



Enterprise Zones

Application form and guidance

May 2011



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May 2011

ISBN: 978-1-4098- 2991-1

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Background

This generation of Enterprise Zones is about allowing areas with real potential to create the new business and jobs that they need, with positive benefits across the wider economic area. The creation of new Enterprise Zones provides another tool for Local Enterprise Partnerships and their partners to improve their local economy and increase their contribution to national growth.

Budget 2011 announced that 11 Local Enterprise Partnerships would be invited to come forward with proposals for Enterprise Zones and a further 10 Zones would be sought from open competition from local enterprise partnerships with proposals for promoting growth and jobs.

Through this competitive process, the focus is on testing bids on the basis of their potential to drive growth and jobs and deliver benefits to the Local Enterprise Partnership area. It is recognised that detailed plans associated with your bid will not yet have been worked up.

Consequently, the Government wants to see how Local Enterprise Partnerships have carefully considered the ways in which they can best deliver local growth and jobs. This consideration should be reflected in the choice of site; targeting of sectors; and plans for implementation, including what specific plans will be put in place to remove barriers to business growth (for example, through a simplified planning regime), and reduce costs.

The assessment of bids will attach significant importance the extent that economic activity generated by the Enterprise Zone is genuinely additional - taking into account issues such as displacement of activity from other areas (further details on additionally can be found in the Guidance for Applicants section).

The assessment will also seek to take a view on the relative costs and benefits of all bids. Bids with a higher benefit:cost ratio will be given more credit. And the cost to the public purse in terms of business rates foregone must be affordable within the overall budget envelope for Enterprise Zone policy. Therefore in order to meet the overall budget constraint it may be necessary to revisit the proposed extent of activities at certain Enterprise Zone sites.

The assessment of bids will focus on three criteria:

1. **The extent to which the proposal will deliver growth:** the strategy to drive sustainable economic growth should be clear and evidence based.
2. **Value for money:** what will the proposal deliver and what will it cost?

For example:

- how many new jobs will the proposal create?
- what type of businesses are you trying to attract?
- what are the costs associated with your proposal?

3. **Implementation:** plans for delivery are robust and support the growth focus of the bid.

For example:

- how will the Local Development Order make it simpler for businesses to establish themselves in proposed Zones?
- what infrastructure will support the proposal?

In finalising the bid, applicants will also want to have regard to the Enterprise Zone prospectus sent to all Local Enterprise Partnerships in March. The Government will be keen to see more detailed economic appraisal from successful bidders when proposals are more fully developed.

There are only a further 10 Zones to be allocated and our expectation is that there will generally be no more than one Enterprise Zone per Local Enterprise Partnership. The Government is asking Local Enterprise Partnerships to put their best proposal for a site forward, and recognise that this will involve tough choices.

In addition, Enterprise Zones are focused on providing support for new businesses: start-ups, inward investors or companies moving to an area to get a competitive advantage. It is expected that proposed sites will be 'clean', with no existing businesses in place. Specific Enterprise Zone boundaries can and should be shaped to capture clean sites and not incumbent businesses wherever possible.

Proposals that represent a diversion from these expectations will not be ruled out. But Local Enterprise Partnerships will need to demonstrate why their proposals represent a better option against the criteria set out, and against which all proposals will be assessed, than bids that fit more closely with our presumptions.

For successful bids, local planning authorities within Local Enterprise Partnerships will be expected to work up their Local Development Order proposals and then proceed through the standard Local Development Order-making process. This will include the allocation of a dedicated Local Development Order 'Link Officer' to each Partnership bringing forward an Enterprise Zone. Please use the email address below if you want to use a Department for Communities and Local Government (DCLG) link officer.

The Government is also keen to understand how your Enterprise Zone proposal fits within the wider economic development priorities of the Local Enterprise Partnership, and what added value and distinctiveness the Enterprise Zone proposal will bring.

The Enterprise Zone team at the Department for Communities and Local Government ([enterprisEnterprise Zoneones@communities.gsi.gov.uk](mailto:enterprisEnterpriseZoneones@communities.gsi.gov.uk)) and your Department for Business Innovation and Skills local contacts will be able to clarify any issues that this form raises.

Enterprise Zones – Application form

The application form for selecting 10 further Enterprise Zones consists of 37 questions split into seven sub-sections:

- Section A: Summary information
- Section B: Characteristics of the proposed Zone
- Section C: Plans for development
- Section D: Plans for use of the proposed Zone
- Section E: Expected benefits
- Section F: Governance and management
- Section G: Equality information

Guidance for applicants

- The application form should be completed as fully as possible.
- The majority of the information requested in this document will need to be provided by local authorities and local planning authorities. The role of the Local Enterprise Partnership Board will be to endorse and sign off the proposals.
- Please read the accompanying guidance notes carefully when completing the form to ensure that all of information required is included.
- Only recognised Local Enterprise Partnerships can bid. Bids are also invited from prospective Partnerships (who envisage being recognised as Partnerships by the deadline for the submission of bids) who have previously expressed an interest in hosting an Enterprise Zone.
- Word limits are indicated in brackets for some questions – do not exceed these limits.
- Please avoid using technical annexes.

The completed application form should be sent to: enterprisEnterpriseZoneones@communities.gsi.gov.uk no later than 5.00pm on Thursday 30th June 2011.

Section A

Summary information

A1. Proposal title

Science Vale UK Gateway Zone

A2. Name of the Local Enterprise Partnership submitting the proposal

Oxfordshire Local Enterprise Partnership (Oxon-LEP)

A3. Point of contact:

Name	Martin Tugwell
Organisation	Oxfordshire County Council
Job title	Deputy Director (Growth & Infrastructure)
Address	Speedwell House, Speedwell Street, Oxford, OX1 1NE
Telephone	01865 815113
Email	Martin.tugwell@oxfordshire.gov.uk

A4. Key partners and their roles and contributions (200 words)

The **Oxfordshire Local Enterprise Partnership (Oxon LEP)** is a private sector-led partnership, working with the public sector. The Oxon LEP will have overall responsibility and oversight of the Enterprise Zone.

The **Science Vale UK Partnership (SVUK)** is a constituent member of the Oxon LEP and the Enterprise Zone is in the SVUK area. The SVUK Partnership, reporting to the Oxon LEP, will be responsible for the overall planning and monitoring of the delivery of the two-site Zone, located at Harwell Oxford and Milton Park.

SVUK partners are: Harwell Oxford, MEPC Milton Park, Science and Technology Facilities Council, United Kingdom Atomic Energy Authority (Culham Science Centre), Oxfordshire County Council, South Oxfordshire District Council and the Vale of White Horse District Council (Vale Council).

The Enterprise Zone of 92 hectare (ha) will be jointly managed by two science park owners - **Harwell Oxford** and **MEPC Milton Park**. The Zone will encompass sites split across the two parks.

The Enterprise Zone area sits within the **Vale of White Horse District Council's** boundaries and the district council will work with SVUK to deliver growth and is fully committed to creating a local development order (LDO) to support the Enterprise Zone.

