

Regenerating, Investing & Driving Growth



Constructing Excellence Sussex
28 June 2017

Today's Discussion



- Overview of policy context
- Enterprise Zones in the UK
- About Newhaven and the EZ
- Sites Overview
- Forecasts
- Summary

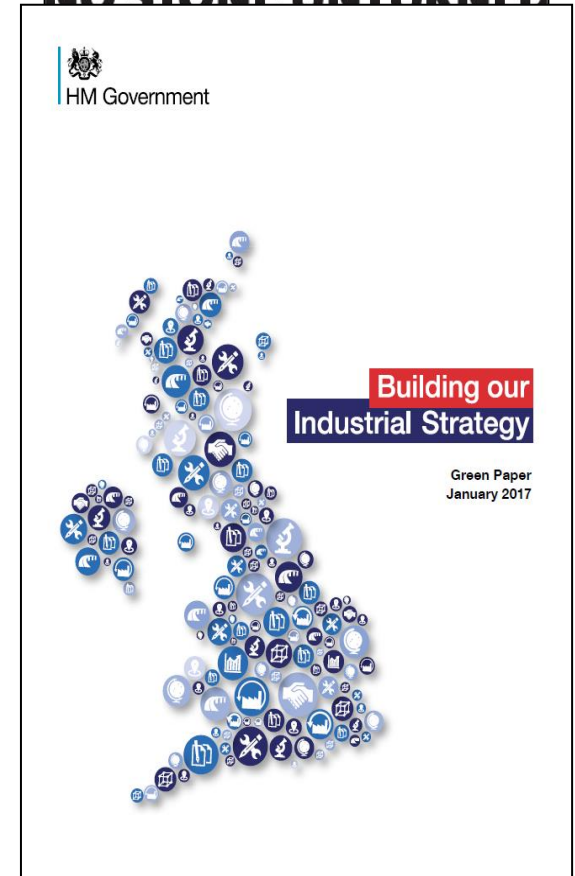


National Context

- The Plan for Growth (March 2011)
- No Stone Unturned (October 2012)
- Industrial Strategy
 - Ten key pillars, including:
 1. Investing in science, research and innovation
 2. Developing skills
 3. Upgrading infrastructure
 4. Supporting businesses to start and grow
 5. Improving procurement
 6. Encouraging trade and inward investment
 7. Delivering affordable energy and clean growth
 8. Cultivating world-leading sectors
 9. Driving growth across the whole country
 10. Creating the right institutions to bring together sectors and places



