

## Agenda Item 6

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<b>Title:</b>	<b>Enterprise Zone Operational Programme</b>
<b>Purpose:</b>	<b>To provide an update on the main Enterprise Zone operational activities that have arisen since our December board meeting.</b>
<b>Recommendation(s):</b>	<b>That the board note the contents of this report and comment on any areas of interest or concern and that the first meeting of the Enterprise &amp; Investment Board be arranged at the earliest suitable date following the Growth Board Meeting on February 8<sup>th</sup>.</b>
<b>Response To Risk Register</b>	<b>The reporting of progress on significant projects within the Buckinghamshire Enterprise Zone programme will remain the responsibility of this board until the transfer of assets to Buckinghamshire Council has been completed.</b>

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### 1 Westcott Space Hub

The Board will recall that they approved the following delegations in relation to the Westcott Space Hub

*a) up to £2.475m to forward fund the project on the ten-year minimum lease terms at 9% interest with a 40.8% profit share, subject to subsidy control compliance, and agreement of payment and contractual terms with the operator.'*

*b) Authority was delegated to the CEO in conjunction with the Chair and Vice Chair to agree contractual and commercial terms with the operator and the Collaboration Agreement with project partners.*

Following advice from Buckinghamshire Council Solicitors, the following agreements are needed:-

- Grant Agreement with the UK Space Agency – now signed by lead partner URA. BLEP is not required to sign as a delivery partner.
- Project partners must sign the Collaboration Agreement (with director approval), to commit to working together to delivering their elements in-line with the lead grant agreement – BLEP have signed this collaboration agreement.
- Council solicitors advised that an 'Agency Purchaser Agreement' was needed so URA could provide the expertise to procure the technical facilities on Bucks LEP's behalf. This has now been drafted for URA to act as Bucks LEP's Agency Purchaser of the technical facilities. That agreement contracts them to verify the demand for and seek best value for all technical equipment to be purchased by BLEP in line with procurement rules of the funding agreement. Once finalised The Agency Purchaser will be shared for approval.
- BLEP has prepared a draft finance lease to be agreed with Westcott Shared Facilities Ltd. This governs the terms under which they will lease and operate the technical facilities, including the apportionment of profit share.
- Subsidy control compliance has been confirmed as the finance lease and profit-share process is part of commercial arrangements.

- The project build programme has undergone revision after a review of financial viability and the planning pre-application meeting which led to requested design changes. The resultant build timeline is shorter, but there will be a 6-week delay to the planning submission. The UK Space Agency (UKSA) spend deadlines can be maintained, but there is now limited slack in the programme.

Circa £830k to £1m of Buckinghamshire Enterprise Zone investment is programmed to be spent before the end of 2023/24 in order to maintain the programme delivery in line with the spend commitments to UKSA in 2023-24, leaving just over £1.475m to £1.645m remaining to be spent in 2024-25. As a key item, the large Vacuum Chamber must be purchased this financial year to meet spend timelines as design, manufacture and commissioning lead times are circa 12 months.

The following actions are being undertaken to help ensure overall programme delivery remains on schedule:

- The Design and Access statement will be submitted for design officer sign off on January 25th. We are in close dialogue with Buckinghamshire Council Planning colleagues to enable support for the Patrizia design team.
- Patrizia have been asked to provide confirmation to Bucks LEP in writing that they will accommodate the shared facilities elsewhere on the Westcott site, in the event that any additional delays mean that the Shared Technical Facilities building within the Space Hub is not complete in time to house the large vacuum chamber.
- Patrizia are also agreeing lease terms with Westcott Shared Facilities Ltd, an independent new private company established by the Directors of URA Thrusters in November 2023 (Company No 15314254). They will lease and operate the shared facilities building and facilities.

Currently all agreements with Bucks LEP will be novated automatically to Buckinghamshire Council on March 1<sup>st</sup>.

The next two agreements (Agency Purchase and Finance Lease Agreement) will shortly be shared with the Chair, Vice Chair and CEO who have authority to sign on behalf of the Board, subject to legal advice from Buckinghamshire Council. To recap the discussion on risks, we will not purchase any technical facilities without sufficient assurances from Patrizia that the facilities will be accommodated.

### **Training and Conferencing Facilities**

Bucks LEP has been leading initial research into the market to help shape the scope, specification, and business model for these facilities. BNU, Bucks College and BBF have supported the project partners with this work.

## **2 Silverstone Sports Engineering Hub (SSEH) – Silverstone Swimming Research and Innovation Centre**

It is still expected that £498k will be spent on this project in 2023/24. In order to maintain the programme, SSEH has secured agreement with the English Institute of Sport (EIS) for them to increase their financial commitment to the project after overall costs increased from £4m to £4.8m due to design changes required to improve both the technical outputs and the long-term efficiency of operation. EIS will meet the majority of the shortfall (with Totalism confirmed to meet the remainder) meaning that the first phases of design, solar power installation, plant and equipment can be purchased and claimed from Bucks LEP. The future profile of Enterprise Zone expenditure in this project is £1m in 2024/25 and £500k in 2025/26.

### **3 Westcott Innovation and Accelerator Programme and Race to Space Initiative**

At the last meeting of this board in December the future development of the Westcott Innovation and Accelerator Programme and support for the Race to Space Initiative were considered. It is now proposed that these items will be reviewed by the inaugural meeting of the Enterprise & Investment Board to be arranged at the earliest convenient date following the approval of its terms of reference at the February 8<sup>th</sup> Bucks Growth Board Meeting.

**Board members are asked to:**

**Note the contents of this report and comment on any areas of interest or concern, and that the first meeting of the Enterprise & Investment Board be arranged at the earliest suitable date following the Growth Board Meeting on February 8th.**