Plan. The Implementation Plan is a crucial stage of the EZs development and is a rolling document requiring a full refresh every five years.
- 5.3** The collaboration with Fylde and Blackpool Council's to achieve the best value for money have been taken into consideration. Owing to the clear benefits the EIT will have for the EZ in particular and the timing of the procurement it is thought that it justifies the use of the retained business rates growth.

## 6. Delegated functions

- 6.1** The matters referred to in this report are considered under the following executive function delegated to the Resources Portfolio Holder (as set out in Part 3 of the council's constitution): "To consider arrangements for a strategic approach for the Council's procurement for goods and services."

<b>Financial and legal implications</b>	
Finance	The contribution from Wyre (up to £12,500) towards the purchase of the EIT will be funded from retained business rates growth from the EZ. This will include one update to the data over the three year contract and there are no annual costs associated with the toolkit.
Legal	The procurement exercise will comply with the Council's Financial Procedure Rules Appendix F Contract Procedures. A contract will be entered into with the successful supplier.

### **Other risks/implications: checklist**

If there are significant implications arising from this report on any issues marked with a ✓ below, the report author will have consulted with the appropriate specialist officers on those implications and addressed them in the body of the report. There are no significant implications arising directly from this report, for those issues marked with a x.

<b>risks/implications</b>	<b>✓ / x</b>
community safety	<b>x</b>
equality and diversity	<b>x</b>
sustainability	<b>x</b>
health and safety	<b>x</b>

<b>risks/implications</b>	<b>✓ / x</b>
asset management	<b>x</b>
climate change	<b>x</b>
ICT	<b>x</b>
data protection	<b>x</b>

## **Processing Personal Data**

In addition to considering data protection along with the other risks/ implications, the report author will need to decide if a 'privacy impact assessment (PIA)' is also required. If the decision(s) recommended in this report will result in the collection and processing of personal data for the first time (i.e. purchase of a new system, a new working arrangement with a third party) a PIA will need to have been completed and signed off by Data Protection Officer before the decision is taken in compliance with the Data Protection Act 2018.

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<b>List of background papers:</b>		
name of document	date	where available for inspection
None		

## **List of appendices**

None

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