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NORTHAMPTON WATERSIDE ENTERPRISE ZONE

APPLICATION FORM

**Submitted by
South East Midlands
Local Enterprise Partnership**

June 2011

'Supporting a regional economy of national importance'



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.

The Government wants to spread the benefits of Enterprise Zones as widely as possible. 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 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 DCLG (enterprisezones@communities.gsi.gov.uk) and your BIS 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;
- Much 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:
enterprisezones@communities.gsi.gov.uk no later than 5.00pm on
Thursday 30th June 2011.

Section A: Summary Information

A1. Proposal Title

Northampton Waterside Enterprise Zone

A2. Name of the Local Enterprise Partnership submitting the proposal

South East Midlands Local Enterprise Partnership (SEMLEP)

A3. Point of Contact:

Name	Laura Church
Organisation	South East Midlands Local Enterprise Partnership
Job Title	Head of Regeneration
Address	The Business Centre, Kimpton Road, Luton, LU2 0SX
Telephone	01582 522421
Email	semlep@chamber-business.com

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

Key partners:

SEMLEP – The Northampton Waterside Enterprise Zone bid is submitted by South East Midlands Local Enterprise Partnership. SEMLEP will provide a strategic direction for the Enterprise Zone and allocate SEMLEP resources to support the bid. The SEMLEP region is the 7th largest of 34 Government approved LEPs.

Northampton Borough Council (NBC) – Regeneration, Development and Assets – NBC will drive the initiative locally. Key activities will include business engagement, co-ordination of one-stop shop support and ensuring that all partners are engaged in supporting delivery. The team has an experienced and skilled Regeneration, Development and Assets Department, set up to focus on delivering regeneration projects.

West Northamptonshire Development Corporation (WNDC) - WNDC will shortly be the only Urban Development Corporation in the UK. WNDC has a blend of planning, regeneration and investment powers that will be used to support the EZ. WNDC has already been very active in the proposed EZ area, acquiring land, investing in infrastructure and kick starting development.

Northamptonshire County Council (NCC) – The County Council supports the Enterprise Zone proposal through its own delivery programmes. It is committed to supporting the Enterprise Zone through active participation on the proposed Strategic Board, the Executive team and through management of NEP and other key partners.

Northamptonshire Enterprise Partnership (NEP) - NEP provides a coordinated approach to promoting economic development, jobs growth and inward investment across Northamptonshire. The Partnership will assist

through an established marketing strategy focused on key SEMLEP sectors, providing entrepreneurship support and a business support offer.

Homes and Communities Agency (HCA) – HCA are working closely with NBC and all partners to help bring their land forward in co-ordination with other landowners and have confirmed their support to this Enterprise Zone proposal and commitment to delivery.

University of Northampton, Northampton College and Universities and Colleges across SEMLEP – The area has excellent educational establishments providing cutting edge expertise in the sector areas being targeted. They will also provide support in driving innovation, technology transfer and centres of excellence. The University of Northampton have an advanced strategic vision around the future location of their business school and other facilities within the heart of the town and this initiative could influence the University's decision to locate to the Waterside.

Work Programme Contractors – A4e and Ingeus – Both Work Programme Contractors recently appointed by Government are already working with NBC and **JobCentrePlus** to deliver the Government's employment initiatives.

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)*

The purpose of the Northampton Waterside Enterprise Zone is to create a national centre of excellence for advanced technologies, precision engineering, low carbon technology, sustainable construction and high performance engineering. This activity will be supported by related professional, financial, leisure and business services.

By 2015, target outcomes are:

- 7,700 net direct additional jobs
- 390 new businesses
- £206m private sector investment
- 242,800 sq m employment floor space created

An Enterprise Zone for Northampton will address key economic objectives of SEMLEP and within the Sustainable Northamptonshire Economic Action Plan. In addition to the clear regenerative effects, this enterprise zone will deliver:

- A **strong image of vibrancy and opportunity for Northampton and SEMLEP** and promote it as an attractive place to work, invest and live;
- A **focus for the High Performance Engineering Sector** as part of the Motorsport Corridor;
- **Rebalance and diversify the economy** away from the public sector towards the private sector and to further develop Northampton's role as a key engine of growth in the SEMLEP area;
- A range of **opportunities and facilities for graduate retention** to start and grow businesses in Northampton, as opposed to leakage to London and Birmingham;
- A **rebalance of development towards the town centre** addressing the unsustainable bias towards edge of centre development;

- **Strengthen the local employment offer** to reduce commuting to London or Birmingham, helping to rebalance capacity in the strategic infrastructure networks.

Building on existing strengths

Northampton, and the wider South East Midlands area, is already a major centre for our target sectors. Surrounding the proposed Enterprise Zone are over 200 motor sport companies, including Mercedes, Cosworth, Red Bull, Silverstone and Santa Pod. There are 450 performance engineering companies collectively employing 10,400 people. Some of the key employers are shown on the map at B4.

Related sectors such as aerospace, defence and energy already have a strong presence in the region, alongside World Class financial services organisations, including Barclaycard and Nationwide.

A prime location

The location of the Northampton Waterside Enterprise Zone is extremely well placed both economically and geographically to support and catalyse growth opportunities for the whole SEMLEP area. (Ref B7) The Enterprise Zone would be located at the centre of England, in a region that has a proven record of growth, (7.6% population increase between 2005 - 2010) and an employment growth rate of 8.2% (2005 – 2010).

Simplified planning

Key masterplans and development frameworks are already in place to provide the foundations for a Local Development Order making it simpler for businesses to locate and expand within the Enterprise Zone.

Supporting infrastructure already in place

Key infrastructure, such as flood defences and link roads, have either already been put in place over the last five to ten years (ref B7), or are already included in the Work Programmes for the public sector partners. (Ref C3)

Targeted marketing

Using the strong existing networks that already exist, an integrated place marketing campaign will target priority markets in the UK and abroad.

A strong delivery partnership

There is a strong public and private sector partnership ready to deliver and promote the Enterprise Zone. Key educational establishments across SEMLEP have pledged their support to the Enterprise Zone, as have private sector landowners, the Chambers of Commerce, Institute of Directors (Northamptonshire), the Federation of Small Business, the Government Work Programme partners and the two local Business Improvement Districts in Northampton.

One Stop Shop

A coordinated governance and one stop service will focus all business, investment, planning and development activities and regulatory functions across the Zone, See F2. **The proposal will deliver the priority objectives of both SEMLEP and Northampton and given preparatory investment in the Zone to date, can deliver positive outputs within the 2015 timeline.**

Section B: The characteristics of the proposed Zone

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

Northampton Borough Council & Northamptonshire County Council

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 120 hectares and is a contiguous area of 21 sites as set out in the Appendices 1 & 2. (also Ref D2)

The Northampton Waterside Enterprise Zone has natural boundaries of the town centre to the north and the River Nene to the south and is best placed to maximise employment growth and enable delivery. The area includes extensive underused, vacant and brownfield sites and is why this size/ boundary has been selected.

As an urban enterprise Zone, the proposal has the distinct advantage, relative to an out-of-town location, in that it provides a critical mass around existing employment, housing and infrastructure with strong connectivity to the town centre. The Zone sits centrally across Northampton giving it strong and convenient connection via road and rail links to the wider SEMLEP areas with related economies including Milton Keynes, Aylesbury Vale, Bedfordshire and other parts of Northamptonshire.

Over recent years, vital infrastructure has been delivered to support the Zone including Sandy Lane Relief Road, Cross Valley Link Road, Edgar Mobbs Way, St Peters Way/ Gas Street Junction, Bedford Road and its junction with A45. Major brownfield sites including Sixfields, Ransome Road and Harvey Reeves Road have been remediated as part of the Government's brownfield initiative, preparing the land for investment and major flood protection works have been installed. The areas are all linked through established infrastructure, with major improvements completed over the last five years making it a natural choice for an Enterprise Zone.

