

Report of	Meeting	Date
Interim Deputy Chief Executive (Introduced by Cabinet Member (Planning, Business Support and Economic Development))	Cabinet	Wednesday 17 January 2024

## Lancashire Advanced Engineering and Manufacturing Enterprise Zone

Is this report confidential?	No
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Is this decision key?	No
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### Purpose of the Report

1. This report seeks permission to proceed with public consultation on a draft Local Development Order document.

### Recommendations to Cabinet

2. That Members agree to proceed with statutory consultation as described below.

### Reasons for recommendations

3. Public consultation must be completed before further adoption process possible.

### Other options considered and rejected

4. Legislative requirement to undertake public consultation. No alternative options to consider

### Corporate priorities

5. The report relates to the following corporate priorities: (Please bold one)

<b>An exemplary council</b>	Healthy and happy communities
<b>Opportunities for everyone</b>	Green and clean neighbourhood

### Background to the report

6. *Background* - In Autumn 2011 the Chancellor of the Exchequer granted Enterprise Zone status to Lancashire on BAE Systems Samesbury and Warton sites. Since gaining Enterprise Zone status and adopting a Masterplan and Local Development Order (LDO)

for the site, significant infrastructure has been brought forward enabling a number of key developments to be delivered. These cumulatively support future growth, are creating new business and have built a strong base from which significant growth in the Advanced Engineering and Manufacturing (AEM), Sci-tech and Cyber sectors is anticipated to come forward at pace.

7. The site is currently on track to deliver around 2,528 high value new jobs with current enquiries suggesting potential to exceed this. The potential for further associated technology spin-out businesses, new business starts, and SME's is significant, with the potential to deliver a further 5,000-6,000 high value jobs in the long term. Strategically the site plays a key role in anchoring and developing an AEM, Sci-tech and Cyber enterprise corridor linking to Lancashire's key universities and extensive AEM capabilities. This will capitalise on new and emerging market opportunities and will strengthen and grow local supply chains through inward investment and modernisation of the sectors. Lancashire forms a key part of the national cyber arc linked to Manchester and is positioned as a national core of expertise across AEM, Sci-tech and Cyber sectors.
8. The LDO consultation process was delayed awaiting final documentation from future site occupants which affected the final consultation documents.
9. *The Local Development Order (2024)* – LDO's were introduced by the Planning and Compulsory Purchase Act 2004 and allow local planning authorities to extend permitted development rights for certain forms of development (i.e. planning permission is not required subject to certain conditions). The Planning Act 2008 thereafter removed a former requirement that LDOs should implement policies set out in adopted local development documents.
10. The Lancashire Advanced Engineering and Manufacturing Enterprise Zone (EZ) (Samlesbury) Local Development Order No: 2 (2014) was adopted by South Ribble and Ribble Valley Borough Councils on 7<sup>th</sup> February 2014 for a period of 10 years. This was supported by the Masterplan adopted on the 15<sup>th</sup> of January 2014.
11. The boundary between Ribble Valley and South Ribble Borough Council areas runs through the LDO site. The adopted LDO was finalised having regard to the Master Plan and the representations received during consultation, and both Councils adopted separate but identical LDOs in 2014, following confirmation that the Secretary of State did not wish to exercise their pre-adoption intervention powers.
12. The adopted LDO has to date facilitated delivery of the Master Plan, with much of the basic infrastructure (e.g. main highway improvements, archaeology, ecological mitigation measures, drainage etc) having already been completed. There remains however capacity for continued development of existing and new parcels of land within the EZ boundary, and as such it has been necessary to revise and update the LDO and Masterplan documents to address the current situation.
13. Once adopted, the Lancashire Advanced Engineering and Manufacturing Enterprise Zone (Samlesbury) Local Development Order No: 3 (2024) as supported by the revised Master Plan will establish a framework for the long-term strategic development objectives of the EZ. Before that can happen however a four-week period of statutory consultation is required by both South Ribble and Ribble Valley Borough Councils. This report seeks Members permission to embark on that consultation period for South Ribble.

14. Following consultation, representation received from statutory organisations and local residents will be considered, and where relevant changes will be made to the final documents. It is anticipated that the LDO and Masterplan will be ready for final adoption in early 2024, when it will be brought before Council for endorsement.
15. In order to facilitate development and avoid delays, developers would not need to apply for planning permission in the usual way. As a tripartite arrangement between South Ribble, Ribble Valley and Lancashire County Councils, the LDO allows developers to apply to the relevant area's planning authority in consultation with the two other Councils for prior approval (PND). PNDs essentially seek confirmation of factual compliance with set rules, rather than a balanced approval or refusal of a scheme. These 'fast track' (28-day turnaround) submissions are assessed against pre-determined criteria for the entire LDO area, such as approved drainage, highways or ecological mitigation, heights, materials etc, and where proposals comply with these criteria which take the form of 16 standard conditions, agreement to proceed is automatically granted. The assessment is made by Officers, but is not a 'decision' as such, and cannot be heard at Planning Committee or determined by Elected Members. The PND route however prevents delays to development resulting from the average statutory 13-week timescale required where planning permission is required.
16. The LDO, Masterplan and subsequent revisions result from a collaborative relationship between Lancashire County, South Ribble and Ribble Valley Councils. The EZ project will continue to report to the Enterprise Zone Governance Committee in accordance with current governance protocols. The County Council as lead developer and landlord of the site remains responsible for the development and delivery of the site alongside all related commercial matters. The County Council will also continue to assess each proposed development to ensure that the displacement of existing Lancashire based companies does not occur and that any development is genuine growth in, and support to the Advanced Engineering and Manufacturing, science and technology and cyber sectors. Activity will focus on inward investment which will further strengthen the UK's AEM capabilities, building upon BAE Systems significant operations in Lancashire as well as the aerospace capabilities in the Northwest and UK. It will also support opportunities to significantly develop Lancashire's Sci-tech and Cyber sectors establishing a strategic cluster of activity linked to a widening network of growth.
17. *Benefits of an Enterprise Zone and Local Development Order*
18. The Governments guidance document<sup>1</sup> suggests the following benefits to the EZ and LDO adoption:
 