A5. Proposal summary

(please provide a succinct account of how the proposal will enhance local economic growth; the intended approach for developing the enterprise zone; and how the proposal fits with wider local enterprise partnership plans)
(300 words)

This is a private sector-led proposal which will be transformative for the Science Vale UK area. It will:

1. Create high-value, high-tech jobs

At the heart of the OxonLEP is a commitment to create additional sustainable private sector employment. Enterprise Zone status for the Science Vale UK (SVUK) area will build upon SVUK's status as a nationally excellent science and technology cluster.

The SVUK area has growth targets of over 16,000 jobs over the next 15 years, and the Enterprise Zone will deliver 8,400 of those direct jobs by 2015.

2. Contribute to the UK's position as a world leader in science and technology, in line with government strategy

The two-site proposal provides a unique opportunity to create a world class facility, utilising land that is ready to be developed on both parks. It will realise

the full potential of the Science Vale UK area by building upon previous infrastructure investment.

3. Attract international inward investment to compliment the strengths of the existing cluster of science and technology businesses

Enterprise Zone status will attract international investors to the Science Vale clusters 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 OxonLEP.

4. Leverage existing investment in science and assist in the translation of leading UK innovation in to market ready products for industry.

The two science parks, working with Vale Council as the Local Planning Authority, will encourage private sector opportunities to be realised. The creation of the LDO will assist in reducing delays and will create certainty for investors, raising the global profile of the Science Vale area, and putting Oxfordshire back on the international inward investment map.

Section B

The characteristics of the proposed zone

B1. Which local authority area(s) would the zone fall within?

Vale of the White Horse

B2. What is the size of the proposed zone in hectares and what is the justification for choosing a zone of this size? (200 words)

The proposed zone is 92ha. The Harwell Oxford element of the zone is 64ha and the Milton Park element is 28ha.

A zone of this size will provide the critical mass to provide different, but complimentary, offers to targeted hi-growth sectors (space, bio-technology, information technology, cryogenics, advanced manufacturing and intellectual property management). Clusters in these sectors already exist within SVUK. Harwell Oxford and Milton Park are the hubs of these clusters. Evaluations of previous enterprise zones demonstrate that businesses are attracted to areas where they find clusters of existing similar enterprises and relevant

infrastructure, including linked service industries.

Porter notes the paradox that competitive advantage in a global economy is found in the strengths of local clusters.

The sites within the zone are identified as development opportunities and the existing business park master plans focus on these sites as they are immediately available for development.

With development potential of up to 200,000 sq m it will provide substantial growth in business rates that will be re-invested to support wider ambitions of the Oxon LEP. Current estimates of the business rates growth are up to £4m per annum by 2015 and up to £10.5m pa by 2025.

B3. Who does the site currently belong to – and would ownership change if Enterprise Zone status was granted? (200 words)

The proposed Zone is owned by two SVUK partners: Harwell Oxford and Milton Park MEPC, and ownership will not change if Enterprise Zone status is granted.

Harwell Oxford is a partnership between the United Kingdom Atomic Energy Authority and the Science and Technology Facilities Council (which together constitute the 50% public sector partner) and Goodman (50% private sector partner).

The Milton Park part of the zone is wholly owned by MEPC.

There are no ownership barriers to the release of the identified land for development.

B4. Is this a 'clean' site? If no, what existing buildings and structures are located in the site and what land uses exist within the site? Are the buildings and structures operational (i.e. in use) or derelict? (200 words)

The vast majority of the land within the zone is clean except for a small number of buildings that are short-term let pending redevelopment, unused or unusable. All of these are to be demolished. The current designated use for all land within the zone is for employment.

The exception is for six buildings within the Harwell Oxford site:

- Lumen House - office building home to ja.net, a government-funded computer network dedicated to education and research
- HDRS (B161.2) - archiving and data storage facility supporting Campus organisations

- Nursery – a private crèche supporting Campus organisations
- Terrace building - a multi occupied building supporting smaller organisations
- B442 - sports pavilion supporting the recreation association that is made up of Campus members.
- Gemini - office building home to AEA Technology (ex-UKAEA)

These buildings provide facilities that will support and encourage further occupation of the zone.

However, if any businesses remain incumbent, they will not benefit from the advantages of Enterprise Zone status.

**B5. Where is the site located?
(please provide a map indicating site boundaries and key infrastructure features and postcode details)**

The zone is located in the Vale of the White Horse local authority district at Harwell Oxford and Milton Park. The zone is in close proximity to the A34, Oxford and Didcot which was designated as a new growth point and has plans for nearly 9,000 new homes. Journey time from Didcot train station to London Paddington is 45 minutes.

The postcode for Harwell Oxford is OX11 0RL

The postcode for Milton Park is OX14 4RY

Four maps are attached :

- Plan 1 showing the Enterprise Zone location within Oxfordshire
- Plan 2 is a more localised plan showing the Enterprise Zone and designated growths areas in close proximity as well as major infrastructure and transport links.
- Plan 3 shows in more detail the Harwell Oxford element of the Enterprise Zone
- Plan 4 shows in more detail the MEPC Milton Park element of the Enterprise Zone

B6. What evidence or analysis is available to suggest that the site will meet the needs of the targeted businesses? (200 words)

The zone will benefit from a number of key strengths that are important to the organisations that will drive the growth of the cluster These strengths were

confirmed in research carried out by SQW on behalf of SVUK.:

1. Good geographical location – close to academic centre of Oxford and financial centres of London and Thames Valley with good transport links for international access.
2. Outstanding scientific facilities – one of largest science clusters in the UK; estimated £1bn investment within the zone potentially available for use by inward investors.
3. Attraction of anchor organisations – range of world leading organisations both academic and commercial with growth areas such as space research (European Space Agency plus 13 organisations) and biotech (48 healthcare companies).
4. Availability of finance through access to local banks, venture capital and angel networks
5. Entrepreneurial culture with commercial awareness and business networking
6. Skilled workforce and ability to attract staff – skills training through a range of organisations and good quality of life in surrounding area
7. Room to grow – essential for organisations to be able to grow within the location and retain staff
8. Experienced management of the zone by Harwell Oxford and MEPC who have outstanding reputations in science park development .

B7. Please describe the nature of infrastructure and transport links that are currently associated with the zone (200 words)

The zone is located next to the A34 providing direct links to the M40, M4 and M3 motorways. Journey time from Didcot train station to London Paddington is 45 minutes and just over 1hr drive to Heathrow airport.

Oxford City is less than 30 mins drive to the north and the zone has good access to the business activities with Thames Valley to the south. It is close to Abingdon, Wantage, Grove, Didcot, Oxford, Newbury and Reading.

SVUK has substantial links with the Universities located at Oxford, Reading, and London.

The area already benefits from excellent primary, secondary, further and higher education establishments as well as other amenity and leisure facilities.

Didcot is a designated Growth Area. This is supported by investment in developments including an arts centre, schools, FE and HE facilities, an extended shopping centre, cinema, green spaces and improvements to the train station.

These existing and planned improvements to the infrastructure will provide a sustainable community in which the Enterprise Zone will be able to grow and thrive.

**B8. What designations of land apply in the zone?
Are there any additional existing or potential constraints affecting the zone? (200 words)**

The majority of the land within the Zone is identified for employment uses in the local planning policy documents. The remaining land is suitable for employment uses. Therefore it is considered that there are no potential or existing constraints affecting the zone in planning terms.