Improvements to Castle Railway Station, a new bus interchange and pedestrian/ cycle linkages will encourage sustainable means of transport. Funding from NBC, NCC, WNDC and other key partners is already committed to progress further improvements. The integration with existing employment, housing, leisure, retail and cultural offers, provide the supporting social infrastructure to aid delivery of a successful Enterprise Zone.

See diagram outline of the Northampton Waterside Enterprise Zone below.



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

The schedule at Appendix 2 shows that the Zone comprises of 21 contiguous sites with landownership details.

Almost half of the proposed Zone is in public ownership (NBC, NCC, HCA and WND), key private sector land owners including National Grid, Avon and Network Rail are also working in partnership with the Borough Council and its partners to bring these sites forward to the market. Land ownership can change over time and strategic land acquisitions can also be added providing a highly flexible and deliverable option that can react to market conditions.

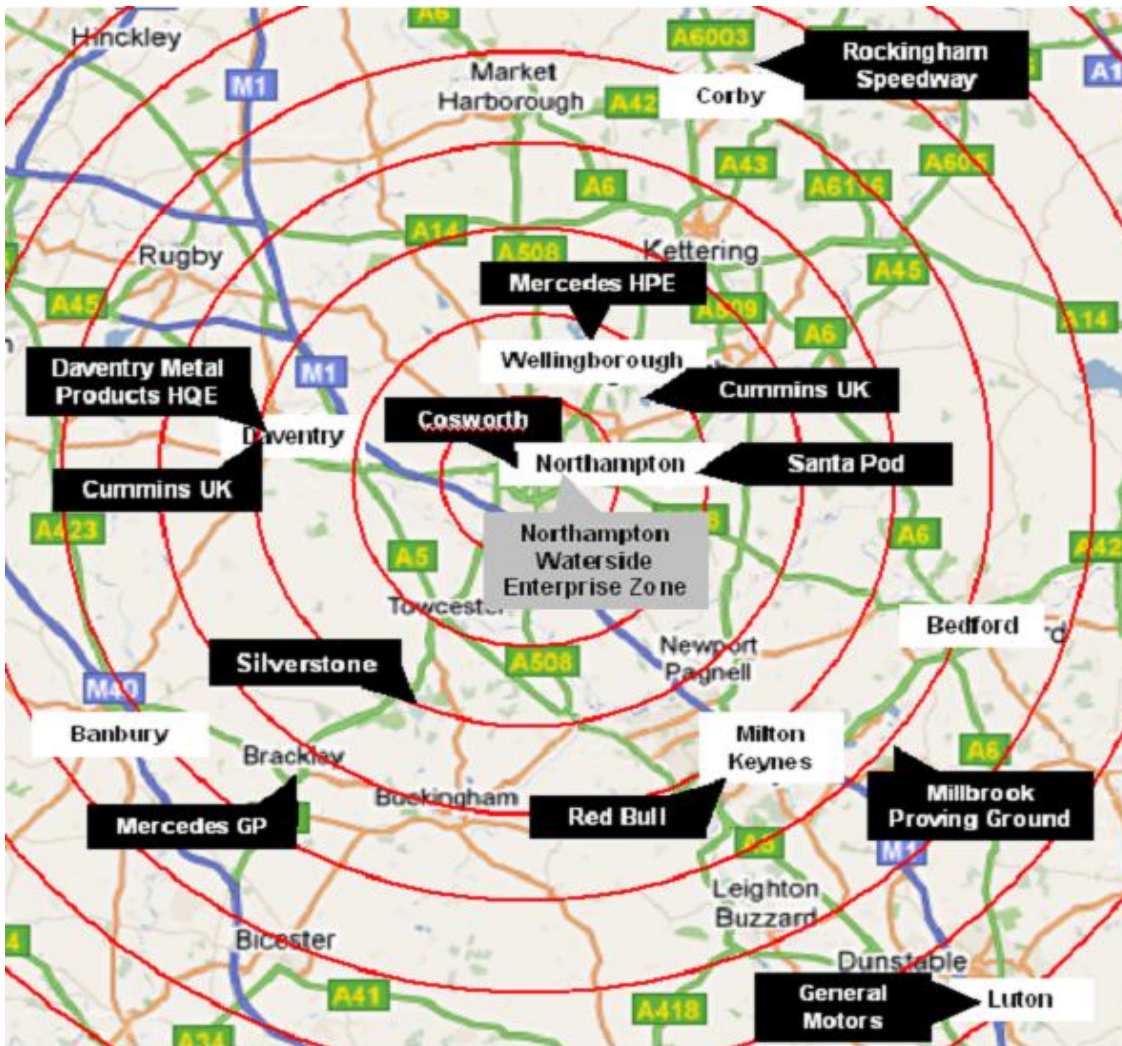
The major public agencies have agreed, in principle, to establish a joint public land disposal strategy to foster growth and investment within the zone and HCA are currently leading on this. Discussions with private sector land owners are progressing and Enterprise Zone status would help accelerate this and bring sites to the market more quickly.

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 proposed Zone of 120 hectares would have 92 hectares of clean land and the remaining 28 hectares is a light industrial area known as St James Mill Road Industrial Estate (site 8, 9, & 10). These businesses have important skills and technologies in place that underpin the aims of the Enterprise Zone.

This existing hub of activity will further stimulate the performance of the proposed enterprise zone. With these existing businesses comes a wealth of design and engineering skills. The existing St James Area is therefore an added strength of the bid providing, through its critical mass, an opportunity for current SMEs to expand and attract others to this developing cluster.

The wider SEMLEP intention of the zone is to capitalise on the proximity to major businesses and priority clusters across South East Midlands such as Northamptonshire's 'motorsport valley' (see map below). The St James Mill Road Industrial Estate within the proposed Zone has 84 existing businesses, including high performance engineering companies such as Cosworth, Mugen Euro Motorsport and MAHLE Power Train. (Ref also D7)



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

The Enterprise Zone is located along the waterside area of Northampton. The map identifying the Enterprise Zone is attached at Appendix 1.

The table below shows postcode details of the sites across the Enterprise Zone.

Existing road infrastructure provides good connectivity across the Zone and to the SEMLEP region, to airports and ports. Northampton rail station is located within the Zone and is well connected to the high speed network across the country. Redundant rail lines passing through the site provide opportunities for new improved road/ rail infrastructure to secure future needs of the Zone.

Key infrastructure is also shown on the map, including rail, strategic roads and key interchange nodes. Details of key infrastructure already in place are set

out in B7. The proximity of the Zone to the M1 with its three junctions for Northampton, makes the Zone well connected to the major cities of London, Birmingham, Nottingham and key SEMLEP areas of Milton Keynes, Bedford and Luton.

Northampton Waterside Enterprise Zone – Key Postcodes

Map Area	Address 1	Address 2	Post Code
3	ROSS ROAD	NORTHAMPTON	NN5 5AX
3	FOOTBALL CLUB, SIXFIELDS	UPTON WAY	NN5 5QA
8	MILLBROOK CLOSE	OFF JAMES MILL ROAD	NN5 5JF
8	HARVEY REEVES ROAD	NORTHAMPTON	NN5 5JR
8	ST JAMES TRADE PARK	ST JAMES MILL ROAD	NN5 5JW
8	HARVEY REEVES ROAD	NORTHAMPTON	NN5 5TE
9	ST JAMES MILL ROAD	NORTHAMPTON	NN5 5JW
10	ST JAMES MILL ROAD	NORTHAMPTON	NN5 5JP
10	ST JAMES MILL ROAD	NORTHAMPTON	NN5 5RA
10	ST JAMES MILL ROAD	NORTHAMPTON	NN5 5TZ
12	NORTHAMPTON RAILWAY STN	ST ANDREWS ROAD	NN1 2PQ
14	FREESCHOOL STREET	NORTHAMPTON	NN1 1ST
14	COURT ROAD	NORTHAMPTON	NN1 1TH
17	GUILDHALL ROAD	NORTHAMPTON	NN1 1DP
17	ANGEL STREET	NORTHAMPTON	NN1 1ED
17	FETTER STREET	NORTHAMPTON	NN1 1EG
17	GUILDHALL ROAD	NORTHAMPTON	NN1 1EW
17	BRIDGE STREET	NORTHAMPTON	NN1 1PD
18	ST JOHNS PASSAGE	NORTHAMPTON	NN1 1DX
18	ST JOHNS TERRACE	NORTHAMPTON	NN1 1HA
20	CATTLEMARKET ROAD	NORTHAMPTON	NN1 1HL
20	BRIDGE STREET	NORTHAMPTON	NN1 1QF
21	NUNN MILLS ROAD	NORTHAMPTON	NN1 5NZ

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

The public sector partners have been engaged with private sector landowners within the Enterprise Zone for several years in bringing their sites forward for development. The key constraint is around commercial viability in the current economic market.

