

## **AYLESBURY VALE ENTERPRISE ZONE**

Tracey Aldworth

### **1 Purpose**

- 1.1 To provide an update on the latest progress with the Aylesbury Vale Enterprise Zone.

### **2 Recommendations**

- |                                                                                                                                                                                                                                |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"><li>2.1 To note the latest position on the progress outlined in the presentation by the Bucks Thames Valley Local Enterprise Partnership about the Aylesbury Vale Enterprise Zone.</li></ul> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

### **3 Supporting information**

- 3.1 Attached is a briefing note in relation to the Aylesbury Vale Enterprise Zone (AVEZ) and the background to the proposals.
- 3.2 Representatives from the Buckinghamshire Thames Valley Local Enterprise Partnership will attend the Scrutiny Committee to present an update on the latest progress and position regarding the AVEZ. They will also be able to respond to any questions from the Committee.

### **4 Resource implications**

- 4.1 No additional resource implications arising from this report that have not already been accounted for in the previous approval process for the enterprise zone proposals agreed by this Council.

Contact Officer                      Tracey Aldworth 01296 585003  
Background Documents            N/A

## ENTEPRISE ZONE UPDATE

### 1 Purpose

1.1 To provide an update on the Aylesbury Vale Enterprise Zone (AVEZ).

### 2 Executive summary

2.1 In the latter stages of 2015, working closely with public and private sector partners, BTVLEP submitted with the support of AVDC for an Aylesbury Vale Enterprise Zone (AVEZ), which was subsequently accepted by central government.

2.2 Enterprise Zones are an important part of the Government's programme to devolve responsibility for leadership of local growth and provide a powerful tool for Local Enterprise Partnerships to develop their local economy.

2.3 The award of the Aylesbury Vale Enterprise Zone reflects the partnership working between AVDC, BCC, BTVLEP, Silverstone Park, Westcott Venture Park and Arla.

2.4 Businesses basing themselves on Enterprise Zones can access- up to 100% business rate discount worth up to £275,000 per annum over a 5 year period for qualifying occupiers. This benefit can only be offered up until March 2022 from which point the benefit will taper until the offer expires in March 2027.

2.5 In addition, Enterprise Zones benefit from 100% retention of business rate growth for LEPs to reinvest in development on the Enterprise Zones .

2.6 For the LEP, Landowners and Local Authority Partners, Enterprise Zones will also continue to benefit from 100% growth of business rates retention for 25 years with 100% protection from any future reset or redistribution and as such, will sit outside the standard LA rates retention arrangements that will exist outside Enterprise Zones.

2.7 Business rate growth on an Enterprise Zone will not count towards an authority's business rate baseline income and, as a result, will not be used in the calculation for local authority top ups or tariff payments. Furthermore EZ's business rate discounts that are fully funded by the Government will generate business rates income that would not otherwise have arisen.

## 2.8 The Aylesbury Vale Enterprise Zone comprises:

### Westcott Venture Park

The Space Related element of the Westcott Venture Park site which is owned by Rockspring. Only the Space Propulsion element of the site is covered by EZ status in recognition of the fact that this allocated land would attract the higher value knowledge economy type business and investment. Investment in the Space sector is currently heavily controlled by Government through the European and UK Space Agencies.

Westcott has both the recognition and support of these Agencies and BTVLEP has been working actively with the agency about some plans they have for investing in this site, ultimately re-positioning this site for the increasing opportunities arising from space exploration and travel, ensuring that this strategic site is more than just an historic WW2 Heritage site. On a positive note, AVDC are working seriously with Westcott and a major space engineering company to locate to Westcott and hopefully be established and up and running by March 2017.

## 2.9 Silverstone

For the Silverstone site, owned by MEPC, it is only the currently undeveloped site K that is part of the Enterprise Zone which will help accelerate and bring forward the investment in the enabling infrastructure, where there is currently a gap. It will support the acceleration of the development of the site and attract businesses in earlier than would have been the case without the Enterprise Zone designation.

## 3.0 Woodlands

On Arla/Woodlands the site includes a mix of consented and unconsented land something that was necessary to make the proposal viable. The consented element of the Enterprise Zone covers the Arla development and the unconsented element is being led by Buckinghamshire Advantage. This site is intended to have a focus on Food and Drink, Health and Care related activities. The landowner Memorandum of Understanding (MOU) has been signed by db Symmetry and is ready for signature by the EZ Board. The landowner MOU includes an occupancy policy for sectors to occupy the site and the public sector MOU reflects the intention to give rates relief to these groups.

A planning application is in preparation for the non Arla Woodland Site and will shortly be submitted for a large mixed use scheme including residential and employment uses. Preliminary work is being undertaken on the mechanisms for the commercial delivery of the first phase of development.

## 3.1 Governance of Enterprise Zones

### 3.2 As far as the prospective governance framework for Enterprise Zones is concerned;

The guidance published ahead of the bid submission clearly stated that LEPs were the primary body responsible for overseeing the development of Enterprise Zones, but that they were expected to work 'closely with the local authorities in which the EZs were based.

Each site will have a Memorandum of Understanding ( MoU) that will be a flexible document, with the initial proposals suggesting the first version should last until 2020. It will need to be signed by BTVLEP, the landowners and the local authorities

The Aylesbury Vale Enterprise Zone Strategic Board will manage the progress of the Zone in relation to the agreed business plan. The Board comprises local authorities in which the EZs are based, landowners and a private sector LEP Board member (to provide an independent chair and an effective reporting line back to the LEP Board)

This EZ Strategic Board will be responsible for;

- ensuring that the Aylesbury Vale Enterprise Zone is able to maximise the potential of this location to benefit Buckinghamshire
- managing the delivery of the strategic vision
- overseeing marketing and co-ordination of development across the Enterprise Zone sites and
- monitoring the performance of the Enterprise Zone against key measures including the fiscal and employment outcomes to be secured across the Zone.

### 4.0 Resourcing the Enterprise Zone

#### 4.1 Resources - evidence from past EZs suggests that one of the critical success factors is to resource it with a suitably qualified EZ member of staff. Michael Dillon, a chartered surveyor with extensive property development, inward investment, and enterprise zone experience has been appointed to the role on a temporary basis. The main strands of the enterprise Zone manager role include:

Assisting with the development and business plan going forward to maximise retained business rates, develop an investment approach and establish measures to generate most value.

Liaising with landowners and monitoring their development programmes.

Assessing the development viability of Aylesbury Woodlands to ensure the first phase of development commences.

### 5.0 Current Activity

- 5.1 The Government is now asking all partners that were party to an EZ proposal to agree a Memorandum of Understanding for each Enterprise Zone.
- 5.2 In order for the MOU to be effective it needs to be agreed by all parties.
- 5.3 The MOU's are in the final stages of discussions with minor detail to be agreed and will be formally signed off in the near future.
- Westcott MOU has been agreed in principle with Rockspring and that it will be finalised shortly with a view to being ready for signature at the next AVEZ Strategic Board meeting.
  - Silverstone MOU .There are some minor drafting amendments and once changes are made, the document can be relayed to MEPC's legal team for review and sign off.
- 5.4 The Enterprise Zone manager is preparing a Board paper to identify the methods by which the first stage development of Aylesbury Woodland can be brought forward and is also undertaking in house development appraisals of the site to establish appropriate phasing and the highest and best value uses for the site.