Harwell Oxford is within the designated North Wessex Downs Area of Outstanding Natural Beauty (AONB) and there are significant areas of open space, landscaping and tree planting, some of which have been identified by English Nature as having considerable nature conservation interest.

The AONB designation has not constrained previous development and the LDO will take full account of the designation.

The location of the Zone within the boundaries and ownership of the existing parks means that the site is ready for development now, with no constraints affecting the zone.

B9. Please provide an overview of the key aspects of the planning history of the zone, and whether there are currently any existing planning permissions which are not yet implemented (200 words)

The Vale of White Horse Local Plan 2011 notes 'Harwell has been one of the most significant concentrations of research and scientific activity in the UK for over 50 years'. And 'The [Milton Park] site has been progressing as a business park for over 30 years and there remains scope for further redevelopment of areas currently occupied by older buildings'. Planning policies have encouraged the development and re-development of B1 and B2 uses on both parks.

There has been a planning permission since 2008 for development of office and laboratory space within part of the MEPC Milton Park zone element totalling 54,339 m². To date insufficient demand has arisen to trigger this development. We expect that zone will provide the impetus to attract inward investors.

Harwell Oxford has no current consents for office or laboratory space. A simplified planning regime will help to support rapid development for new occupiers.

Both parks currently have consent for a hotel; demand for these is expected to increase as the parks develop.

Please refer to the planning history schedule at **Appendix I**.

Section C

Plans for development of the proposed zone

C1. Please provide a description of how the proposals will make it easier for businesses to set up in the Enterprise Zone, by specifying the types of development (e.g. buildings, change of use, engineering operations) that would be permitted through the Local Development Order (500 words)

The Local Development Order (LDO) will remove planning delays, greatly reducing the time to build and reducing costs for the site owners and local planning authority. This is important since many of the inward investment opportunities are working to very tight deadlines. It will also create greater flexibility for the parks in terms of design and layout so they adjust plans to fit the needs of potential occupiers without fear of a planning refusals or amendments that could lose them an occupier in a buyers market. Furthermore science based companies can grow quickly and as technology advances our occupiers requirements for the type of design of building changes. Flexibility is required if we are to adjust to our customers needs and

keep them within the location.

- The master plans that are already in place will provide the basis of the LDO. Its specification would provide enablement for :new buildings with specified uses that are appropriate for the targeted sectors
- new buildings up to certain height and floor plate sizes
- change of use of buildings (once constructed) that are appropriate for the targeted sectors
- internal building fit out and alterations that are appropriate for the targeted sectors
- external building alterations that are appropriate for the targeted sectors
- engineering operations required to meet the energy and broadband needs of the zone
- green infrastructure including charging points for electric vehicles, green roofs, solar panels and other sustainable energy innovations.

The zone has clean sites without development constraints and the LDO could provide an incentive for increased occupation of specific employment uses.

The LDO could:

- remove procedural delays associated with making a planning application
- speed up time to occupation and the creation of new jobs
- increase certainty of outcome for a prospective occupier
- improve prospects for immediate yields on employment property investments
- create efficiency savings for the local planning authority
- promote partnership working between the local planning authority, land owners, businesses, residents and parish councils
- empower the local business community and the residential community to determine forms of development that should be permitted without the need to apply for planning permission

The Vale of White Horse District Council as the local planning authority understands that the LDO can create an environment in which freedoms and certainty for business increases the marketability of employment sites. The council is also prepared to extend the scope of the LDO to include those parts of both Harwell Oxford and MEPC Milton Park that are outside of the zone area.

However the Oxfordshire LEP is certain that the only way to kick start significant jobs growth by 2015 is a combination of an LDO, business rates discount and reinvestment of business rates growth.

C2. It is expected that Local Development Orders will comply with national planning policy. Please tell us whether there are any significant issues that may pose a risk to achieving this (500 words)

There are no significant issues that may pose a risk. The LDO will support Planning Policy Statement 4: Planning for Sustainable Economic Growth, so there will be no significant issues.

C3. What additional infrastructural development works or remediation, if any, is required (both on and off site)? Please indicate how much will these cost and how they will be financed and delivered (200 words)

A great advantage of both parts of the zone area is that no additional infrastructure is required to enable development to commence. Additionally there is no remediation work required other than demolition of a few existing structures.

As the Zone develops, investment in the following areas would enhance the sites attractiveness to business:

- The upgrading and reinforcement of the electrical power capacity of the sites
- Improvements to the transport links to Harwell Oxford.
- The upgrading and provision of high speed data networks (Fibre to the premises broadband - FTTP)
- The upgrading and provision of green transport links (footways and cycleways) between Milton Park and 5,500 new homes being developed on the opposite side of the A4130 and the West Coast railway line.
- Improved linkages from North to South within the Harwell Oxford Campus
- The upgrading and provision of bus stops
- Charging points for electric vehicles

There would be no additional cost to the public purses for these works as it is intended they will be funded by a combination of developer contributions, business rates growth and sustainable transport funding.

C4 Please describe the scale and nature of proposed development in the Enterprise Zone (to April 2015) – including the total volume (m²),

the type of development (industrial, warehouse and distribution, retail, office, other) and the mix between refurbished and new developments (200 words)

Up to 200,000 sq m of new space is planned within the zone. This will include: 80,000 sq m of laboratory space, 80,000 sq m of office space and 40,000 sq m of industrial space. All of this will be new development. The precise mix of uses will be driven by the market. However the zone will be targeting high technology laboratory, high value manufacturing and high knowledge base office users so the majority of accommodation will be going to these uses (classes B1 and B2) and related support functions

It is anticipated this development could create up to 8,400 new jobs within the zone by 2015.

C5: Please provide examples of how the proposals will simplify and better co-ordinate the work of local regulatory services to further reduce the overheads for business in the Enterprise Zone, and integrate these into wider economic planning (200 words)

A Local Development Order will reduce the time taken for planning approval processes and significantly increase the flexibility of the site, which are currently a barrier to development on the site.

The clustering of scientific and technological companies means that the local regulatory services build up a better understanding of these sectors and this will result in a more effective inspection programme that reduces business overheads.

Section D

Plans for use of the proposed zone

D1. Please provide an estimate of the total number and type of businesses the proposal seeks to attract:

- the best estimate as to the number of businesses in the proposed Zone by 2015. What is the range around this central estimate?
- which sectors or activity types and occupational classification within them?
- what size enterprises?
- the proportion of new and expanding businesses expected
- where will relocating businesses be coming from?

(250 words)

- At least 200 businesses; +/- 10%
- Space, biotech, IT, intellectual property management, detector systems, advanced manufacturing, cryogenics, green energy and the environment.

