



Agenda Item No: 3.2

## Enterprise Zones – Proposed Cambourne Business Park Boundary Change

To:	Business Board
Meeting Date:	12 September 2022
Public report:	Yes
Lead Member:	Chair of the Business Board, Alex Plant
From:	Business Programmes & Business Board Manager, Domenico Cirillo
Key decision:	No
Recommendations:	<p>The Business Board is recommended to:</p> <ul style="list-style-type: none"><li>a) Agree to the boundary change and redesignation of Enterprise Zone status for Parcel A at Cambourne Business Park; and</li><li>b) Subject to recommendation (a), recommend approval to the Combined Authority Board.</li></ul>

## 1. Purpose

- 1.1 To seek Business Board support for South Cambridgeshire District Council's (SCDC) request for a boundary change at Cambourne Business Park and agree to the redesignation of Enterprise Zone status for Parcel A to align with the current adopted Local Plan designation.
- 1.2 This would concentrate all Enterprise Zone land north of the access road and adjacent to SCDC offices. This change would incorporate the existing Marketing Suite to increase the Enterprise Zone offer on site. The other part, Parcel B, would not be affected by the change.
- 1.3 Following determination by the Business Board and further ratification by the Combined Authority Board, SCDC would seek final agreement from the Department for Business, Energy and Industrial Strategy (BEIS) before the change is implemented.

## 2. Background

- 2.1 In 2017, Cambridgeshire & Peterborough became a Mayoral Combined Authority area, and assumed responsibility for the Local Enterprise Partnership governance in 2018. In the Autumn of 2018, the LEP was rebranded, and the Business Board was created to provide a business voice for the area.
- 2.2 The Business Board is a non-statutory body which is the Local Enterprise Partnership for the Combined Authority area. It is also independent of the Combined Authority, operating as a private-public sector partnership, which focuses on the key business sectors to provide strategic leadership and drive growth in Cambridgeshire and Peterborough and the wider Local Enterprise area.
- 2.3 The Business Board remains responsible and retains strategic oversight for the delivery of Enterprise Zones in Cambridgeshire and Peterborough, and reports to the Combined Authority Board as its accountable body. Enterprise Zone delivery and management is further delegated to local authority led boards, which include the Enterprise Zone Programme Board for Alconbury Weald and the Enterprise Zone Project Boards for each of the five Cambridge Compass sites.
- 2.4 On the 11 July 2022 the Business Board considered a request from South Cambridgeshire District Council for a boundary change of the Enterprise Zone Parcel A at Cambourne Business Park. The weblink to the previous report is included under background papers.
- 2.5 The Business Board deferred the decision and requested additional information be provided in relation to the proposed development and to also establish the benefits that it would provide to business.

## 3. Cambourne Business Park – Enterprise Zone Boundary Change

- 3.1 Enterprise Zone parcel A is relatively small (3 acres), within a larger allocation of 21 acres of land that was redesignated primarily for residential use in the South Cambridgeshire District Local Plan in 2018. At the time of redesignation, the majority of the employment

land that had been intended on the site was reallocated to the adjacent Cambourne West development. Appendix 1 outlines the permission and planning context for the development site. Appendix 2 shows the location of the smaller EZ parcel A within the Cambourne Business Park area.

- 3.2 The Cambourne West development has now commenced and there is outline permission secured for three separate employment areas which will come forward in later phases.
- 3.3 The development of the Cambourne Business Park land, including Enterprise Zone parcel A as a residential development is proposed by South Cambridgeshire Investment Partnership (SCIP), a partnership between South Cambridgeshire District Council and Hill Group. This presents an opportunity to help integrate the Cambourne West development, including the future employment sites, into the rest of Cambourne through the pedestrian, cycle and bus link through the Business Park, creating a coherent place.
- 3.4 The SCIP proposal is for approximately 260 needed homes of which 40% will be affordable, it will include a market square, new café/amenity facility, open space, play areas and the pedestrian, cycle and bus links previously mentioned.
- 3.5 The development will be gas free, with air source heat pumps in every home and at least 50% of homes will have an EV charging point. The intention is for the affordable homes to be owned and managed by the Council and they will meet either Passivhaus or Net Zero standards. The scheme will also deliver 20% biodiversity net gain. The proposal includes café/amenity provision which will benefit the business park users as a whole.
- 3.7 The Council, as owner of Cambourne Business Park Ltd “CBPL” (the Business Park infrastructure land is in the ownership of CBPL) and owner of the plot designated as the remaining Enterprise Zone Parcel B (shown in Appendix 2), are keen for business growth to continue at pace, with growth now likely to come from the development of the existing business park infrastructure, rather than Enterprise Zone Parcel A.
- 3.8 In December 2021, London Stock Exchange listed Life Science REIT (Ironstone Asset Management) acquired all other buildings on Cambourne Business Park for £38m . Currently, these buildings total c.130,000 sq ft of office and midtec space with two two-storey buildings and one three-storey building.
- 3.9 Life Science REIT has a bold ambition to position Cambourne Business Park as the “*premier science park*” to the West of Cambridge. They see significant investment opportunities in developing further laboratory space and ancillary amenities to drive the value proposition as referenced in their various acquisition press releases.
- 3.10 As a property business focussed solely on the UK’s growing life science sector, specifically targeting opportunities in the “Golden Triangle” research hubs of Oxford and Cambridge, employment opportunities will significantly enhance GVA creation from and within the business park.
- 3.11 SCIP (South Cambridgeshire Investment Partnership) is actively engaging Life Science REIT on the SCIP residential development plans.
- 3.12 Life Science REIT is also actively involved in decision making for the future of the marketing suite and the development of plot 4010 (Parcel B) via bi-monthly CBPL led operational board meetings.

- 3.12 The proposed change to the boundary of Parcel A would align the Enterprise Zone with the current Local Plan and future plans for the development of the Business Park as a whole. Both Life Science REIT and the Council are keen for business growth, investment and job creation to continue at pace on the business park. The Council are already in active discussion with Life Science REIT, SCIP and Council stakeholders about converting the marketing suite to a café/amenity provision. It is therefore appropriate to now change the EZ boundary to align with the Local Plan and progress the growth proposals.

## Significant Implications

### 4. Financial Implications

- 4.1 A request for business rates projections to highlight any potential loss of rate retention for the remaining period to 2041 was made. However, without any plans for commercial development on which to base the assumptions (i.e. type of space and sizes), this would be a speculative estimate at best. It has been argued that as no buildings or plans for commercial build exist, the loss is zero, as it could be that the site could remain empty for the life of the Enterprise Zone and therefore the value of this exercise has been questioned by the Revenues Manager. However, redesignation of Enterprise Zone over to the Marketing Suite / land would have a positive impact on retained business rates, albeit on a small scale.

### 5. Legal Implications

- 5.1 In terms of next step actions, the existing MoU would need to be reviewed to reflect the change of ownership and any redesignation of the Enterprise Zone parcel, and to provide clarity on ownership and next step actions to get an acceptable outcome for all (MOU) parties.

### 6. Public Health implications

- 6.1 No public health implications.

### 7. Environmental and Climate Change Implications

- 7.1 No environmental or climate change implications.

### 8. Other Significant Implications

- 8.1 No other significant implications.

### 9. Appendices

- 8.1 Appendix 1 – Explanation of Permission and Planning Context
- 8.2 Appendix 2 – Map showing Location of Enterprise Zone Parcels A & B

## 9. Background Papers

9.1 Business Board Meeting (11 July 2022) [CMIS > Meetings](#)