

Minutes

Meeting Title	Cheshire Science Corridor Enterprise Zone Board – Part 1	
Date	17 May 2018	
Time	13:00-14:00	
Location	Birchwood Park	
Agenda Item		Action/Decision
1.	<p>Attendees and apologies</p> <p>EZ Board Members: Robert Mee, Chair of EZ Board Cllr Paul Bates, Cheshire East Council Tony Bochenski, Independent Member Cllr Rus Bowden, Warrington Borough Council David Slater, CNS Gary Steen, LEP Board Member Christine White, Astra Zeneca</p> <p>In Attendance: John Adlen, Cheshire and Warrington LEP Philip Cox, Cheshire and Warrington LEP Stephen Fitzsimons, Warrington & Co. Debra Foxley-Smith, Skills & Growth Company Lisa Harris, Cheshire West & Chester Council Joel Tagg, BEIS</p> <p>Apologies: Cllr Brian Clarke, Cheshire West & Chester Council John Willis, Skills & Growth Company</p>	
2.	<p>Previous EZ Board minutes</p> <p>All matters arising from the previous EZ Board held on 22 March 2018 have been actioned or will be covered in this board.</p>	Minutes agreed and signed off
3.	<p>Declarations of interest</p> <p>Cllr Paul Bates and Debra Foxley-Smith declared an interest in Part 1 Item 4 as Cheshire East Council is a shareholder in Alderley Park Ltd.</p> <p>Cllr Bates and Debra Foxley-Smith took no part in the decision-making with regard to item 4.</p>	
4.	<p>EZ investment cases</p> <p>The EZ Board considered the business case from Alderley Park Limited (APL) for £3.87m investment in the Glasshouse project, which will see the development of 148,000 sq ft of new speculative office floorspace at Alderley Park.</p> <p>The Growth Director reported back on the responses from APL to the queries raised by the Board at the previous Board meeting.</p>	Decision approved, subject to final term sheet being approved via correspondence

	<p>The Growth Director presented the final draft term sheet for the investment. The Board raised a number of final queries regarding the term sheet and draft legal agreement</p> <p>The EZ Board approved the investment subject to final amendments/clarifications to the term sheet and legal agreement and agreed to make the final approval via correspondence.</p>	
5.	<p>EZ finance update</p> <p>The Growth Director reported that the LEP had received the NNDR3 returns containing the outturn retained business rates from the EZ from Cheshire East Council and Chester and Chester West Council and were awaiting Warrington Council's NNDR3. The LEP Executive team is currently working through the NNDR3 returns with each individual local authority and will report back on the final outturn figures in due course.</p>	
6.	<p>AOB</p> <p>None</p>	

Meeting Title	Cheshire Science Corridor Enterprise Zone Board – Part 2	
Date	17 My 2018	
Time	14:00-16:00	
Location	Birchwood Park	
Agenda Item		Action/Decision
1.	<p>Attendees and apologies Attendees and apologies</p> <p>EZ Board Members: Robert Mee, Chair of EZ Board Cllr Paul Bates, Cheshire East Council Cllr Russ Bowden, Warrington Council Council Tony Bochenski, Independent Board Member David Slater, CNS Gary Steen, LEP Board Member Christine White, Astra Zeneca</p> <p>In Attendance: John Adlen, Cheshire & Warrington LEP Chris Capes, Cheshire West & Chester Council Sean Davies, Bruntwood (Alderley Park) Chris Farrow, Ellesmere Port Development Board Debra Foxley-Smith, Skills & Growth Company Stephen Fitzsimons, Warrington & Co. Jane Gaston, Peel Environmental (Protos) Lisa Harris, Cheshire West & Chester Council Martin O'Rourke, Patrizia (Birchwood Park) Joel Tagg, BEIS Paul Vernon, University of Chester (Thornton Science Park)</p>	

	<p>Apologies: Cllr Brian Clarke, Cheshire West & Chester Philip Cox, Chief Executive of Cheshire & Warrington LEP Katrina Michel, Marketing Cheshire John Willis, Skills & Growth Company</p>	
2.	<p>Previous EZ Board minutes All matters arising from the previous EZ Board Part 2 held on 22 March 2018 have been actioned or will be covered in this board.</p>	Minutes agreed and signed off
3.	<p>Declarations of interest Cllr Paul Bates and Debra Foxley-Smith declared an interest in Part 1 Item 5a as Cheshire East Council is a shareholder in Alderley Park Ltd. Cllr Bates and Debra Foxley-Smith took no part in the decision-making with regard to item 5a.</p>	
4.	<p>Governance David Slater announced his intention to stand down from the EZ Board, due to relocation. Robert Mee thanked David for his contribution to the EZ Board on behalf of the Board and the LEP. Robert Mee welcomed two new EZ Board members, Christine White from Astra Zeneca and Tony Bochenski, who will sit as an independent Board member.</p>	
5.	<p>Operational update</p> <p>a) EZ investment business cases Robert Mee reported that the Part 1 meeting of the EZ Board had agreed the investment of £3.87m investment in the Glasshouse project to create 140,000 sq ft of new office space at Alderley Park, subject to the production of the final draft legal agreement and term sheet. The Board agreed to sign off the final approval of the investment via correspondence.</p> <p>b) Growth Director's update The EZ Board considered and noted the Growth Director's report on key development activities undertaken during the last period. It was noted that all of the EZ sites in Ellesmere Port with the exception of one were either under development or in negotiation.</p> <p>c) EZ site updates EZ landowners provided an update on their individual sites which were noted by the Board.</p>	Approved

