

RECORD OF EXECUTIVE DECISION TAKEN BY AN EXECUTIVE MEMBER OR OFFICER

This form can be used for any decision but **MUST** be used to record:

- any decision taken The Elected Mayor or an individual Councillor
- a key decision taken by a Council Officer

In these circumstances the form must be completed and passed to the Service Manager (Members' Services) no later than NOON on the second working day after the day on which the decision is taken. No action may be taken to implement the decision(s) recorded on this form until 7 days have passed and the Service Manager (Members' Services) has confirmed the decision has not been called in.

1. Description of decision

- (a) To note the NIRAH project intentions and its potential to act as an economic driver, enabling jobs and prosperity, and also the current position in terms of competition for the eventual location of the project;
- (b) To note the potential of the NIRAH project in supporting the Government's Sustainable Communities Plan and the Milton Keynes and South Midlands (MKSM) Sub Regional Strategy which designates Bedford and the North Marston Vale as a "Growth Area" (and in helping to sustain substantial planned growth in housing provision);
- (c) To support the intention to hold a presentation of Bedford's case for locating the NIRAH project in the area to key stakeholders on 13 October 2004 at the House of Commons and to note that NIRAH Holdings Limited are prepared to participate in this presentation;
- (d) To earmark the sum of £3,000 from the Economic Development "Thinking Bedford" Reserve to enable further assessments and investigations to be made of the NIRAH project (including the presentation of the case for Bedford as detailed in (c) above) in terms of the potential opportunity for a visitor attraction and research centre in the Borough of Bedford.

2. Date of decision

1 September 2004

3. Reasons for decision

To enable further assessments and investigations to be made into the NIRAH project and its potential to stimulate growth and prosperity in the area. To enable Bedford to present its case for the location of the project in the area to key stakeholders.

4. Alternatives considered and rejected

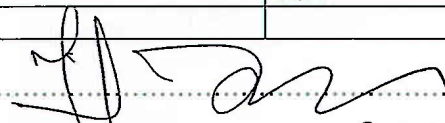
None

5. How decision is to be funded

Economic Development 'Thinking Bedford' Reserve.

6. Conflicts of interest

Name of all Executive members who were consulted AND declared a conflict of interest.	Nature of interest	Did Standards Committee give a dispensation for that conflict of interest? (if yes give details and date of dispensation)
N/A	N/A	N/A

Signed  Date 01-09-04

Name of Decision Taker F.J. BRANSTON
 [this must be signed by the decision maker or, if the decision was made by the Mayor or Councillor then the relevant Head of Service may sign it].

This is a public document. A copy of it must be given to the Service Manager (Members' Services) as soon as it is completed.

Date decision published: 2.9.04

Date decision can be implemented if not called in: 14.9.04

Bedford Borough Council

1 September 2004

Report by the Mayor, Portfolio Holder for Economic Development

Subject: TOURISM ATTRACTION AND RESEARCH PROJECT – NIRAH

1. Executive Summary

To further consider the NIRAH project (The National Institute for Research into Aquatic Habitats) in terms of its potential opportunity as a visitor attraction and research centre in the Borough of Bedford.

2. Recommendations

- (a) To note the NIRAH project intentions and its potential to act as an economic driver, enabling jobs and prosperity, and also the current position in terms of competition for the eventual location of the project;**
- (b) To note the potential of the NIRAH project in supporting the Government's Sustainable Communities Plan and the Milton Keynes and South Midlands (MKSM) Sub Regional Strategy which designates Bedford and the North Marston Vale as a "Growth Area" (and in helping to sustain substantial planned growth in housing provision);**
- (c) To support the intention to hold a presentation of Bedford's case for locating the NIRAH project in the area to key stakeholders on 13 October 2004 at the House of Commons and to note that NIRAH Holdings Limited are prepared to participate in this presentation;**
- (d) To earmark the sum of £3,000 from the Economic Development "Thinking Bedford" Reserve to enable further assessments and investigations to be made of the NIRAH project (including the presentation of the case for Bedford as detailed in (c) above) in terms of the potential opportunity for a visitor attraction and research centre in the Borough of Bedford.**

3. Reasons for the Recommendations

To enable further assessments and investigations to be made into the NIRAH project and its potential to stimulate growth and prosperity in the area. To enable Bedford to present its case for the location of the project in the area to key stakeholders.