NO STONE UNTURNED



Regional Context

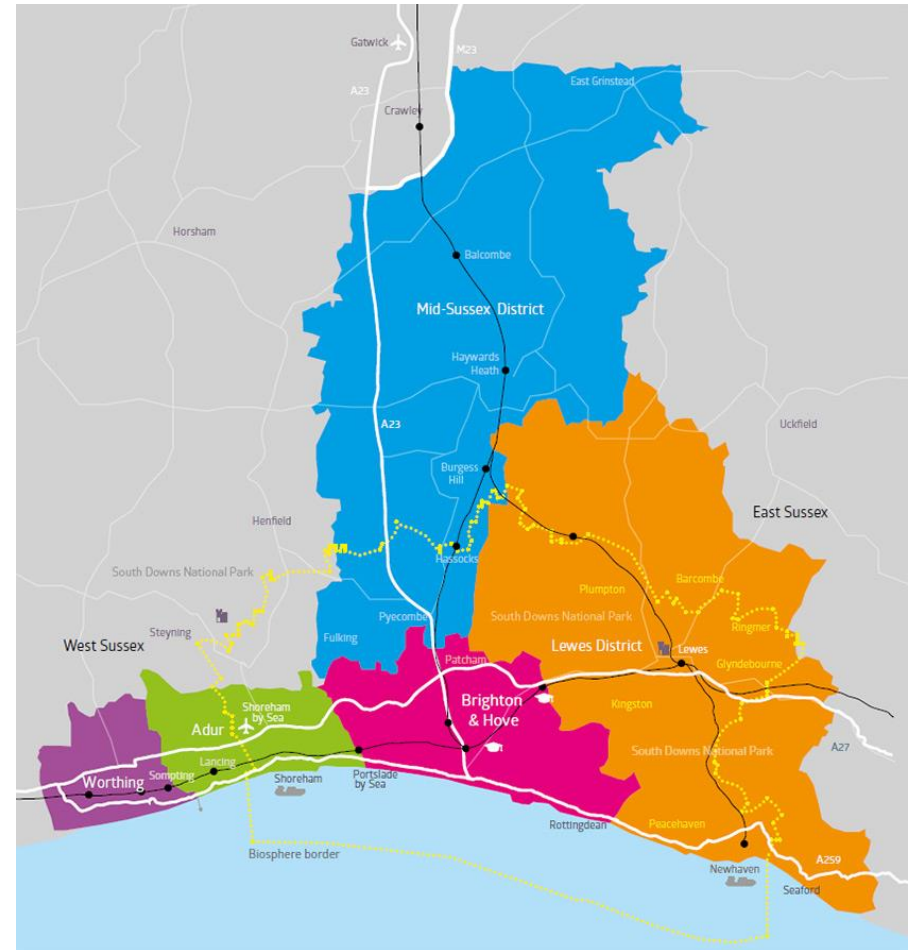


- Jamie
 - Mostly C2C, but will need at least a bullet point for SELEP

Greater Brighton Context



- Originally identified in City Deal as a Clean Tech Growth Centre
- Space for growth in employment & housing
- Positive displacement – allowing for overspill of City Region economy
- Social and economic benefits



Local Policy Context



- Lewes District Council Plan 2016 – 2020
 - 3 key themes
 - Growth and prosperity
 - Delivering new housing and infrastructure
- Ambition to drive regeneration of Newhaven
 - Need to rebalance local economy
 - Physical capacity for growth but challenging ground conditions



Newhaven Overview



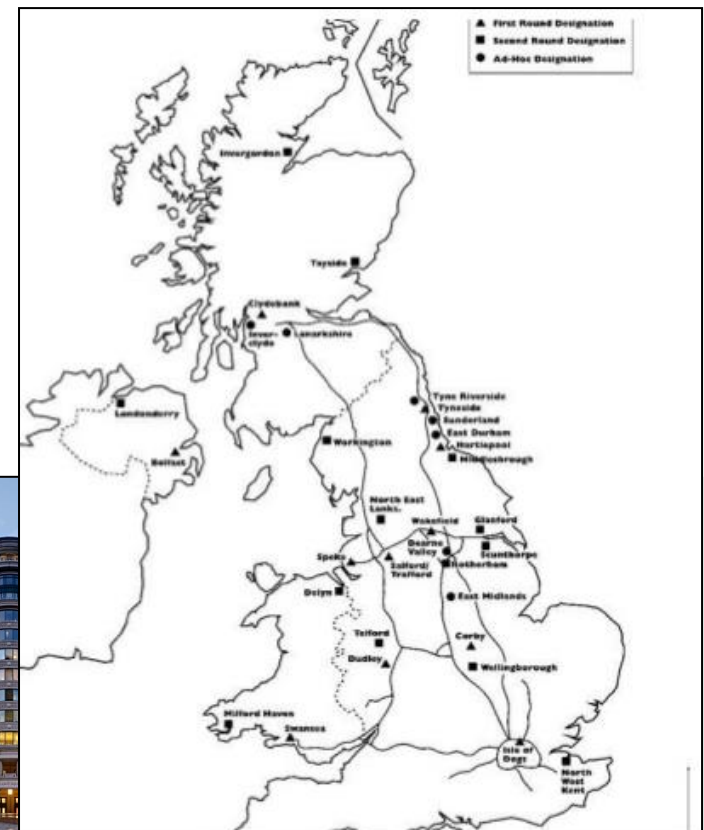
- Historic port town with active industrial and commercial river frontage, but challenges of economic decline
 - Low skilled workforce
 - Above average unemployment
 - High levels of deprivation
- New investments unlocking potential
 - UTC@harbourside
 - Newhaven Growth Quarter
 - Port Access Road
 - Newhaven Flood Alleviation Scheme
 - Saxon House
 - Rampion Offshore Wind Farm



What was an Enterprise Zone?

Newhaven
Enterprise Zone

- Originally proposed in 1970s
- 38 EZ's designated between 1981 and 1996
- EZ's typically located in areas of economic & physical decay that were suffering from multiple market failures
- Range of benefits for new & existing business for a 10-year period
- Ended due to changing legislation
- But did they work anyway?



What is an Enterprise Zone Today?



