

Lancashire Enterprise Partnership Performance Committee Summary Update - 22nd March 2016 Meeting

Lancashire Enterprise Zone Programme

Achievements in the last two months

Lancashire Advanced Engineering & Manufacturing EZ - Samlesbury Site

- Completion of new access from the A59 to the Samlesbury site (note completed in August 2015).
- Commencement of two new facilities on the Samlesbury site with both due for completion in Autumn 2016:
 - 135,000 ft² Wincanton Logistics facility
 - 60,000 ft² BAE Systems' Training Academy
- Prior Notification of Development for the main spine road connecting the A59 and A677 approved by Ribble Valley and South Ribble Borough Councils in January 2016.
- Bat Mitigation Plan and Delivery Strategy due for completion March 2016.
- Off-site Mitigation Strategy being implemented.
- Detailed Drainage Strategy due for completion April 2016.
- Commercial Development Framework completed in January 2016.
- Work is on-going between specialist consultants and the County Council to develop detailed design and infrastructure requirements for site to enable commercial development.
- Advanced discussions with a number (five) of potential end-occupiers with a number of Non-Disclosure Agreements in place.
- Advanced discussions taking place with the Advanced Manufacturing Research Centre (AMRC) in Sheffield to establish AMRC NW at Samlesbury. Further to presentation to LEP Board in February, business case development is underway and options to identify potential funding sources are being considered.
- Works compound set up and initial preparatory works have commenced for the construction of the main spine road through the site.
- LCC have retained Colliers as commercial agents for the site. In the proactive marketing of the Samlesbury site Colliers will work alongside the LEP and Marketing Lancashire to ensure that the LEPs family of EZ sites, and their specialisms, is understood by the market.
- BAE and the County Council are working to an agreed infrastructure delivery programme for the spine road to ensure that the new training and logistics facilities can be accessed from the A677 by the time the facilities open in the Autumn. The spine road will be fully open (from A59 through to A677) late spring 2017.

Lancashire Advanced Engineering & Manufacturing Enterprise Zone - Warton Site

- Two new occupiers located to the site in 2015; Accenture and Trescal creating circa 30 new jobs.

- Fylde Borough Council approved a new Local Development Order for the site, covering a 10 year period as the original 3 year Local Development Order had expired.
- On-going discussions with BAE Systems to determine delivery strategy for the site and end-occupiers.

Blackpool Airport Enterprise Zone

- Business Rates Relief and Enhanced Capital Allowances Maps submitted to Government.

Hillhouse International Enterprise Zone

- Business Rates Relief and Enhanced Capital Allowances Maps submitted to Government.

Current challenges

- Delivery capacity.
- Securing end occupiers to stimulate infrastructure provision/development across the EZ sites.
- Develop and deliver a coherent approach to marketing Lancashire's EZ sites to ensure a non-competitive approach to securing inward investment opportunities/end-occupiers.

Future issues requiring a planned approach to their management

- Modelling of Business Rates Growth income across the Enterprise Zone programme.
- Establishment of individual Project Boards to ensure delivery of each EZ site.
- Consistent approach to marketing of collective EZ programme and individual sites.
- Securing end-occupiers.

Financial and non-financial KPIs including programme spend to date, other funding or resources leveraged, jobs created, commercial floorspace created and housing unit completions

Lancashire Advanced Engineering & Manufacturing EZ - Samlesbury Site

- £1m spent on delivering new access from the A59 to the Samlesbury site.
- £260k spent on professional and consultancy fees.
- £1.5m contribution by LCC towards site segregation costs.
- £1.5m contribution by BAE Systems towards site segregation costs.
- 195,000 ft² of commercial floorspace currently being built.
- Steel for logistics facility supplied by Rossendale-based Killelea Construction Ltd.
- Financial and non-financial KPIs including programme spend to date, other funding or resources leveraged, jobs created, commercial floorspace created

and housing unit completions Monitoring information on KPIs is provided quarterly to government via logasnet. The 2015/16 Q4 return included:

- £6M of private sector investment (in the logistics and training facilities); £250,000k of public sector investment (bringing public sector investment on infrastructure) to date to £2M); 65 construction jobs. In addition, 2.2 hectares of land have been reclaimed for development which will create over 2200 sq metres of commercial floorspace.

Lancashire Advanced Engineering & Manufacturing EZ - Warton Site

- Two new occupiers located to the site in 2015; Accenture and Trescal creating circa 30 new jobs.
- Completion of site masterplan by BAE Systems at a cost of circa £300k.

Blackpool Airport Enterprise Zone

- N/A at this stage.

Hillhouse International Enterprise Zone

- N/A at this stage.

Newly identified potential risks to incorporate into the Risk Register

- New Memorandum of Understanding developed by Government which suggests Business Rates Growth income generated by an EZ site is reinvested in that EZ site first to enable its delivery.
- Requires agreement between collecting authority and LEP.
- Future Business Rates Growth above what is required for the site can be retained by the LEP for investment in the LEP's wider priorities.
- To be signed by 31st March 2016.

Other general observations