



Cheshire Science Corridor Enterprise Zone Board

Date: Thursday 26 March 2020

Time: 13:00-15:00

Location: Conference Call

Agenda

- (1) Attendees and apologies
- (2) Previous minutes from the EZ Board of 23 January 2020
- (3) Declarations of interest
- (4) Governance
- (5) EZ investment programme update
- (6) EZ investment cases
 - (a) Advanced Sustainable Developments (Protos)
- (7) Operational update
 - (a) Quarterly Monitoring
 - (b) Growth Director's update
 - (c) Business Rate Discount applications
- (8) Marketing and communications
 - (a) Update on LEP branding and marketing
- (9) Finance
 - (a) Borrowing facility update
- (10) AOB

Item 1 – Attendees and Apologies

EZ Board Members:

Robert Mee, Chair of EZ Board and LEP Board Member
Peter Broxton, LEP Board Member and Vice Chair of the EZ Board
Cllr Richard Beacham, Cheshire West & Chester Council
Tony Bochenski, Independent Member
Cllr Russ Bowden, Warrington Borough Council
Chris Farrow, Independent Member
Annette McDonald, Independent Member
Cllr Amanda Stott, Cheshire East Council

In Attendance:

John Adlen, Cheshire & Warrington LEP
Philip Cox, Cheshire & Warrington LEP
Stephen Fitzsimons, Warrington & Co.
Philip Kerr, Cheshire East Council
Stephanie Ramsden, Cheshire West & Chester Council
Joel Tagg, Cities & Growth Unit
Martin Wood, Cities & Growth Unit

Apologies:

None

Item 2 – Previous Minutes

Meeting Title	Cheshire Science Corridor Enterprise Zone Board	
Date	23 January 2020	
Time	13:00-15:00	
Location	Alderley Park	
Agenda Item		Action/Decision
1.	<p>Attendees and apologies</p> <p>EZ Board Members: Peter Broxton, LEP Board Member and Vice Chair of the EZ Board Tony Bochenski, Independent Member Chris Farrow, Independent Member Annette McDonald, Independent Member</p> <p>In Attendance: John Adlen, Cheshire & Warrington LEP Philip Kerr, Cheshire East Council Stephen Fitzsimons, Warrington & Co. Steph Ramsden, Cheshire West & Chester Council</p> <p>Apologies: Robert Mee, Chair of EZ Board and LEP Board Member Cllr Russ Bowden, Warrington Borough Council Cllr Richard Beacham, Cheshire West & Chester Council Cllr Amanda Stott, Cheshire East Council</p>	
2.	<p>Previous EZ Board minutes</p> <p>All matters arising from the previous EZ Board held on 12 September 2019 have either been actioned or will be covered in this board.</p>	Minutes agreed and signed off
3.	<p>Declarations of interest</p> <p>a) Stephen Fitzsimons declared an interest on behalf of Warrington Borough Council in Birchwood Park</p> <p>b) Steph Ramsden declared an interest on behalf of Cheshire West & Chester Council in sites in Ellesmere Port</p> <p>c) Chris Farrow declared an interest in sites in Ellesmere Port as Chair of the Ellesmere Port Development Board</p>	
4.	<p>Alderley Park Update</p> <p>The Board were given a tour of the new Glasshouse facility at Alderley Park, which was the first investment made by the LEP in the EZ and updated on progress across the rest of the site.</p>	
5.	<p>Governance</p> <p>No items</p>	

