

Enterprise Zones must not be Sustainability Free Zones

Sean Nicholson
Technical Director



"I WANT COALITION TO BE THE 'GREENEST GOVERNMENT EVER" David Cameron 14.05.10

The [Plan for Growth](#) published in March 2011 announced 21 Enterprise Zones (EZs) and confirmed the location of the first 10. Much of the initial reaction to the re-introduction of EZs has focussed on whether or not they will deliver economic benefits and the lessons that can be learned from the last round of EZs that were designated between 1981 and 1996 – see for example [What would Maggie do?](#), ([Centre for Cities](#), February 2011). Here Sean Nicholson of WSP suggests that EZs must also embrace wider sustainability issues.

Businesses occupying the 21 new EZs will benefit from:





- A 100% business rate discount worth up to £275,000 over a five year period for businesses that move into an EZ during the course of this Parliament;
- All business rates growth within the zone for a period of at least 25 years will be retained and shared by the local authorities in the Local Enterprise Partnership (LEP) area, to support LEP economic priorities and ensure that the returns from EZ growth are reinvested locally;
- Government and local authority help to develop radically simplified planning approaches in the EZ, for example using existing Local Development Order powers; and
- Government support to ensure that superfast broadband is rolled out throughout the EZ, achieved through guaranteeing the most supportive planning environment and public funding.

As noted above a feature of [EZs](#) will be a simplified planning process, using Local Development Orders (see box below).

Local Development Orders allow development to be undertaken without the need for planning permission to be obtained from the local planning authority. Local Development Orders can apply to a specific type of development or permit any development in a designated area, and may grant planning permission outright or with conditions.

Local Development Orders need not mean that anything goes, they can be conditioned and they can include requirements for developer contributions ([Local Development Orders and Localism, Planning Advisory Service](#), April 2011). They can also be supported by Supplementary Planning Documents and other policies. Set out below is a short list of factors that should underpin development in [EZs](#).

<p>Prioritising the use of previously developed land and buildings or at least land that is already identified in a development plan for development. EZs provide an opportunity to act as the catalyst for further regeneration and CLGs call for 'clean.sites' sends out the wrong message in my view (Enterprise Zones, Application Form and Guidance, CLG, May 2011) .</p>	
<p>Optimising the benefit to the local community through training and recruitment during the construction and operational phases – this can be secured through developer contributions, if there is an existing policy or Supplementary Planning Document on obligations this can be cross referenced in the Local Development Order. Optimising benefits for the local supply chain will also be important and could be achieved by linking development in the Zone to any existing initiatives;</p>	
<p>Use of BREEAM for buildings – consider setting a minimum level for buildings or cross reference any existing policy in the Local Development Order;</p>	

Provision of on-site energy / energy efficiency – the ideal would be preparation of a Zone Wide Energy Strategy that individual schemes are compatible with, failing that the LDO could specify relevant targets for individual developments, again linked to any existing policy;	
Managing environmental impacts – for example developments could be required to contribute to Local Biodiversity Action Plan targets , again the Local Development Order could make the link with any existing policy;	
Managing their impacts on infrastructure through transport planning – a Zone Wide Travel Plan would again be the ideal or failing that individual plans;	
Ensuring projects take account of future anticipated climate change – climate change adaptation measures specified in SPDs or other parts of the Local Development Framework could be cross referenced in the Local Development Order.	

Such measures matter because the development that will take place in EZs will be around long after the business rate discount ends and after the right to retain business rate growth in the area has been lost.

The Government also has a responsibility to work towards the targets in the [Climate Change Act](#). The scale of development across the 21 EZs is not yet known but it could make a significant contribution to reducing emissions from commercial developments, for example broadly speaking a [BREEAM](#) Excellent commercial building emits 25% less CO₂ compared to the Target Emission Rate ([BREEAM 2011 FAQs](#), Building Research Establishment).

I'd also argue that developments that take account of these wider factors will be better than those in the same location that don't and therefore more attractive to potential occupants, for example research commissioned by RICS in the US in 2009 showed that energy efficient office buildings attracted a rental premium of 3% per square foot compared with otherwise identical 'ordinary' premises. When rents were adjusted for occupancy levels, the premium was even higher at 6% ([Doing Well by Doing Good](#), RICS March 2009).

The return to EZs fits nicely with the Coalition Government's Localism agenda and assertions around the need to reduce the burdens of the planning system on business. Whatever we make of these assertions it seems reasonable that the resultant development is not blind to wider sustainability goals and other commitments from the Government, not least the aspiration to be the greenest Government ever and existing commitments on Climate Change. Local Development Orders provide the opportunity to ensure that [EZs](#) built today are not a throwback to the 1980s.

WSP provides leading edge knowledge in a range of fields such as transport, infrastructure, environmental planning, sustainable master planning, energy generation and efficiency, Environmental Impact Assessment, Sustainability Appraisal/Strategic Environmental Assessment and sustainable design and construction, including Code for Sustainable Homes, BREEAM for Buildings and BREEAM Communities.

FURTHER INFORMATION

Please contact Sean Nicholson on +44 (0) 7713 985 902 or email him at sean.nicholson@wspgroup.com.