

**Draft Minutes of the OxLEP Enterprise Zone Sub-Group Meeting
held on 10th February 2022**

1.	<p>Welcome and Introductions</p> <p>Apologies were noted from David Kingham (Member of the Sub-Group) and Lyn Davies (Officer). Apologies also received from Ross Burton and Emily Cashen (Cities and Local Growth Unit/BEIS/DLUHC) who observe the meetings.</p> <p>It was noted that Emily is moving to a new job within the Department that will end her work with Oxfordshire, and she was thanks for her input into the Group.</p>
2.	<p>Declarations of Interest</p> <p>There were none reported</p>
3.	<p>Minutes of Last Meeting and Matters Arising</p> <p>The minutes of the last meeting held on 16th November were agreed.</p> <p>Sebastian Johnson gave a brief update on the very positive news released by UKAEA relating to the JET test results and the Fusion work taking place at Culham.</p>
4.	<p>Use of EZ1 and EZ2 Forecast Retained Business Rate Income</p> <p>Kathy Wilcox presented her paper on spending commitments and retained business rate income forecasts and concluded that</p> <ul style="list-style-type: none"> • excluding the pipeline income, all of the forecast retained funding for EZ1 has been committed so it is important that the anticipated secured income is realised to ensure that existing commitments are funded. • at this stage £190.284m of the EZ2 funding remains in the pipeline only and so it is not prudent to commit any of that sum. The estimated retained balance at the end of 2021/22 is £2.626m. It is advisable that no further commitments are made until there is more certainty on the conversion of the pipeline forecasts. <p>Nigel Tipple updated the Group on the OxLEP Board decision to support HIF1 with a commitment of up to £14.4m from EZ1 retained rates. Alongside this an additional 10% contribution is being committed from Homes England and the Oxfordshire County Council budget includes additional borrowing to enable the HIF1 programme to be taken forward.</p>
5.	<p>Presentation on Sites Status Update</p> <p>Sean Thornton-Mills presented a comprehensive update on sites and developments and the presentation will be shared with members of the Group. Sean reported that there will be an update to run alongside the forecast and review each six months.</p>

	<p>Key updates on sites included:</p> <ul style="list-style-type: none"> • New let - US Biotech into 178 Brook Drive at Milton Park • Milton Science Centre progressing at pace (includes use of DLUHC grant awarded several years ago) • Didcot Quarter -Cloud HQ LHR1 and LHR2 - three month push back on LHR1 due for completion Q1 23/24. Power infrastructure on site. LHR2 – pushed back two years which will impact on forecast • Didcot A – Plot A2 will now be used as a compound for Science Bridge resulting in probable delay of eight years to the office contraction on that site • DTECH – development by data centre operators as previously reported • Milton Interchange – plans for hotel and roadside services have been changed to lower end budget supermarket and drive through restaurant. These proposed changes are subject to planning permission <p>Sean was thanks for his work on this presentation and update resulting in a much deeper understanding and intelligence, which is critical as the sub-group develops thinking and use of funds going forward.</p>
6.	<p>Half Yearly Forecast Review</p> <p>Sean Thornton-Mills and Simon Hewings presented the paper of the half yearly forecast review.</p> <p>Based on current information for the Science Vale Enterprise Zone (EZ1) accelerated development timelines at Harwell Campus and Milton Park drive an increase in forecast retained rates. However, this increase is negatively offset by a likely 80% reduction in forecast retained rates for the large Natural History Museum site at Harwell, due to confirmation of the museum’s charitable status, resulting in forecast total retained rates for EZ1 of between £86.78m and £141.91m for the lifetime of the project, the upper range of which is £8.21m less than previously forecast.</p> <p>Based on current information for the Didcot Growth Accelerator Enterprise Zone (EZ2) a reduction in forecast retained rates caused by delays in development of CloudHQ’s data warehouses is offset by accelerated development on the northern area of the Didcot A site and replacement of a large warehouse on one of the Milton Park EZ2 sites with an office and laboratory complex. This results in forecast total retained rates for EZ2 of between £36.30m and £226.58m for the lifetime of the project, the upper range of which is an increase of £9.10m when compared with the previous forecast.</p>
7.	<p>Progress Update</p> <p>Sean Thornton-Mills and Toby Warren provided an update as detailed in the paper provided. Key points to note were:</p> <ul style="list-style-type: none"> • 19 jobs have been created by businesses in receipt of an EZ business rates discount • One business in receipt of a business rate discount ceased trading in Q3, with a loss of 11 jobs • The balance of jobs created in the Enterprise Zones, as of the end of December 2021 was 2,454 • Evotec are expanding at Milton Park and recruiting 125 scientists

