



**Northampton Borough Council
Overview and Scrutiny**

**Overview and Scrutiny Committee
11 January 2021**

Briefing Note: Performance Monitoring Report 2020-2021

MPE02 – Number of new jobs created on Northampton Waterside Enterprise Zone

- 1.1 At a recent meeting of the Scrutiny Panel, an update was requested regarding the performance of MPE02 – No of new jobs created on NWEZ

2 Update

- 2.1 Since the inception of the Waterside Enterprise Zone in 2012, 1831 employment positions have been on the Enterprise Zone and 4637 constructions jobs have been created from projects such as the Vulcan Works, One Angel Square and the University of Northampton Waterside Campus. The performance of number of new jobs created on Northampton Waterside Enterprise Zone has tailed off in recent quarters. The decline in number of new jobs created during the past year is due two main factors:
- 2.1.1 The EZ moving closer to its full capacity resulting in less new/suitable sites for businesses to locate into. The sites that are left are much more complex to bring forwards than the sites when that came forwards when the Enterprise Zone was first established which is also causing the rate of new sites that still haven't come forwards to reduce.
- 2.1.2 The current COVID-19 pandemic has seen businesses experience extreme hardship and therefore not be in a position to expand and recruit.
- 2.2 COVID has saw businesses experience cash flow issues, make staff redundant and in some cases caused the business to cease operations. In a recent ONS survey (December 2020), 46.5% of UK businesses nationally are reporting a decrease in turnover during December and an increased figure have stated they do not have much confidence of survival. Northampton is also the 2nd highest area in the UK in terms of out of employment benefits.
- 2.3 Sectors that have been affected badly include the wholesale and retail trade, along with the manufacturing sector which make up a proportion of businesses in the EZ. While the COVID-19 pandemic continues, the majority of businesses are not in a place to consider expanding or moving, so it expected that new enterprises and jobs in the EZ will decrease.
- 2.4 A review of the Northampton Waterside Enterprise Zone has been undertaken by Cushman & Wakefield which sets out a number of potential sites that may be brought forward for development (subject to funding and approval) and which will therefore have a positive impact on jobs created going forward.
- 2.5 Key projects such as Vulcan Works, Four Waterside, Horizon Park and the Train Station Multi Storey Car Park will see a significant number of new temporary and permanent jobs created on the Enterprise Zone.

3 Conclusions

- 3.1 The number of jobs created will continue to be monitored but is likely to remain low for the near future until such time when the effects of the Covid-19 pandemic have subsided and the economy begins to regain momentum. We suggest the target is lowered based on the above and will make this as part of the annual review process.