

# Notice of Extraordinary Meeting of

# EXECUTIVE

# Tuesday, 12 March 2024 at 10.00 am

# JMR, The Deane House, Taunton, TA1 1HE

To: The members of the Executive

Chair:	Councillor Bill Revans
Vice-chair:	Councillor Liz Leyshon

Councillor Adam Dance
Councillor Heather Shearer
Councillor Sarah Wakefield
Councillor Ros Wyke

For further information about the meeting, including how to join the meeting virtually, please contact Democratic Services democraticservicesteam@somerset.gov.uk.

All members of the public are welcome to attend our meetings and ask questions or make a statement **by giving advance notice** in writing or by e-mail to the Monitoring Officer at email: <u>democraticservicesteam@somerset.gov.uk</u> by **5pm on Wednesday, 6 March 2024**.

This meeting will be open to the public and press, subject to the passing of any resolution under the Local Government Act 1972, Schedule 12A: Access to Information.

The meeting will be webcast and an audio recording made.

Issued by (the Proper Officer) on Monday, 4 March 2024

# AGENDA

#### Executive - 10.00 am Tuesday, 12 March 2024

# Public Guidance Notes contained in Agenda Annexe (Pages 5 - 6)

#### Click here to join the online meeting (Pages 7 - 8)

#### **1** Apologies for Absence

To receive any apologies for absence.

#### 2 Declarations of Interest

To receive and note any declarations of interests in respect of any matters included on the agenda for consideration at this meeting.

(The other registrable interests of Councillors of Somerset Council, arising from membership of City, Town or Parish Councils and other Local Authorities will automatically be recorded in the minutes: <u>City, Town & Parish Twin Hatters -</u> <u>Somerset Councillors 2023</u>)

# 3 Public Question Time

The Chair to advise the Committee of any items on which members of the public have requested to speak and advise those members of the public present of the details of the Council's public participation scheme.

For those members of the public who have submitted any questions or statements, please note, a three minute time limit applies to each speaker and you will be asked to speak before Councillors debate the issue.

We are now live webcasting most of our committee meetings and you are welcome to view and listen to the discussion. The link to each webcast will be available on the meeting webpage, please see details under 'click here to join online meeting'.

# 4 Delivering Economic Growth via Gravity Enterprise Zone (Pages 9 - 34)

To consider this report.

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# Agenda Annex

# Guidance notes for the meeting

#### **Council Public Meetings**

The legislation that governs Council meetings requires that committee meetings are held face-to-face. The requirement is for members of the committee and key supporting officers (report authors and statutory officers) to attend in person, along with some provision for any public speakers. Provision will be made wherever possible for those who do not need to attend in person including the public and press who wish to view the meeting to be able to do so virtually. Inspection of Papers

Any person wishing to inspect minutes, reports, or the background papers for any item on the agenda should contact Democratic Services at <u>democraticservicesteam@somerset.gov.uk</u> or telephone @1823 357628. They can also be accessed via the council's website on <u>Committee structure -</u> Modern Council (somerset.gov.uk)

#### Members' Code of Conduct requirements

When considering the declaration of interests and their actions as a councillor, Members are reminded of the requirements of the Members' Code of Conduct and the underpinning Principles of Public Life: Honesty; Integrity; Selflessness; Objectivity; Accountability; Openness; Leadership. The Code of Conduct can be viewed at: <u>Code of Conduct</u>

#### **Minutes of the Meeting**

Details of the issues discussed, and recommendations made at the meeting will be set out in the minutes, which the Committee will be asked to approve as a correct record at its next meeting.

#### **Public Question Time**

If you wish to speak or ask a question about any matter on the Committee's agenda please contact Democratic Services by 5pm providing 3 clear working days before the meeting. (for example, for a meeting being held on a Wednesday, the deadline will be 5pm on the Thursday prior to the meeting) Email <u>democraticservicesteam@somerset.gov.uk</u> or telephone 01823 357628.

Members of public wishing to speak or ask a question will need to attend in person or if unable can submit their question or statement in writing for an officer to read out, or alternatively can attend the meeting online. A 20-minute time slot for Public Question Time is set aside near the beginning of the meeting, after the minutes of the previous meeting have been agreed. Each speaker will have 3 minutes to address the committee. You must direct your questions and comments through the Chair. You may not take a direct part in the debate. The Chair will decide when public participation is to finish. If an item on the agenda is contentious, with many people wishing to attend the meeting, a representative should be nominated to present the views of a group.

# Meeting Etiquette for participants

Only speak when invited to do so by the Chair. Mute your microphone when you are not talking. Switch off video if you are not speaking. Speak clearly (if you are not using video then please state your name) If you're referring to a specific page, mention the page number. There is a facility in Microsoft Teams under the ellipsis button called turn on live captions which provides subtitles on the screen.

# **Exclusion of Press & Public**

If when considering an item on the agenda, the Committee may consider it appropriate to pass a resolution under Section IOOA (4) Schedule 12A of the Local Government Act 1972 that the press and public be excluded from the meeting on the basis that if they were present during the business to be transacted there would be a likelihood of disclosure of exempt information, as defined under the terms of the Act.

If there are members of the public and press listening to the open part of the meeting, then the Democratic Services Officer will, at the appropriate time, ask participants to leave the meeting when any exempt or confidential information is about to be discussed.

# **Recording of meetings**

The Council supports the principles of openness and transparency. It allows filming, recording, and taking photographs at its meetings that are open to the public - providing this is done in a non-disruptive manner. Members of the public may use Facebook and Twitter or other forms of social media to report on proceedings. No filming or recording may take place when the press and public are excluded for that part of the meeting.

# Agenda Annex

# Executive - 12 March 2024:

#### Microsoft Teams meeting

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Meeting ID: 340 703 529 710 Passcode: eH44Ff

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<u>+44 1823 772277, 318721280#</u> United Kingdom, Taunton

Phone Conference ID: 318 721 280#

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# **Decision Report - Executive Decision**

Forward Plan Reference: FP/22/10/03 Decision Date – 12/03/2024 Key Decision – yes Confidential Information – no



# Delivering Economic Growth via Gravity Enterprise Zone

Executive Member(s): Cllr Bill Revans - Leader of the Council, Cllr Ros Wyke - Lead Member for Economic Development, Planning & Assets Local Member(s) and Division: All Lead Officer: Mickey Green - Executive Director for Climate and Place Author: Paul Hickson - Service Director for Economy, Employment and Planning, and Kinga Grabarczyk - Senior Economic Development Officer Contact Details: <u>paul.hickson@somerset.gov.uk</u> and <u>kinga.grabarczyk@somerset.gov.uk</u>