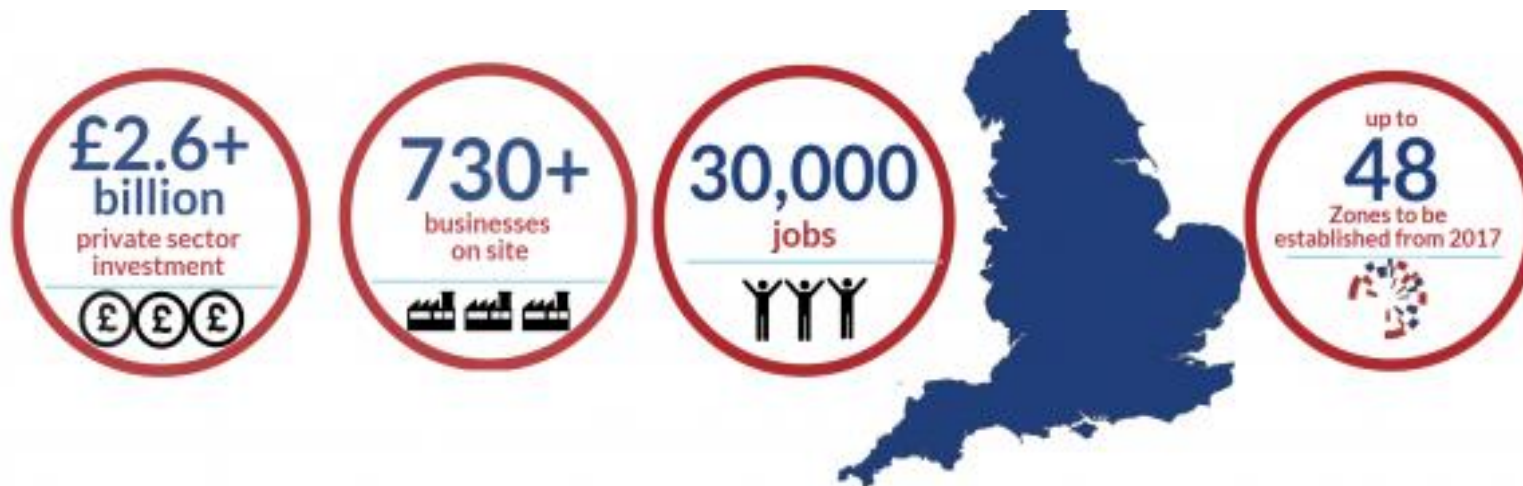
- Re-established in 2012 as key part of Government's long-term economic plan
- Some similarities with previous model
- Designated areas that provide tax breaks and Government support
 - Business rate discount for new occupiers, subject to State Aid
 - Simplified planning
 - Superfast broadband
- Reinvestment of business rates
- Government support to unblock barriers to delivery
- As of April 2017, 48 EZ's across England (including Newhaven)



What Have EZ's Achieved So Far?



- As at March 2016:
 - 821 jobs per EZ
 - 20 new businesses on site per EZ
 - £73.9 million of private sector investment per EZ
- Positive impact but some issues remain over value for money



Case Study



- Great Yarmouth & Lowestoft Enterprise Zone
- [Venko Offshore](#)