Sectors	SVUK sect sector split on Milton Park and Harwell				
				employer	Total floors
professional scientific and technical	23%	30%	2520	29	73080
wholesale and retail	16%	5%	420	19	7980
manufacturing	8%	7%	588	34	19992
human health and social work	8%	6%	504	29	14616
electricity, gas steam and air conditioning	2%	2%	168	32	5376
water supply, sewerage, waste	2.50%	0%	0	32	0
construction	5%	0%	0		0
transportation and storage	5%	2%	168	50	8400
accommodation and food service	4%	2%	168	19	3192
information and communications	6%	16%	1344	19	25536
financial and insurance	1%	5%	420	19	7980
real estate activities	2%	1%	84	19	1596
administrative and support services	6%	15%	1260	19	23940
education	6%	2%	168	19	3192
arts, entertainment, recreation	2%	1%	42	19	798
other services	3%	7%	588	19	11172
	100%	101%	8400		206850
			8442		

source: Optimal Economics report, based on Business Register and Employment survey, ONS, Crowi

- The majority will be SMEs with less than 250 employees; however, there are opportunities to capture global multi-nationals due to the extensive benefits offered by the location and the EZ. The precise mix of enterprise sizes will be driven by the market.
- 90% new and expanding
- Business start ups (including university spin outs) and overseas inward investors, particularly attracted by the location and technology/market sector clustering.

D2. What is the economic rationale for the intended pattern of use detailed above in terms of benefits to the local economy, including (but not limited to):

- barriers to growth in local area;
- labour market conditions and expected employment impacts;
- agglomeration benefits;
- cluster benefits and sectoral focus; and
- other productivity impacts.

(250 words)

Please provide or reference evidence and analysis to support the explanation.

- A major barrier to growth is the lack of availability of suitable premises. The LDO would speed the delivery of these and reduce costs.
- The provision of an economic incentive to inward investors would help to even the international playing field and generate increased interest.
- A focus on hi-value jobs will benefit the local economy. The current average annual salary for a biotech job in Oxfordshire is £37,500 in contrast the average annual salary for a distribution job is £27,000.
- Agglomeration will give the critical mass required to leverage and elevate the two parks from their slow moving uncoordinated national status to a global level cluster able to compete on the international stage - putting Oxfordshire and UK science back on the world map. A SQW study of SVUK confirmed the importance of this catalytic effect noting that international comparators have created a 'virtuous circle of successive high tech start-ups and re-investment of funds generated.'
- The target sectors identified have high growth potential and leverage the considerable investment in assets available within the zone. Much of the investment and foundation is already in place and inward investors are attracted by this. Having the infrastructure in place gives the ability to expand quickly resulting in more rapid jobs growth than that which could be provided by business start ups alone.
- The Science Vale UK area with Didcot as its hub is an area designated for growth. The zone status will also bring hi-value local jobs along side proposed increases in homes.

**D3. How is the implementation approach and plans for the ongoing management of the zone designed to ensure that the proposal will succeed in attracting the preferred types of businesses?
(250 words)**

The site owners have dedicated management regimes to deliver the planned level of development. The master plans for the zone are flexible enough to accommodate bespoke design and specification of buildings, as well as being able to build on demand once the LDO is in place.

The zone has already been successful in attracting interest from the target sectors but due to the current economic climate and international competition has not achieved planned growth.

As well as the benefits of an enterprise zone, overseas inward investors and business start ups will have all the benefits from entering onto established business parks and becoming part of existing clusters. The site owners are experienced in attracting overseas inward investors in the targeted sectors.

The Science Vale UK Partnership will also work with UKTI, training and business support providers, through the Oxfordshire LEP to provide a soft landing service comprising of business support for inward investors and training for potential employees to enhance the proportion of new jobs going to local residents.

The parks will also be able to use the benefits of Enterprise Zone status to promote the sites and to increase the number and timing of development brought forward and occupation take-up.

**D4. To what extent is the bid for Enterprise Zone status scaleable?
(250 words)**

The zone is not scaleable; new businesses increase the absorptive capacity of the existing science and technology cluster. A two site zone provides a variety of complimentary offers for inward investors and therefore makes the zone more attractive and competitive.

A reduced zone size will reduce the absorptive capacity and complementarity. It will also result in fewer new jobs in the longer term. However there could be potential to create a smaller zone that is still capable of delivering a smaller number of jobs by 2015.

D5. Would any other forms of public support be required to deliver the bid, for example capital allowances, superfast broadband, UKTI

support? Why? (250 words)

Please indicate the likely scale and nature of this support

No public sector funding is required to enable development in the zone however public support for additional measures would enhance the attractiveness of the zone.

The zone does not have extensive Fibre to the premises (FTTP). Super fast broadband (speeds of more than 100 mbps) provision would enable fast worldwide transmission of large data files and would be a strong marketing tool for the zone.

The site owners would benefit from dedicated UKTI support to attract overseas inward investment.

All businesses in the zone would benefit from UKTI support to achieve improved levels of exporting of goods and intellectual property services

Development of a strong business support system will be needed particularly for start-ups and the skills agenda will need to be accelerated to ensure that there is a sufficient supply of employees with the right business and ready-for-work skills. We expect that the LEP will oversee and coordinate the roll-out of these programmes for the Enterprise Zone and across Oxfordshire.

Given the nature of the target sectors, most businesses in the zone will benefit from R&D tax credits.

D6. How will the proposal leverage in other forms of financial and in-kind contributions? (250 words)

Please indicate the scale and certainty associated with this support. Relevant impacts include (but are not limited to):

- private sector leverage
- use of RDA or other public sector assets
- alignment of other sources of funding (e.g. ERDF, Regional Growth Fund)

- This will leverage the investment already made by the private sector property developers and existing commercial organisations adjacent to the zone, It is anticipated that the creation of the zone and the nature of the targeted sectors will attract interest from

The Oxfordshire County Council community broadband network may be able to serve as the 'backbone' of the super fast broadband network.

The growth of the zone businesses will result in the leverage in of the Regional Growth Fund, ERDF Interregional funding, European R&D Framework Programme funding and Technology Strategy Board funding.

The development of the Science Vale UK skills strategy (which is consistent with the OLEP skills statement for Oxfordshire) will help to lever in learning and skills funding.

Agreement has been reached with the Homes and Communities Agency over how their skills and resources can be used to benefit the area. This includes funding of £200,000 to develop and deliver the overall growth plans of the SVUK area in which the proposed zone is located

D7: All business rates growth within an Enterprise Zone, for a period of at least 25 years, will be retained by the local area, to support the Partnership's economic priorities. How will the uplift in business rates be used? (200 words)

The expected growth in business rates (not including any relief provided by the zone) is forecast to be up to £4 million per annum by 2015 and before the 25 year period is over this could rise to £10.5 million per annum based on estimates using present day values.

Oxfordshire LEP priorities are:

- Getting the county connected to fast broadband access and improve mobile phone coverage
- Improving the skills of Oxfordshire's workforce and those about to enter it, to improve their employability
- Maximising Oxfordshire's potential to increase inward investment
- Providing the local link for business support
- Enabling infrastructure for growth and reducing barriers

Investment of business rates growth in these priorities will support the growth of the zone.

Section E

Expected benefits

E1. What level of employment is expected within the proposed Zone by April 2015? Please record relevant assumptions and cross-refer to answers from sections C and D as appropriate. (250 words)

The enterprise zone will create 6,250 to 10,500 gross direct jobs over the period to 2015, subject to the global market and the level of business rates discounts that are offered.

Employment estimates are consistent with the business use of the associated development and we have used employment density assumptions presented in Employment Densities: A Full Guide, July 2001, by Arup Economics and Planning on behalf of English Partnerships and the RDAs.

The estimated jobs per square metre ranges from 1:19 for office space to 1:30 for laboratory space. The central estimate – 8,400 gross direct jobs – is consistent with the level of employment, and spread of sectors and occupations already present on the sites and assumes the EZ sites are able to attract a greater proportion of globally mobile R&D and science based business activity over the period to 2015.