The Enterprise Zone will deliver key requirements of the target sector SMEs:

- Early site availability and affordable sites and premises
- Variety of sites to enable businesses to grow and expand without leaving the area
- Good supply of local labour and skills base
- Assistance and guidance for new young SMEs to help get started
- Good transport connections to the supply chains
- Assistance with the new enterprise allowance

Early, accessible and affordable sites and premises - Development costs and rents are cheaper in Northampton compared to locations with comparable assets (25% lower than South East). National Property Agent Lambert Smith Hampton (LSH) has previously rated Northampton as the best office location in the UK after scoring cities across the UK against factors including cost, location and availability of a skilled workforce. A letter of support has been

received from Lambert Smith Hampton.

Location and connectivity - Located at the centre of England, Northampton is a gateway to national and international markets and the supply chain. It has easy access to the major road network, including the M1 and M6. Five international airports are within one hour's drive and it is less than one hour to London and Birmingham by train. Excellent transport and communications across the SEMLEP area are important to the sectors being targeted. The wider high quality road and rail arteries across the South East Midlands are already in place and help enable rapid development and occupation of employment sites.

Skills and training – There is a good supply of skilled labour in the area in support of the target sectors. An excellent joined up education, skills learning and placement scheme is being developed with partners and will strengthen over time.

Partnering – Strong support for this Enterprise Zone has already been expressed by private sector businesses. The proposal is fully endorsed by the Federation of Small Business, Business Improvement Districts, Institute of Directors, Chambers of Commerce and Universities and Colleges across SEMLEP area.

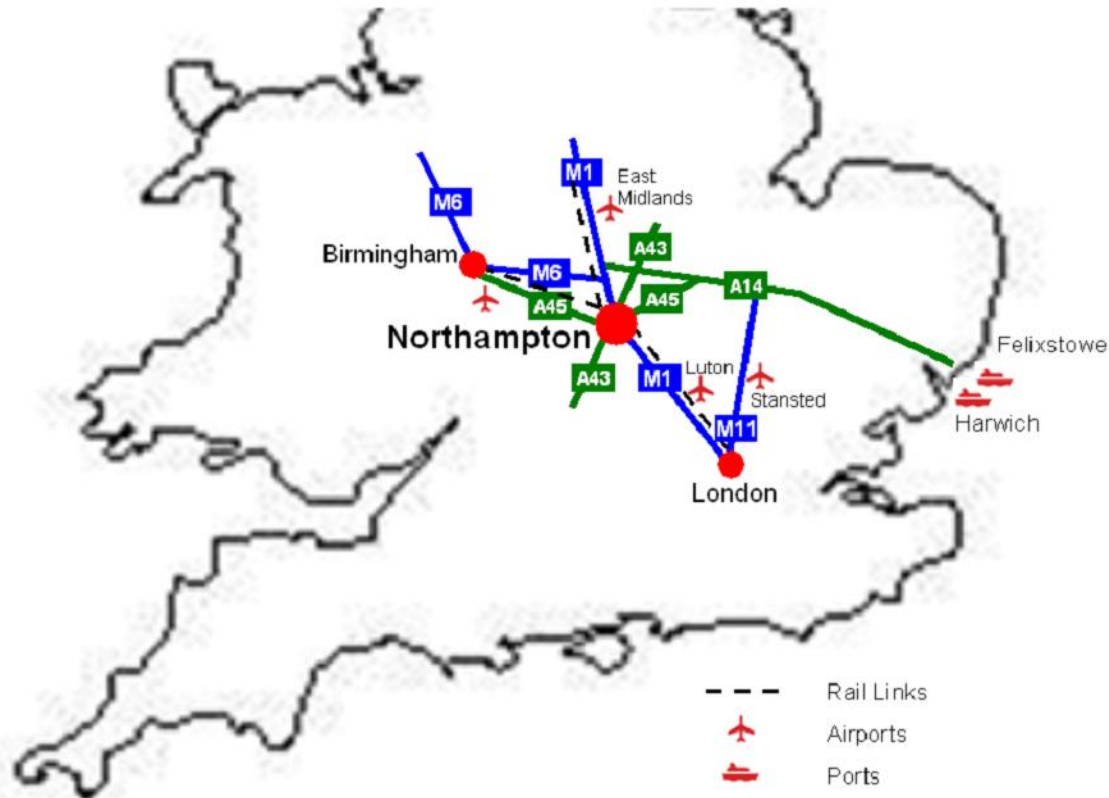
Investment is already being levered in through formal agreements with private sector developers including Legal & General and Deeley Properties Ltd. Developers Taylor Wimpey and Persimmon have acquired land within the Enterprise Zone and are working with Avon and Gabre Developments. Network Rail has established a joint venture with Kier Property and will use this to promote redevelopment at Northampton Station.

The University of Northampton is also committed in principle, together with WNDC, to develop an Innovation Centre within the Enterprise Zone. They have a well advanced strategic vision to locate their business school and other faculties to the Waterside. Enterprise Zone status for the Waterside would significantly improve the prospect of these key early wins being delivered.

Letters of support from over 40 key businesses/ organisations are available for viewing.

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

Transport Links to Northampton Waterside Enterprise Zone



Northampton sits at the centre of England, between London and Birmingham. It lies adjacent to the M1 motorway, with three separate access junctions. The Zone is within five minutes drive of the M1 and is at the crossroads of the national strategic road network. Excellent principal highways also connect Northampton across the Midlands including, A43, A45 and A14. It has excellent access to a range of airports (Luton, East Midlands, Birmingham and Stansted) and eastern sea ports (Felixstowe and Harwich). (See map above).

Northampton's railway station is within the Zone, providing quick access to London and Birmingham.

Recent infrastructure investments include:

- **Northampton brownfield initiative** – remediation of the brownfield sites at Sixfields and Harvey Reeves Road and constructing a new access road (Edgar Mobbs Way) to facilitate new development, all within the Enterprise Zone. (Sites 3, 4, 5, 6, 7 & 8)
- **Upton flood attenuation** – installation of some of the UK's leading flood defences which unlock the waterside for development and provide the town with a one in 200 year level of protection that is amongst the best in the Country
- **London Road junction improvements** – work is currently underway on improvements to this junction, facilitating future development at the Ransome Road/ Avon/Nunn Mills sites (site 21), within the Enterprise

Zone

- **Becket's Park Marina** – due to open this summer, a new boating marina is being constructed opposite the Avon/Nunn Mills sites, designed to support the waterside's status as a visitor and investment location
- **Bedford Road junction** – negotiations are well underway to secure this key access improvement to unlock the Avon/Nun Mills for high quality commercial development
- **Greenways/Connect 2** – a newly completed 4km network of footpaths and cycleways in and around the proposed Enterprise Zone

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

All of the area within the Enterprise Zone is designated for employment in the Local Plan.

The Zone has predominantly been focused on remediated brownfield land, with sites 3, 4, 5, 6 and 7 all former landfill facilities, site 21 is comprised of derelict factory and power station. (See Appendix 2)

The majority of the other key sites in and around the Town Centre are also identified within the emerging Central Area Action Plan as employment generation sites.

