

**C&W LEP Board Meeting  
7<sup>th</sup> September 2011**

**Agenda Item 8                      Enterprise Zone Update and Plan B**

**1. Purpose of this paper**

On 17 August 2011 CWLEP board was advised that the Coventry and Warwickshire Gateway application had not been successful in securing “Enterprise Zone” status.

This paper provides initial feedback about the disappointing decision. It outlines a proposed plan of action (PLAN B) to bring forward development that, even without Enterprise Zone status, has the potential to create over 10,000 jobs and addresses potential barriers to growth and other issues outlined in our 5 year strategy.

**2. Early Feedback**

Government advised CWLEP that our Enterprise Zone bid was strong and only just fell short of success in a highly competitive process. The headline feedback we received about our application included the problems with the release of greenbelt land and access issues to the airport site. Sir Bob Kerslake has agreed to provide further personal feedback. This is currently being organized for the Chair and the key stakeholders of the Gateway application. We are also pleased to welcome to the meeting colleagues from DCLG who supported the CWLEP through our submission to offer feedback.

**3. The Plan B**

The key focus of this paper is the PLAN B proposals for a robust and deliverable development with significant economic development potential. PLAN B will enable CWLEP partners to continue to move on swiftly and maturely, an approach already evidenced in our immediate media response to the unsuccessful bid decision.

The new proposals are for a revised development site (see attached map) that excludes the airport land. This will not prevent development of the airport site, under either existing permitted development rights or by means of new planning consents, but the change in focus removes a potentially significant political constraint. Using the principles of the original scheme the new proposals will deliver significant investment in the surrounding A45/A46 road infrastructure, community benefits and the provision of a high quality development to meet strong market interest in our target job creating sectors.

A three pronged approach is proposed to deal with the current green belt planning constraint, maximising the potential to enable early development and provides options to minimize the risk of delay, if any single element runs into unexpected difficulties. Whilst this will remain a private sector led initiative it is clear that close working with the public sector will be required.



Element One will involve representations to Warwick District Council to re-designate green belt through their emerging revised Core Strategy. This has the longest lead time as a new Core Strategy for the district is unlikely to receive government sign-off until 2014.

Element Two will involve the preparation of a planning application. This could potentially be submitted during 2012 but without resolution of the green belt issue risks Secretary of State call-in due as an exception to national policy, with attendant political risks.

Element Three will therefore explore development through a Business Development Order. This is a business led version of the proposed Neighbourhood Development Order, itself a new provision included within the Localism Bill.

The main risk of this element is that the approach will require full adoption of the Localism Bill which is unlikely to gain Royal Assent until late 2011, with adoption of the enabling provisions during 2012. Until the Bill is finalized the proposals are subject to change, hence the need for the other elements to be progressed in parallel. However, following a meeting between officers from Coventry City Council and Warwick District Council and the Chief Planning Officer of CLG it is proposed that the two councils bid for 'front runner' status, working with CLG to influence development of the proposals and to work up a scheme that is ready to be submitted as soon as the necessary enabling legislation has been put in place.

#### **4. Funding Challenges**

The developers for the site are confident that the costs for transport and associated infrastructure works can be subsumed within their overall funding package, and do not require additional public sector investment. The associated Regional Growth Fund bid for the site was focussed on investment in the airport, and so the wider development proposal is not dependent on this funding. Officers believe that the costs of the transport and associated infrastructure works may end up being higher than the developers believe at the moment, but this is something that will be monitored as we move through the various submission processes. It is not considered to be a major issue at the moment, and options exist (i.e. Tax Increment Financing) to address any funding shortfall that may emerge."

#### **5. Recommendation**

The board is recommended to note the feedback on the decision not to award Coventry and Warwickshire Gateway enterprise zone status.

The board is recommended to agree the PLAN B approach. A Front Runner application for the Business Development Order will be submitted by the relevant local authorities by November 4<sup>th</sup> 2011.



Further details on the business development order are available at:-

<http://www.communities.gov.uk/planningandbuilding/planningsystem/neighbourhoodplanningvanguards/>

## Summary

An Order would detail the proposed development of the site in question and, being based on a Neighbourhood Plan that would set out the overall policy for the development of the area in question, can address land designation issues, including the potential removal of land from the Green Belt if so required. Such Plans and associated Orders would be developed in consultation with key stakeholders and local communities and in addition to independent examination would be subject to a referendum within the area affected. This process ensures that the Order can be adopted by the local planning authority without the need for, and risks attached to, a call-in of a planning application by the Secretary of State. It is proposed that the development of the Order would run in parallel with the detailed work necessary for the planning application further minimising the risks of an unsuccessful application.