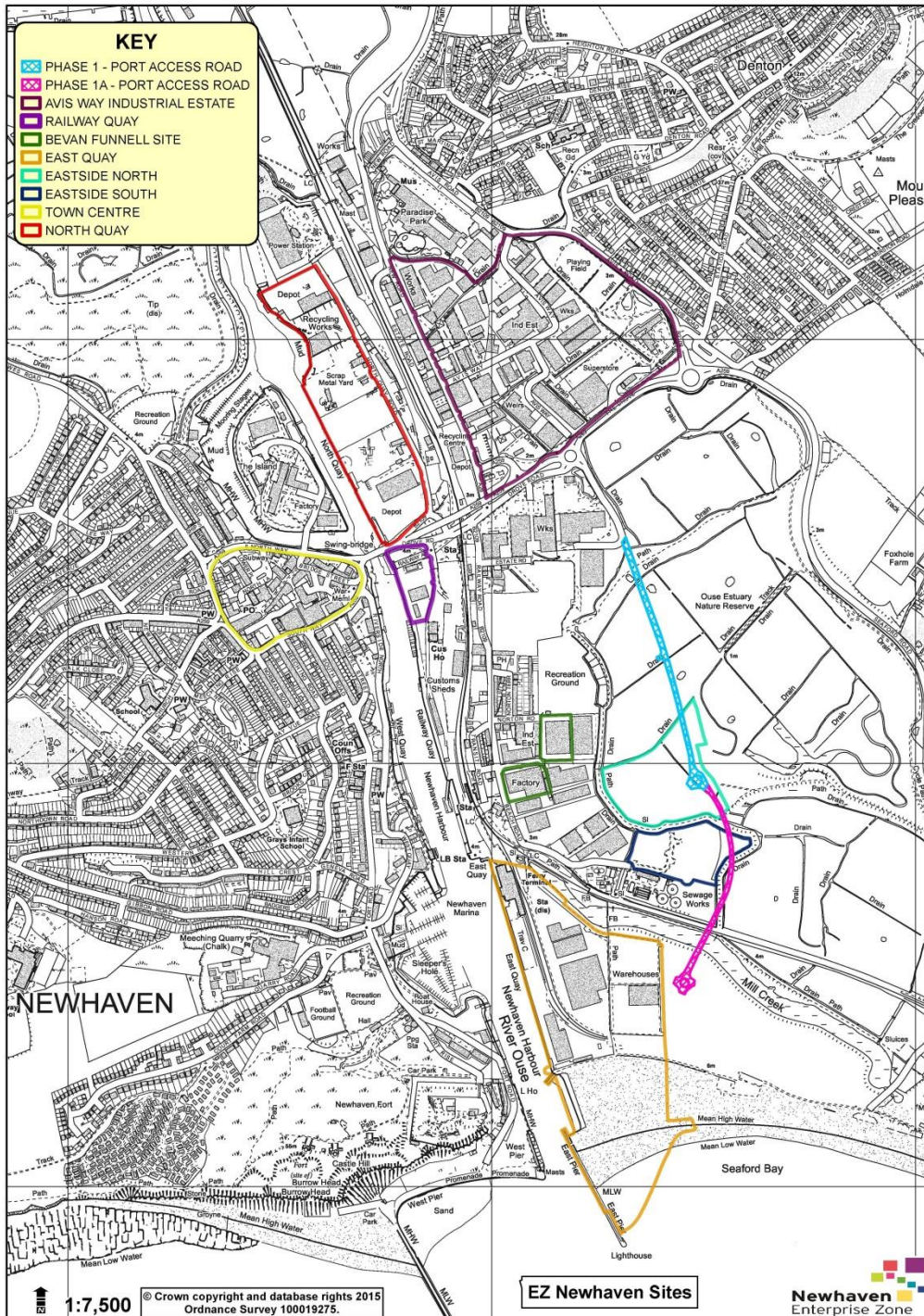


- Challenges surrounding skills and displacement



Newhaven Enterprise Zone

- Partnership led by LDC and Coast to Capital LEP
- 8 sites, covering 79ha
- 25-year lifespan from April 2017
- Initial targets:
 - Create 55,000m² of new employment floorspace
 - Refurbish 15,000m² of employment floorspace
 - Create / sustain up to 2,000 FTE jobs
- Reinvestment of Business Rates uplift



Sites Overview

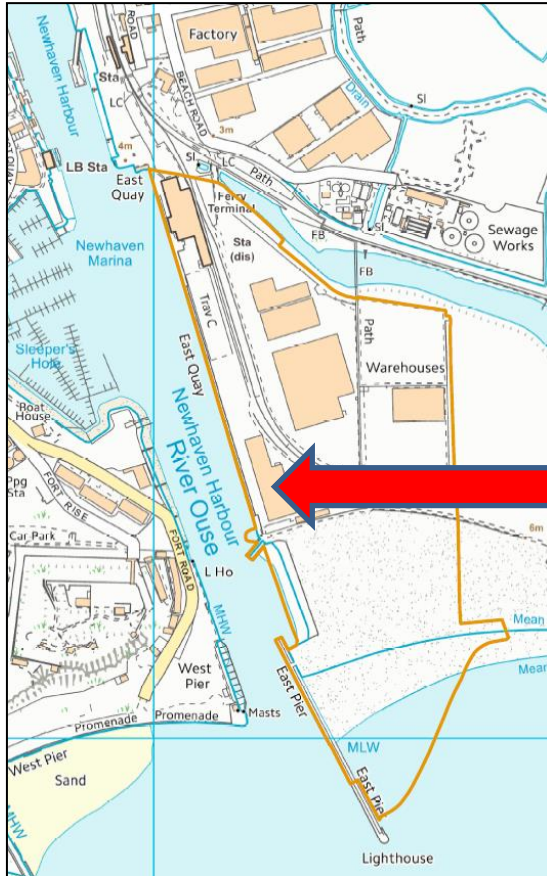
Short-Term Delivery	Medium-Term Delivery	Longer Term Delivery	Ongoing through EZ Lifespan
East Quay	Bevan Funnell	Eastside North	Avis Way IE
Eastside South	Railway Quay	North Quay	
	Town Centre		