	<p>d) Business Rate Discount applications</p> <p>The following Business Rate Discount applications have been approved by the EZ Steering Group and were ratified by the EZ Board:</p> <ul style="list-style-type: none"> ▪ Maxwellia (Alderley Park) ▪ EM Resist (Alderley Park) 	Approved
6.	<p>Marketing and communications</p> <p>a) Marketing and promotion activities</p> <p>The Growth Director reported on a number of marketing and promotional activities that had been undertaken during the last period including sponsoring the Business of Science Conference in Liverpool, sponsoring the Warrington Annual Property Market Review and commissioning Regeneris Consulting to produce 15 case studies of companies in the Science Corridor.</p> <p>b) Upcoming events</p> <p>The Growth Director reported that the Science Corridor had taken an exhibition stand on three days at the International Business Festival in Liverpool covering the energy, manufacturing and life sciences days.</p>	
7.	<p>Finance update</p> <p>The Growth Director reported that the LEP had received the NNDR3 returns containing the outturn retained business rates from the EZ from Cheshire East Council and Chester and Chester West Council and were awaiting Warrington Council's NNDR3. The LEP Executive team is currently working through the NNDR3 returns with each individual local authority and will report back on the final outturn figures in due course.</p>	
8.	<p>AOB</p> <p>None</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 – Alderley Park update

Sean Davies to provide an update to the EZ Board on progress at Alderley Park.

Item 5 – Governance

Item 5a) Format of EZ Board Meetings

Given the increase in the number of business cases coming forward to the EZ Board, it is proposed to change the format of future EZ Board meetings. In future, a single Board meeting (rather than the two-part meetings we have been holding) will be held for the full EZ Board members only given the confidential nature of the business cases.

Meetings will continue to rotate around the key sites in the EZ, Alderley Park, Birchwood and Thornton Science Park. However, instead of expecting all landowners to attend each meeting and provide updates, the Board will receive an update from the landowners/stakeholders hosting that particular EZ Board. When the EZ Board meetings are hosted at Thornton Science Park we would pick up Thornton, Protos and the Ellesmere Port sites.

This will provide an opportunity for the EZ Board to engage more meaningfully with each EZ site/area about issues relating to their particular EZ site(s). This will also mean that the EZ Board will put less of a burden is put on landowner/stakeholder time, as you will only have to attend two per year rather than the current six meetings.

Item 6 – EZ investment business cases

There are four business cases for the EZ Board to consider:

- Helix Business Park Phase 2
- Rhino – Newport Business Park
- Hooton Park Phase 1
- New Bridge Road Substation

Summary papers for each business case are set out below and the business cases and technical appraisals are attached a various appendices to the EZ Board papers (Please note that these are commercially sensitive).

Item 6a) Helix Business Park

Gaerwen Properties Limited is requesting an investment of £669,347 to deliver a £3.3 million project to develop three industrial units totalling 3,705 sq m (39,882 sq ft) at Helix Business Park,

Ellesmere Port. The scheme could generate c.£67k per annum in retained business rates, providing a payback of c.10 years and potentially generating up to £1.47m in retained business rates over the next 22 years. The applicant is seeking grant funding on the basis of a gap in the overall financial viability of the scheme.

Recommendation: That the EZ Board approves the investment in principle, subject to further clarifications and the negotiation and drafting of an appropriate legal agreement to be brought back to the September Board for final approval.

Item 6b) Rhino Newport

Andrews 4 Property Limited is requesting an investment of £792,670 to deliver a £6.1m project to develop a 7,822 sq m (84,196 sq ft) manufacturing/warehouse facility and offices for as a new HQ for Rhino Products Limited at Newport Business Park. The scheme could generate c.£146k per annum in retained business rates, providing a payback of c.10 years and potentially generating up to £3.21m in retained business rates over the next 22 years and providing a payback of 5.4 years. The applicant is seeking grant funding on the basis of a gap in the overall financial viability of the scheme.

Recommendation: It is recommended that the EZ Board defers a decision on this project and request further evidence from the applicant in relation to the need for public sector support, confirmation of the financial position of the applicant and the State Aid position.