# 1. Summary

- 1.1 This report sets out the first in a series of decisions associated with the planned occupation of a large part of the Gravity site near Bridgwater by Agratas, a wholly owned subsidiary of the Tata Sons Group. Agratas intends to rapidly build the UK's largest gigafactory on this site a 40GWH facility producing electric batteries to power the UK's green growth. This is one of the largest investments ever in Somerset, delivering an expected c.4000 high-quality, permanent green jobs and other opportunities. Support for skills, training and supply chain should help this act as a catalyst for further inward investment and green growth across Somerset helping deliver on the Council's vision to 'build a fairer, greener, resilient, more flourishing Somerset that cares for the most vulnerable and listens to you'.
- 1.2 Crucial to attracting this investment to Somerset has been the strategic approach of Somerset local authorities over numerous years – securing designation by national Government of the Gravity site as an Enterprise Zone (enabling the Council to retain all future business rates on the site until 2042), putting in place a Local Development Order on the site to ensure a simplified and accelerated planning regime, working with partners to build a southern access road to the site, and working in conjunction with the site owners, This Is Gravity Ltd and Government to attract international investors to the site. National Government

are providing significant financial support to attract this gigafactory to the UK, and an Investment Plan of £150m is crucial to both attracting this facility to Somerset, helping mitigate potential impacts, and crucially ensuring we capture the potential local benefits.

- 1.3 This investment plan is predicated on future business rates (i.e. we borrow the money up front and pay this back from future business rates) - something which is common to most enterprise zones around the country. However, the scale of this investment, the need for the investment to be undertaken prior to the full level of business rates income being received and the Council's wider financial position makes this particularly challenging. The Council's robust and proactive approach has continued - and we are in the advanced stages of finalising an "in principle" agreement for a non-repayable revenue grant of up to £55m from government to fully cover the revenue costs for the Council including all the costs of borrowing until the site is operational and the costs can be covered by Business Rates and a ten-year extension to the duration of the Enterprise Zone designation meaning that the Council will fully retain all Business Rates from the whole Gravity site until 2052 above the agreed baseline which was set at the outset of the original designation. Taken together this means this massive longterm financial and economic boost to the county would be at no extra cost to the council and with no negative impact on its wider finances. Verbal updates to Scrutiny and Executive will be provided (subject to confidentiality restrictions) on these negotiations.
- Whilst the benefits to the whole of Somerset are significant, a project of this scale 1.4 cannot be risk free. A key part of this paper is being open and transparent about these risks and the approach proposed to mitigate them. Crucial to our approach is ensuring that this significant investment benefits the whole of Somerset - for example through the work we will do on supply chain development and training and skills linking with all local FE colleges and schools, and how we build on that to support further green growth in Somerset whilst also supporting our existing businesses. We recognise there will be benefits to the wider region. Work on the Investment Plan is still ongoing to ensure that it delivers its multiple goals as best as possible within a finite limit (supporting the viability of their investment in Somerset, helping mitigate impacts, ensuring this investment delivers benefits for Somerset and its people and place) but also that the way we structure the process around investments de-risks the Council as far as is possible. As this work is commercially confidential and ongoing this will be the subject of further papers to Scrutiny, Executive and Full Council in due course.

Not all the decisions related to this huge project are proposed to be taken by 1.5 Executive in March, instead this paper sets out those decisions that are urgent now - establishing appropriate governance for the Enterprise Zone to ensure transparency, setting out the principles of the Investment Plan and how it is funded, and crucially being clear on the risks and the proposed mitigation. It is anticipated that a further decision paper will be brought back through Scrutiny, Executive and Full Council setting out more details of the borrowing, how it will be financed at least risk to the Council, and what the Investment Plan will fund. We hope to bring these decisions through in April, though this is dependent upon decisions beyond our control, in particular successful negotiations with government around the grant and Enterprise Zone extension. Member and stakeholder briefings will be undertaken over this period. Further decision making to draw down funding from the investment plan would then be taken through the proposed Executive Sub-Committee, which will also have oversight of the large amount of work requiring many teams across the Council (funded by the project, not from our general revenue budget).

# 2. Recommendations

- 2.1 The Executive:
  - a) Welcomes the progress on the Gravity Enterprise Zone, the expected significant investment by Agratas in creating the UK's largest gigafactory on the site and the potential benefits to Somerset.
  - b) Endorses in principle the creation of the Gravity Locality Investment Plan (the 'Investment Plan') and the Council's proposed approach to financing it and mitigating the risks associated with this scale of investment, as set out in paragraphs 6.1 to 6.9.
  - c) Notes the ongoing work associated with finalising the Investment Plan and the financing of this plan to minimise the risk to the Council's financial situation, and notes that this will be the subject of a future report proposing the Executive recommend to the Full Council an amendment to the Council's Capital Strategy and Treasury Management Strategy to accommodate the investment.
  - d) Delegates authority to the Executive Director for Climate and Place in consultation with the Section 151 Officer to complete negotiations on an extension to the Enterprise Zone designation and to agree the terms of any grant from the Department for Business and Trade, as set out later in this report.

- e) Agrees to establish a Gravity Enterprise Zone Executive Sub-committee (as set out in section on legal implications) and delegates authority to the Executive Director for Climate and Place in consultation with Lead Member Economic Development, Planning and Assets to develop the Terms of Reference and detailed governance arrangements.
- f) Approves the establishment of the advisory Governance Groups required by the Gravity Local Development Order (LDO) Section 106 Agreement and for Officers from Somerset Council to be represented on these groups, and delegates authority to the Head of Planning / Chief Planner to complete the governance arrangements outlined in the legal implications section of this report.

