



Inmethouster (2) Mrs 4/7

2 MARSHAM STREET LONDON SWIP 3EB

01-212 3434

My ref: J/PSO/13100/83

Your ref:

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lear Nigel,

ENTERPRISE ZONES

Following the announcement of the second round of Enterprise Zones in November 1982, one of the local authorities concerned, North East Derbyshire, decided to withdraw their bid for an EZ. We have not sought to replace this zone hitherto, but there are two specific areas which I consider merit EZ status in view of their particular circumstances. The combined area of the two is 91 hectares, almost the same as the 93 hectares of the intended North East Derbyshire Zone.

The first area would be an extension of the existing EZ at Dudley covering about 43 hectares. At the time of the original negotiations for this zone the steelworks, which were bounded on three sides by the Zone, were in operation. They were excluded in line with our policy of leaving existing industry out of the zones as far as possible, largely because of the high cost of compensation to the Local Authority for the rate income foregone. However the steelworks have now closed and we see little prospect of the site being redeveloped in competition with land in the Zone. Given the loss of 1300 jobs brought about by the closure of the steelworks, the high level of unemployment in the West Midlands at present and the difficulties of developing the land without EZ status the extension seems well justified.

The second area is the 48 hectare site on which the Nypro chemical plant stood that was the scene of the Flixborough disaster in 1974. Glanford made a bid for this to be an EZ but one of the principal arguments for preferring other contenders was the restriction on the planning regime that would have been necessary as long as there was a possibility that the site could be developed for hazardous uses. Now the Local Authority has bought the site, thus removing this objection, and they are willing to dispose of it freehold to the private sector. However the proximity of the Scunthorpe EZ, only one mile away, will make it more difficult to dispose of the Flixborough site which, not surprisingly, is of considerable symbolic importance to the area. The area badly needs new jobs as local employment in steel has fallen by more than 50% in recent years and male unemployment is currently running at 17.7%

Irwin Bellwin has seen a deputation from Glanford and has been most impressed by their commitment to the development of the site by the private sector and to the need to work closely with Scunthorpe to promote the diversification of the industrial base in this steel-making area.

Provided you agree I therefore intend to approve the proposals for an extension to the Dudley Enterprise Zone and for a Zone in Glanford in substitution for the North East Derbyshire Zone which was withdrawn.

I am copying this letter to the Prime Minister, to members of E Committee and to George Younger and Nicholas Edwards, to whose letter of 24 June about an extension to the Swansea EZ I am replying separately.

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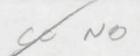
PATRICK JENKIN

Regional POLLINO Treasury Chambers, Parliament Street, SWIP SAG The Rt Hon Patrick Jenkin MP Secretary of State for the Environment 2 Marsham Street LONDON SW1 /5 July 1983 ENTERPRISE ZONES You wrote to Nigel Lawson on 1 July with proposals for the replacement of the North-East Derbyshire Enterprise Zone. If our colleagues are content I see no objection to an additional 43 hectares or so at Dudley and the new 48 hectare site at Glanford. This will not add significantly to the total amount of coverage which was agreed last November. I am copying this letter to the recipients of yours. JOHN MOORE

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## DEPARTMENT OF TRADE AND INDUSTRY



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Secretary of State for Trade and Industry

Prime Minister
HLS 11/7

4 July 1983

The Rt Hon Patrick Jenkin MP Secretary of State for the Environment 2 Marsham Street SW1 London

Thank you for your letter of 1 July to Nigel Lawson about your proposals to extend the boundaries of the Enterprise Zone at Dudley and to establish a new Enterprise Zone on the site of the Nypro chemical plant at Flixborough.

- In the Dudley case the proposal to extend the boundaries to include the former steelworks seems very reasonable on the basis that the works are now closed and the site is unlikely to be developed in the near future otherwise. It is of course particularly helpful in the light of our special concern for the problems of the West Midlands.
- As far as the proposal to establish a new EZ at Flixborough is concerned, my only reservation is that the proximity of the site to the existing EZ at Scunthorpe might lead to a certain amount of rivalry between the two, which might in turn hinder their respective potential for development. I recognise, however, that the Scunthorpe EZ has not, to date, sold itself as successfully as other EZs such as Corby, and that competition at close quarters may well provide a spur for improving self-promotion. The publicity for the new EZ at regional and even national level would also be likely to provide a spin-off benefit for the Scunthorpe EZ. In addition, the fact that the Nypro site at Flixborough, like Scunthorpe, is a steel closure area and a Development Area, means that the two EZs would present a neat package for industrial investment purposes.
- On balance, therefore, I would add my support to proposals for these further EZ designations.