Zone status will enable significant employment growth because the fiscal incentives and other benefits will make the sites globally competitive. In the last 2 – 3 years, the number of inward investment enquiries has fallen because of difficult global economic conditions. Zone status would enhance the competitive position of the science parks which already offer world-class scientific facilities and have an international reputation and clusters in scientific research, space, bio-technology, information technology, cryogenics, advanced manufacturing and intellectual property management.

E2. Please describe i) to what extent the job estimate in E1 may be subject to deadweight and displacement; and ii) the proposed strategy to mitigate those impacts? (250 words)

Deadweight –The benefits conferred from zone status would provide a significant enhanced offer in terms of the global competitiveness of the parks. We estimate that no more than 20% of the 8,400 jobs (i.e. 1,680 jobs) would locate on the parks between now and 2015 without zone status. This is equivalent to just over 500 jobs p.a. that would have occurred anyway and represents the average jobs growth that has occurred in the SVUK area over the last three years.

Focussing on new rather than existing businesses and proactively marketing the zone benefits internationally, in partnership with UKTI will mitigate the deadweight impact, the individual SVUK partners and the parks.

Displacement – Evidence suggests that displacement will be low – around 20%. Zone status will allow the parks to compete with global competitors for internationally mobile businesses. We therefore assume a low figure for displacement – we estimate it will be no more than 20%.

The amount of displacement will be minimised by targeting the zone to international investors in partnership with UKTI

The SVUK EZ will therefore create just over 5,000 net additional jobs in high value added science and professional service sectors.

E3. Please outline if and how new employment on offer in the Zone is expected to be of benefit to local people, and any strategies that will be adopted to ensure that local benefits are maximised (250 words)

The SVUK is developing a skills strategy with the OLEP, to improve the skills base of employees to match labour supply to growth sectors, increase apprenticeship places and develop employability projects to address unemployment. The strategy will be consistent with the overall framework for

Oxfordshire which is set out in the 'Skills Statement for Oxfordshire'

The District Council's Core Strategy is being developed which will target the development of 15,000 new and affordable homes within a few miles of the science parks to ensure a local labour supply. By ensuring that housing sites and employment sites are in close proximity and focussing on the skills strategy to ensure that local people have the appropriate skills match for science-based businesses, we ensure that local people will benefit from the jobs created.

The Science Vale area already has a reputation for 'cutting edge science' for the last sixty years. The County Council, District Council and other partners have been working intensively with schools and education providers and helping to forge business-education partnerships for the last five years to ensure there is a continued supply of suitably qualified school, college and University leavers to meet the needs of industry. This includes apprenticeship schemes that are run by science and research businesses in the Science Vale area.

**E4. What impact will the proposed Enterprise Zone have on indirect employment in the Local Enterprise Partnership area, for example, supply chain employment?
(250 words)**

Supply chain sectors that will particularly benefit in terms of employment growth are construction/property maintenance, distribution, professional services, software engineering and accommodation services. Science Vale case studies showcase a growing number of professional service firms such as software companies that have developed to support the growing space cluster.

Overseas companies relocating into the zone will bring benefits to the property and financial services sectors. The increase in job numbers and personal wealth will benefit the leisure and retail sectors.

UK Analytical input-output tables illustrate the indirect employment impact on the UK economy. The type 1 employment multiplier for scientific R&D is 1.3 which suggests that, of the 8,400 gross direct jobs created, a further 30% (or 2,500 jobs) will be created across the UK as a result of supply-chain impacts. However it is noted that in the UK Space Agency report 'The Size and Health of the UK Space Industry – November 2010' the employment multiplier for the UK space industry is estimated at 3.34. This suggests that the indirect employment impact of 8,400 gross direct jobs in hi-tech sectors could be much greater than our estimate.

Summary of supply chain employment impacts:

- 2,500 indirect jobs created in professional services, medical equipment, software engineering and accommodation services across the South East region. We expect that 1,000 of these jobs will be created in Oxfordshire because of the clustering of supply industries, particularly in relevant applications technology.
- 1,250 induced jobs created in retail, leisure and hospitality sectors as greater levels of local employment result in positive economic impacts through wage bill expenditures.

E5. What other wider economic, social and environmental benefits will the Enterprise Zone bring to the Local Enterprise Partnership area? (200 words)

Wider impacts will include:-

Wider benefits not captured in benefit-cost ratio	Impact
Housing development	Acceleration of 15,000 new homes planned for SVUK.
Affordable homes	40% onew homes affordable
Improved labour market outcomes and training opportunities, particularly for young people	More apprenticeship opportunities.
Support for retail sector	Increased consumer spending
Improvements to social cohesion	Business park owners already have a strong commitment to corporate social responsibility (e.g. school visits, work experience, sponsorship and charitable donations, employee volunteering and green travel plans). This ethos has been absorbed by existing park occupiers and will be absorbed by new occupiers in the zone.
Transport economic efficiency	Impetus to prepare and deliver a SVUK wide green travel plan; encouraging walking, cycling and electric vehicles. Green transport improvements will also benefit local residents as more traffic is taken off the roads, reducing journey times.
Increasing attractiveness of the	Superfast broadband will, through proximity, become

area to businesses due to improvements in infrastructure (broadband)	available to other local businesses and residents.
Increasing attractiveness of the area to businesses due to local development orders (LDOs)	Benefits of LDOs will be tested and will encourage their widespread use thus reducing planning delays and provide further impetus to business development.
Construction jobs	Short-term construction impacts associated with the development of 200,000 square metres of laboratory space and office accommodation on the enterprise zone.

E6. What consideration has been given to ensuring the sustainability of benefits arising from the Zone into the future? (200 words)

The business park owners have a strong track record of successfully incubating, growing and retaining businesses within the targeted sectors.

The will be working closely with the Science Vale UK Partnership, the Oxfordshire LEP and communities in the area to ensure that the benefits of the growth are sustainable over the long term and that future provision to enhance and strengthen those benefits is carried through.

The Oxon LEP will use revenues from business rates to invest in the infrastructure (see section D7) that is currently missing on these sites and will be essential for it's long-term development potential. This will bring long term benefits to the area in terms of both economic and social growth and will create a virtuous circle of growth equivalent to other globally successful hi-tech regions.

Section F

Governance and management

F1. What consultation has been undertaken with local businesses, communities and other groups relating to this proposal and what feedback has been received? How do applicants plan to make information about the impact of the proposed Zone available, including publishing data in open and reusable formats? (300 words)

Members of the Oxfordshire LEP and the Science Vale UK Partnership Board have been fully involved in the preparation of the proposal. The partnership includes business representatives and their commitment to the preparation work demonstrates that there is real support for this proposal.

The full Boards of the Oxfordshire LEP and SVUK support this proposal.

During the development of the master plans for the two business parks, hosting the zone, consultation took place with existing park occupiers, with local agents, with representatives of county, district and parish councils, and with a wide range of other interest groups. The feedback from these consultations was positive and where appropriate the master plans were amended.

The two business parks have well established communication structures to keep occupiers within the park, and residents in the surrounding area informed and these structures will be used to disseminate information about the zone.