# 3. Reasons for recommendations

- 3.1 The recommendations outlined in this report reflect the confirmation from Agratas that they intend to invest to create a gigafactory in Somerset, to ensure that members are aware of their intentions and what it means for Somerset and Somerset Council. There will be future papers coming to Scrutiny, Executive and Full Council, so this paper sets the context for those further decisions, and proposes we take the decisions we need to take now around:
  - 3.1.1 Establishing the governance of the Local Development Order (LDO) and the Enterprise Zone so that we can make decisions at pace but with the right level of transparency and stakeholder involvement.
  - 3.1.2 Delegating authority to officers so that we can finalise the detail of the grant and Enterprise Zone extension so that the Council can have confidence that the scale of Investment Plan needed to attract this opportunity to Somerset can be delivered without adversely affecting on the Council's finances. We do not intend to bring forward to Full Council (via Corporate Resources Scrutiny and and Executive) anv recommendations until we have full confidence in the Investment Plan and confirmation on the support from Government (i.e the final grant offer letter and ministerial letter to confirm the extension of the Enterprise Zone) to enable it.
- 3.2 More importantly this paper aims to ensure that the benefits and risks are clear to the Executive around the borrowing necessary to fund around £150m investment in line with the Investment Plan. The Council's commitment to any

borrowing is predicated on concluding negotiations and agreeing a grant offer of up to £55 million from the Department for Business and Trade (DBT) that will provide funding in the early years to fully cover the costs of necessary revenue spend including borrowing and repayment, and securing through the Department of Housing, Levelling Up and Communities (DLUHC) an extension of the Enterprise Zone status from 2042 to 2052 to help ensure that the development generates enough business rates income to repay the Council's initial investment. This approach is designed to manage the implications on the Council's finances for the duration of the project. The investment fund of £150 million focuses solely on the needs of a potential gigafactory occupier of the site. Any further development on the site will deliver further business rates and enable the scope and the outcomes of the Gravity Locality Investment Plan to be reviewed.

# **4** Other options considered

- 4.1 Alternative options considered by Somerset Council, with reasons for rejecting them, are outlined below:
  - Not bringing forward a decision paper until the investment plan and an up to £55m grant and 10 year Enterprise Zone extension were agreed: This was rejected as on such a significant decision for the Council it was felt that two stages of decision making was more appropriate, firstly because delaying until these are in place would put at risk delivery of the project by not setting up the necessary governance, and because staging the decision-making enables us to discuss the principles and risks before then dealing with the detail on an investment of an unprecedented scale for this Council.
  - Not committing to borrowing against Business Rate income uplift from the Enterprise Zone. This option has been rejected because it would significantly jeopardise the delivery of the Gravity Enterprise Zone and the realisation for Somerset of the economic potential and community benefits as a result of early delivery of the site. The capital funds to be secured by this borrowing are essential to making the Gravity site attractive to strategically significant inward investment, bringing forward on- and off-site infrastructure at critical stages and ensuring that Somerset as a locality can benefit from the economic opportunities that will follow. In addition, the Investment Plan, in conjunction with national government support, is a crucial part of attracting this inward investment to Somerset and the UK. Additionally, delivering strategic

inward investment at the Gravity site at this stage in the life of the Enterprise Zone also improves the prospect of further investment in the wider site, and hence further Business Rates income being available for investment in wider economic growth opportunities across Somerset.

• Deferring borrowing until such time that the site generates business rates income. This option has been rejected because it would significantly jeopardise the delivery of the Gravity Enterprise Zone. Without forward funding essential infrastructure, it is extremely unlikely that any development will take place that might generate future business rates income. The investment of up to £150m will provide the necessary investment into the site infrastructure needed to deliver a gigafactory. By nature, the investment into infrastructure components needs to take place ahead of any development becoming operational. The up to £55m grant (which we are in the advanced stage of finalising an "in principle" agreement with Government) seeks to ensure that local taxpayers do not face the costs of borrowing until Business Rates start flowing.

# 5 Links to Council Plan and Medium-Term Financial Plan

- 5.1 The proposals in this report represent a unique opportunity to significantly impact the Council's ambitions for Somerset as set out in the Council Plan. Specifically, development of the Gravity Enterprise Zone and particularly the proposed Agratas gigafactory investment will contribute to:
  - A Greener, More Sustainable Somerset the creation of a clean manufacturing campus at the site and the major investment in electric vehicle battery manufacturing will play a significant role in achieving local and national net zero targets.
  - **A Flourishing and Resilient Somerset** attracting a major new employer with significant growth potential, along with the scope for considerable associated investment, will have a transformational impact on Somerset's economic performance. There will also be a range of potential supply chain and employment benefits across Somerset and a strengthened and improved external profile for Somerset with scope to attract further inward investment.
  - A Fairer, Ambitious Somerset the establishment of an advanced manufacturing sector of the future in Somerset creating significant numbers of new jobs (circa 4000 linked to existing planned investment) will have a positive impact on average earnings in Somerset which are persistently below the national average. The proximity of the site to communities in need of levelling up (including Bridgwater and Highbridge) coupled with skills development measures and work to raise awareness and ambition among

young people about career opportunities linked to the gigafactory will also address inequalities across the whole of Somerset, with work with FE colleges and schools across Somerset crucial to realising the potential benefits across our whole geography.

- **A Healthy and Caring Somerset** the Gravity Locality Investment Plan includes measures to promote active travel to the site which will also bring health and wellbeing benefits, both to the workforce and through wider use by local communities in the vicinity of the Enterprise Zone. In addition, the creation a significant number of secure and well-paid jobs, both directly at the site and through supply chain and economic multiplier effects across Somerset, will bring improve wellbeing for Somerset residents.
- 5.2 The proposals in this report reconcile facilitating transformational projects without detriment to the Council's Medium Term Financial Plan (MTFP) position by:
  - seeking to secure a grant of up to £55m to ensure that both the borrowing costs and revenue costs (including relevant staffing costs) associated with the project are fully funded until business rates flow into the Council.
  - seeking to secure a 10-year extension to the Enterprise Zones so that the Business Rates from the gigafactory (when combined with the grant) fully cover the costs of the Investment Plan and the borrowing costs associated with it. It should be noted that this extension would mean that the Council would benefit from business rate retention for a longer period from development across the whole Enterprise Zone site (beyond the currently proposed gigafactory) and hence supporting the long term sustainability of the Council.

# 6. Financial and Risk Implications

6.1 To enable this £4bn investment in Somerset the Council will fund a £150m investment through borrowing (subject to future Full Council decision making) at a time when it is under severe financial pressure. Ultimately this borrowing will be paid back by the business rates generated on the site and retained by Somerset Council. Through ongoing negotiations with central government, the Council is expecting to secure a grant and a time extension to the Enterprise Zone status, which together assure the investment is viable and can be paid back without negative impact on the Council. The Council will review the terms and conditions of the grant once "in principle" agreement is received to ensure that these are manageable in terms of risk.