East Quay



Newhaven
Enterprise Zone



Eastside South


Newhaven
Enterprise Zone



Bevan Funnell



Newhaven
Enterprise Zone



- 80 residential flats
- 600m² new B1 floorspace



Railway Quay



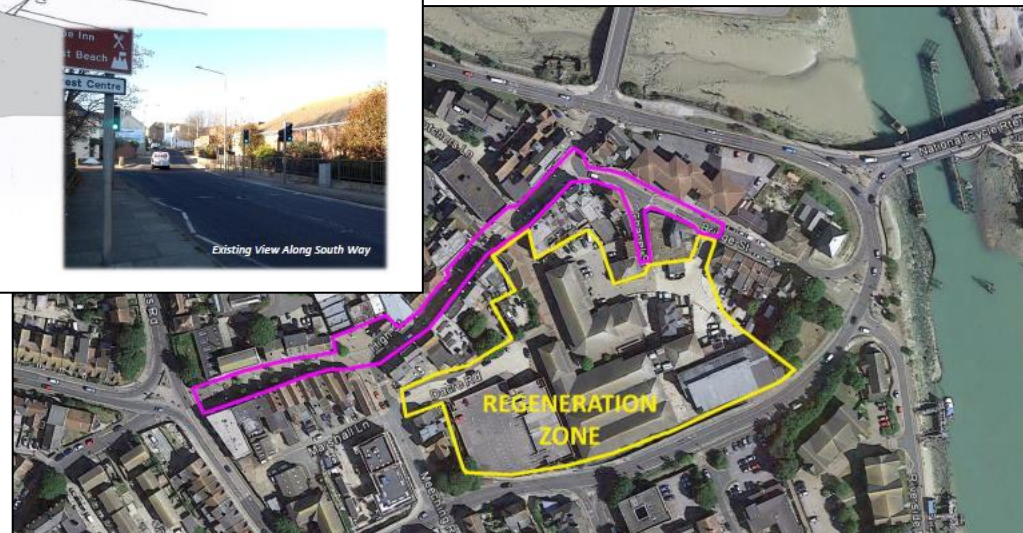
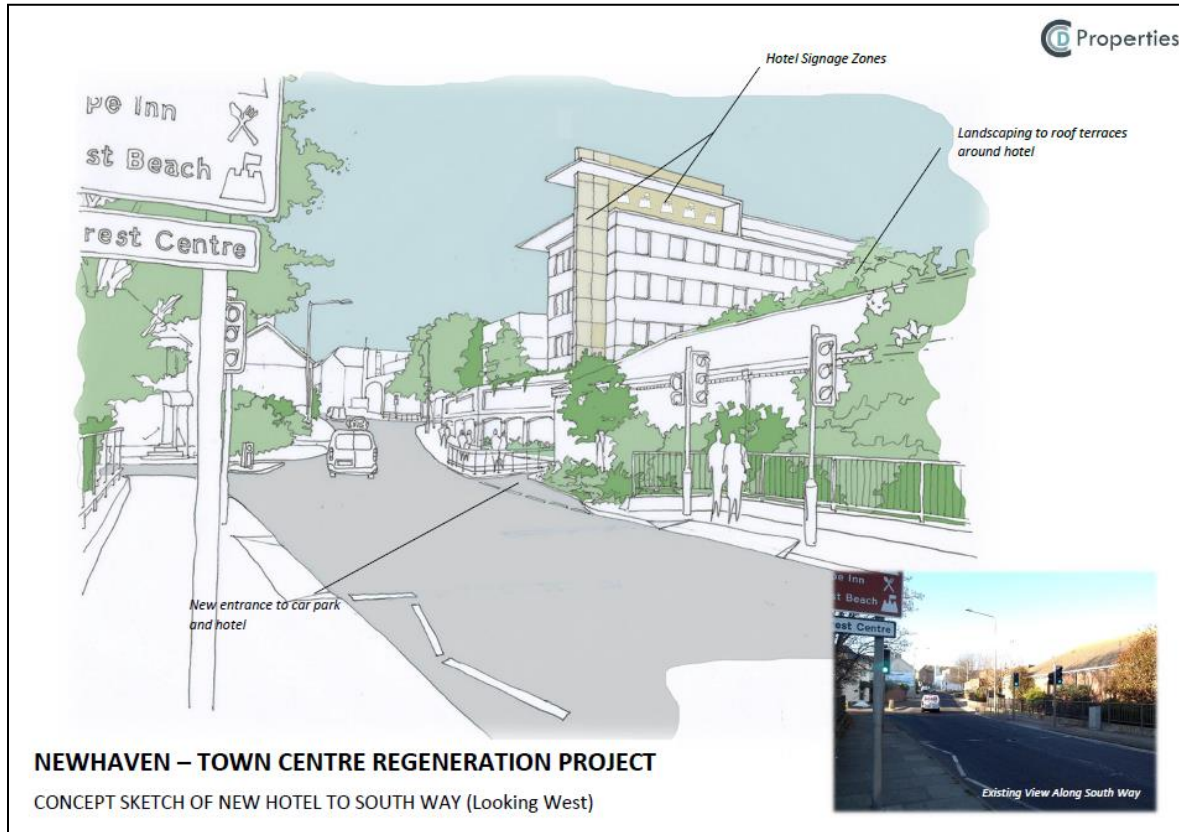
- Purchase funded through LGF
- C&W appointed to undertake Market Demand Study