The Oxfordshire LEP and SVUK Partnership both have websites and these will be used to publish information about the performance of the zone. Regular meetings with local businesses, councils and community groups will provide information about the zone. The local media will be invited to cover the achievement of key milestones and targets.

Contact will be made with other zones across the country in order to share performance information, learning and best practice.

223 words

F2. Please outline the governance structure for management of the proposed Enterprise Zone and provide the names of key personnel. (200 words)

The extant Science Vale UK Partnership Board will take responsibility for overseeing and monitoring delivery of zone development reporting to the LEP in the form

prescribed by the LEP board. The SVUK board will ensure there is no leakage of business rate discounts to incumbent businesses. SVUK has a project manager and an executive group of officers, one from each board member who will carry out the day to day work associated with management of the zone programme.

Harwell Oxford and MEPC will have individual direct responsibility for the development of their elements of the zone, working with UKTI and other partners.

Key personnel are:

Martin Dare-Edwards (Chair, Oxfordshire LEP)

Professor Steve Cowley (Chair of SVUK Board and Chief Executive of the United Kingdom Atomic Energy Authority)

Dr Sally Ann Forsyth (Harwell Oxford and LEP and SVUK Board member)

James Dipple (MEPC Milton Park and SVUK Board member)

**F3. What monitoring and evaluation plans are proposed?
(please refer to the approach, timing and resource implications of
these activities). (200 words)**

The existing masterplans will be used as the basis for the monitoring and evaluation plans. These will form the baseline for monitoring of achievements. The masterplans have phased approaches and milestones and targets that are specific to zone development will be incorporated. These will include numbers of business secured, buildings (both started and completed) and jobs created (gross and net jobs). Further research will be commissioned to assess the impact of the Zone on indirect job creation.

It is intended that monitoring will be carried out by the management team at the parks as part of their ongoing duties in the management of the park master plans. Therefore the additional resource implications of this work will be minimal.

Data collection will be carried out on a face to face basis with businesses in relation to jobs created and also supply chain businesses utilised. Measurement of employment space created will be an ongoing exercise throughout the life of the zone, as will monitoring the types of business that are attracted and where they have come from.

An annual report on zone development and performance will be published and independently evaluated. The OxonLEP board will receive an interim update on performance 6months before the annual report is collated.

F4. What risks have been identified in achieving the outcomes of the proposal and what are the mitigation plans? (200 words)

Risk	Likelihood	Mitigation
Lack of inward investment	Low	Combination of zone status, cluster strengths, UKTI support and additional infrastructure, will attract inward investment
Inward investors cannot source the skills they require within Oxfordshire	Medium	Skills strategy focused on employer needs
There is insufficient affordable housing and facilities for an expanding workforce	Low	15,000 homes planned, 40% will be affordable.
Additional infrastructure cannot be provided or cannot be aligned to the rate of development	Low	Infrastructure delivery plan identifying the phasing and funding of high speed broadband etc The planned growth can start without significant infrastructure investment. The growth itself will help to fund infrastructure
The Local Development Order (LDO) does not facilitate development	Medium	Site owners have strong track record of successful commercial development and will be full partners in the preparation of LDOs to ensure it supports their requirements
The terms of the (LDO) are not complied with	Low	SVUK Board will monitor the implementation of the LDO
Employment growth does not match growth in floorspace	Low/ Medium	The zone is targeting sectors that have high job densities per square metre of floorspace. These densities are already being delivered on the parks so should be capable of replication

Section G

Equality information

G1. Is it expected that the proposal or its outcomes will have a detrimental impact on any of the groups with protected characteristics as listed in the Equality Duty.

If yes, please describe the impact or impacts the proposal is expected to have, the group or groups which may be affected, and any steps, if applicable, which have been taken to mitigate the impact(s).

It is not expected that our proposal will have a detrimental impact on any groups within our community. The members of the Oxon LEP and Science Vale UK Partnership are committed to the principle of equal opportunities. We believe we should deliver services to customers and value our employees equally irrespective of their race, colour, ethnic or national origin, gender, age, religion, disability, sexual orientation, marital status, family responsibility, trade union membership, whether they are suffering from a severe illness or any other relevant factor.

The implementation of a zone within SVUK will create a wide range of direct and indirect jobs. This will create opportunities for everyone in our community.

The skills strategy that will be implemented to support the growth of the zone will take in account the needs of disadvantaged members of our community.

The associated development of green transport infrastructure will create opportunities for residents without a car to access jobs and services in the area. This will be of particular benefit to young adults, women and the elderly.

All consultations related to the zone will take into account the needs of all groups within our community so that everyone has the opportunity to be represented.

Enterprise Zones

Guidance to Application Form

Section A: Summary information

- A1. A short title for the proposed Enterprise Zone.
- A2. Please provide the name of the Local Enterprise Partnership submitting the bid.
- A3. Please designate, and provide details for, a contact person for the submitting Local Enterprise Partnership who can respond to queries about the bid.
- A4. Please provide the names of any other organisations, entities or individuals who will be working with the Local Enterprise Partnership to implement the Enterprise Zone proposal. Please summarise the roles that each partner will play and/or give details of any contribution they will be making to the project.
- A5. Please provide a succinct account of the proposal; this should include a summary of the objectives for the proposed Enterprise Zone and the proposed approach for meeting those objectives. This should be a short overview of the proposal and there will be an opportunity to provide more detailed information in subsequent questions.

Section B: The characteristics of the proposed Zone

- B1. All local authorities who have responsibility for land within the site should be listed.
- B2. The size of the proposed site should be provided in hectares. Where a proposal covers more than one area of land, figures should be provided for each of the component parts, as well as the cumulative size of all overall site.

Please provide a brief rationale for the proposed site size. This explanation should cross refer to arguments presented in question D2 relating to barriers to growth and economic growth opportunities. The Enterprise Zone Prospectus has set out guidelines on size as follows:

‘There is no single size for an Enterprise Zone, but there are clearly limits imposed by the levels of funding that Government has been able to set aside to support the Zones. The Government anticipates that most Enterprise Zones would be broadly 50 – 150 hectares, although this will depend on a range of factors, including the size of the area covered by the local enterprise partnership, the nature of the site, the size of business likely to be attracted, and the level of rates that would be foregone as a result.

- B3. Please set out the ownership of the land within the site as it stands currently and any changes to ownership proposed as part of the bid.
- B4. Please provide details of existing buildings and structures on the site. Please also provide details of existing land uses. Please indicate whether it is proposed that these buildings/structures/land uses be retained within the site. Please provide details of any current floor space or occupiers and whether it is proposed for these to be retained with the site.

The word ‘clean’ refers to a site which contains no properties that are currently rateable.

The Enterprise Zone Prospectus sets out the Government’s aspirations in relation to the choice of site:

'We also want to ensure that Enterprise Zones help to support genuinely additional growth and create new businesses and new jobs. The Government therefore envisages that Enterprise Zones will generally be based on 'clean' sites with little or no business occupants. Targeting such sites will reduce the risks of simply favouring incumbent businesses with little added value to the economy of the area.'

If the site is not currently 'clean', please ensure that the bid sets out a clear rationale for choosing an occupied site and the proposals will ensure that the Zone will nevertheless support additional growth.