- 6.2 The draft Gravity Locality Investment Plan will provide a framework for investment, together with high level headings and indicative capped amounts. Any party proposing to support the development through the investment plan will bear the risk of any cost increases, delays, unexpected costs, etc. The Council's investment will be limited to the sums agreed. Robust governance and suitable contractual conditions will seek to ensure that we limit our risk by linking investments to the outcomes expected, and in particular to the expected business rates receipts, as a failure to realise the future expected business rates receipt is probably the most significant risk facing the Council in relation to this investment.
- 6.3 As the Council proposes to borrow the funds necessary to realise the investment, key risks lie with the cost of borrowing (especially future interest rates raises) and the potential impact on Council's finances. The borrowing is predicated on future business rates received, meaning any changes to predicted level of income collected from future development on the Gravity site will have an impact on the level of funds available to the Council. Business rates valuations, local multipliers, delays to the delivery of the premises will directly impact Council's future income and ability to repay any borrowing. The gigafactory is only likely to occupy a proportion of the site acquired by Agratas, and further development on the remainder of the land they have acquired or the proportion of the site retained by the developer (ca. 25% of the overall developable area) will help mitigate the risks as it will deliver further business rates to be retained by the Council. Amendments to the Council's Treasury Management strategy will be needed by Full Council when the recommendations on the Capital Strategy are taken.

# Financial modelling

6.4 In 2022 Sedgemoor District Council and Somerset County Council jointly commissioned Cushman & Wakefield to develop a bespoke financial model to underpin the Councils' financial decisions to utilise borrowing against future business rates income retained on the Gravity EZ site. The modelling formed the basis for a local component of a UK Government offer to attract Tata Sons to choose the Gravity site as a location for this nationally significant investment. It was envisaged at the time that the total site could generate enough business rates income over the lifetime of the Enterprise Zone status to support up to £200m upfront enabling investment into the site. In 2022 when a gigafactory occupier was expected to take up around 75% of the developable area of the site it was shared with government that the investment plan value related to this use would be around £150m. The financial modelling reflected a range of sensitivities

due to the uncertainties at that time, including the size of buildings expected to be rateable, rateable values per square metre, interest rates, and amounts borrowed.

6.5 In the Summer of 2023, the Council undertook further work to refine the model. Utilising internal resources, the Council developed its own financial model based on the most up to date assumptions, specifically around the potential development confidentially shared by Agratas, including its scale and timescales, but also worsened macroeconomic factors (in particular interest rates). It became apparent that whilst the gigafactory is still anticipated to deliver the same output in terms of batteries, the initial development footprint is significantly smaller than previously anticipated which would result in much lower income from the retained business rates over the life of the Enterprise Zone. This led to the discussions with Government Departments regarding a grant and an extension to the timescale of the Enterprise Zone designation. A number of other assumptions were also updated to reflect the Council's prudent approach to borrowing and expected future income and changes to macroeconomic factors, like inflation and interest rates.

# Revenue Grant from DBT and extension to the EZ designation

- 6.6 The Council's financial position has become more challenging due to various external factors (in particular pressure on the adult social care funding system nationally and its impact in Somerset where we have been successful in holding rates low for many years), affecting the Council's ability to consider any proposed borrowing and impact on revenue accounts and staffing. Additionally, the updated model showed a reduction in the predicted business rates income that could be generated from the site making the £150m investment financially unachievable without taking mitigating action to ensure that Somerset still benefitted from the huge benefits and opportunities the gigafactory will provide.
- 6.7 The Council started discussions with the Department for Business and Trade (DBT) to develop a solution that would enable the Council to fulfil the ambition to support the investment into the Gravity site whilst having a neutral impact on the Council's financial position. Linked discussions with Department for Levelling Up, Housing and Communities (DLUHC) also started to extend the life of the Enterprise Zone status for additional 10 years to make the Investment Plan deliverable.

- 6.8 The financial model developed in house was used to evidence the need for the Government's intervention to make the project financially viable for the Council. The Council was asked to submit a business case to support a non-repayable revenue grant of up to £55m that would cover the cost of delivering the Investment Plan until such time that the business rates income generated by the Gigafactory covered it. If agreed, the grant will cover the cost of borrowing of up to £134m to deliver capital investment, £15.5m to deliver revenue programmes, and £5.4m to cover the staff costs associated with the delivery of the project. The Council is developing a coordinated planning programme with the Site Owners and discussing the potential options for ensuring appropriate resources are in place to manage and coordinate multiple parallel workstreams to facilitate the start of works on site to meet expedited timescales, and to secure further occupier(s) on site.
- 6.9 In addition a business case has been presented to DLUHC to support an extension of the Enterprise Zone designation for 10 years till 2052 to account for much smaller predicted business rates uplift from the gigafactory and to ensure that the Council's borrowing can be repaid in full through the retained Business Rates uplift. It is envisaged that once the investment is fully operational the project will become self-funding. Any further investment delivered within the Enterprise Zone boundary could create an additional income stream for the council that could be used to further de-risk the Council's investment and could deliver further benefits for Somerset.
- 6.10 The two tables below summarise the key risks associated with matters included within this report. Both impact and likelihood of those risks have been scored from 1-5 and mitigation measures have been proposed. A comprehensive programme risk register is maintained and further risks will be reflected alongside further decision papers taken through the Council's formal governance, for example in relation to the impact on Somerset's housing market.

# Key financial risks and proposed mitigation measures

1. Increased project costs					
Likelihood	3	Impact	2	Risk Score	6
The Gravity L	ocality Inves	tment Plan a	nd subsequer	it business case	es will
specify Council's maximum contribution and will be capped at that. Any					
increase of project costs will be the responsibility of the applicant to the					
Investment Plan (noting that there may be different applications for different					
projects).					

#### 2. Changes to the cost of borrowing Likelihood 3 Impact 4 **Risk Score** 12 The Council will only borrow what and when is necessary to minimise the risk and the cost to the Council. Putting measures in place to protect the Council from volatile interest rates changes will be crucial to protect Council's finances. In addition to borrowing through the Public Works Loans Board the Council is in discussion with the UK Investment Bank to identify the most appropriate and affordable route. Until business rates flow the borrowing will be fully financed by the up to £55m grant currently being negotiating with Government. 3. Change in business rates valuation Likelihood 2 4 **Risk Score** 8 Impact External risk out of the Council's control. Modelling based on prudent assumptions to allow for realistic value of future business rates income.

#### 4. Changes to national business rates policies

Likelihood	2	Impact	4	<b>Risk Score</b>	8
External risk	out of the Co	uncil's contro	l which would	significantly ir	npact
multiple local	l authorities.	Modelling bas	ed on pruder	nt assumptions	to allow for
realistic value	e of future bu	siness rates i	ncome. Focus	s to deliver furt	her
investment b	eyond a giga	factory to de-	risk the inves	tment and expa	and
potential inco	ome stream.				
Loss of busi	ness rates i	ncome			
Likelihood	3	Impact	5	<b>Risk Score</b>	15
External risk	External risk outside the Council's control. The Council will actively engage with				
Government departments to ensure alternative occupier or use is secured if					
needed. The Council will seek to ensure that terms and conditions of any					
				e expected leve	2

# Other key risks and proposed mitigation measures

1. Reputational risk due to non-delivery					
Likelihood	2	Impact	4	Risk Score	8
Working closely with central government departments to ensure the investment					
and benefits for locality, region and UK plc are realised. The delivery timetable					
is likely to be rapid given the importance of this project to the UK's industrial					

strategy, and hence the work to ensure there is revenue support for our staffing costs and to ensure a full project team is put in place urgently to reflect the move to the next stage of delivery. Programme management, finance, planning and permitting resources are amongst the urgent resource needs.

