

**06 May 2014**

**Agenda Item:**

## **REPORT OF THE GROUP MANAGER, CORPORATE STRATEGY**

### **NOTTINGHAMSHIRE BUSINESS INVESTMENT ZONES (NBIZ)**

#### **Purpose of the Report**

1. To update Committee on the current position and proposed development of the Nottinghamshire Business Investment Zones initiative (NBIZ), and to seek approval for the allocation of funding from the 2014-15 budget.

#### **Information and Advice**

2. The NBIZ concept has been developed with a view to gaining a better understanding of key strategic employment sites across Nottinghamshire and better working relationships with developers and interested parties. The concept aims to recognise and address the barriers that are preventing key sites from coming to the market and subsequently promote the sites within a wider inward investment framework.
3. In developing the concept, the District and Borough Councils within the County have all agreed on the benefits of such an approach and can ensure appropriate local knowledge (largely from planning and related perspectives) is utilised to offer additional insight and intelligence.
4. Collectively, a strategic network of Nottinghamshire Business Investment Zones across the County will have the potential to deliver significant jobs and economic growth. There is scope to exploit:
  - The prioritisation of and integration with related investment in transport and digital infrastructure on a set of potential sites;
  - The development of a prospectus of key employment sites and their promotion through the collaborative relationship with Invest in Nottingham / the to-be-developed Place Marketing arrangements and wider initiatives such as the D2N2 protocol signed with UKTI and emerging business support and business growth activities;
  - Existing and forthcoming funds to support programmes of site development for example via the LEPs' Strategic Economic Plans, their Growing Places Funding and, where appropriate, European Funding. The previous item on this Committee's agenda reflected on the prioritisation of key sites with the D2N2 LEP's SEP. The preparatory work on the NBIZ concept and the established contacts with a number of developers and / or agents has supported this activity and the future development of the NBIZ activity will support the LEP in its considerations going forward;

- Any future considerations for specific sites to be developed as having a possible enterprise zone or related incentive mechanism such as business rates relief;
  - Joint and innovative funding mechanisms through the Councils and partners, incorporating existing funding and new and emerging methods of financing;
  - The potential for further collaborative working with land owners, developers and agents under the umbrella of a Nottinghamshire Employment Land Forum. Early discussions with developers suggest this would be welcomed.
5. Private sector engagement with this concept will be crucial at many levels, in particular at specific sites and at the D2N2 LEP. Early discussions were held on the concept with private sector stakeholders during the development of the Nottinghamshire Growth Plan, while further discussions on the concept have taken place in other arenas.

## Work to Date

6. The County Council has worked with Borough and District Council partners to identify a long list of sites which offer ready opportunities for business expansion, economic growth and inward investment. This work was based on parameters agreed with the Borough and District Councils in terms of recognising strategic importance and impact.
7. Each Nottinghamshire District and Borough Council was asked to submit the details of sites which were designated employment land and which they considered to be appropriate for inclusion in the NBIZ portfolio, with details on ownership and current status where known.
8. Currently, the following sites are under initial consideration, each with varied requirements, barriers and potential. This long list may change / be added to following further engagement and before the detailed review is commenced:

District	Name of site
Ash	Rolls Royce, Hucknall
Ash	Castlewood Business Park
Ash	Prologis Park Mansfield (now Summit Park)
Ash / Mans / N&S	MARR / Sherwood Growth Zone (incorporating others referenced in this table)
Bass	Land South of Manton Wood
Bass	South of Worksop Road
Bass	Land East of A57
Bass	Trinity Park Industrial Estate extension land
Bass	Harworth Colliery
Bass	Bawtry Road
Bass	Plumtree Farm extension
Bass	A1 Corridor - North of Markham Moor interchange / land to the south of A567/A1 Markham Moor
Bass / Mans	Welbeck Colliery
Brox	Beeston Business Park
Ged	Gedling Colliery
Ged	Land opposite Teal Close
Ged	Colwick Industrial Estate

