

Bath & North East Somerset Council

MEETING	Planning Housing & Economic Development Policy Development & Scrutiny Panel	
MEETING:	7th November 2017	EXECUTIVE FORWARD PLAN REFERENCE:
TITLE:	Somer Valley Enterprise Zone	
WARD:	Paulton : High Littleton : Midsomer Norton North : Midsomer Norton Redfield	
AN OPEN PUBLIC ITEM/		
List of attachments to this report: Appendix 1 : Somer Valley EZ site Appendix 2 : Business Rate Discount Policy		

1 THE ISSUE

- 1.1 In November 2016 the Panel received a report on the proposed conversion of the Bath City Riverside Enterprise Area to full Enterprise Zone (EZ) status and the inclusion of additional sites in the Somer Valley and Keynsham.
- 1.2 This report updates the Panel on the latest position with regard to the Somer Valley element of the EZ, based on the allocated employment site at Old Mills, which was included in the Bath & Somer Valley EZ formally designated by the government on the 1st April 2017.

2 RECOMMENDATION

- 2.1 The Panel is asked to note the latest position in relation to the Somer Valley element of the Bath & Somer Valley EZ.

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 3.1 To take forward the next stages of work on the Somer Valley EZ various sources of funding are being sought including the release of existing revenue reserve which were earmarked for developing proposals for the delivery of the Somer Valley EZ.
- 3.2 In addition steps are being taken to transfer the 2017/18 provisional Capital Programme item for the Enterprise Zone Infrastructure Plan into the approved Council capital programme to facilitate the development of a programme of highway infrastructure improvements to enable the development of the Old Mills site

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

- 4.1 The legal powers to facilitate the proposed Enterprise Zone expansion have been granted by the Secretary of State for Communities and Local Government and the Bath & Somer Valley EZ is specifically designated in the Non-Domestic Rating (Designated Areas etc.) Regulations 2017
- 4.2 The proposed Governance Arrangements for the Enterprise Zone are in line with the pre-existing governance arrangements for the Bath Enterprise Area and have been agreed with the Local Economic Partnership.

5 THE REPORT

- 5.1 The Old Mills site extends to 13.5ha and will focus on industrial & office uses. In particular it will help to address the shortage of industrial floorspace across B&NES. Under the EZ Regulations the site is designated as both a Business Rate Retention (BRR) and a Business Rate Discount (BRD) site. The site map contained in the regulations is attached as Appendix 1.
- 5.2 As set out in the November report as a BRR site the Council is able to retain an element of future business rate income for re-investment to enable the delivery of the site.
- 5.3 As a BRD site the Council is also able to offer business rate discounts to businesses relocating to the site. The Council's adopted policy is attached as Appendix 2.
- 5.4 A cross-service Officer Group and a Steering Group, including Councillors Paul Myers & Charles Gerrish, have been set up to provide on-going governance for the Somer Valley EZ. The Steering Group have approved a Client Brief for the EZ and have also agreed a brief for the commissioning of a Commercial Delivery Framework to guide and inform the future delivery of the Old Mills site and the appointment of a Project Manager to oversee this process
- 5.5 The Commercial Delivery Plan will
 - Undertake a full technical utility/infrastructure & financial appraisal of the investment requirement to enable delivery of the site.
 - Develop a masterplan & design guidance to be incorporated into Supplementary Planning Document (SPD) for the site
 - Define a Delivery Strategy/Mechanism for Implementation
- 5.6 Subject to securing the necessary resources it is planned to commission the Commercial Delivery Plan for projected completion in Spring 2018. This process will be linked to landowner & key stakeholder engagement and bids for funding for enabling highway infrastructure.
- 5.7 The Panel will be provided with a presentation which will provide more detail on the current position and next steps in relation to the Somer Valley EZ.

6 RATIONALE

- 6.1 The move to a national 100% Business Rates Retention Scheme by Government from 2019/20, with the Council part of the BRR pilot, will place more emphasis on delivering local economic growth, in line with the adopted planning policy framework, in order to provide the Council with funding to invest in local services.
- 6.2 In addition there are clear economic and financial benefits which can be gained from Enterprise Zone status, including the ability to attract funding for investment in enabling infrastructure through the Local Enterprise Partnership.

7 OTHER OPTIONS CONSIDERED

- 7.1 None

8 CONSULTATION

- 8.1 The Bath & Somer Valley Enterprise Zone proposals have been developed in conjunction with advice from external financial and commercial property consultants and in consultation with colleagues in Planning, Property, Project Delivery, Regeneration and Transport.
- 8.2 Consultation has been undertaken with relevant Cabinet Portfolio Holders and Group Members.

9 RISK MANAGEMENT

- 9.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

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Background papers	None
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