# 2. Council's financial position

Likelihood	2	Impact	4	Risk Score	8
Robust mode	lling and sup	port secured	from governn	nent in the form	n of a grant
and Enterpris	se Zone exter	nsion ensure t	hat the proje	ct delivery will r	not have an
adverse impa	act on the Co	uncil's financi	al position ar	nd that the Cou	ncil will
have the nec	essary resour	ces to deliver	the project. I	Entering into ap	opropriate
legal agreements with Government and the site occupiers ensures that the					
project can continue even if a s114 notice was declared. Oversight through the					
proposed Executive Sub-Committee and monitoring by Scrutiny Committee.					

# 3. Project benefits realised elsewhere and not shared across Somerset

Likelihood	2	Impact	3	<b>Risk Score</b>	6
The Council i	The Council is working with partners to develop skills, training, supply chain and				
further inward investment programmes, learning from our experience with					
Hinkley Point C to maximise benefit realisation locally and deliver					
transformational change across the whole of Somerset					

# 7. Legal Implications

- 7.1 There are no immediate legal implications arising from a decision by the Executive to approve in principle the funding of investments in the Enterprise Zone by way of borrowing. However, should the relevant capital strategy constraints be amended by Full Council in order to allow such borrowing, then a future decision to undertake the borrowing will trigger a number of significant legal implications, including in relation to:
  - (i) the terms of any loan agreement(s) between the council and its lender(s),

(ii) the legal agreements required to deliver the investments (including grant funding agreements with funding recipients and contracts between the council and those suppliers/contractors delivering the investments), and (iii) the council's compliance, when making the investments, with the subsidy control regime and public procurement law. These legal implications will be set out for the relevant decision maker at the appropriate time.

- 7.2 The terms of the funding agreement with the Department for Business and Trade and the confirmation the Department for Levelling Up, Housing and Communities relating to the extension of the Enterprise Zone will impose legally binding obligations on the council and these will need to be reviewed by Legal Services before the Executive Director for Climate and Place authorises the council to enter into these agreements.
- 7.3 Governance arrangements for the implementation of the Enterprise Zone must set out the authority and terms of reference for the relevant decision-making body (for example, the proposed Enterprise Zone Executive Sub-Committee). Where that body is taking decisions which purport to bind the Council, such decisions must be taken within the scope of the authority delegated to that body. The governance proposed is as follows:

#### Proposed Executive Governance

- 7.4 In relation to the groups that will facilitate the delivery of the Gravity Enterprise Zone and govern the Gravity Project, there will be:
  - One formal decision-making Governance Group; and
  - Three advisory Governance Groups that are required to be set up by the Gravity Local Development Order (LDO) Section 106 Agreement (s.106 Agreement).
- 7.5 Together they constitute the "Governance Groups" for the Gravity Project. In addition to these governance groups a local community forum (including local members and other key local stakeholders) is proposed to be established, as is a wider member forum open to all Somerset Council Councillors to ensure full transparency in this significant programme. It is important to note that only Somerset Council, through the proposed Gravity Enterprise Zone Executive Sub-Committee, can make a decision on individual investments based on submitted business cases in line with the agreed Investment Plan. Whilst the LDO advisory Governance Groups will have a useful advisory role in the consideration of mitigation requirements, they have no formal role in the financial decision-making process associated with the Investment Plan. It is anticipated that the Corporate and Resources Scrutiny committee will have an ongoing role as the project moves into delivery phase, but as other Council scrutiny committees may

also have an interest, exactly how we ensure appropriate scrutiny of this significant programme will be something which is discussed further with scrutiny chairs.

# Formal decision-making Governance Group

- 7.6 It is proposed that a Gravity Enterprise Zone Executive Sub-committee is established as a strategic decision-making body to drive the delivery of the Enterprise Zone. It is proposed that the membership includes: The Leader of the Council, Lead Member for Resources and Performance, Lead Member for Economic Development, Planning & Assets, Lead Member for Transport and Digital, and Lead Member for the Environment and Climate Change. It is envisaged that the Sub-committee will be supported by a group of senior decision-makers that will have responsibility for day-to-day operations, including LDO compliance, and will act within their delegated authorities to make operational decisions. Support will be provided by a core delivery team from across a variety of services to expedite delivery and to respond to the procedural, compliance, financial and contract management requirements of delivering the Gravity Enterprise Zone. Future investment decisions will be made in line with the Council's governance procedures, be in line with the Gravity Locality Investment Plan and based on HM Treasury Green Book compliant business cases and subsidy control regime. The proposed scope for the sub-committee is as follows:
  - Develop and agree the Gravity Locality Investment Plan which will set out priorities and projects needed to maximise the potential of the Gravity Enterprise Zone.
  - Monitor delivery, risks, outputs and outcomes from the site, both related to overall delivery and site-specific projects.
  - Oversee and assist with maximising the benefits for the whole of Somerset and the potential of the site, including oversight of delivery of relevant project activity such as championing clean growth and a progressive economic vision, transport innovation and inward investment projects, funding applications, business support matters, and other relevant matters.
  - To approve third party funding applications and expenditure by the Council and to monitor compliance with funding agreements to deliver the investment priorities set out in the Gravity Locality Investment Plan in line with the Council's constitution.

# Advisory Governance Groups

- 7.7 Three advisory Governance Groups must be established by the Site Owner in agreement with the Council in accordance with Schedule 2 of the Gravity LDO s.106 Agreement (dated 23 February 2022):
  - Gravity Strategic Management and Delivery Team (GSMT)
  - Transport and Infrastructure Management Group (TIMG)
  - Environmental and Social Value Group (ESG)
- 7.8 The objectives and roles of the three advisory Governance Groups are defined in Schedule 2 of the Gravity LDO s.106 Agreement to include (but not limited to):

Gravity Strategic Management and Delivery Team (GSMT):

- Strategic oversight of the impacts of carrying out and operating the Development on the Development Site, and mitigation of those impacts (including through the operation of the Mitigation Checklist procedure.
- Advising and assisting Occupiers in the delivery of any part of the Development including compliance with this Agreement.
- Such other matters as the parties to this Agreement may agree which pertain to the delivery and management of the Development.