	<ul style="list-style-type: none"> • Despite ongoing Covid-related challenges the team have been able to maintain a high proportion of completed returns this quarter with 95% of businesses giving a return • It is anticipated that there will be a significant uplift in reported job increases to target levels when the first annual survey of all businesses in the Enterprise Zones is completed after the end of the current financial year. Sean made a request to Philip that the Milton Park Newsletter be used to promote the survey – Philip will liaise with Sean to support this. • The EZ team’s marketing activity focuses on the benefits of the Enterprise Zones and the Science Vale area as a whole. Work continues with the wider Science Vale comms teams to collectively promote the EZs with the Comms Group meeting in March
8.	<p>EZ2 MoU and Investment Framework</p> <p>Nigel Tipple and Andrew Down reporting on recent discussions that had taken place between partners. Consensus exists on key areas that will enable the development of the EZ2 MoU relatively quickly.</p> <p>The MoU will be agreed first then we will look at the proposal for use of EZ2 retained business rates. Specific project ideas will not be discussed at this stage. Emerging principles around EZ2 MoU and programme will be brought to the next Sub-Group for discussion.</p>
9.	<p>Levelling Up White Paper</p> <p>Nigel Tipple outlined initial observations following the recent publication of the Levelling Up White Paper. Key points were:</p> <ul style="list-style-type: none"> • Outcome from LEP Review rolled up into White Paper with strong commitment to continuing the work of LEPs particularly in areas where MCAs or County Deals do not exist or are not being pursued • UK Shared Prosperity Fund programme being launched with initial briefings taking place. Funding to be allocated at district level • An OxLEP Board briefing is being planned and the briefing paper will be shared with Chief Execs as well as Leaders <p>Further updates to be provided as further information is released.</p>
10.	<p>Future Meeting Dates</p> <p>Future meeting dates in 2022 were agreed as follows (all 09:00 – 11:00)</p> <ul style="list-style-type: none"> • 24th May 2022 (in person at Milton park) • 16th August 2022 (MS Teams) • 15th November 2022 (MS Teams)

Attendees

Members:

- Penny Rinta-Suksi, OxLEP Board Member (Chair)
- Cllr David Rouane, Leader, South Oxfordshire District Council

- Cllr Emily Smith, Leader, Vale of White Horse District Council
- Angus Horner, OxLEP Board Member
- Nigel Tipple, Chief Executive, OxLEP
- Philip Campbell, Commercial Director, Milton Park (MEPC)

In attendance:

- Kathy Wilcox, Asst S151 Officer, Oxfordshire County Council (to 09:30)
- Andrew Down, Deputy Chief Executive - Partnership and Planning, South Oxfordshire and Vale of White Horse District Councils
- Susan Harbour, Partnership Manager, South Oxfordshire and Vale of White Horse District Councils
- Simon Hewings, S151 Officer, South Oxfordshire and Vale of White Horse District Councils
- Toby Warren, Interim EZ Manager, South Oxfordshire and Vale of White Horse District Councils
- Sean Thornton-Mills, EZ Project Officer, South Oxfordshire and Vale of White Horse District Councils
- Richard Byard, Director of Business Development, OxLEP
- Sebastian Johnson, Head of Innovation and Inward Investment, OxLEP