Item 6c) Hooton Park

This paper presents a proposal from Redsun Projects Ltd for an investment of £1,701,418 from the EZ to deliver a £10.79m project to bring forward the delivery of 11,600 sq m (125,044 sq ft) industrial unit at Hooton Business Park (Aviator) in Ellesmere Port. The scheme could generate c.£209k per annum in retained business rates, providing a payback of 8.1 years and potentially generating up to £4.59m in retained business rates over the next 22 years and providing a payback of 5.4 years. The applicant is seeking a grant request on the basis of a gap in financial viability.

Recommendation: That the EZ Board approves the investment in principle, subject to further clarifications and the negotiation and drafting of an appropriate legal agreement to be brought back to the September Board for final approval.

Item 6c) New Bridge Road Substation

This proposal is for the LEP to invest £749,285 to enter into an agreement with Peel Land & Property to in the New Bridge Road area of Ellesmere Port in order to remove a key development constraint on the remaining Enterprise Zone (EZ) development sites in the area and facilitate the development of a new £70m paper manufacturing plant on the former Cabot Carbon site investment (not in the EZ).

Recommendation: That the EZ Board approves the investment and instructs the LEP executive officers to execute the necessary legal agreements.

Item 7 – Operational update

Item 7a) Growth Director's update

The following key development activities were undertaken during the last period:

- Working with landowners/developers to bring forward the following: EZ investment business cases:
 - Helix Business Park Phase 2
 - Rhino Newport Business Park
 - Hooton Park
 - New Bridge Road substation
- Presented the Glasshouse investment to the LEP's P&I Board and the main LEP Board for approval
- Working with Thornton Science Park on the development of potential scheme of c. 100,000 sq ft of industrial floorspace
- Working with V-Carbon on an MOU to work together to secure their investment at Thornton Science Park
- Held a development workshop with CWAC for prospective developers in the New Bridge Rd area
- Meeting held with the new Med-Tech Cluster at Daresbury Sci-Tech
- Meeting with Warrington Borough Council regarding retained business rates
- Represented the LEP on the Northern Powerhouse Trade & Investment Working Group – have taken a joint lead on the co-ordination the energy sector with the NELEP
- Attended the Cheshire and Warrington sub-regional conference
- Attendance at the LEP Science and Innovation Strategy development workshop
- Represented the LEP on the Northern Power Towns group
- Visit to Lancaster University - tour of engineering, chemistry and physics facilities and to discuss the development of their materials science innovation programme ERDF bid to the LEP.

Item 7b) 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:

- **Ebb3 Ltd** (Alderley Park) – is an Information Technology company operating in the niche supercomputing market that has developed a high performance virtual computer for graphical intensive applications, negating the need for powerful workstations, enabling scientists, engineers or designers working on graphically intensive workloads to collaborate remotely across any device, speeding up R&D, manufacturing, design and delivery of projects. The company operates in one of the Science Corridor target sectors and also supports other Science Corridor key target sectors including life sciences. As such, the company satisfies the sector test. The company is already based at Alderley Park occupying a 352 sq ft unit and are proposing to

expand into two units totalling 853 sq ft. The company has plans to double its staff numbers from 10 to 20 to grow its turnover from £351k to £1.38m by 2020. As such the company satisfies the growth test.

- **Zool Digital** (Alderley Park) – is a digital marketing company offering services to the pharma, biotech, manufacturing and property sectors. The company satisfies the sector test as they are supporting businesses in the Science Corridor target sectors and are part of the supply chain of scientific sector. The company is already based at Alderley Park and is expanding from a 227 sq ft to 653 sq ft. The company plans to grow its turnover from £242k to £450k in 2018. As such the company satisfies the growth test.

Item 8 – Marketing and communications

Item 8a) Marketing and promotion update

The following marketing and promotional activities were undertaken during the last period:

- Attendance at the Liverpool International Business Festival – Cheshire Science Corridor took a stand on three days, Energy, Manufacturing and Life Science
- Presentation to the EEF Regional Board on the Cheshire Science Corridor
- Meeting with Liverpool Knowledge Quarter, Midas and NWBLT to discuss international marketing Liverpool, Manchester and Cheshire and Warrington's science and tech offer
- Presentation to the NW Hydrogen Hub on the Cheshire Science Corridor
- Regeneris have completed 8 of the 15 Science Corridor Case studies that we have commissioned them to undertake. The remaining 7 will be completed over the next few weeks.
- Meeting held with Marketing Cheshire and Place NW regarding plans for MIPIM 2019.

Item 8b) Upcoming events

- The Growth Director has been invited to speak at the North West Business Insider's 'Golden Triangle' breakfast on 25 September at Alderley Park
- The LEP Chief Executive has been invited to speak on Developing and Implementing an Innovation Strategy to Drive Local Economic Growth at Inside Government's Examining the Progress of Devolution and the Northern Powerhouse event on the 25 September in Manchester

Item 9 – Finance update

Meeting held with Warrington Borough Council regarding their NNDR3 return and a request for data sharing for the underlying background data has been made. Once the data has been received the Growth Director will be able to complete the financial spreadsheet model and share the analysis with the EZ Board.

Item 10 – AOB