A proportion of the Enterprise Zone is located within flood zones 2 and 3 as identified in the Northampton Level 2 Strategic Flood Risk Assessment. Significant flood alleviation works have already been installed through major works programmes over the last few years to protect against up to a one 200-year flood risk.

Site 17 in the town centre is located within the All Saints and St Giles Heritage Conservation Areas, and new development would need to be sensitive to its surroundings areas. The variety of sites offered within the Zone provides an attractive range of locations for potential investors.

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 current Local Plan allocates the sites for employment uses. The Joint Core Strategy and the Central Area Action Plan (CAAP) are both well advanced towards submission and provide the key (relevant and up to date) draft policy documents supportive of the proposed development across the Zone.

The introduction of a Local Development Order will further support the delivery of the Enterprise Zone and help facilitate early delivery.

The area contains a number of major brownfield development sites. In the last five years, public sector partners have invested to remediate these sites and are already working together to promote new development and remove

obstacles.

At Avon Nunn Mills (site 21), a strategic development framework has been agreed by the landowners and public sector partners, setting the context for new development. Similarly at St Peter's Way (sites 13 and 16) and St. John's (sites 17, 18, 19 and 20) masterplans are established.

There are two approved, unimplemented planning permissions within the Zone:

- 1) Under their permitted development rights, Network Rail has received prior approval for the redevelopment of Castle Station (site 12). The associated commercial development would be a separate application subject to a future planning application.
- 2) At Millway West (site 1) there is planning permission for a 8,000 sq m four star hotel and 1,600 sq m health spa, which has to date been unimplemented.

In addition, small parts of the area are designated in both policy documents as important recreational and green space providing a natural foil and complimentary environment to the business investment proposed. High quality parks and open spaces nearby, including the riverside, will help make the zone a very attractive place to invest.

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 LDO would aim to provide a streamlined and clear planning process, expediting new development. It would be a key tool to secure market confidence and developer interest within the Zone.

The Zone has a variety of site characteristics and different 'layers' of an LDO would therefore need to be applied across the area.

At an overarching level, the LDO would support development of buildings for offices and industry. The LDO would be subject to conditions, including where appropriate, adherence to detailed design guidance i.e. conservation areas. A number of key masterplans and development frameworks have already been progressed for sites in the Zone. These documents will set the foundations for the detailed design guidance.

A second layer of the LDO would be to allow the change of use from retail units to commercial (B-Uses) within the Zone and the sub-division of units to make way for smaller 'start up' businesses that could be attracted to the area. The LDO would also allow for extensions within the footprint of the buildings for commercial uses.

The Enterprise Zone is made up of key areas where there will be a specific concentration of uses. Sites such as Avon Nunn Mills (site 21), St Peters Way (site 13), Project Angel (site 14), St John's (sites 18 & 19) and Castle Station (site 12) will be a focus for flagship office accommodation. These sites are being programmed for release to the market, so that a mixture of speculative and pre-let opportunities can be accommodated without competing against each other, and in so doing strengthen the overall office market in Northampton.

In the St James' Mill area (sites 8, 9, 10 & 11) the LDO would support premises improvement, change of uses within industrial classifications and ground works where under-used and derelict sites can be brought forward for higher density employment related development.

Sites on the western edge of the Enterprise Zone, (sites 4 to 7) would be for industrial classifications not contained within Northampton town centre thereby supporting a balanced portfolio of employment opportunities to come forward across the whole Zone. There are no Areas of Outstanding Natural Beauty or SSSI's within the Zone. Small parts of the town centre elements are adjacent to a conservation area, but this is not a barrier to development.

The Council would consider applying the LDO boundary beyond the Enterprise Zone to maximise benefits and listen to consultation responses in this respect.

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).

National planning policy is embodied in Planning Policy Statements/Guidance Notes and more recently in a number of Ministerial Statements. It will be necessary for any development permitted by the LDO to be compliant with such guidance.

Work has already commenced on a Local Development Order that will comply with National Planning Policy. The proposed Enterprise Zone covers a large area and includes a variety of sites and levels of development. As a result, the impact and relevance of national guidance will vary across the area.

The Enterprise Zone includes areas that are partly within Flood Zones 2 and 3, Northampton town centre and edge of town sites. The completed 10 year programme of flood alleviation works helps mitigate the Enterprise Zone area which has a one in two hundred year flood risk protection, better than many waterside cities and towns in the UK. The West Northamptonshire Joint Planning Unit have already developed a policy that sets out how to locate development in areas at risk and this will be adapted for the LDO. Work has also been carried out as part of the Central Area Action Plan to develop the strategy on key sites within the enterprise zone. The Environment Agency are engaged and will be able to provide technical advice as part of the 'one-stop' business service.

The Project Angel site (17) is in the All Saints and Derngate heritage conservation area. Proposals would be designed and delivered to ensure English Heritage advice is integrated where possible. The conservation area sits on the edge of the Enterprise Zone and may affect the setting of listed buildings within the conservation areas. The LDO would need to account for these issues and may require that for a very limited number of developments, a building-by-building assessment would need to be completed.

The proposed uses within the Enterprise Zone are all in accordance with the emerging CAAP. There are no significant challenges to creating an LDO for the Northampton Waterside Enterprise Zone and there is a will to deliver.

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).

Northampton is one of the UK's main growth locations, and has been delivering major housing and jobs growth. The result is that the majority of key infrastructure including flood defences and spine roads such as Edgar Mobbs Way has already been constructed and many sites have been remediated.

In addition to this previous infrastructure investment, WNDC has a £20m capital investment programme for the next three years. This funding combined with the Enterprise Zone business rate retention by SEMLEP, section 106 agreements and third party sources, will support the delivery of enabling

infrastructure for key regeneration projects in Northampton and ensure that this capital achieves best leverage from private sector investment.

The prime advantage of this Enterprise Zone is that a comprehensive EZ can be deliverable with the infrastructure that has been put in place over the last 10 years together with the confirmed funding that NBC and its partners have already included in their capital programmes.

Key remaining major requirements which are funded are as follows:

Avon/Nunn Mills (site 21)

- Delivery of a new spine road through the Avon/ Nunn Mills site and a junction adjoining Bedford Road. Works to include a bridge over the River Nene and crossing of a redundant railway line
- Cost: £10.5 – £12.5m, depending on option selected for crossing the railway line
- Funding: will include WNDC and developers/ landowners
- Negotiations and design works substantially completed and planning application submitted

St Peter's Way (site 13)

- Enabling works - demolition of gas holders, decontamination of site, sewer relocation
- Cost: c£5m (gas holders & decontamination) c£2m (sewer relocation)
- Funding: will include WNDC, National Grid and developer partner
- Negotiations are well advanced

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 & distribution, retail, office, other) and the mix between refurbished and new developments (200 words).

The Enterprise Zone will cover an area of 1.2m sq m (120 hectares), of which approximately 44% is within public ownership.

Using ratios of site area to gross internal floorspace provided by the recent West Northamptonshire Employment Land Study in 2010 and from DCLG Employment Land Review Guidance, approximately 242,800m² of floor space will become available over the period 2011-2015 with a further 177,600m² coming online in 2015 to 2021.

To April 2015, approximately 32% of development is likely to be office space (use class B1) with 64% industrial (use class B1C-B7) - although this can be flexible and evolve to some extent according to realised demand. There is not envisaged to be any new warehousing due to the location of the Enterprise Zone near to the town and the desire for higher density uses. Additionally 4% will be used for hotels (sites 1 & 18). Limited retail space will be permitted given that the zone is adjoining major retail areas of the town.

The vast majority of the Zone will be new developments. However, sites 8, 9 & 10 have existing businesses and the estimated additional floorspace on these sites (approx. 43,000m²) will be expansion of existing floorspace or reconfigurations to gain more efficient use of the sites.

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).