*Benefits to Business* - businesses which locate to an EZ can access a number of benefits, including.

  - A percentage of business rate discount worth up to £275,000 per business over a 5-year period – the Councils Business Rates Team confirm this is not made available in South Ribble. There is also an arrangement with the Lancashire Enterprise Partnership whereby business rates for anything constructed on the EZ are returned to Lancashire County Council to pay the debt incurred on the infrastructure works.

or

  - enhanced capital allowances (tax relief) to businesses making large investments in plant and machinery in some EZs in assisted areas (South Ribble is not one of those areas),and

- Simplified local authority planning, for example, through Local Development Orders that grant automatic planning permission for certain development (such as new industrial buildings or changing how existing buildings are used) within specified areas.

*Benefits to Local Communities* - Enterprise Zones have established themselves as a driving force of local economies as they unlock key development sites, consolidate infrastructure, attract business and create jobs. All business rates growth generated by the EZ is kept by the relevant local enterprise partnership and local authorities in the areas for 25 years to reinvest in local economic growth. This reflects the Government's commitment to long-term economic growth and enables Local Enterprise Partnerships to reinvest in site development and other local initiatives, such as workforce skills development.

In addition, the Government is working actively with EZ's to help to unblock barriers to delivery, such as Department for Transport support with transport infrastructure, Department for Environment, Food and Rural Affairs support in promptly addressing environmental issues and advice on marketing Zones to international investors from the Department for International Trade.

*Benefits to the UK Economy* – EZ's help to attract more foreign investment and bring jobs and businesses across England. They help to deliver long-term, sustainable growth based on cutting-edge technology and enterprise. Businesses are clustering around centres of excellence in key sectors such as financial services, biosciences, digital and creative industries, advanced engineering – as in the Samlesbury EZ, automotive, and renewable energy.

## **Climate change and air quality**

19. The work noted in the LDO and Master Plan mentioned in this report impacts positively on the following areas of climate change and sustainability targets of the Council's Green Agenda.:
  - a. net carbon zero by 2030,
  - b. reducing waste production
  - c. limiting non sustainable forms of transport,
  - d. working with sustainable and green accredited companies,
  - e. limiting or improving air quality,
  - f. limiting water waste and flooding risks,
  - g. improving green areas and biodiversity.

## **Equality and diversity**

20. As noted in the Council's current Development Framework: Statement of Community Involvement, the Council will apply general principles to any planning consultations it carries out; including those relating to policy compilation and adoption. These are:
  - Involvement will be open to all, regardless of gender, faith, race, disability, sexuality, age, rural isolation and deprivation.
  - The Council will seek views of interested and affected parties as soon as possible.
  - Consultation publications will be clear and concise and avoid unnecessary jargon; and
  - As part of the Local Development Framework, the Council will inform people who respond to consultations of later stages, if they request that we do so.

The aforementioned public consultation exercise will accord with these principles. At the time of writing this report Ribble Valley Borough Council planned to take the same request for permission to consult to their planning committee on the 8<sup>th</sup> February 2024. Subject to both Councils agreement, consultation will commence as soon as possible afterwards.

**Risk**

- 21. Delays to the adoption process across two neighbouring councils if agreement is not reached, and potential subsequent negative impacts on delivery of nationally significant infrastructure projects.

**Comments of the Statutory Finance Officer**

- 22. There are no direct financial implications arising from the report at this stage.

**Comments of the Monitoring Officer**

- 23. What is being sought here is authority to commence a consultation process in respect of a new proposed Local Development Order. It is important of course that we follow all necessary statutory processes set out in the relevant statutory provisions. Following completion of the consultation process all responses will be carefully considered, any changes considered necessary will be made to the draft documentation and the Order will then be presented to Full Council with a view to formal sign off.

**Appendices**

Draft Samlesbury Enterprise Zone Masterplan (September 2023)

Draft Lancashire Advanced Engineering and Manufacturing Enterprise Zone (Samlesbury) Local Development Order 3 (2024)

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This decision will come into force and may be implemented five working days after its publication date, subject to being called in in accordance with the Council's Constitution.

<sup>i</sup> [About Enterprise Zones \(communities.gov.uk\)](https://www.communities.gov.uk). Accessed 20.12.23