

Overview and Scrutiny Committee



St Edmundsbury
BOROUGH COUNCIL

Title of Report:	Haverhill Research Park	
Report No:	OAS/SE/18/020	
Report to and date:	Overview and Scrutiny Committee	11 July 2018
Portfolio holder:	Alaric Pugh Portfolio Holder for Planning and Growth Tel: 07930 460899 Email: alaric.pugh@stedsbc.gov.uk	
Lead officer:	Julie Baird Assistant Director for Growth Tel: 01284 757613 Email: julie.baird@westsuffolk.gov.uk	
Purpose of report:	To update members regarding the progress of Haverhill Research Park.	
Recommendation:	Overview and Scrutiny Committee: It is RECOMMENDED that members consider and discuss the information outlined in this report.	
Key Decision: <i>(Check the appropriate box and delete all those that do not apply.)</i>	<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	
Consultation:	The update regarding Haverhill Research Park contains some commercially sensitive information. Due to the sensitivity some information remains restricted.	

Alternative option(s):		<ul style="list-style-type: none"> Contained within the exempt Presentation (Verbal) 	
Implications:			
Are there any financial implications? If yes, please give details		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> There are likely to be financial implications in bringing forward the delivery of Haverhill Research Park. These will be explored in detail in future reports. 	
Are there any staffing implications? If yes, please give details		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> Officers are engaged in negotiations to bring forward the delivery of Haverhill Research Park. 	
Are there any ICT implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> 	
Are there any legal and/or policy implications? If yes, please give details		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <ul style="list-style-type: none"> There are likely to be legal implications in bringing forward the delivery of Haverhill Research Park. These will be explored in detail in future reports. 	
Are there any equality implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> 	
Risk/opportunity assessment:		There are likely to be risks in bringing forward the delivery of Haverhill Research Park. These will be explored in detail in future reports.	
Risk area	Inherent level of risk (before controls)	Controls	Residual risk (after controls)
That the employment allocation is not delivered	High	Negotiation with the developer; Planning Policy; and possible direct intervention.	Medium
Ward(s) affected:		All West Suffolk Wards	
Background papers: (all background papers are to be published on the website and a link included)		Haverhill Vision 2031 Enterprise Zone Status Growth Investment Strategy	
Documents attached:		NONE	

Key issues and reasons for recommendation(s)

1.0 Introduction

- 1.1 The purpose of this report is to update Members of Overview and Scrutiny Committee regarding the progress in delivering Haverhill Research Park. Officers have been working on a number of options to help to deliver the Councils vision for high quality jobs to complement the growth in homes locally.
- 1.2 As these options contain commercially sensitive information, an **exempt presentation** will be provided by officers at the meeting.

2. Background

- 2.1 Haverhill Research Park (HRP) is a prominent 12 hectare (30 acre) employment allocation with four serviced plots providing capacity for 450,000 sqft of commercial development. One of only five Cambridge Compass Enterprise Zones, it also benefits from being located on one of the established commuter routes into Cambridge. It is located on the north-western edge of the town and lies within the parish of Withersfield.
- 2.2 The development of this site has been a long term aspiration of the Council. It is allocated for B1 uses including light industrial, research and office use; units for new and small firms involved in high technology and related activities; or low density development with extensive landscaping.
- 2.3 It is in the single ownership of the developer – Jaynic. A masterplan for the development of the site was adopted in 2011 that recognised there were issues concerning the viability of developing the site due to high infrastructure costs. The masterplan therefore allowed, as an exception to policy, the construction of 150 dwellings to provide funding for the key infrastructure to open up the employment plots.
- 2.4 In 2012, St Edmundsbury Borough Council and both the Greater Cambridge Greater Peterborough LEP and the New Anglia LEP provided loan funding to the developer to enable the infrastructure to be built and the land to be sold to the housing developer. The proceeds from the housing development were used to repay the loans.
- 2.5 In 2015 Planning permission was granted for an innovation centre for the park and the developer sought funding support from both LEPs as before. Although £1.3m of grant funding was initially allocated by both LEPs towards the construction costs of the centre, the developer decided to defer delivery at that stage. Further funding applications would need to be made to realise this financial support in the future.
- 2.6 HRP was granted Enterprise Zone (EZ) status for a 25 year period commencing 1 April 2016. Please see section 3 below.

Strategic links

- 2.7 West Suffolk Council has an ambitious vision for its towns and rural communities, set out in the Strategic Plan 2018-2020.

Reminder of our vision:

Supporting and investing in our West Suffolk communities and businesses to encourage and manage ambitious growth in prosperity and quality of life for all.

Our priorities are:

- Growth in West Suffolk's economy for the benefit of all our residents and UK plc.
- Resilient families and communities that are healthy and active.
- Increased and improved provision of appropriate housing in West Suffolk in both our towns and rural areas.