It is expected that the LDO will aid in lifting the barriers to investment. This, combined with a focused delivery team under the guidance of a well placed board (ref F1 & F2), will ensure any company looking to locate in the Northampton Waterside Enterprise Zone will have a smooth and quick transition. This will encourage the creation of new businesses.

Businesses and customers will benefit from having a public sector 'one stop shop' they can approach with development and business-related issues. The project delivery team will co-ordinate and implement the guidance and approvals for investment, development and planning. This team will also play a key role in ensuring any consultation with statutory bodies is coordinated for easy and quick response. We will look at the potential for engaging Local Better Regulation Office (LBRO) and to learn from the current pilots on Better Regulation.

In addition, a fully coordinated regulatory service will be offered to businesses including environmental health issues, waste disposal and building regulations to assist businesses to locate, settle and grow in the Zone.

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).

An independent professional consultancy has been commissioned to review potential floor space, job numbers and numbers of businesses within the Northampton Waterside Enterprise Zone. (A full report is also available if required). Previous Enterprise Zone initiatives have been reviewed and applied to the Northampton Waterside EZ. This work is summarised in Appendix 1, broken down by site within the zone. It shows type of use, class, floor space, gross and net jobs, along with phasing 2011 to 15 and 2015 to 2021. The following size of business distributions are projected:

Small (1-49 employees) to make up **84%** of all businesses in the EZ.
Medium (50-199 employees) to make up **14%** of all businesses in the EZ
Large (200+ employees) to make up **2%** of all businesses

With a target of **390 new companies by 2015** within the Zone and 700 new companies by 2026.

The **average size of company would be around 26 employees** (ref question E1).

A **range** of the estimated number of businesses is critically dependent upon the number of larger companies (200+ employees) attracted to the zone. If no large companies occupied the Zone, but it was fully occupied by smaller companies, the number would rise to 500 businesses by 2015. If take up was slow, this would reduce to 300 businesses.

The EZ will target firms in the key sectors as set out in A5 to become a national centre of excellence for advanced technologies, precision engineering, low carbon technology, sustainable construction and high performance engineering. This activity will be supported by related professional, financial, leisure and business services.

These will be supported by 9% professional, 12% associate professional jobs (chiefly due to the office developments), 15% skilled trades occupations and 18% process, plant and machine operatives (chiefly due to the industrial developments).

The proposed developments will accommodate B1 class office space and B2 general/ light industrial space. From Census data on the relationship between industrial sectors and the occupations of their employees, 18% of the jobs created are estimated to be in managerial occupations, 14% in administrative and secretarial occupations, and 12% in elementary occupations.

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.

Northampton sits in a designated growth area and has targets for housing and employment growth. With the recession these targets have been reduced, however, the region still benefits from the regeneration services of a development corporation (Ref A4). The economy has a reliance on the public sector and a few large private sector employers in the financial, logistics and other sectors. There is therefore a potential for diversifying the economy and supporting key sectors with high skills. There is also a need to provide higher quality jobs for graduates to ensure they are retained in the local area after their studies rather than move to other areas. The focus of the Zone is therefore to target and grow high density, high value jobs that will attract local graduates and retain skills in the area.

The EZ has been designed to address key issues in Northampton that have constrained economic development.

Current barriers that the Enterprise Zone will address include:

1) Market perception: Northampton has a central location in the UK for investment but is not always considered as a destination for investment for high skills but is more attractive to warehousing. The Enterprise Zone and the focus on higher density high value jobs will refocus the market to consider Northampton through heightened awareness of opportunities and focused marketing

2) Lack of high quality affordable town centre commercial premises: (ref. West Northamptonshire Employment Land Study 2010). Without incentives, developers look for easier options such as alternative out of town locations. The key office developments proposed within the Enterprise Zone will provide an attractive offer, which will help support the wider economic and regeneration plans for Northampton and the wider SEMLEP

3) Low-skilled workforce: Northampton suffers from a relatively low skilled workforce in the centre of the town. There is also a trend that higher skilled workers commute into London. The EZ will focus on generating high value-added jobs in key sectors to attract the work force. Financial incentives will be coupled with relevant training opportunities and encouragement for firms to invest in skills and innovation. An early training and skills access service will be set up to help meet the initial needs of businesses through Ingeus and A4e, the Colleges and Universities and training providers

Securing agglomeration benefits will include: higher density land use in the town centre area, higher skilled town centre workforce, economies of scale at the industry level; improved access to technologies through creating a critical mass of firms in key sectors which will benefit firms outside of the Zone.

The EZ will provide coordinated efforts to develop a nationally important, world class, export-oriented cluster in high performance engineering and other related key sectors, building on existing strengths and key anchor companies to attract inward investment. This cluster will help increase exports, skills levels, access to technologies, and access to highly innovative global value chains.

A heavy focus on inward investment and complementary firms to minimise displacement will be applied based on learning from the previous EZ evaluation and encouraging UKTI investment from abroad.

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).

Sector support – existing business support activities are fully aligned with the objectives of the Enterprise Zone. SEMLEP identified high precision engineering and automotive sectors as high priority for job growth in its area. Northamptonshire Enterprise Partnership already has support networks established to support growth and collaboration in priority sectors.

NEP are also setting up a new High Performance Engineering (HPE) focus group to ensure needs of the target sector are part of the natural development of the area. The Chief Executive of Mercedes GP Petronas will aid in leading the group.

The University of Northampton will have a strong presence in the Enterprise Zone, starting with the innovation centre for ICT businesses, which is planned to commence in 2012. This centre, as well as their wider knowledge transfer activities will help to attract and secure appropriate businesses to the zone.

Marketing and promotion – an integrated marketing campaign will be targeted at priority business sectors across the UK and abroad. Public sector partners are already delivering a significant amount of activity in this area and will be seeking UKTI support to improve market reach. The campaign will also use new media and 3D models of the development opportunities (currently being developed and already funded, for the town as a whole).

Governance – governance arrangements will be put in place to include all strategic partners – see sections F1 and F2.

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

The Northampton Waterside Enterprise Zone has been configured as an urban development area where there is an established economic base and infrastructure network, which increases the deliverability of the Zone (as described in B2). It can also have a regenerative impact and deliver wider economic and social benefits. Therefore, although the Zone is technically

scalable, decreasing the Zone significantly would reduce its impact and purpose as a town centric economic initiative.

Many of the sites identified have already had public investment and this will reduce the up front risk premium faced by private sector investors. However, the mixture of incentives and a coordinated package of actions provided by an EZ will enable these sites to become more readily commercially viable. It would be possible to decrease the size of the Zone, if required, without undermining the urban principles of the Zone but the benefit-to-cost ratio is likely to reduce. The edge of town sites are more readily developable but the key benefit is the connectivity to the town centre giving the zone a clear focus and a wide variety of sites to offer.

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*

United Kingdom Trade & Industry (UKTI) support

Support would be required from UKTI to promote the Northampton Zone to overseas investors related to target sectors. This would include bespoke promotional campaigns and out-reach programmes, in conjunction and support of Northamptonshire Enterprise Partnership, who are already funded.

Superfast Broadband

The town centre location suggests that a network could be developed without assistance, however, the greater the incentive given at the start of the process, the more attractive the site is to potential investors. All practical options will be explored for delivery of superfast broadband with suppliers.

Government Work Programme

To enable the right training and skills to be available, linkages will be made with training and skills providers, importantly the two prime regional contractors, A4e and Ingeus, have already agreed to support the Enterprise Zone through strong linkage with JobCentrePlus.

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)*

Other funding sources:

- **Private sector leverage:** Public investment in infrastructure will provide the necessary impulse for private sector developers to develop the floorspace on the key sites. By 2015, as much as £206 million (estimated build costs) could be levered into the Zone.
- **WNDC:** The West Northamptonshire Development Corporation has a £20m capital investment programme for the next three years to be focused on key regeneration projects in Northampton. The programme will be directed towards activity within the zone, including infrastructure delivery and acquisitions to support the Avon/ Nunn Mills, St Peters'

Way, St John's, Angel St and Castle Station developments. None of them individually are critical to the overall success of the Enterprise Zone, but they are all complementary and will increase the rate of early delivery.