5 I am copying this letter to the recipients of yours.

Parlian pr5 50 -0 7 -00 8 -00 11 JUL 1988 Minister of State for Local Government LELNO



Department of the Environment 2 Marsham Street London SW1

Telephone 01-212 3434

My Ref: J/PSO/13766/83

// August 1983

Lear huckarl,

ENTERPRISE ZONES

Thank you for your letter dated 18 July to Patrick Jenkin, supporting the proposals to extend the Dudley enterprise zone and to create a new enterprise zone at Flixborough.

You also ask if we would give further consideration to the decision to include agricultural land at Park Farm within the proposed zone in Scunthorpe.

I am afraid that the intended designation of the Scunthorpe zone has already progressed beyond the stage when the boundaries might be changed. The legislation does not give us the power to alter the boundaries of a zone, once a statutory invitation to prepare the necessary scheme has been made, which in this case was on 17 March - some four months ago. There is therefore no opportunity to reconsider the decision to include the land at Park Farm. The Scunthorpe zone is now expected to be designated in mid September.

I should add that, although the Park Farm land happens to be still in agricultural use, the land was zoned in the approved Town Map for industrial use and had been so since 1966; if this land had been excluded, the enterprise zone would have been further fragmented and would not offer the necessary potential for development in later years.

I am sorry that I am unable to offer the prospect of reconsidering the boundaries of the zone. I can assure you however, that we will do what we can to see that every effort is made to keep this land in agricultural use for as long as possible.

Copies of this letter go to recipients of yours.

LORD BELLWIN

The Rt Hon Michael Jopling MP

Reg Por Review 123.

MINISTRY OF AGRICULTURE, FISHERIES AND FOOD WHITEHALL PLACE, LONDON SWIA 2HH From the Minister The Rt Hon Patrick Jenkin MP Secretary of State for the Environment 2 Marsham Street 18 July 1983 SW1P 3EB LONDON ENTERPRISE ZONES Thank you for copying to me your letter of 1/July to Nigel Lawson about the extension of the Enterprise Zone at Dudley and the creation of a Zone at Flixborough. I have no objection on agricultural grounds to either proposal. Indeed I welcome the move to direct industrial development to existing disused industrial areas, so helping to relieve the pressure for development on green field sites. I would, however, ask that in view of the proximity of the new Flixborough Zone to the proposed Zone at Scunthorpe you might give further consideration to the decision to include agricultural land at Park Farm in the Scunthorpe Zone. I understand that the Scunthorpe Borough Council wish to change the designated use of the remainder of the Skippingdale English Industrial Estate land from housing to industry. Whether or not they succeed I am sure you would agree that the combination of the Scunthorpe and Flixborough Enterprise Zones will give the area more than adequate provision for industrial development. Under these circumstances I think it would be reasonable to redefine the boundaries of the Scunthorpe Zone to exclude Park Farm. If this is not possible at this late stage then I would welcome your assurance that, as Peter Walker requested in his letter of 11 November 1982 to Michael Heseltine, every effort is made to ensure this land is allowed to remain in agricultural production for as long as possible. /I am copying ..... 10 to 1907

Regional Pol. Reven P15 I am copying this letter to the Prime Minister, other members of E(A) and to Sir Robert Armstrong. MICHAEL JOPLING

SWYDDFA GYMREIG WELSH OFFICE GWYDYR HOUSE GWYDYR HOUSE WHITEHALL LONDON SWIA 2ER WHITEHALL LONDON SWIA 2ER Tel 01-233 3000 (Switsfwrdd) Tel 01-233 3000 (Switchboard) 01-233 6106 (Llinell Union) 01 233 6406 (Direct Line) Oddi wrth Ysgnfennydd Gwladol Cymru From The Secretary of State for Wales The Rt Hon Nicholas Edwards MP / July 1983 Dear Secretary of State, EZ DESIGNATIONS Thank you for sending me a copy of your letter of Vouly about EZ designations at Dudley and Glanford in place of the zone originally proposed for NE Derbyshire. There seems to be a good case for each of the 2 sites and designation would be a sensible response to changed circumstances. I am therefore content with your proposal. Copies of this letter go to the recipients of yours.

Your muchy Trdy Roberts

Approved by the Secretary of State and signed in his absence

The Rt Hon Patrick Jenkin MP Secretary of State for the Environment Regional Bl : levon of leg Pd PtS