- 2.8 Investing in our area to manage and encourage growth, jobs and homes remains a main priority going forward. While still delivering high quality services we have transformed the way we work to work more closely with our communities and invest in assets and initiatives that unlock economic opportunities. In 2018 West Suffolk Councils adopted the Growth Investment Strategy. It states:

Through our Growth Investment Strategy we aim to:

- **Accelerate Delivery of our Growth priorities**

Through provision and alignment of funding, loans and resources and by collaborating with partners.

- **Increase our influence in delivering the best outcomes for our communities**

Through acquisition and increasing partnerships and collaborations who bring different skills and expertise and potential to access to wider funding streams. As well as reviewing and applying appropriate regulation and policies.

- **Generate a financial return when the right opportunities arise**

Through actively evaluating our assets and other opportunities presented to us, this will enable us to generate income which can be reinvested in essential services for our communities.

- **Innovate: Support creation of new markets**

By drawing on our strengths and insights and promoting the opportunities which arise to develop new markets, we are more responsive to our communities needs and stimulate growth. We constantly looking at more efficient and exemplar ways of delivering growth and actively encourage and promote innovation within our area. We welcome new ideas and innovative approaches which will raise West Suffolk's profile and accelerate delivery of the priorities in our Strategic Plan.

- 2.9 In addition to the adoption of the Growth Investment Strategy, an initial £40m capital investment fund has been identified to deliver the Growth agenda. In making investment in our communities and places we are seeking blended returns across social, economic and financial investments.

3. Vision for the site

- 3.1 The existing local plan allocation (as set out in para 2.2 above) enables a wide range of employment uses on the site to come forward. As stated above, the opportunity exists for the strategy in support of the vision to include a more targeted approach for the delivery of the park.
- 3.2 HRP is needed to maintain a core employment offer in the town in order to retain the attractiveness of Haverhill as a place to live and work. HRP remains therefore as an important opportunity for West Suffolk Councils to attract additional companies, provide jobs alongside homes; encourage new start-ups, raise salary levels; and create links to Cambridge.
- 3.3 Building on the existing town centre masterplan, we are considering options with various stakeholders to bring forward delivery of the employment uses in the context of wider place making.

Enterprise Zone status

- 3.4 HRP was granted Enterprise Zone (EZ) status for a 25 year period commencing 1 April 2016. It is important that any options are considered in the context of Enterprise Zone status. Business rates growth within the Enterprise Zone area is retained by GCGP and shared with St Edmundsbury Borough Council (SEBC) on a percentage share agreement. At HRP, SEBC will retain 70% (less 5% for SCC) of the business rates growth within the first five years and 50% (5% to SCC) from years six to twenty five. The benefits to businesses (who meet the visions and ethos of the Enterprise Zones) locating on the park are discounts in Business Rates, superfast broadband (already available); and the fast tracking of Planning decisions. The business rates discount is for a period of 5 years, however, this is only for businesses that locate on the EZ by the end of March 2021. After this time the business rates incentive is unavailable for new occupants.

4. Key challenges

- 4.1 Apart from the development of the local pub and crèche, development of HRP has not come forward on the park as originally envisaged. Whilst planning permission for the Epicentre exists it has not been delivered. As this was seen as being the first part of the development of the site that would encourage other investments, the site remains largely vacant. For all the reasons set out above, the delay to the delivery of this key strategic site is the biggest challenge for West Suffolk and its aspirations for Haverhill.

5. Role of the Council

- 5.1 The Council has a strong role to play in delivering land and infrastructure to ensure there is support for new and growing companies. This goes beyond the

allocation of employment land in the local plan. The Council has the ability to take a wider approach to the delivery of employment land and is not necessarily driven only by financial return. There are many advantages to taking this wider approach as the Council can drive investment that has positive benefits to local people and the specific challenges faced in a locality.

- 5.2 West Suffolk has an inclusive growth agenda. Many of our businesses are already engaging with schools to get young people business ready; working with our colleges including WSC on bringing apprentices on board; and developing business ready skills. This is the type of business culture we would like to promote for our area. We will encourage companies to recognise that investment in their workforce will pay dividends for them and for their staff. We are willing to take an active role in helping to encourage good proactive companies and this supports our belief that West Suffolk as a place is a good place for businesses to locate to and grow.
- 5.3 In the context of the consideration of the options, further thought will be given to the role of the Council and other key stakeholders in delivering its visions within the local plan period.

6. Next Steps

- 6.1 Officers can provide additional detail regarding the options and next steps at the meeting (**exempt presentation**).
- 6.2 It is intended that West Suffolk will work to accelerate delivery on HRP so that it is able to make the contribution to the local economy and sustainability of place that has always been the vision.
- 6.3 It is proposed that progress will be reported back through the democratic process in six months' time. However if there are matters to report or a decision to be made before six months has expired, a paper will be brought through for a decision.