<p>6.</p>	<p>EZ investment programme</p> <p>a) EZ investment programme update</p> <p>John Adlen updated the EZ Board on progress of the investment programme:</p> <ul style="list-style-type: none"> ▪ Glasshouse – will be officially launched on 13 February ▪ Aviator – internal fit out, including offices currently underway, due to complete February/March 2020 ▪ Helix Phase 2 – completed in October 2019 and is now fully let ▪ Newport Rhino – completed in November 2019 and occupier has moved in, final claim now due ▪ New Bridge Road Substation – substation completed and up and running, legal agreement has been finalised and the investment has been drawn down. ▪ Quadrant Phase 2 – due to complete in March 2020. 	
<p>7.</p>	<p>EZ investment cases</p> <p>a) Aviator Phase 2 (Hooton Park)</p> <p>The EZ Board considered an investment case from Redsun Developments Ltd for an investment of £1.024m to develop Phase 2 of the Aviator scheme at Hooton Park, which will comprise a 7,784 sqm (83,787 sq ft) industrial unit. The Board approved the investment, subject to the following conditions:</p> <ol style="list-style-type: none"> (a) No legal agreement is entered into until the LEP has the funds in place via the EZ borrowing facility (b) Confirmation of Redsun’s financial standing and ability to fund/cashflow the scheme (c) Confirmation that the appointment of a contractor complies with public procurement rules where applicable (d) An updated State Aid opinion. <p>b) Advanced Sustainable Developments (Protos)</p> <p>The EZ Board considered an investment case from Advanced Sustainable Developments (ASD) for an investment of £1m to deliver a £22m project to develop a 7,930 sq m (85,360 sq ft) specialist Polyethylene terephthalate (PET) recycling facility at Protos, Ellesmere Port. The Board noted its support for the project in principle but instructed the Executive Team to carry out further due diligence in terms of the financial aspects of the project and the design and build quality of the proposed building before bringing the project back to the EZ Board for further consideration.</p>	<p>Approved</p> <p>Decision deferred for due diligence to be undertaken</p>

7.	<p>Operational update</p> <p>a) Growth Director's update The EZ Board considered and noted the Growth Director's report on key development activities undertaken during the last period.</p> <p>b) Business Rate Discount applications The Board ratified the following Business Rate Discount applications:</p> <ul style="list-style-type: none"> ▪ BePlas (Helix Park) 	
8.	<p>Marketing and communications</p> <p>It was agreed to invite Catherine Walker, Director of Marketing & Communications to the EZ Board meeting in March to discuss the marketing of the EZ.</p>	
9.	<p>Finance update</p> <p>The EZ Board noted the Growth Director's update on the creation of a £30m borrowing facility from the three local authorities.</p>	
10.	<p>AOB</p> <p>Philip Kerr informed the Board that Cheshire East Council has received funding from BEIS for a pilot study to incentivise businesses to invest in energy efficiency to reduce business rates.</p> <p>There being no other business, the Chair thanked everyone for their attendance and closed the meeting.</p>	

Item 3 – Declarations of interest

EZ Board members and attendees to declare any personal or professional interests in an agenda item in line with the Cheshire and Warrington Local Enterprise Partnership's Local Assurance Framework.

Any Board member or attendee declaring an interest can remain in the meeting while the item is discussed but are only allowed to answer direct questions about that item and should refrain from promoting the item in any way.

Item 4 – Governance

No items

Item 5 – EZ investment programme

The table below provides the latest position on the approved EZ investments.

Project	Total Project Cost (£)	Total Investment Committed (£)	Investment Drawn Down to Date (£)	Remainder to be Drawn Down (£)
Glasshouse	27,800,000	3,872,876	3,872,876	-
Aviator	10,786,918	1,701,418	1,192,529	508,889
Helix Phase 2	3,728,223	659,347	557,828	101,519
Newport Rhino	6,187,228	792,670	792,670	-
New Bridge Road Substation	1,698,180	590,857	590,857	-
Total	50,200,549	7,617,168	7,006,760	610,408

- **Glasshouse** – completed at the end January and was officially launched on 13 February
- **Aviator** – completed in March, official launch planned for 02 April, awaiting final claim
- **Helix Phase 2** – completed in October 2019 and is now fully let, awaiting final claim
- **Newport Rhino** – completed in November 2019 and occupier has moved in, final claim made
- **New Bridge Road Substation** – completed.
- **Quadrant Phase 2** – due to complete end March 2020, investment to be drawn down post-practical completion
- **Blocks 22-24 Alderley Park** – signed off by P&I Committee and LEP Board, subject to EZ Borrowing Facility being in place
- **Aviator Phase 2** - signed off by P&I Committee, subject to EZ Borrowing Facility being in place

Item 6 – EZ investment cases

Please note that due to the commercially sensitive nature of EZ investment cases, the papers relating to this item are contained in the Appendices for the EZ Board only.

