



Belfast City Council

Report to:	Development Committee
Subject:	Northern Ireland Affairs Committee Inquiry: 'Northern Ireland as an Enterprise Zone'
Date:	12 January 2011
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1	Relevant Background Information
1.1	The purpose of this report is to bring to the attention of the Development Committee details of a recent announcement by The Northern Ireland Affairs Committee at Westminster to undertake an inquiry into the designation of Northern Ireland as an enterprise zone.
1.2	This inquiry follows the Committee's current work on corporation tax. It will be part of a wider study looking at rebalancing the Northern Ireland economy, expected to be published at the end of 2010.
1.3	The Committee is particularly interested in hearing views on the following: <ul style="list-style-type: none">- How does an enterprise zone operate?- Why should Northern Ireland be declared an enterprise zone?- What should be included in any enterprise zone proposals?- Are these proposals aimed at any particular sectors?- Is there a priority as to what should be included?- How long should the enterprise zone operate for and what aspects might be made permanent?- Which aspects would be the responsibility of the UK Government and which would be the responsibility of the NI Executive?- What worked well, and what did not work well, when there were enterprise zones previously in Northern Ireland?- What lessons can we learn from enterprise zones or similar initiatives to try and stimulate enterprise in other countries?

1.4	The Committee invites any individual or organisation with an interest in this matter to submit written evidence by no later than Friday 21 January 2011.
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2	Key Issues
2.1	Enterprise zones are specially designated areas that are intended to promote and encourage private sector activity by removing certain tax burdens, and relaxing or speeding up the application of certain statutory or administrative controls. Each enterprise zone is managed by a designated “Zone Authority” (usually the local council or a local development corporation). Examples of the type of benefits which enterprise zones attract include 100% capital expenditure allowances, exemption from business rates, employee grants and greater speed and flexibility in responding to planning applications.
2.2	The Council response is likely to take account of a range of issues including: <ul style="list-style-type: none"> – A general endorsement of the principle, as a means of accelerating economic development and enhancing competitiveness in the city. – Commentary relating to the Council’s previous experience of enterprise zones e.g. Gasworks Business Park. – Discussion around how existing Council assets and facilities be incorporated into any enterprise zone proposals.

3	Resource Implications
	None

4	Equality and Good Relations Considerations
	None

5	Recommendations
5.1	The Committee is asked to note details of this inquiry. Given the tight timeframe for submitting responses, it is proposed that a workshop will be organised for those Members who may wish to contribute to a Council response.

6	Decision Tracking
	No decision tracking