

## SPIP PARTNERSHIP 22<sup>nd</sup> SEPTEMBER 2011

### Science Vale UK Enterprise Zone Briefing

#### Introduction

The new generation of enterprise zones are about allowing areas with real potential to create the new business and jobs that they need, with positive benefits across the wider economic area. All enterprise zones will benefit from:

- a 100% business rate discount worth up to £275,000 (£55,000 a year) over a five year period, for businesses that move into an enterprise zone during the course of this Parliament
- all business rates growth within the zone for a period of at least 25 years will be retained by the local area, to support the Local Enterprise Partnership's economic priorities and ensure that enterprise zone growth is reinvested locally;
- Government help to develop radically simplified planning approaches for the zone using, for example, existing Local Development Order powers;
- Government support to ensure that super fast broadband is rolled out throughout the zone, achieved through guaranteeing the most supportive regulatory environment and, if necessary, public funding.

#### Science Vale UK (SVUK) Enterprise Zone

On 17 August 2011 Government announced that the Oxfordshire Local Enterprise Partnership bid for a Science Vale UK enterprise zone had been successful, subject to the delivery of a simplified approach to planning.

George Osborne, the Chancellor said: 'The Science Vale enterprise zone will harness the region's unparalleled research and development base to create a wealth of innovative and high growth businesses. The region is home to some of the newest and fastest growing businesses in high performance engineering, biotechnology and medical instruments, and the Science Vale enterprise zone provides the opportunity to unlock the region's full potential.'

The zone of 92 hectares encompasses sites split across Harwell Oxford and MEPC Milton Park.

The SVUK area has growth targets of over 16,000 jobs over the next 15 years, and the enterprise zone will deliver up to 8,400 of those jobs by 2015.

Enterprise zone status will attract international investors to SVUK by overcoming one of the areas barriers to growth – the lack of availability of suitable premises. Developing the SVUK area and attracting international investment is one of the core priorities for the Oxfordshire Local Enterprise Partnership.

## **Ingredients for business growth and investment**

There are six key areas that require collaborative effort as a matter of urgency:

- a) Production of a Local Development Order, or orders to enable rapid development of business premises on the zone sites. The project plan for this is included as part of this briefing note.
- b) Production of an infrastructure framework and delivery plan to support business growth.
- c) Production of an inward investment strategy and action plan.
- d) Production of a business support action plan. A plan that encourages co-ordination of the different streams of business support, including the high-growth coaching programme and the Technology and Strategy Board business support programme
- e) Production of a skills for growth action plan A plan that encourages co-ordination of the different streams of training support.
- f) Production of a super fast broadband delivery plan. A plan that identifies current gaps in provision and identifies funding for delivery.

## **Business rates growth**

The benefits of the enterprise zone to the businesses that locate there and to the business parks are direct. There will be wider benefits to Oxfordshire from the recognition and international exposure brought by the enterprise zone. However, the biggest benefit to Oxfordshire will be the retention of business rates growth by the Oxfordshire LEP to a potential value of £10.4 million a year for 25 years.

The enterprise zone guidance advises that infrastructure required to support enterprise zone delivery should be a top priority for funding from business rates growth. This money will also be available to support wider Oxfordshire priorities once the enterprise zone infrastructure requirements have been met.

There will be a need for great focus by all parties for some time to ensure all requirements for growth within the enterprise zone area are met.

## **Local Development Order (LDO)**

The Department of Communities and Local Government advise 'Delivery of a "genuinely simplified approach to planning" is mandatory. It is expected that the legislation enabling the financial incentives in EZs will come into effect in April 2012, and therefore it is advisable to have the simplified approach to planning in place by this date. Ministers have been clear that where EZs do not live up to expectations, they will not get the go ahead.'

The Vale of White Horse District Council as the local planning authority for Harwell Oxford and Milton Park will prepare the LDO. There are few existing LDOs that cover areas that are as large or varied as the new generation of enterprise zones but one example is the LDO for Newquay Airport which is short and straightforward. If the council is going to meet government expectations the timetable is tight and below is an indication of stages and timing:

Task	Minimum period for task	Work completed
Scoping of LDO		Sep 2011
Informal consultation on the scope of the LDO		Sep 2011
Appoint consultants to undertake environmental impact assessment (EIA) and draft LDO		4 Oct 2011
Preparation (statement of reasons /EIA/draft LDO)		Oct-Dec 2011
Informal stakeholder consultation		Nov 2011
Council approval of draft LDO for consultation	at least 2 weeks	Dec 2011
Formal consultation on draft LDO	at least 4 weeks	Jan-Feb 2012
Council approval final LDO for submission to Secretary of State*		Feb 2012
Secretary of State consultation	at least 3 weeks	Feb-Mar 2012
Adoption*	at least 2 weeks	Mar 2012
ongoing monitoring of effectiveness of the LDO		Annually March

**\* NOTE: will need special Scrutiny, Cabinet and Council meetings to allow for compressed timescale**

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