Town Centre



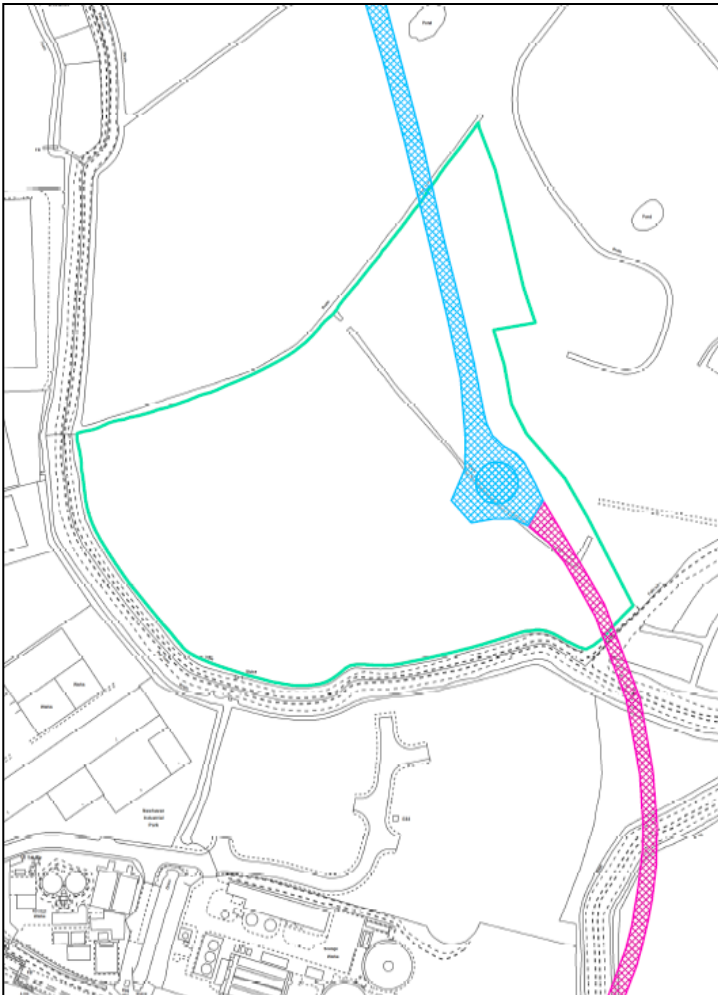
Newhaven
Enterprise Zone



Eastside North

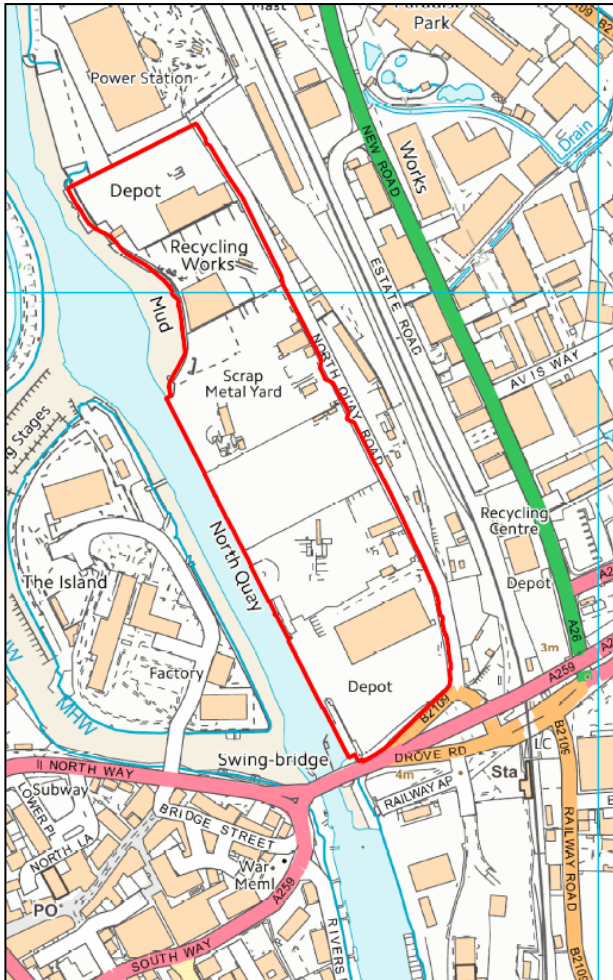


Newhaven
Enterprise Zone



- Planning consent for food retail superstore
- Site unlocked by PAR & offers potential for major logistics / distribution centre
- No firm plans yet

