



Blackpool Town Deal Board Meeting

No 13 – Agenda Item 6.1

Report to: Blackpool Town Deal Board

Subject: Blackpool Airport Enterprise Zone Business Case Review and Recommendation

Relevant Officer: Nick Gerrard, Growth and Prosperity Programme Director

Date of Meeting: 8th October 2021

1) Blackpool Airport Enterprise Zone Project Background

1.1 Project Description

This project aims to support business and jobs growth within the Blackpool Airport Enterprise Zone through the creation of new highways and associated infrastructure that will aid in the mitigation of a number of existing barriers to development.

The project will deliver two key elements:

- Create a new entry and exit point for traffic into the Blackpool Airport EZ to the east of the designated area, negating the business park's current status as a cul-de-sac and reducing travel times and standing traffic, particularly at peak vehicle flow times.
- Further, its route through the east of the Enterprise Zone will also open up 10.5 hectares of previously inaccessible development land for the creation of serviced plots, therefore managing the current issue with a lack of new development space within the Enterprise Zone to accommodate businesses looking to locate and grow there.

In addition, other associated works will also be completed within the scope of the project. These will include junction and highways improvements on the existing highways network and the relocation and improvement of some existing sports facilities.

There will also be infrastructure improvements with regards utilities and drainage, as well as the installation of broadband infrastructure that will allow businesses locating within the newly-accessible areas of the Enterprise Zone to take advantage of local ultra-fast broadband networks as well as being able to benefit from the trans-Atlantic broadband link afforded via the arrival of the Aquacomms cable on the Enterprise Zone site.

The new access point will also add in footways and cycle ways, enabling active transport to be used from the east of the Enterprise Zone, and the removal of the Blackpool Business



Park’s status as a cul-de-sac will also open up potential future discussions around public transport provision to the site.

1.2 Rationale and Need for Scheme

The rationale for the project is based on market failures and equity. While there is an active property market in Blackpool, the private sector would be unable or unwilling to undertake development activity of the scale and type proposed in relation to the EZ with no immediate commercial return. These market failures relate in particular to externalities – the private-sector assessment of the value of the project would not include the positive benefits of new business accommodation and economic growth – and there are information deficiencies in relation to future property performance, and hence a cautious view of risk.

As a result, development would not be viable without the additional cost of advanced infrastructure being met from other sources (public sector).

There is also clear justification of the project on grounds of equity, with significant potential benefits in terms of employment opportunities for local people in a range of business sectors and occupational groups, from managers to process workers.

1.3 Project Deliverables

1.3.1 Outputs

Direct Outputs	Direct Output Number
Land made ready for development	10.3 Hectares
Infrastructure (new and improved road)	1.8 Kilometres
Public realm/recreational space	10.5 Hectares
Construction Jobs (person/ year)	120

Indirect Outputs	Indirect Output Number
Additional industrial floor space created	28,000 Square Metres
Business investments	12
Superfast broadband access	12 Firms
Private sector investment	£42 Million
Residential Units	42 Units
Permanent Jobs created	600 Gross

1.3.2 Wider benefits

- To enable the provision of associated infrastructure including power, drainage, and telecoms/IT, also by March 2025.
- To contribute to the wider sustainable growth and development of Blackpool Airport and of South Blackpool and the overall aims of the Town Deal for Blackpool district within the context of the Fylde Coast.

1.4 Funding Profile

Fund Source	2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	Total
Towns Fund	£737,000	£2,308,000	£2,005,000	£1,814,000	£636,000	£7,500,000
Blackpool Council	£1,036,000	£3,230,000	£2,806,000	£2,538,000	£890,000	£10,500,000
Total	£1,773,000	£5,538,000	£4,811,000	£4,352,000	£1,526,000	£18,000,000

2) Annexes

There are three documents annexed to this report:

1. Annex Paper 6.1A - Is the independent Appraisers (STEER) summary of the project business case provided to the TDIP panel on 22nd September. This provides:
 - o A summary review of the 5 business case elements within the project Business Case highlighting strong performing areas and also any areas that would benefit from further attention or discussion
 - o A series of overarching recommendations provided to the TDIP Panel for initial review and consideration and the TDIP Panel's recommendations to the Town Deal Board
2. Annex Paper 6.1B – The Full STEER Appraisal scheme report
3. Annex Paper 6.2 – The Full Project Business Case (without appendices)

3) Recommendation

An update on the three recommendations from the independent appraiser and TDIP In paper 6.1A will be given at the meeting and subject to that oral report:

That the Board confirm that they are satisfied that the business case process was thorough and robust and approve the Blackpool Airport Enterprise Zone Business Case for sign off by Blackpool Council and Chair of the Town Deal Board, for onward submission to DLUHC.