Transport and Infrastructure Management Group (TIMG):

- A responsibility for assisting Occupiers to identify measures to be specified in the Mitigation Checklist that mitigate the impacts of the Development in relation to all matters of transport, the local and strategic road network (with first priority to be given to allocating funds for the improvement of the A38/A39 Dunball Roundabout), related transport infrastructure, travel planning and the decarbonisation agenda.
- Such other matters as the parties to this Agreement may agree which pertain to the transport infrastructure relevant to the Development.

Environmental and Social Value Group (ESG):

- Responsibility for assisting Occupiers to identify measures to be specified in the Mitigation Checklist that relate to environmental and social value, and for ensuring that necessary measures as set out in the Mitigation Checklist are implemented to mitigate the impacts of Development.
- Such other matters as the parties to this Agreement may agree which pertain to the environment and social value as may be relevant to the Development.

7.9 Terms of Reference (TORs) for the Governance Groups were drafted by Officers at Sedgemoor District Council (SDC) in agreement with the Site Owner in 2022. The terms of reference for each advisory Governance Group above have been reviewed to reflect the formation of the new unitary authority.

# 8. HR Implications

8.1 The management and delivery of the Enterprise Zone, the facilitation of investment at the site including a proposed gigafactory and work to ensure the fullest economic benefit and legacy from this will require staffing capacity and capability from the Council across economic development, planning, highways and infrastructure and other services (e.g. education and ecology). These costs will be financed as a result of the Enterprise Zone, including the grant the Council is in advanced stages of finalising an "in principle" agreement with DBT. In addition, the Council is discussing with the site owners the potential options for ensuring appropriate resources are in place to manage and coordinate multiple parallel workstreams to facilitate the start of works on site. Close liaison will be needed with the transformation programme team to ensure the staff resources necessary for delivery are identified and where funded are protected. As we move into the next phase of this programme it will be crucial that we can bring on board appropriate resources as quickly as possible, particularly in terms of planning and programme management.

# **Other Implications:**

# 9. Equalities Implications

9.1 There are no specific equalities implications arising from this report. However, it is recognised that there are potential impacts of this development that will need to be considered. It is proposed that those impacts are identified and analysed when the further report is taken through Scrutiny, Executive and Full Council and a full Equalities Impact Assessment will be prepared then.

# 10. Community Safety Implications

10.1 There are no significant community safety implications associated with this report at present. As the project progresses this will be monitored and learning from other major projects, e.g. Hinkley Point C will be incorporated. Whilst we do not have full details of the construction programme, ultimately it is a much smaller and quicker construction project than Hinkley Point C.

# 11. Climate Change and Sustainability Implications

11.1 The Local Development Order adopted by Sedgemoor District Council in February 2022 was designed to ensure that the site fulfils the vision for Gravity to be a "smart campus" focussed on clean growth and a shift to a low carbon economy. Recent enquiries for the site to host a gigafactory are in line with this vision, with the UK Government seeing the site, given its scale and location, as prospectively one of a series of gigafactories needed for the transition to electrified transport systems and position the UK as a leading economy for electrical vehicle and components manufacturing. The infrastructure investment to be financed by the capital borrowing proposed in this report will be critical to facilitating this outcome, in line with the sustainable economic development priorities of the Somerset climate emergency strategy and Somerset Plan. The Gravity LDO includes the requirement for a green travel plan and puts emphasis on reducing the need to travel, reducing travel distances, improving access and choice for pedestrian and cycle movements, micro-mobility measures, improvements to public transport connectivity and potentially re-connecting the historic rail link. Key design principles for the development also include prioritising pedestrian. micro-mobility cycle and movements and accommodating high levels of public transport provision. It is anticipated that the Investment Plan will support the realisation of these crucial elements of the development. Whilst it cannot be quantified, hosting the UK's largest gigafactory puts Somerset on the map as a key player in the green growth agenda, and we would expect to see supporting development come to Somerset as we develop a comparative advantage in this area, including through the skills we expect to develop in our local population.

# 12. Health and Safety Implications

12.1 There are no health and safety implications associated with this report. However, associated applications for various consents and compliance to implement development on site will consider Health and Safety implications in detail through existing processes and procedures.

# 13. Health and Wellbeing Implications

13.1 The proposal in this report is expected to lead to positive health and wellbeing implications. The Gravity LDO includes the requirement for a green travel plan and as part of this cycling will be encouraged as a travel to work mode to the site. Cycling has proven health benefits and investment via the Gravity locality investment plan, aligned with measures in the A38 corridor into Bridgwater, for

which funding has been secured from Government via the Levelling Up Fund, will provide improved infrastructure for this.

- 13.2 The role of the Enterprise Zone in stimulating economic growth and its potential to generate a significant number of jobs that are more highly paid than Somerset average earnings provides a strategic opportunity to reduce health and social inequalities in the working age population of Somerset. The Gravity site is located close to Bridgwater, Burnham on Sea and Highbridge, towns which contain several neighbourhoods among the 20% most deprived in England according to the Indices of Deprivation produced by the Government in 2019. It is important to note that the large employment opportunity created by the gigafactory will reach out across the whole County. The themes and priorities of the Gravity Locality Investment Plan, which is being developed in consultation with the partners, will include measures to enable local people to take advantage of the job opportunities arising from the site, including a focus on equipping people with specialist skills required by future occupiers. The Council aims to work closely with local schools, FE and HE providers to ensure training and upskilling opportunities are available to residents across the whole of Somerset. As well as addressing the future workforce requirements of occupiers this targeted approach is designed to maximise benefits to the locality and to capture the transformational potential of the site to make an enduring impact on social inequalities across Somerset.
- 13.3 The site will be accessible by a range of sustainable travel modes whilst accessibility within it will focus on walking, cycling and micro-mobility solutions as supported by the parameters of the LDO. The smart campus vision for the site seeks the foundations for accelerating and transforming growth whilst simultaneously supporting decarbonisation of transport, creating good jobs and realising positive social outcomes for local communities.

# 14. Social Value

14.1 The proposals in this report will generate significant social value for Somerset through the infrastructure investments, the requirements of the Local Labour Agreements and Skills Charter, the work planned to support the creation of opportunities for small and medium enterprises to be part of supply chains and developing employment, skills and training opportunities for less advantaged groups. Individual investments financed via the proposals in this report will include assessment of their social value implications as part of the business case assessment undertaken. In addition, the commitment of Agratas to

working closely with the community is expected to deliver further social value which cannot be quantified at this point in time.