Mans	Mansfield Brewery
Mans	Stockwell Gate North
Mans	Lindhurst
Mans	Penniment Farm
Mans	Ransom Woods Business Park
N&S	Land South of Newark, Newark Growth Point
N&S	Fernwood Business Park / Newark Growth Point
Rush	Cotgrave Colliery
Rush	Former RAF Newton
Rush	Chapel Lane Bingham
Rush	Tollerton Airfield

## Proposed Next Steps

9. To progress the development of the portfolio of sites, an assessment of the viability of each site is proposed. Specialist consultants will be commissioned to undertake this assessment, which is considered to be the most efficient way of identifying potential blockages, financial viability and market / sector requirements, so that a shortlist of sites can be drawn up. The review will also provide evidence to support future capital funding bids to develop the sites and support an on-going regular review of the state of the employment land market.
10. The NBIZ concept has been welcomed by Borough and District Council partners and they have contributed significantly to its development. Each of the Borough and District Councils has pledged financial support of £2,000 towards the next phase of the work. At the March meeting of this Committee, Members agreed an allocation of £60,000 towards Place Marketing, which included the NBIZ work. It is proposed that £20,000 of this allocation is utilised towards this review, which would make a total resource of £34,000 available (with the Borough and District contributions).
11. It has been agreed that the County Council undertakes the commissioning of this activity. Within corporate procurement procedures, there are existing Framework Agreements in place which can be utilised to secure the most appropriate expertise and provide value for money. If no suitable supplier is found through this process, a full tender process will be undertaken, although this will delay the project by about 8-10 weeks.
12. A full specification will be prepared but the successful consultants will be tasked to provide a comprehensive qualitative and quantitative review incorporating a number of themes, with the priorities being:
  - i. an analysis of the market;
  - ii. a review of supply and demand trends;
  - iii. the extent to which individual sites can deliver jobs growth and best value for money for public investment;
  - iv. individual site financial appraisals;
  - v. known and available funding; and
  - vi. business cases reflecting funding shortfalls

13. The Districts have now been asked to review and prioritise their sites to ensure the most up to date information is available and the most appropriate sites are progressed. Regular meetings will then be held to share information and facilitate an ongoing review. The procurement process is anticipated to be completed by July / early August. Depending on the response and consultants' professional judgement of the task, the review is anticipated to be completed by November / December 2014.
14. The ultimate outcome of the review will be a report providing a short list of priority and secondary sites and a framework to allow partners to regularly review the information on the key sites and continue to make judgements for progression in the future. Information will also be gained to support future external capital funding applications.
15. Finally, it will be noted that the specification for the commission seeks to request that the successful consultant establishes a framework whereby the Council and its partners can refresh the work on an on-going and consistent basis thus affording the partners the opportunity to review trends, changes and developments over time.

### **Other Options Considered**

16. As stated in paragraph 11, there is an option not to use the Framework Agreement and to procure the review through a full tendering exercise. However, Framework Agreements have already been negotiated through a competitive tendering exercise, and can make the procurement process quicker and guarantee previously contracted prices. A full tender could still result in responses from the same consultants as those within the Framework, and there is no guarantee of cost or quality.

### **Reason/s for Recommendation/s**

17. The Committee has previously approved a budget allocation for place marketing, which includes the NBIZ development. A professional review of proposed sites is considered by partners to be the most effective way to progress this project.

### **Statutory and Policy Implications**

18. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

### **Financial Implications**

19. The NBIZ project is part of the Place Marketing activity included in the Economic Development Strategy Delivery Plan and the associated budget report agreed by the Committee in March 2014.

## **RECOMMENDATION/S**

20. That the Economic Development Committee:

- a. agrees the NBIZ approach as outlined in the report and
- b. approves funding of £20,000 towards the NBIZ review

### **Report of the Group Manager, Corporate Strategy, Celia Morris**

For any enquiries about this report please contact: Hilary Porter, 72146

### **Constitutional Comments (NAB 25.04.14)**

Economic Development Committee has authority to approve the recommendations set out in this report by virtue of its terms of reference.

### **Financial Comments (SEM 25/04/14)**

The financial implications are set out in the report.

### **Background Papers and Published Documents**

### **Electoral Division(s) and Member(s) Affected**

All