Item 6a) ASD (Protos)

The EZ Board considered an investment case from Advanced Sustainable Developments (ASD) for an investment of £1m to deliver a £22m project to develop a 7,930 sq m (85,360 sq ft) specialist Polyethylene terephthalate (PET) recycling facility at Protos, Ellesmere Port. The EZ Board will further consider the application for investment from ASD following additional due diligence.

Item 7 – Operational update

Item 7a) Quarterly monitoring

Output	Q3 2019/20 Outputs	Total Outputs 2016-20
New businesses attracted to the EZ	7	63
New jobs attracted to the EZ	122	1,607
New and refurbished commercial floorspace completed (Sq ft)	151,395	664,817
Private sector leverage (£)	17.8m	138.8m

Item 7b) Growth Director's update

The following key development activities have been undertaken during the last period:

- Working with the following applicants on the development of EZ investment business cases:
 - Patrizia on the development of plot 722 and a MSCP at Birchwood Park
 - Redsun Developments on the development of phase 2 of the Aviator scheme (80,000 sq ft unit) at Hooton Park
 - Gaerwen Properties on the development of c.180,000 sq ft of new industrial floorspace at Newport Business Park
- Continued support of the Thornton Science Park Taskforce to procure a joint venture partner.
- Development of the business case for a Crewe HS2 Growth Corridor.

Item 7c) Business Rate Discount applications

The following Business Rate Discount applications have been approved by the EZ Steering Group and are recommended for ratification by the EZ Board:

- **Sai Life Sciences** (Alderley Park) - is one of India's fastest growing contract development and manufacturing organisations (CDMO) providing a wide range of drug discovering, development and manufacturing support to the pharmaceutical and biotech industries. They have taken 5,300 sq ft of lab space at Alderley Park, which their first investment in the UK. They expect to grow to 35 FTEs over the next 12-18 months.
- **British Engineering Services** (Birchwood Park) - is an engineering testing, inspection and certification business providing various technical services including design, construction and verification of new assets (primarily pressure vessels) and non-destructive and mechanical testing of associated materials and weldments. They are planning on taking 18,290 sqm of space in the new Quadrant Phase 2 scheme from July 2020. The premises will be used as a training centre for new recruits and for upskilling existing engineers and an office base for staff as their existing premises in Manchester are at capacity. They will anticipate creating 8 new jobs within the first 12 months and 18 new jobs over the next 5 years.
- **Pencil Biosciences** (Alderley Park) - is a biotech R&D company that is developing a novel genetic engineering technology platform that would address a number of the key issues with current technology and could be widely adopted in academic and industrial research, development and clinical settings. The company has received investment from the Cheshire and Greater Manchester Life Sciences Fund and the UK Science and Seed Fund.

Item 8 – Marketing and communications

Catherine Walker, Marketing & Communications Director for the LEP will provide a verbal update to the EZ Board on the progress of wider LEP branding and marketing and how the marketing for the EZ fits in with this.

Item 9 – Finance update

Item 9a) Borrowing facility update

The EZ borrowing facility agreement between the LEP and Warrington Borough Council was approved by the LEP Board at its March meeting. The template agreements between Cheshire West and Chester Council and the LEP and between Cheshire East Council and the LEP were also approved in principle. There are some outstanding legal documents to be signed by the local authorities before the EZ borrowing facilities can be established. The LEP Board agreed to delegate authority to the Chair and the Chair of the Enterprise Zone Board to execute the final documents.

Item 10 – AOB

Members are invited to table any other items of business.