- **Regional Growth Fund:** WNDC, with the support of NBC, has made a £25m bid to the regional growth fund to support the redevelopment of Castle Railway Station (site 12). The success of the Enterprise Zone is not dependent on the RGF bid although the enhancement of the railway station would be extremely supportive to business and good for marketing of the Enterprise Zone. SEMLEP have endorsed this bid.
- **Regional/ European funding:** 'In principle' funding of £3.9m has been secured from the East Midlands Urban Development Fund for the Northampton Innovation Centre, which will be delivered on site 13 within the St Peter's Way South site. Additional funding for the project totalling £1.3m will be provided through WNDC's capital investment programme which is confirmed.
- **Public sector assets:** Each of the public sector partners supporting this bid (NBC, NCC, WNDC) and HCA have significant land assets across the EZ which will be used to support the EZ's objectives. A comprehensive, co-ordinated land sale strategy is being prepared that all public sector landowners have agreed in principle to sign up to. HCA are leading this.

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).

SEMLEP Priorities

The business rates growth would be used to support the economic objectives of the South East Midlands Local Enterprise Partnership (SEMLEP). Northampton will remain as the Authority for the NNDR retention and has provided a commitment to contribute all of the required funding to the SEMLEP Board. The SEMLEP Board will then allocate funding to support its objectives. Initial expectations include supporting strategic infrastructure investment to bring forward other sites, assisting businesses to access finance and in supporting skills development. These will be determined through the SEMLEP Business Plan which is currently being produced.

The objectives and priorities of SEMLEP are echoed by the proposed enterprise zone. This includes supporting growth in advanced technologies, precision engineering, low carbon technology, sustainable construction and high performance engineering.

Business Rates

As previously outlined, the Northampton Enterprise Zone is not an entirely 'clean site' and will benefit from the inclusion of a number of existing, relevant businesses in sites 8, 9 and 10. (see Appendix 1)

Existing business ratepayers would be recorded as such, once the Enterprise Zone status commences. These businesses would be excluded from the

rates growth calculations unless they expand and create new jobs beyond their existing foot print. The Enterprise Zone fiscal benefit together with an LDO could well be the incentive to make the expansion decision. They would be encouraged therefore to extend or expand. The exact mechanism for achieving this is still to be determined as further guidance is awaited.

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 Northampton Waterside Enterprise Zone is expected to be developed over the next 10 years with a total of 420,400 m² additional floorspace.

By 2015 it is estimated **12,400 gross jobs** will be created (8,200 industrial, 4,100 office and 100 hotel/spa) with associated new floor space of 242,800 m². This is projected, following a specific study (PACEC June 2011) with 77,700m² identified for office use, 155,500m² industrial uses and 9,600m² for a hotel and spa. (See table with build-up of figure per site).

These jobs figures are based on an assumption of 18 m² floorspace per worker, which is on the conservative side for Northampton town centre. A recent study by Roger Tym & Partners (2010) for West Northamptonshire suggested that the employee density had reduced to 16 m² due to the lack of suitable floorspace. It is assumed that the majority of the industrial floorspace will be light industrial and hence of a similar size to the offices, at 18 m². It is also assumed that the floorspace will be 95% occupied by the end of each period reflecting some unlet premises as well as some firms not operating at capacity.

The jobs figures exclude construction jobs and apprenticeships that will be additionally created locally as a result of the development. Approximately 1,500 target apprenticeships are estimated as part of the 'Construction Futures' scheme, developed locally, that will contribute to the lasting impact of the Zone.

By 2021, it is targeted with all additional floorspace available, that approximately **21,800 gross jobs** will have been generated within the Enterprise Zone with around 17,500 net jobs created in total across the SEMLEP area. By implementing this Enterprise Zone, jobs will be safeguarded as the zone is strengthened and made viable through a difficult economic period.

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)

A variety of mitigating actions have been put into place to reduce displacement such as targeting inward investors, sectors and firms that complement the existing target sectors within Northampton and SEMLEP. This strategy would also promote wider supply chain businesses in support of these target sectors.

Effects of displacement will be mitigated by:

- Promoting and encouraging local supply chain businesses and employees so as to increase retention of benefits and increase local area linkages
- Targeting new inward investors in sectors that do not result in high

levels of local displacement. Due to world leading technology being based in the region, it is expected that this proposal will attract further inward investment from overseas

- Encouraging businesses to move from outside the Zone/ SEMLEP to reduce the displacement/ substitution effects at the potential expense of increasing displacement due to increased competition.

If successful, displacement is expected to reduce markedly to around 30% (this is slightly higher than the English Partnership guidance of 25%). This equates to around 4,700 jobs being displaced and demonstrates a cautious but realistic approach, particularly given the fragile economy. Should the economy improve, then target figures should increase.

The experience with Enterprise Zones in the 1980s/ 90s suggests that they have relatively low deadweight (i.e. developments which would have occurred in the absence of the EZ), at approximately 6% of gross jobs. In Northampton this would equate to 700 jobs up to the end of 2015.

New and existing companies will also benefit from the long-term uplift in productivity, innovative capacity, more efficient access to highly skilled labour, knowledge spillovers and access to important export markets. The interim evaluation of Enterprise Zones commissioned by the Department of the Environment in 1987 accepted the use of a long-term multiplier effect on net direct employment. A multiplier of 1.1 is proposed giving a further 700 target jobs.

This leaves **7,700 net direct additional jobs created in the Enterprise Zone by 2015** and a total of 10,000 net direct and indirect jobs created across SEMLEP by 2015. (See attached table appendix 2).

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).

Work Programme – The Council is already working with the Government's new providers for the Work Programme, A4e and Ingeus to ensure that inward investment and local employment go hand in hand. Both agree to work in a combined governance regime to target delivery for the Enterprise Zone and a combined working group is currently being set up to achieve this. Job opportunities to attract talent to the area and reduce unemployment in deprived areas is targeted. High value jobs alongside training investments should result in higher productivity. Outward migration of graduates and successfully trained employees to other areas will be addressed through the provision of better opportunities within the Enterprise Zone. The outward commuting of employees to London and Birmingham is expected to be reduced as a result.

Innovation – The University of Northampton is already working on the development of a technology innovation centre within the Zone. This technology hub will be a key provider within the Enterprise Zone, connecting future University initiatives and research with inward investment directed into the enterprise zone. The University is also in discussion with the Council to create further employment in the area.

Federation of Small Business (FSB) – A Business Accord with the FSB to maximise opportunities for local business in the area has already been signed. A policy of local procurement will be encouraged for businesses that locate within the Zone, in order to build a local supply chain and maximise local economic benefits. The higher wages of locals will push up demand for local goods and services, supporting the local/SEMLEP economies

'Construction Futures' – Northamptonshire based, Construction Futures is the first scheme of its kind in the UK. The ground breaking training scheme secures practical construction training and apprenticeships for local people on new developments and enshrines new training opportunities in s106 agreements tied to planning permissions. It has established links with local colleges (Moulton and Tresham) to ensure that young people in the area directly benefit from the development on their doorstep. More than 1,500 training opportunities should be created through the Enterprise Zone in this way. A4e and Ingeus will also support this.

Close working with Northampton College and The Apprenticeship Foundation is ensuring that developing opportunities are maximised at a local level.

Start up and Growth business – Business Link is currently changing their delivery mechanism. Working with the new enterprise providers (when appointed) the Chambers, IoD, FSB, the University and local small loans providers, such as First Enterprise, will be fully co-ordinated within the new Enterprise Zone management structure.