North Quay



- ESCC Minerals & Waste policy designation
- Current application for Asphalt Recycling Plant
- Full redevelopment likely over longer-term

Avis Way IE


Newhaven
Enterprise Zone



Anticipated Outcomes



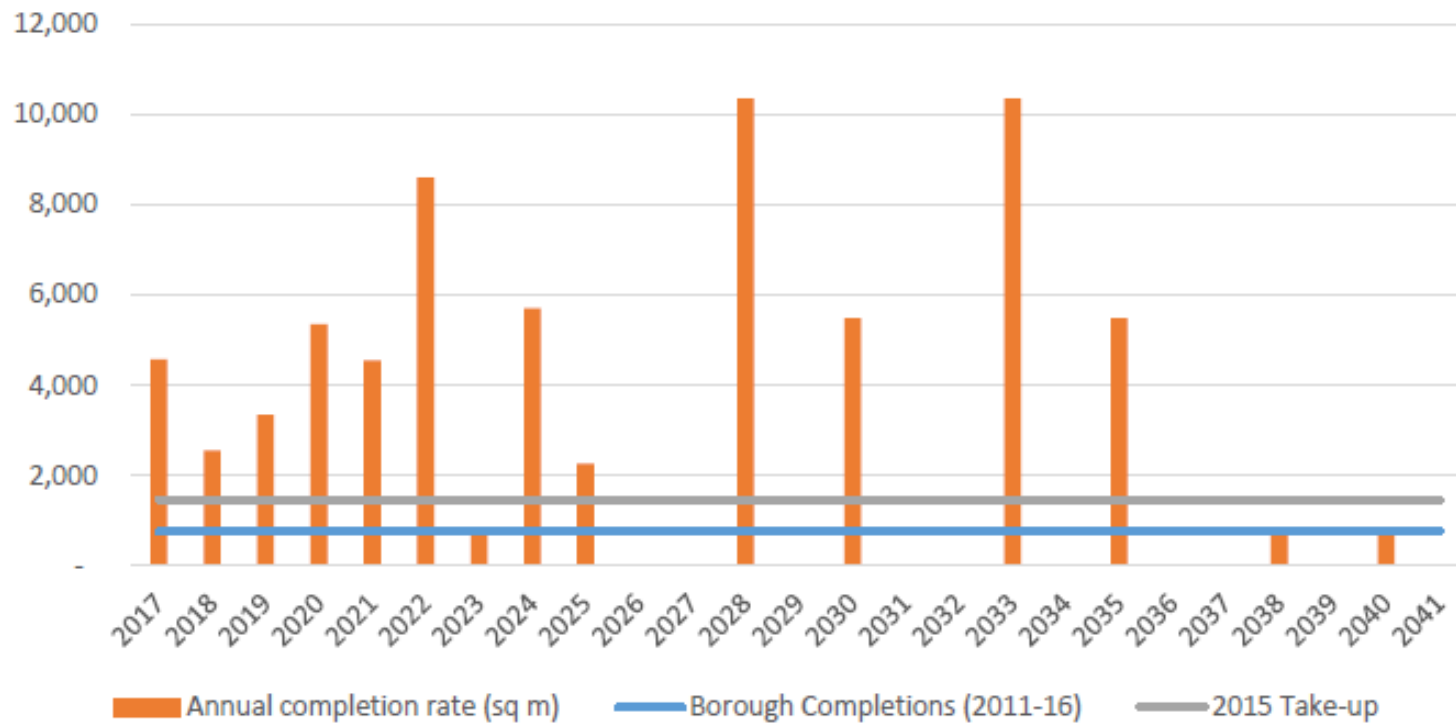
- Set out EZ borrowing capability
- Estimates:
 - New & refurbished floorspace
 - Employment impacts
 - Uplift in business rates for reinvestment
- Development timelines
- Scenarios & sensitivity testing
 - Scenario 1: Market-led
 - Scenario 2: Aspiration-led

