

Eco Bicester Strategic Delivery Board

Date of meeting: 21 July 2011	AGENDA ITEM NO: 5
Report title: Enterprise Zones: Update	
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1. Context

- 1.1. In the 2011 Budget the Government set out its intention to invite Local Enterprise Partnerships to submit proposals for 'enterprise zones'. The Government's announcement set out how, through the application of a number of potential measures, the conditions would be created for the private sector to create additional jobs within a local economy.
- 1.2. Amongst the list of potential measures identified by the Government were: retention in the growth of business rates; the introduction of a simplified planning regime (through the use of a Local Development Order); support from the Government's lead on inward investment (UKTI) and the opportunity to seek a commitment from other parts of Government to support job growth.
- 1.3. The Government's guidance set out that it would be for the Local Enterprise Partnership to determine whether to submit a proposal for an Enterprise Zone. It also set out the presumption that there will be only one zone per Partnership area.

2. Oxfordshire Local Enterprise Partnership

- 2.1. Based on an initial discussion, the Executive Board of the Partnership submitted its interest in putting forward a bid for an Enterprise Zone. That initial discussion had identified two potential bids: the first focused on opportunities that exist in and around Bicester; the second focused on opportunities in the Science Vale UK area in the south of Oxfordshire. Both areas are identified as spatial priorities by the Enterprise Partnership (the third spatial priority being Oxford).
- 2.2. The Enterprise Partnership secretariat worked with the promoters of the two bids to develop them to the point at which it was possible to consider their merits on an equal basis. The timeframe available to develop the bids was extremely short, with the Partnership being required to submit its proposal to Government by the end of June.
- 2.3. The two proposals were considered at a joint meeting of the Enterprise Partnership's Executive Board and Forum on 23 June. The promoters of each bid presented their proposal and answered questions as part of the meeting's consideration of each bid's potential against the Government's assessment criteria.
- 2.4. In the end the Enterprise Partnership resolved to put forward the bid focused on Science Vale UK. However the potential of the Bicester bid to transform the economic offer was readily acknowledged by the Enterprise Partnership as being something on which to build. To that

end the Partnership has set out very clearly its commitment to work with and support the local partners realise their ambition for economic growth.

3. Next Steps

- 3.1. The Enterprise Partnership has put forward its proposal for an Enterprise Zone focused in Science Vale UK to the Government. A response from Government is expected by the end of July. It is worth noting that it will be for the Enterprise Partnership to determine how best to invest the retained business rates from the Enterprise Zone in support of economic growth. It is also worth noting that in developing the detail of the submission, local partners involved in the Science Vale UK proposal accepted the principle that some of the retained business rate money was likely to be invested elsewhere in the Partnership area (i.e. elsewhere in Oxfordshire).
- 3.2. With the exception of the proposal to retain the growth in business rates, the opportunity exists to take forward a number of key aspects of the Bicester bid. The simplified planning regime (the Local Development Order) can be introduced under existing legislation at any time by Cherwell Valley District Council. Securing support from UKTI on inward investment can be pursued by through the Enterprise Partnership and the proposed Memorandum of Understanding with UKTI. All partners can pursue opportunities to secure investment in infrastructure in support of economic growth, using the case prepared in support of the Enterprise Zone.
- 3.3. As set out above, the Enterprise Partnership remains committed to supporting the ambition for economic growth in Bicester. The Partnership's secretariat is committed to continuing to work with, and support local partners in this endeavour. It is now looking to local partners to set out how they propose to take forward the proposal that underpinned the Enterprise Zone bid.

July 2011

Addendum – Cherwell District Council Response to LEP Decision on Enterprise Zone

The report above is presented as the Oxfordshire LEP's view on the decision on an Oxfordshire EZ submission to Government.

Cherwell District Council's response is set out below:

Bicester was unsuccessfully promoted as a possible Enterprise Zone bid in both the Oxfordshire and South East Midlands LEPs (overlapping areas of responsibility).

The result of the SEMLEP decision process is attached to this addendum report. Having an Enterprise Zone at Bicester would have offered the benefits of a national initiative with significant Government promotional and practical support and nationally funded incentives. It is not possible to replicate this at local level but there may be some elements of the bid proposal that can still be worked on locally:

- Planning and promotional support for early employment development of land released by MOD
- Use of additional infrastructure funding potentially offered by the LEPs should they be successful in their preferred EZ bids

- Use of planning freedoms through Local Development Orders (LDOs) to encourage employment development. (It is important to note that without the backing of a nationally designated EZ LDOs cannot be used to establish a principle of development. The mechanism can only work effectively to implement established planning policy and development principles already established and subject to strategic environmental assessment. There is no conflict resolution method or means of enforcing take up by landowners or developers. There are also no mechanisms to secure planning obligations. However if issues of policy and principle are agreed through the development Plan or an outline planning permission, then LDOs can be a powerful way of reducing the burden of detailed application approvals.
- Work on general promotion, using the acknowledged location and business cluster / community attributes of the Town. This will be achieved through Bicester Vision, Cherwell Investment Partnership and the LEPs – exploiting any links with the new UKTI national approach to inward investment.

The LEPs are indicating they wish to work on the promotion and economic development of Bicester. This is very welcome.

Plans for local economic development work and promotion of Bicester as a growth location are set out in One Shared Vision, The Cherwell Economic Development Strategy and the emerging Local Development Framework Core Strategy. In terms of new land and development opportunities there will need to be a specific focus on exploiting the opportunities created by:

1. The existing Bicester Business Park planning permission
2. The employment land now being marketed as part of the SW Bicester residential area (Kingsmere)
3. The opportunities that will arise from the gradual development of NW Bicester, initially the eco innovation centre
4. The potential for early release of some of the MOD Graven Hill site for employment development

SEMLEP Decision Announcement

Enterprise Zones

Earlier in the year the Government invited the 34 approved Local Enterprise Partnerships (LEP) to bid for 21 new Enterprise Zones to be established across the country. The South East Midlands Local Enterprise Partnership (SEMLEP) has carried out an evaluation of 8 strong proposals put forward across the area. It is not anticipated that any LEP will have more than one Enterprise Zone and as a result the SEMLEP Interim Board has selected Northampton Waterside as its proposal to be submitted to Government.

The Northampton Waterside bid will produce 14,000 new direct jobs in Northampton and 3,400 indirect jobs across the region by 2015 and jobs will continue to grow in the following years. Based on the Government proposals Enterprise Zones will benefit from new tax breaks, reduced planning restrictions and superfast broadband. All business rates will be retained in the area some to be invested locally by Northampton and some by SEMLEP across the area. Winning an Enterprise Zone will therefore bring significant benefits in terms of jobs and investment to the SEMLEP area.

Brian Hibbert CBE
Chair SEMLEP Interim Board