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)

PACEC and CBRE have reviewed the potential indirect employment benefits from the Northampton Waterside Enterprise Zone. The final evaluation of Enterprise Zones (PACEC 1995) found that local area linkages were responsible for a multiplier of 1.13 due to the supply chain impact. However, this was on the immediate local area. The English Partnerships estimates of composite regional multipliers for average linkages is 1.5 (although this includes income multipliers as well as supply chain linkages). As a result, a LEP supply chain linkages multiplier of 1.3 is applied. This leads to approximately 2,200 additional jobs in 2015 through supply chain linkages.

As with the net direct jobs, firms in the supply chain will also benefit from long-term impacts through productivity gains, access to companies producing higher value products, improved access to export markets, improved incentives for innovation, and knowledge spillovers. Applying a long-term multiplier of 1.1 to supply chain indirect jobs results in a further 200 jobs being generated.

In summary of E1, E2, E3 and E4, 12,400 gross jobs are targeted by the end of the first phase, approximately **10,000 of these will be net additional direct and indirect by 2015.**

The model created for this Enterprise Zone estimates that **by end of 2021,**

21,800 gross jobs will have been created, of which 17,500 will be net additional, accounting for deadweight, displacement/ substitution, LEP linkages and long term effects.

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

Local Community

This Enterprise Zone would have a significant impact on Northampton, as the Zone is located next to the town centre rather than a more remote out of town location. The Zone will minimise traffic movements whilst utilising the existing infrastructure. The Enterprise Zone will deliver development opportunities within the town centre, directly next to the location of the work force maximising employment opportunities and help create an uplift in land value to attract major calibre retailers and businesses into the town centre.

Improved amenities

The EZ will improve amenities for the wider population as sites are developed and land opened up and this in turn will help to stimulate further job growth. Physical regeneration improvements and provision of higher quality jobs etc. will also help the region, through a ripple effect, retain highly skilled workers.

Local wealth creation

The job creation effects of the EZ will result in a range of job opportunities for different skill levels (see answer at D1) suitable for attracting talent to the area, as well as helping to reduce unemployment. The focus on high value added jobs, alongside investments in training should lead to higher productivity, higher wages for the local population and reduced unemployment. The higher wages of local individuals will also lead to increased demand for local goods and services, supporting the local/ SEMLEP economies through increased expenditure.

Investment Environment

The EZ will help to improve the business investment environment in Northampton through improved profile/ reputation for investment. This will build on the successes of the recently formed Business Improvement Districts through better access, improved communications infrastructure and improved local skills base. The Zone will provide an improved quality of life and natural environment which is often seen as an important driver for inward investment locations.

Local Environment

By locating nearer the town centre and the rail station, and through the investments in a 4km network of footpaths and cycleways, the EZ will also promote a shift in the mode of transport towards sustainable options. It will be easier for local residents to get to work by cycle/ walking, or commute in by rail. These improvements to rail, cycleways and footpaths will benefit the population of Northampton beyond the EZ, not least by improving the health of the population through increased exercise. Improved environments will help tackle crime levels through good design. Better design throughout the Enterprise Zone can also help tackle cohesion issues by focussing opportunities for disadvantaged and minority groups.

Advanced Technology and Precision Engineering

The Northampton Waterside Enterprise Zone aims to help build clusters in regional and national priority sectors. (Ref A5) It will also create a strong economic driver in one of the key centres in SEMLEP. The Northampton Waterside Enterprise Zone will encourage and facilitate growth within the sector, helping the domestic and international profile of the South East Midlands. The Enterprise Zone will build on the region's existing strengths, including environmental and low carbon technologies, high performance engineering, motor sport, aerospace and automotive manufacturing. It will work across SEMLEP to assist and strengthen connectivity and investment in the sites identified in Appendix 1, helping to create wider employment across the region in related sectors.

Sustainable Construction

The construction sector is widely spread across the LEP area and the iCon (a national centre of excellence for sustainable construction) has now opened in Daventry. The Enterprise Zone will provide an opportunity for use of skills and innovation and act as an exemplar for high design standards e.g. BREEAM. The benefits will extend to new housing in support of the Enterprise Zone and the wider SEMLEP area.

Training opportunities

See E3. The Construction Futures training scheme, could also be provided to a wider area, ensuring young people throughout the region benefit from the vital training opportunities. Targeting unemployment in deprived areas across the South East Midlands will help reduce unemployment and housing benefits.

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

The key to the Northampton Waterside Enterprise Zone is its close location to the town centre and its convenient links throughout the Zone. Office and industry, rather than warehousing, will be the focus of the LDO and the delivery team is committed to make the Zone work.

The EZ has been designed to address fundamental barriers to growth in Northampton, including the lack of high quality town centre commercial premises, and infrastructure constraints. The future commitment to high quality building within the central area will ensure that these are long term investments in the town and in the region.

The Zone therefore has a good level of sustainability built into the choice of location in Northampton. The Zone also has a good strategic location in the country making it ideal for a company to locate and expand.

An integrated network of partners including Ingeus, A4e, Business Link, Chamber of Commerce, Northamptonshire Enterprise Partnership, the University of Northampton, Northampton College and the planned innovation centre on the Enterprise Zone will provide access to the full range of business support to assist businesses to be innovative, improve competitiveness and grow. Close links with Universities and Colleges throughout the South East Midlands will be activated further through the Enterprise Zone governance regime. (See F1 and 2).

De-designation will be planned for from the outset, together with close engagement with firms that locate to the Enterprise Zone. Unmet needs will be identified and these will be addressed and supported by public intervention, where appropriate, to ensure the attractiveness of the Zone will remain in the longer term.

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 accessible formats? (300 words)

A significant amount of engagement has already taken place and will continue to be a priority as the proposal is progressed.

The first phase of this activity has naturally focused on the local business community. A number of meetings, presentations and discussions have been completed. Following this, feedback and comments have been invited by the project partners. Groups engaged to date include:

- **SEMLEP** – Discussion at Board, Chief Executive and Chief Officer levels have developed a united support for this Enterprise Zone proposal
- **Landowners and key businesses within the proposed EZ** - this includes major employers such as Carlsberg and Avon Cosmetics
- **Umbrella groups** – this includes groups representing the interests of business and the wider community, such as the Prince's Trust Chambers of Commerce, Business Improvement Districts, Northamptonshire Institute of Directors and the wider Federation of Small Businesses
- **University of Northampton** – has the potential to be a strategic partner in the success of the EZ and its credentials for social enterprise and innovation will be a great strength
- **Major local employers** - this includes firms located outside of the enterprise zone that have an interest in its implementation, such as businesses located at the Brackmills Industrial Estate through the local Business Improvement District and the Town Centre Business Improvement District
- **Private Sector** employers have been engaged across the SEMLEP area and are supportive
- **Voluntary sector** – charities representing the interests of local people, such as the Princes Trust, Groundwork and Social Enterprise
- **Training providers and Work Programme** – including the National Apprenticeships Service, A4E, Ingeus and JobCentrePlus
- **Local media** – they have been a key vehicle to explain the impact of the zone to local people and act as a conduit for information
- **SEMLEP MPs** have been briefed and are supportive

As a result of this activity, over 40 letters of support have so far been received from key partners, businesses and delivery agents.