- B5. Please provide a full post code location for the site. If the bid is proposing more than one site, please include all post codes.

The map of the site should clearly show the boundaries of the proposed site(s) and highlight key infrastructure features. Applicants are welcome to include aerial imagery that helps to illustrate the characteristics of the location.

- B6. It is important that the proposal meets the needs of the private sector. The applicant should summarise evidence and analysis in support of the proposal. This may include evidence of commercial discussions, commentary on the stage of these discussions and letters of intent received from prospective occupants. The applicant should also refer to secured private sector leverage in support of their proposal.

- B7. Please provide information here on existing infrastructure and transport links which would service the site.

- B8. Please advise of any land or planning designations which apply to land in the proposed zone. For example, listed buildings, Conservation Areas, Areas of Outstanding Natural Beauty, flood risk zones, Sites of Specific Scientific Interest).

These designations should be taken into account in considering what development to bring forward via a Local Development Order and in some instances may limit the extent of development that may be undertaken. They may also impact upon the deliverability of the Local Development Order (e.g. in terms of the relationship with national policy and the time/expenditure necessary to evaluate associated issues).

- B9. Local planning authorities will be best placed to provide information of the planning history of land within the proposed zone. Please provide details of planning application and appeal decisions, as well as details of any decisions taken by the Secretary of State (e.g. on called-in planning applications). This information may be useful in gauging the degree of planning simplification that may be achievable, and any potential risks to delivery. Information provided should be planning history and information which is of direct relevance to the enterprise zone proposals.

Section C: Plans for development of the proposed zone

- C1. This question seeks to understand how the proposals will make it simpler for businesses to set up in Enterprise Zones through simplified planning regimes. Please provide information on the anticipated scale of development it is proposed the Local Development Order would permit automatically (e.g. buildings, size of structures, additional floor space, proposed uses). Applicants are welcome to support their application with plans, drawings, artists impressions etc.

Please also advise whether the Local Development Order would be limited to within the Enterprise Zone boundaries or would extend beyond such.

- C2. It is expected that careful consideration will be given to compliance with national planning policy in developing Local Development Order proposals. Please use this section to provide an indication of any significant issues that may risk the successful adoption of a Local Development Order.

- C3. This question relates to any investment that is required before the construction of employment space can commence within the proposed Zone. This includes all shared infrastructure, remediation or other facilitating investment relating to the site and surrounding areas. The question is interested in the cost of these investments and how it is intended that they will be financed.

All costs should be undiscounted and expressed in 2011 prices.

- C4. Answers to this question should show how development will increase the amount of available floorspace on the site. Floorspace should be split according to the standard use classes provided. Estimates should relate to gross internal floorspace:

www.homesandcommunities.co.uk/public/documents/Employ-Den.pdf

Details should also include the type of building that is planned. Among other things, the following would be useful:

- **Industrial/warehousing** – type of building, e.g. basic sheds, business units, high bay warehousing/distribution centres
- **Offices** – style of office, e.g. prestige, low rise basic business units, quality of fit, e.g. air conditioning and extent of car parking provision
- **Retail** – type of development, e.g. shopping centre, neighbourhood centre, ancillary or retail warehouse.

C5. This question seeks to test how local regulatory barriers to business will be minimised in the Zone. This could include measures to streamline local regulatory compliance processes or other measures to reduce administrative burdens in a way linked to wider economic planning.

Section D: Plans for use of the proposed Zone

D1. This question is interested in the proposed strategy with regards to the likely number and mix of tenants/occupiers the bid seeks to attract:

- The total number of businesses expected to be located within the proposed Zone by April 2015. In recognition of uncertainty in estimation, applicants should express an upper and lower range around this central estimate
- Sector or activity type - It is anticipated that Enterprise Zone proposals will have an economic growth strategy focused on one or more sectors and/or activities. Applicants should use the Standard Industrial Classification
- Enterprise size - Please note that this relates to the size of the entity locating at the site, as opposed to the floorspace occupied or employment created at the site. A standard classification of enterprise sizes can be found here:

ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/sme-definition/index_en.htm

D2. This question provides an opportunity to justify the proposed approach and to express a coherent strategy express for the Enterprise Zone. It is of paramount importance that the proposed approach is supported by evidence wherever it is available.

The description of barriers to growth in the local area should refer as appropriate to evidence-based market failures and the proposed approach should clearly demonstrate how the solution is tailored to address these evidenced and accepted barriers to growth.

D3. This question forms the counterpart to D1 and D2; an opportunity to explain the practical steps that will be taken to ensure that the vision for the Enterprise Zone set out above is delivered. This should include a description of any policies and safeguards to ensure, for example, that the desired sector focus is achieved.

D4. The Enterprise Zone prospectus has committed to a further 10 Enterprise Zone sites in this second phase. However, it is clear that these 10 sites – and the associated cost to the public purse in terms of business rates foregone – must be affordable within the overall budget

envelope for Enterprise Zone policy. Whilst the prospectus indicates an expected size for a Zone (50-150 ha), this can give rise to differing degrees of (opportunity) cost depending upon the mix of activity located upon the site.

In order to meet the overall budget constraint it may be necessary to revisit the proposed extent of activities at certain Enterprise Zone sites. This questions aims to understand to what extent the proposal is scaleable i.e. the extent to which it may be modified, perhaps in terms of the size of the site or the mix of activity, to be delivered at lower overall (opportunity) cost. It is of course important that such 'scaling' of a bid does not fundamentally alter the strategy of the bid and does not disproportionately reduce expected benefits. It may be helpful to provide one or more worked examples of how the bid could be scaled down.

- D5. The Enterprise Zone prospectus makes reference to a number of alternative incentives and tools that may be used to help deliver an Enterprise Zone proposal. For example, in EU Assisted Areas (see stats.berr.gov.uk/regional-aa/aa2007.asp) where proposals have a strong focus on manufacturing, capital allowances may be available for plant and machinery instead of business rate discounts.

The majority of these measures will have cost implications for the public purse. This is an opportunity to register interest in making use of these tools – please indicate the proposed scale and nature of these activities and their importance to the delivery of the overall proposal. Please note that this is on a no prejudice basis and will be subject to further discussions with relevant departments and/or agencies.

- D6. Government is expecting Local Enterprise Partnerships to be innovative in leveraging other resources to support the delivery of their proposal. This question provides an opportunity to indicate the leverage of other assets and resources. Please indicate the degree of certainty associated with these the leverage of these resources and/or describe the current stage of discussions.
- D7: This question seeks an early indication of how the growth in business rates that the proposed Zone would generate will be used to support the Local Enterprise Partnership's priorities.

Section E: Expected benefits

E1. This question explores the expected employment impacts associated with proposal. It is noted that these projections will be subject to some uncertainty at this stage, but the aim is to understand something of the scale of benefits the proposal could provide. Answers should include details of all assumptions and calculations used in forming the estimate.

Answers may want to refer to 'gross direct' jobs; 'jobs created' and 'jobs safeguarded':

- Gross direct jobs are all those employed within the Enterprise Zone. This should exclude temporary jobs e.g. associated with construction of employment space.
- Jobs created are new jobs that will be created at the site as a direct result of the Enterprise Zone proposal.
- Jobs safeguarded are jobs that will be maintained within the Zone as a result of the proposal. Given the preference for 'clean' sites, it is anticipated that Enterprise Zone policy will give rise to few safeguarded jobs - please provide additional explanation where safeguarded jobs are expected to occur. This should include an explanation of why the jobs are under threat in the absence of Enterprise Zone status. Jobs can only be considered safeguarded where there is real threat that they will be lost in the near future if the project does not proceed.

