

Minutes EZ Board of 25 January 2018

1. Attendees and Apologies

EZ Board Members Present:

Robert Mee, Chair of the EZ Board
Paul Bates, Cheshire East Council
David Slater, Urenco

In Attendance:

John Adlen, Cheshire & Warrington LEP
Chris Capes, Cheshire West & Chester Council
Sean Davies, Manchester Science Partnerships
Chris Farrow, Ellesmere Port Development Board
Deborah Foxley-Smith, Skills & Growth Company
Jane Gaston, Peel Environmental
Martin O'Rourke, Patrizia
Heather Standidge, Cushman & Wakefield
Paul Vernon, University of Chester
Jane Wilson, Cheshire & Warrington LEP

Apologies:

Cllr Russ Bowden, Warrington Council
Philip Cox, Cheshire & Warrington LEP
Cllr Brian Clarke, Cheshire West & Chester Council
Chris Doherty, Manchester Science Partnerships
Stephen Fitzsimons, Warrington & Co
Katrina Michel, Marketing Cheshire
Steve Richmond, Astra Zeneca
Gary Steen, Cheshire and Warrington LEP Board Member
John Willis, Skills & Growth Company

2. Previous EZ Board Minutes

All matters arising from the previous EZ Board held on November have been actioned or will be covered in this board. The minutes were agreed as accurate and signed off by the Board.

3. Declarations of Interest

Cheshire East Council declared an interest in Alderley Park.

4. Governance

John Adlen reported that he has requested a new representative from Cheshire East Council to replace Andrew Round.

5. Operational Overview

a) Growth Director's update

John Adlen reported on development activity during the last period which included:

- **New Bridge Road Substation** – currently negotiating the legal agreement and a meeting has been held between the LEP, Peel Land & Property and legal advisers for both parties to discuss Heads of Terms.
- **Hooton Park** – negotiations ongoing with Redsun Developments for a 'Put Option' agreement for the development of new speculative development of new industrial floorspace.
- **Alderley Park** – meeting held before Christmas with MSP to feedback on the three business cases for the development of new lab and office space.
- **Thornton Science Park** – meeting held with Paul Vernon and Martin Morlidge regarding the development of an investment business case.
- **Value Propositions** - development of value propositions for Cheshire and Warrington and the Science Corridor (see item 6d)
- **DIT Senior Account Manager** - shortlisting and interviews for the DIT funded Key Account Management post (see item 6e)
- **Evergreen II** - provided CBRE with potential EZ investments for ex-ante appraisal of an Evergreen II fund for Cheshire and Warrington.
- **Medicines Discovery Catapult** – meeting held with Chris Molloy to explore how the LEP/Science Corridor can work with the Medicines Discovery Catapult.
- **Inward investment enquires** - the investment market is picking up with DIT and enquiries are on the increase.

b) EZ site updates

Alderley Park

Sean Davies reported that he had joined the company in October and would be taking over from Andy Allen/Chris Doherty as the EZ representative. Cancer Research UK are in the process of moving across from the Christie. MSP have launched three new in-house scientific services to service Alderley Park tenants. The Greater Manchester and Cheshire Life Sciences Fund is still actively investing in Cheshire and Warrington businesses, with c.28 investments at Alderley Park to date.

Birchwood Park

Martin O'Rourke reported that it has been relatively quiet over the Christmas period. Cavendish Nuclear have submitted their fit-out plans and expect take occupation in August. Patrizia are currently working up a business case for EZ investment for the development of five speculative industrial units at Birchwood and are in early stage discussions with a potential occupier on a 100-200 sq ft new office building. MDA/Sellafield will be issuing four new contracts this year, which could generate more requirements at Birchwood.

Hooton Park

Chris Capes reported that Redsun are working with HCA and CWAC on highways and power supplies into Hooton Park. John Adlen explained that the LEP has engaged Cushman & Wakefield to undertake an options appraisal on Hooton Park, with regard to a potential 'put option' on a 120,000 sq ft industrial unit.