Information relating to the zone is already available on the website:

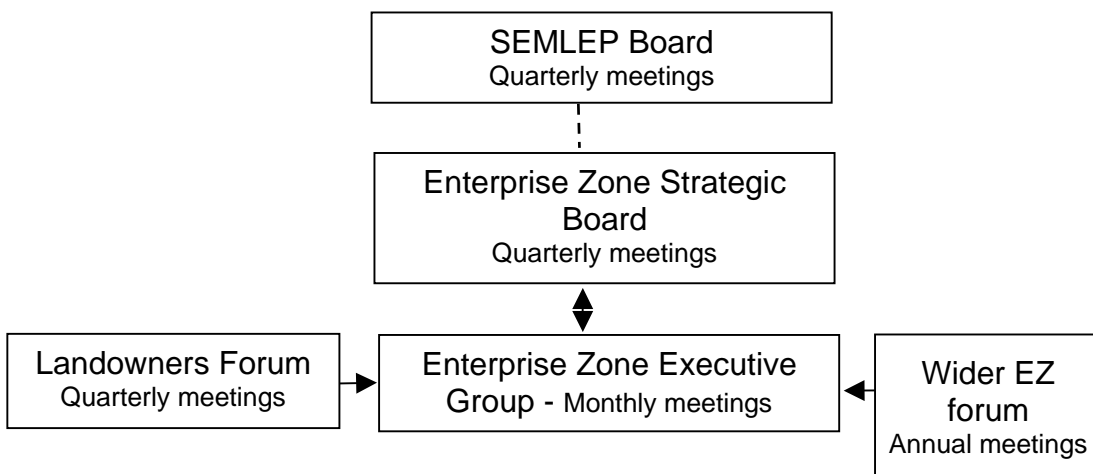
www.northamptonwaterside.co.uk

The local community will be engaged via public displays, news items and exhibitions, as well as via a continued media relations campaign. Social media platforms, such as Facebook, will also be used to provide regular information about the Zone to the local community and key interest groups.

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

Governance of the Enterprise Zone will be concise with simple reporting lines and clear remits. The model will be split between strategic and executive level functions, which are currently used successfully by key agencies in Northampton to deliver effectively.

The Governance structure:



To engage widely across SEMLEP, an annual EZ forum would be held, the outputs of which would be reported to the Strategic Board for subsequent action by the Executive Group.

Probable membership of the Governance structure:

EZ Strategic Board

- Chair of SEMLEP Board – Brian Hibbert CBE CEng MiMechE
- Leader of Northampton Borough Council – Cllr David Palethorpe
- Leader of Northamptonshire County Council – Cllr Jim Harker
- Chair of WNDC – John Markham
- Business Leader – SEMLEP
- The University of Northampton – Vice Chancellor
- Town Centre BID Chairman – Stephen Chown
- Chief Executive of Northampton Borough Council - David Kennedy

EZ Executive Group

- SEMLEP – Laura Church
- Northampton Borough Council – Chris Cavanagh, Sue Bridge
- Northamptonshire County Council – Roy Boulton
- WNDC – Chris Garden
- Northamptonshire Enterprise Partnership – Sajeeda Rose
- University of Northampton – Terry Neville
- HCA – Charles Amies
- Environment Agency – Ben Thornley

The Executive Group will have clear lines of accountability and responsibility, with specialist individuals covering key disciplines ranging from planning (i.e. LDO) marketing investment and training, with the support of Ingeus and A4e. This will extend to the wider regulatory services as required.

They will be easily accessible and have a strong online and physical presence.

WNDC's three year funding settlement from Government together with their resources and expertise can play an important part in assisting the partners in delivering the SEMLEP objectives and outcomes. NCC, as a Strategic Authority and Transport Authority, are fully supportive of SEMLEP Enterprise Zone proposal and are committed to prioritising their focus on delivery of the Enterprise Zone in the principle Urban Area and County town of Northampton.

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

Monitoring and evaluation (M&E) will be critical in helping to ensure that the EZ is implemented at an appropriate pace and scale to ensure that the benefits follow for Northampton and the sub-area. They will cover the physical and environmental improvements to the Enterprise Zone and business development and growth which will bring improved jobs and incomes to the area. The M&E outputs will continually feed into the learning process to help ensure success.

The local EZ Strategic Board, which will report to the SEMLEP Board, oversee and monitor progress of the Enterprise Zone and ensure it delivers against its and SEMLEPs priorities.

Partners have established comprehensive systems which will be enhanced for the Enterprise Zone which have been used to track progress on the Waterside area currently (proposed EZ location). Hence a robust baseline position exists against which we will assess progress towards targets for:

- Number of jobs
- Size and types of businesses
- Turnover of businesses/ occupants and employment
- Land brought into use
- Floorspace developed (m2)
- Number of units for business occupation
- Size of units for start-ups, SMEs, and larger businesses
- Quality of development

- Environmental improvements
- Utilities and services
- Transport facilities
- Take-up and occupation of floorspace
- Enquiries and inward investment trends (and origins)
- Overall expenditure on the Enterprise Zone

A baseline of existing activity and features will be established and monitoring activity will assess the ongoing changes against the baseline on a quarterly and annual statement basis through the EZ Executive Group. This will be overseen by the EZ Strategic Board, who will report to the SEMLEP Board on a regular basis.

The evaluation will seek to examine the nett additional benefits and added value of the Enterprise Zone based on the monitoring indications above. It will dovetail with any national review which seeks to assess overall value for money from public expenditure.

Several techniques will be adopted ranging from the collation of development information, feedback from partners, site visits, and surveys of businesses, partners and the wider community.

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

Whilst the concept of the Enterprise Zone is sound and will build on the successful activities that have taken place in the Waterside and wider Northampton areas, there are some potential risks to its success. These relate primarily to achieving the development aims, the use and take-up of sites and buildings with appropriate infrastructure and the economic development benefits.

The associated development risks and proposed mitigation actions are as follows:

- **Flood Zone Issue** – Whilst significant flood prevention work has been delivered, consultation will be held with EA at the earliest opportunity to establish their view on particular proposed development.
- **Market Appetite/ Demand** – Depending on take-up, the floor space proposed may take a substantial period to become established and developed. This is difficult to quantify at this stage, as modern new office space has not been built in Northampton town centre, on such a scale, for a long time. Business enquiries though are high and a one stop service will aid this.
- **Site Ownership** – Although a substantial amount of land is in Public Sector ownership, not all is. Landowners must work together to promote the areas of the zone. A Landowners group will be formed as part of the Governance proposal to fully integrate with all landowners within the Zone.
- **Planning Risk** – Some of the sites close to the town centre are sensitive and require high quality design. Whilst this might lengthen the timetable for adoption of an LDO, this is currently being planned for.

- **Failure to attract sufficient inward investment.** A strong promotional and marketing group to host businesses and aftercare will be created as part of the integrated governance. SEMLEP marketing will also assist in mitigation.
- **Slow indigenous business growth.** Strengthen the support to improve business competitiveness using the network of business support services.
- **High displacement.** A heavy focus on targeting those sectors that minimise displacement (inward investment, niche markets, complementary firms etc.) will form part of the delivery team assessment.
- **Insufficient skills to support businesses.** Monitor skills needs and work closely with HE/FE colleges to ensure that relevant skills/training is being provided. Fully engage A4e, Ingeus and JobCentrePlus as part of one stop service.
- **Insufficient jobs delivered.** Strengthen business support to improve competitiveness and growth through business representatives on the team, Executive and Strategic Board.
- **Lower quality jobs.** Strengthen the inward investment and indigenous business growth support above. Adopt the Construction Futures training scheme and roll out across SEMLEP.
- **Shortage of resources.** The Enterprise Zone management and governance groups need to ensure that adequate resources are deployed to meet the Zone requirements and targets. All key partners have identified this as a priority and committed resources accordingly. (refer F1 and F2)

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 the Northampton Waterside Enterprise Zone will have a detrimental impact on any of the groups with protected characteristics as listed in the Equality Duty.

A full Equality Impact Assessment will be completed in accordance with Northampton Borough Council Equality Policy as the Enterprise Zone is developed and as sites are developed. Positive actions will be taken.

The proposals will be carefully considered against the protected characteristics of age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation and ensure that the proposals will not have a detrimental impact on any of the characteristics.

The prime aim of the Enterprise Zone proposal is to encourage new and growth business within the area. Some new infrastructure may be required to facilitate this, which will comply with all legislative requirements. The zone has the potential to create opportunities to encourage business acumen from areas such as minor ethnic groups and female entrepreneurs.

There will be focus on training for people in deprived areas through working closely with Colleges and Universities. Social Enterprise opportunities will also be considered, building on the expertise within the University of Northampton.