# **15. Scrutiny comments / recommendations:**

15.1 The proposed decisions have been considered by the Corporate and Resources Scrutiny Committee on 7 March 2024 and verbal feedback will be provided to the Executive.

# 16. Background

# Benefit realisation to Somerset

- 16.1 Securing a gigafactory investment will have long-term transformational impact on the Somerset and wider regional economy. It will position Somerset in a pivotal role in delivering the Government's strategy to establish a leading role for the UK in the clean automotive sector. It will also act as a catalyst for further advanced manufacturing growth in Somerset, both within the Gravity Enterprise Zone and beyond, benefiting from the enhanced profile for our area, investment in skills and improved infrastructure. Directly the addition of Agratas to the Somerset business community provides potentially in excess of 4,000 long term job opportunities, many in highly skilled occupations which do not currently feature locally.
- 16.2 The establishment of a major new employer in Somerset in a strategically important sector linked to the net zero agenda will create critical mass in the local economy. In addition to the job opportunities and growth provided by the initial investment because electric battery manufacturing is an emerging industrial sector there is scope for further growth to supply further companies in the automotive sector and diversification into other markets. As an early mover in this sector there are opportunities for Somerset to be at the host for innovation associated with this technology, including collaboration between industry, universities and institutions such as the national network of manufacturing catapult centres.
- 16.3 The Council will deploy lessons learnt from Hinkley Point C project, working with Agratas and local skills providers to maximise the career and employment opportunities for Somerset residents. Whilst Bridgwater and Taunton College will have a key role in this, reflecting their experience on Hinkley Point C, to be successful this will need to reach out across Somerset to schools and to all FE

colleges. There is also a site-wide local labour agreement framework which will ensure that the opportunities created by the project are offered locally in the first instance and will require any operators on site to create learning and upskilling opportunities for the local workforce.

- 16.4 Through work with schools and colleges and local universities there will be a number of opportunities to inspire young people about the opportunities that will result from the Agratas investment and to benefit the local labour force across Somerset (and realistically beyond) and those that will enter the job market in the coming years, to gain new skills, develop their knowledge and benefit from higher quality local employment.
- 16.5 The LDO s.106 Agreement requires the site owners and all future occupiers to comply with the Skills Charter for the Gravity site. Building on the learning from Hinkley Point C, the Skills Charter sets out the high-level principles and objectives for the Gravity site, from which parcel / occupier specific Employment and Skills Plans will be developed to deliver benefits to the local community, Gravity, and its occupiers.
- 16.6 In addition to skills development there will also be significant associated investment, supply chain and economic multiplier benefits for the local economy and a catalyst to reduce inequalities within the county and create opportunities for those areas that are most deprived. Again, there is the opportunity to apply best practice from the Hinkley Point C project to ensure supply chain benefits across Somerset including mapping capacity and competencies, promoting supply chain readiness and encouraging collaboration among SMEs to supply at scale where appropriate. The benefits should help to address some long-term deprivation issues especially in those communities close to the site, but positive outcomes should span across the entire Somerset geography, especially with the focus on public transport connectivity to the site.
- 16.7 It is expected that the presence of the gigafactory, the infrastructure, training and skills opportunities and supply chain development work will lead to further investment in Somerset. Gigafactory investment in Somerset represents a longterm investment in an emerging industrial sector and, working with regional and national partners, a long-term strategic approach is essential to capturing the maximum transformational benefit to our economy in Somerset and in the South West as a whole. Learning from Hinkley it is also recognised that we will need to support businesses that risk losing staff to the gigafactory or experience other impacts needing supportive interventions.

16.8 The LDO s.106 Agreement requires the site owners and all future occupiers to comply with the Business Charter for the Gravity site. The Business Charter is a commitment to take action within their own organisations and sectors to contribute to clean and inclusive growth. Building on the learning from Hinkley Point C, the Charter acts as a guide in terms of engagement with supply chains and local business, setting expectations for that engagement and ensuring alignment with the key strategies and policies of the LDO to deliver a clean and inclusive smart campus.

# Gravity Locality Investment Plan

- 16.9 Bringing forward a site of the scale, complexity and past heavy industrial legacy (see Appendix A for the history of the site) will require significant investment. While responsibility relating specifically to the site will fall primarily upon the developer and end user(s), viability issues are likely to affect the deliverability of aspects of this. Significant investment is required to ensure that the Gravity locality and wider area of Somerset have the infrastructure and resources to enable businesses and the local workforce to be able to benefit from the economic opportunities resulting from the gigafactory. The objective of the Gravity Locality Investment Plan is to deliver the Gravity Enterprise Zone in a timely way, whilst creating the right environment for businesses to locate and grow and to support investment projects across the immediate locality to transform the economy. Identified priorities will therefore be aimed at directly supporting site delivery but also considering appropriate opportunities as to how business rates income can be leveraged to add value to other funding bids and to attract additional investment through strong business case submissions. This will seek to ensure positive outcomes for the locality and the whole County. For these reasons the Council will:
  - position the Investment Plan so that it meets strategic investment requirements linked to the needs of the gigafactory and delivers economic, social and environmental benefits to Somerset. This will help to realise the vision and development principles for the site and ensure that value for money for public investment is secured alongside investment by the developer and end user(s);
  - ensure that the Investment Plan is aligned to the principles and benefits of the Gravity site's Enterprise Zone status. This involves the potential to finance capital resources for delivery of the locality investment plan by

borrowing against the retained uplift in business rate income from the Enterprise Zone, and

- undertake work to scope an Investment Plan as a framework for these investment needs. This plan is indicative at present, with further work ongoing to develop the plan to form a funding framework. The broad headings that have been identified as potential priorities for investment include:
  - strategic access and road infrastructure
  - necessary on-site infrastructure (e.g. energy connections)
  - abnormal site preparation costs
  - training facilities and programmes
  - Supply chain and local infrastructure
  - Transport mitigation (including public transport and active travel)
- 16.10 The local enabling actions planned in the Gravity Locality Investment Plan and, critically, the ability for a local partner to undertake capital investment financed by borrowing against retained business rates uplift from the Enterprise Zone are important to the commercial attractiveness of the Gravity site. In the case of the UK proposition for Gravity, commitment to deploying the borrowing powers associated with the Enterprise Zone represents a highly significant local part of the overall UK offer to the investor. This local offer will complement Central Government's package of incentives for the investment.