New Bridge Road sites

Chris Farrow reported that the Ellesmere Port Development Board had made representations to Cheshire West & Chester Council in relation to both Protos and Thornton Science Park. The occupier market appears to be strong in Ellesmere Port, with Helix Park phase 1 close to full occupation 6-months post completion and a strong pipeline of enquires coming through. Chris Capes reported that Cheshire West & Chester Council are in discussions with a number of developers/occupiers about opportunities at Newport Business Park and Dutton Green.

Protos

Jane Gaston reported that they had made representations to Cheshire West & Chester Council regarding the allocation of expansion land at Protos in the new Local Plan. She also reported that they are currently engaged with three potential occupiers for Phase 1 (in the EZ). Grid reinforcement works are progressing with Scottish Power. There have been a number of large (c.75 acres) enquires via DIT, including Project Gamma, a confidential technology occupier and ICT, an Italian paper manufacturer.

Thornton Science Park

Paul Vernon reported that the University of Chester has submitted a planning application to Cheshire West & Chester Council for change of use to cover the educational uses on site. Paul also reported that they currently have live three major investment opportunities, including a large German manufacturing company (80,000 sq ft, 100 jobs) seeking to establish a composites facility and a German IT company (c. 400 jobs).

c) Business Rate Discount applications

The EZ Board ratified the following Business Rate Discount applications:

- Concept Life Sciences (Alderley Park)
- Thyson Technologies (Helix Business Park)
- Litmos Heroes (Birchwood Park)

6. Marketing and Communication

a) Marketing and Promotion Update

John Adlen reported that the following marketing and promotional activity has been undertaken during the last period:

- Meeting held with Australian Trade Commissioner in London to explore opportunities for trade and investment in Cheshire and Warrington, including the potential development of a joint UK/Australian Innovation hub in either energy or agri-tech.
- Attended the opening of MHI Vestas new offices at Birchwood Park
- Presentation at the third MIPIM breakfast meeting hosted by Knights 1789 in their Chester Office
- Have commissioned Regeneris and Marketing Cheshire to develop 15 case studies for the Science Corridor. These will be in written format and video.
- Attendance at DIT site visit for potential overseas inward investor to Protos.

b) Upcoming Events

The Science Corridor has sponsored a Place NW event called: Science & Technology: developing the region's world-class offer at the Manchester Museum of Science & Industry on 22 February.

c) MIPIM 2018

John Adlen provided a verbal update on the preparations for this year's MIPIM in Katrina's absence. The LEP has taken a larger stand this year in a more prominent location in the Palais and was aiming to double the size of the public/private partnership this year. A programme of events was currently being planned which included on-stand and off-site events with corporate partners. An 'Energy Cheshire' event was being planned in conjunction with Peel Environmental and Addleshaw Goddard. The last of the partnership events took place at Knights in Chester on January 23rd and went very well. Two events have taken place at Knights offices, the first at Wilmslow and the second in Chester, which had appx. 60 people at each.

7. Finance

The Growth Director provided a verbal update to the Board on the retained business rate income. Forecast and actual retained business rate income from the EZ has been fluctuating significantly since the outset of the EZ in April 2016. The estimation and calculation of retained business rate income from the EZ is complex, with a number of factors impacting on the level of retained business rates. The LEP has engaged Cushman & Wakefield to undertake a detailed analysis of retained business rate income. However, initial analysis suggests that the following factors may be impacting on retained business rate income:

- The creation of new multiple hereditaments split out from Astra Zeneca's single hereditament;
- The 2017 Rating List, which has seen a drop in rateable values against the 2010 Rating List, against which the EZ baseline was set; and
- The deployment of rate mitigation by landlords in the EZ

8. Any Other Business

There being no other business the Chair thanked everyone for their attendance and closed the meeting.