In deriving employment estimates, applicants are advised to make use of employment density benchmarks to ensure that their estimates appropriately relate to floorspace estimates:

www.homesandcommunities.co.uk/public/documents/Employ-Den.pdf

E2. The Enterprise Zone Prospectus says on displacement:

“Competition is healthy. Competition for business between cities and other centres of growth should lead to an improved environment for business across the country. Competition to attract foreign inward investment will be most highly valued of all. We are however keen to avoid much more localised competition, resulting in local displacement to little benefit for the areas overall. Local enterprise partnerships will have a vital role in targeting the business growth that is genuinely additional in the area, including by identifying the priority sectors to be targeted. “

Whilst the primary reference geography is considered to be the Local Enterprise Partnership area i.e. we seek to maximise additionality from the perspective of the individual Partnership area, it would also be beneficial to demonstrate the case for additionality on a wider geographical scale (either sub-nationally or nationally).

The concept of additionality is fully explored in the [English Partnerships Additionality Guide](#).

For the purpose of this application form there are three key components:

DEADWEIGHT: The proportion of economic activity that would have happened on the Enterprise Zone site without Zone status.

DISPLACEMENT: The proportion of economic activity that would have happened elsewhere within the Local Enterprise Partnership in the absence of Enterprise Zone status for the site:

For part i), applicants are asked to draw upon available evidence and analysis to provide a qualitative assessment of the level of additionality associated with employment in the Zone taking into account the above definitions.

For part ii), the applicant should refer to any strategies which they intend to implement in order to maximise additionality.

E3. Where relevant, applicants may refer to distributional impacts of employment created/safeguarded – for example, jobs likely to be taken up by individuals who would otherwise be unemployed, jobs taken up by residents of deprived areas. Supporting evidence should be used to

substantiate these expected equality impacts e.g. accessibility/proximity to deprived neighbourhoods, skill level of jobs created/safeguarded, co-working with voluntary and community sector groups.

Please draw upon previous answers to ensure that a coherent picture of future employment within the Enterprise Zone is provided in relation to the type and skill level of jobs and how well these opportunities fit with the local skills profile and within the Enterprise Zone and/or any training provision envisaged.

- E4. Indirect jobs are those individuals employed as a consequence of activity within the Enterprise Zone, but are not located within the Zone. Indirect jobs include employment impacts within the supply chain, but should exclude impacts associated with income multipliers. Again, this should exclude employment associated with construction of Enterprise Zone floorspace.
- E5. Enterprise Zone proposals may deliver wider impacts (including economic, social and environmental) that lie outside of the core objectives of Enterprise Zone policy. This question provides applicants with an opportunity to report any other type of impact associated with the proposal. Applicants should provide supporting data and information that will help us understand the scale and nature of these impacts. Possible wider impacts may include, but are not limited to:

Wider benefits not captured in Benefits Cost Ratio	Guidance
Uplift in land values in neighbouring areas.	<i>Such programmes as infrastructure/buildings and public works improve environments and amenity value of the area which are capitalised into land prices not only in the area itself but also in neighbouring areas.</i>
Increasing attractiveness of an area to businesses, due to improvements to public goods (e.g. parks and the public realm) or crime reductions.	<i>Improvements in public realm and associated effects on perceptions of the area, crime level and fear of crime can provide pull factors</i>
Future savings to the exchequer stemming from the higher likelihood of gaining and retaining employment by residents of the area (including reduced crime or improvements in health).	<i>As intervention improves mental and physical health outcomes of residents their chance of getting and retaining employment also increases, yielding benefits to the exchequer.</i>
Environmental benefits, such as improved open spaces, biodiversity, air quality, noise, land remediation etc.	<i>See link below</i>
Reductions in the distance from the labour market among residents of the area as they become more job-ready/move closer to the labour market.	<i>The hardest to reach (such as some minority ethnic groups and individuals with multiple and complex needs) are likely to move closer to the labour market, rather than enter it at the end of the intervention, if the approach is targeted and tailored to their needs.</i>
Transport economic efficiency e.g. safety enhancements and time savings accruing to the other businesses and consumers.	<i>See link below.</i>
Improvements to social cohesion.	<i>This could include improvements as a result of crime reductions, public realm improvements etc.</i>
Option value.	<i>Where the programme creates a significant incremental option to make follow-on investments, or flexibility to alter the investment at some point in the future.</i>

Guidance on the identification of regeneration, renewal and regional development impacts:

<http://www.communities.gov.uk/documents/corporate/pdf/146865.pdf>

Guidance on the identification of environmental impacts:

<http://www.defra.gov.uk/corporate/policy/guidance/env-impact/index.htm>

Guidance on the identification and estimation of transport infrastructure impacts can be found at:

<http://www.dft.gov.uk/webtag/documents/index.php>

Link to the Green Book for over-arching guidance on appraisal of impacts:

http://www.hm-treasury.gov.uk/d/green_book_complete.pdf.

In all instances the extent and robustness of the modelling, evidence and analysis supporting the assessment of wider impacts should be proportionate to the size of bid. It will be the applicant's responsibility to provide a clear demonstration of prospective impacts.

- E6. It is important that proposals are sustainable beyond the initial period during which financial incentives are available. Responses to this question should briefly draw out the aspects of the proposal which indicate that economic activity at this location will be self-sustaining in the future. Applicants may wish to cross-refer to the economic rationale set out in D2 – in particular the way in which the proposal addresses evidenced market failure to ensure continuing commercial viability.

Section F: Governance and management

- F1. Please briefly describe the extent of discussions that were conducted with local stakeholders in designing the proposal. This may include businesses, business groups, communities, education institutions and the third sector. Please also describe how you intend to make information about the proposed Enterprise Zone, and its impact, available to the public.
- F2. It is important for us to understand how the Enterprise Zone will be managed and how decisions will be made. A sound decision-making structure populated with appropriate and experienced personnel will mitigate a number of risks associated with implementation. Responses should describe how the structure has been designed to ensure sound partnership working and indicate whether similar structures have been used previously to deliver successful outcomes in other settings.
- F3. Monitoring and evaluation forms a key part of Enterprise Zone delivery. It is good practice to take an initial view at the design stage as to how and when these activities will be conducted. For both monitoring and evaluation, applicants should consider the key performance indicators i.e. data collection and the broad methodology for these activities. It is important also to have an a priori view as to the timing/frequency of these activities, the resource implications and the skills and capability requirements.

Section G: Equality

G1. To comply with the Equality Act 2010 it is required that any impacts the Enterprise Zone policy has on protected groups are monitored. The new Equality Duty covers the following protected characteristics:

- age
- disability
- gender reassignment
- pregnancy and maternity
- race – this includes ethnic or national origins, colour or nationality
- religion or belief – this includes lack of belief
- sex
- sexual orientation .

This section also allows applicants to highlight if and how they intend to use proposals to positively promote opportunities for disadvantaged groups.