Forecast Completion Rates



Newhaven
Enterprise Zone

Annual completion rate (sq m) - Option A

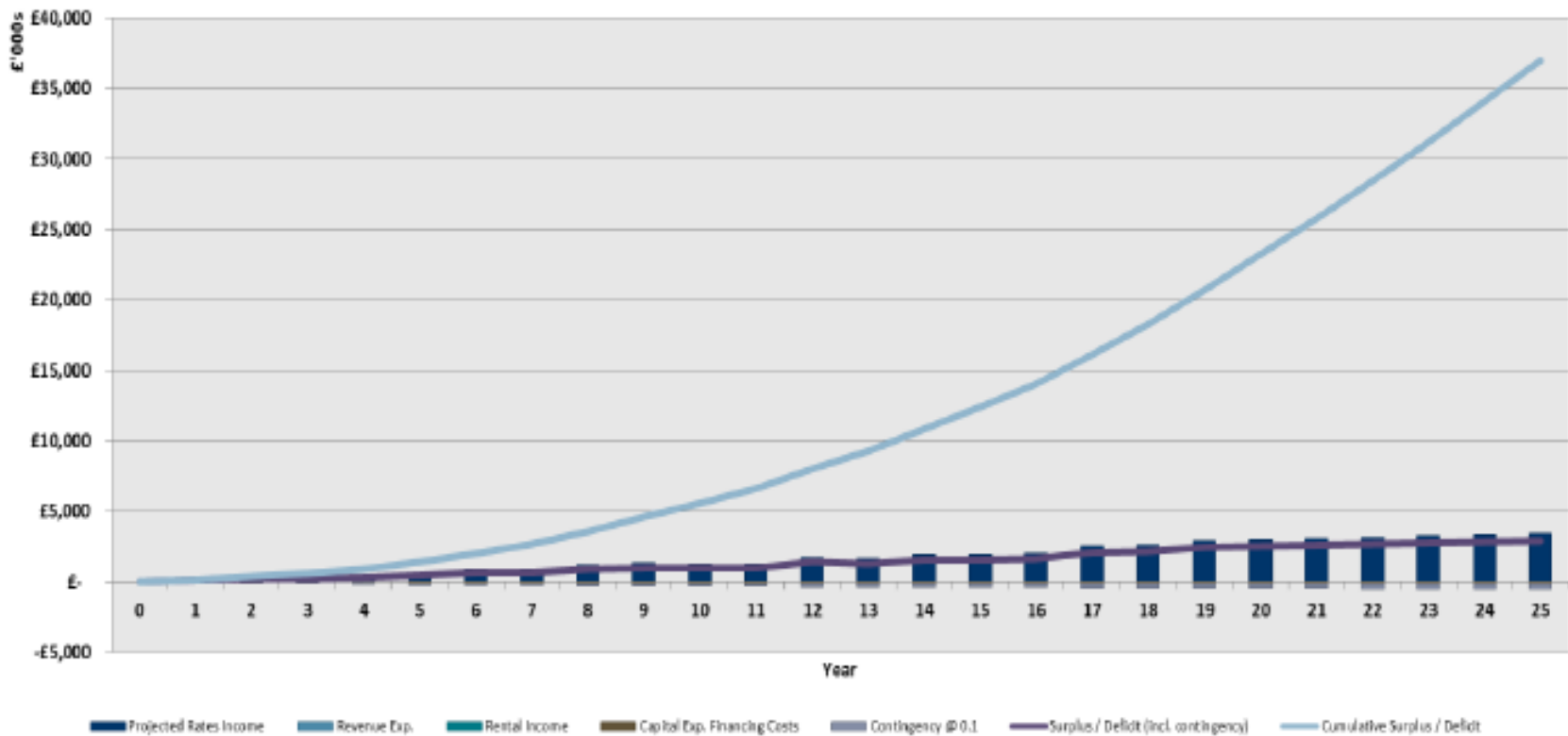


Business Rates Uplift

Newhaven
Enterprise Zone



Cumulative surplus/ deficit



What Has Happened So Far?



Newhaven
Enterprise Zone

- Landowner engagement
- Governance established
- MoU signed by LDC, C2C & Government
- Implementation Plan completed
- Marketing Plan completed
- Successful LGF bid to purchase Railway Quay
- Successful LGF bid for development at Eastside South
- Work started at Eastside South & East Quay
- Website & branding established
- Article 4 Directions being explored
- EZ formally launched earlier this week



What Happens Next?

- Programme Board established to continue initial work
- Task & finish groups being created to cover core workstreams
- Ongoing work with private landowners to identify barriers to investment and unlock key sites



Summary



Newhaven
Enterprise Zone

- Long-term plan, but only started in April
- Strategic priority for C2C and LDC
- Exciting opportunities for developers and investors
- New developments taking place at East Quay and Eastside South already
- LDC exploring options for own land
- Launch event and PR campaign commencing
- Planning powers being explored



Key Contacts



Newhaven
Enterprise Zone

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