# Appendices

• Appendix A – History of the site

#### Appendix A: Overview of the history of the site

- 1) The Gravity site comprises land and buildings associated with the former Royal Ordnance Factory site at Puriton near Bridgwater. This brownfield site is circa 616 acres and has a net developable area of circa 400 acres. The site is well connected to the A39 and only a mile from junction 23 of the M5. There is a railhead associated with its former use, potentially enabling future connection to the national rail network. Historically the Royal Ordnance Factory was a prime industrial player in Somerset, employing circa 2,000 people and acting as a bedrock employer in the Bridgwater area.
- 2) Following the closure of the Royal Ordnance Factory in 2008 the local authorities worked with the landowner to look at future options for the site. Sedgemoor District Council (SDC), as local planning authority, adopted a supplementary planning document (Puriton Energy Park SPD) in 2012 which envisioned the re-use of the site as an energy business park. Several factors affected progress in bringing the site forward, including the asset portfolio priorities of the then landowner British Aerospace, the extensive decontamination and site remediation requirements and the condition of legacy buildings. Consequently, the local authorities and the Heart of the Southwest LEP (HotSW LEP) identified the site as potentially suitable for Enterprise Zone designation. In 2012, planning permission was granted for the engineering works to facilitate the remediation of the Site including earthworks and the demolition of existing buildings.
- 3) Enterprise Zones were created by Government to provide key sites for economic growth and regeneration across England, supported by deregulation and financial incentives attached to each zone. For businesses these incentives potentially include simplified planning and access to fiscal incentives. In addition, local authorities with jurisdiction over the area containing the Enterprise Zone are able to retain all the uplift in business rates income generated by the site for a fixed period of time, with this income ring-fenced for reinvestment in economic development. This was designed to incentivise accelerated delivery of the Enterprise Zones, including via borrowing financed by the business rates income stream, to invest in measures to bring the sites forward and maximise the economic benefits to the host authority area.

- 4) The combination of the strategic potential of the Gravity site (given its scale, location and potential assets such as water supply and electricity) and investment and regeneration challenges were considered by the partners to make the site an obvious case for Enterprise Zone designation. In 2015 the LEP, with support from SDC and Somerset County Council (SCC), applied to Government for the site to be designated as an Enterprise Zone and this was approved by the Government in the 2015 Autumn Statement. The site was designated an Enterprise Zone in April 2017, lasting until 2042.
- 5) In August 2017, planning permission was granted for the following on the site:
  - a. full planning permission a new access road to the A39, a B8 storage building and associated infrastructure;
  - b. outline planning permission B1, B2 and B8 buildings, a green bridge across the access road and associated development;
  - c. land was 'safeguarded' for energy-related uses, the re-instatement of a rail head and leisure uses.
- 6) In 2017, the Salamanca Group acquired the site from British Aerospace. In subsequent years Salamanca, through This is Gravity Limited (TIGL a company established specifically for this site), negotiated acquisitions with secondary landowners, in part to meet planning requirement to construct the new access road (part funded through the LEP's Growth Deal) from the A39 to the site. TIGL also continued remediation works on the site in preparation for its future redevelopment. The remediation of the site was concluded in 2020.
- 7) In 2020 TIGL, working closely with the local authorities and other partners, prepared a Local Development Order (LDO) for the site to re-imagine it within a new era of clean and inclusive growth. The LDO was prepared on the basis of it being developer funded by TIGL but prepared collaboratively with Sedgemoor District Council and other project partners. The LDO was progressed as a planning tool to assist in accelerating the Site's delivery; realisation of clean growth ambitions; enabling SC and TIGL to respond quickly to new investment opportunities, in respect of offering an agile and responsive planning process. This LDO was prepared to realise an overall vision and ambition for the site as a smart campus, to host large scale advanced manufacturing and related uses.
- 8) The Gravity LDO was adopted by Sedgemoor District Council in February 2022, which effectively grants planning permission for future proposals in accordance

with development parameters set out in the LDO without the need for a planning application. The Gravity LDO sets out a simplified planning process to facilitate the delivery of substantial commercial floorspace (up to 1 million sqm for an advanced manufacturing facility) and smart campus including a wide range of supporting uses (up to 100,000 sqm), up to 750 homes (for people principally employed on site) and associated infrastructure. The LDO will facilitate the delivery of Gravity – Smart Campus, establishing a planning regime for fast-track responses and implementation to be highly responsive to national and international business needs. The uses permitted by the LDO is framed to attract large scale advanced manufacturing facilities to accelerate progress towards achieving a net zero carbon economy, hosting new business to ensure transport decarbonisation and the shift to electrification.

- 9) As the LDO process and the marketing of the Gravity site has progressed, its profile has increased with potential investors and with Government. The size, locational advantages and development readiness of Gravity made it one of the UK's prime inward investment prospects for a major gigafactory. The local authorities, the LEP and This is Gravity have been working jointly with Government departments including the Office for Investment to support the UK proposition for gigafactory investment and make the case for Gravity as a prospective location for this. This work has paid off in Summer 2023 with Tata Son's announcement to build their first EV battery manufacturing facility in the UK.
- 10) In the Summer of 2023 it was announced, that Tata Sons would be delivering a £4bn gigafactory investment in the UK. The facility will be delivered by Agratas, Tata Sons' wholly-owned subsidiary and it was confirmed on 28 February 2024 that the location of this facility would be in Somerset, having taken up circa 75% of the developable land at Gravity site. Their proposals for 3 buildings cover around half the area of the site they have purchased. This investment reflects the long-recognised potential for the Gravity Site to deliver transformational change in the Somerset economy in line with the Somerset Council Plan. The site will create significant numbers of new high-quality jobs and supply chain opportunities for businesses across Somerset and enable Somerset to play a leading role in the emergence of clean manufacturing as part of the UK's transition to a net zero economy with the gigafactory the first part in that exciting journey.

11) The Council continues to work with TIGL in relation to bringing forward the remainder of the Site for development in line with the aspirations of the Gravity LDO.

# Assurance checklist

	Officer Name	Date Completed
Legal & Governance	David Clark	22.02.24
Implications		
Communications	Peter Elliott	21.02.24
Finance & Procurement	Jason Vaughan/Nicola Hix	22.02.24
Workforce	Alyn Jones	26.02.24
Asset Management	Oliver Woodhams	21.02.24
Executive Director / Senior	Mickey Green	24.02.24
Manager		
Strategy & Performance	Alyn Jones	26.02.24
Leader of the Council	Bill Revans	26.02.24
Executive Lead Member	Ros Wyke	26.02.24
Consulted:		
Local Division Members	Cllr Mark Healey	Sent 27.03.24
	Cllr Suria Aujla	
Opposition Spokespersons	Cllr David Fothergill	Sent 27.03.24
	Cllr Mark Healey	
Scrutiny Chair	Cllr Bob Filmer	Sent 27.03.24