

Press Release

June 9th 2011

ENTERPRISE ZONE UPDATE

What is an Enterprise Zone and why is it important to Tees Valley?

In the Budget 2011, Tees Valley was announced as being one of 11 areas awarded an Enterprise Zone.

The purpose of the Enterprise Zone is to stimulate business and job growth in the private sector by concentrating on the opportunities offered by the priority sectors of the local economy.

Enterprise Zones will be broadly between 50 and 150 hectares in size and offer business rate discount worth up to £275,000 per business over a five year period. In addition business rate growth in the Zone will be retained in the area for at least 25 years to support economic priorities by reinvesting the income locally.

The aim of an Enterprise Zone is to create substantial numbers of new businesses and jobs and not localised competition which would result in existing businesses and jobs moving simply to take advantage of the tax incentives on offer.

How will the sites be chosen and how will they work?

The selection process needs to ensure that the location of the zone leads to the achievement of the key economic ambitions set out in Tees Valley Unlimited's Statement of Ambition.

This document was adopted as recently as 2010 following extensive consultation and input from partners and the private sector.

The Zone is to be used to strengthen our industrial/manufacturing base particularly around the North/South Tees area on Teesside and our emerging but already successful digital sector. To achieve a real impact that will transform the area's attractiveness for investment we have produced an innovative and interesting proposition that involves a combination of sites that can play different roles in delivering a modern successful economy.

In respect of the digital sector, we have identified those sites that best offer the opportunity for business rate relief for small businesses to join this growing and important sector. Located in Middlesbrough, Stockton and Darlington, these sites offer a further extension to the 'hub and spoke' model developed by Digital City in Middlesbrough with its linked activities in Redcar and Stockton.



Who is involved?

Tees Valley Unlimited has been leading the process with input from the five local authorities and landowners.

Has there been any independent input into the process?

Yes, property experts Savills have been appointed to develop a robust list of criteria to test sites against to judge whether or not they meet the guiding key principles. This work will be reported to a meeting of Tees Valley Unlimited's Leadership Board on 8th June when it is anticipated that the location of the Enterprise Zone will be agreed in principle subject to a consultation with interested parties.

What are the timescales for consultation and a Government decision?

8th June – Leadership Board agrees the locations of the Enterprise Zone in principle subject to consultation.

9th June – Business organisations and the media to be briefed and a press release issued. This will announce the locations of the zone together with reasons for the selection, and will be published on Tees Valley Unlimited's and each local authority's website.

9th June – Consultation on the preferred location to start.

23rd June – Consultation closes.

28th June – The Leadership Board meets to consider responses received during consultation.

29th June – Submission made to Government.

Mid – July – Government approval anticipated.

For more information contact Leanne English, PR Manager at Tees Valley Unlimited, on 01642 632013, 07725 602824 or email leanne.english@teesvalleyunlimited.gov.uk.

NOTE FOR EDITORS:

Tees Valley Unlimited (TVU) is a partnership between the five Tees Valley Councils, regional regeneration bodies and business leaders to drive forward the future development of the Tees Valley economy. Further information on TVU activities can be accessed via the following **URL: <http://www.teesvalleyunlimited.gov.uk>**