4. Keys Issues

Resource Implications

The development of a significant visitor attraction and research establishment will have significant capital cost implications but it is expected that the project will be commercially led and substantially funded by the private sector. The initial business plan, prepared by NIRAH Holdings Limited, suggests a potential annual profit from the venture. The project has an estimated construction cost of around £200 million and there is a clear expectation from the promoters that public funding will need to be secured for the project, particularly in relation to seed funding (including feasibility studies, the preparation of detailed architectural drawings, detailed advice from structural engineers, finalisation of the financial model and site validation). Indications from the promoters are that circa £10 million will be required for this purpose.

The possibility of requests from the promoters for a funding contribution to feasibility studies cannot, therefore, be discounted but the involvement, at this stage, extends only to stakeholder discussions, site evaluation considerations and promoting the Bedford case for the location of the project in the area. This includes discussions with the project promoter. It is considered that the sum of £3,000 should be made available at this stage for this purpose and this could be funded from the established Economic Development Reserve. This includes the costs associated with the organisation of the presentation of the case for Bedford in London on 13 October 2004.

Risk Implications

Visitor attractions, by their very nature, involve risk in terms of their success and sustainability. It is essential, therefore, that the project is based upon a well development business case and is fully supported by private sector investment and risk capital and, if possible, contributions from external funding sources. There is no financial risk falling on the Council for the involvement at this stage other than the limited commitment to feasibility and promotion work with stakeholders. **There is a definite risk that Bedford may not be selected as the location for this project.**

Tourism Potential

The tourism offer in and around Bedford contributes significant benefits to the local economy and for this reason the Council continues to pursue a number of generally local initiatives. The prospect of significantly expanding this offer would have an equally dramatic effect on the local economy and, therefore, such investment opportunities should be explored.

Due regard would need to be given to the effect of any major proposal, not only in terms of traffic generation, environmental impact etc but also in terms of the changed image it might give the Borough.

5. Details

The NIRAH Proposal

The NIRAH project is based upon fresh water habitats and is founded on the belief that a more complete understanding of fresh water species and their ecosystems will lead to demonstrable benefits to mankind. The potential groundbreaking NIRAH project intends, for the first time, to release the full realisation of the amazing biotechnological potential of aquatic (fresh water) ecosystems through sustainable methods. The intended research brief of NIRAH will range from the biodiversity inventory of discrete habitats, drinking water, water-borne pathogens, captive breeding of endangered species, farming of local food fishes, to the biochemical analyses of venoms and secretions for drug led discovery and antivenin production.

The project would involve the proposed construction of the world's largest aquaria in, potentially, two geodesic style domes of approximately 15,000m.sq2 containing over 200 exhibits. The intended iconic domes (resembling the successful EDEN project) would house two different tropical rain forest environments/landscapes stocked with an unprecedented range of flora and fauna, complete with lakes and rivers, containing species which are of significant potential value to science and industry. The visually stunning displays of aquatic animals would range from 5-metre Mekong catfish to 2-cm Columbian poison dart frogs. In addition, the NIRAH project expects to build related leisure attractions as part of the complex. The expectation is such that NIRAH are predicting around two million visitors per annum once the facilities are constructed and in operation.

The intention is that facilities for research would be housed in a purpose-built research centre, equipped with state-of-the-art equipment for bio-molecular research. An inherent part of this centre will be a DNA bank and a cryogenic somatic cell repository derived from all of the species likely to be of interest (for a variety of reasons) to biotechnologists and the pharmaceutical industry. The longer term intention is to format the centre as a research "hotel" with core facilities and spaces that could be rented by researchers from national and international institutions, and by the pharmaceutical and biotechnology sectors.

The principal features of a feasible site include land availability in the scale of 100 acres, that it is suitable for construction in terms of bedrock, water table etc, that it is supported by excellent motorway and rail links to provide a large resident visitor catchment population and that transport/utility infrastructure exists or is planned. Preliminary discussions and a tour of the brick pits has taken place in order to make preliminary assessments of the space and potential for a visitor attraction of some scale and research establishment.

Initial indications are that the project would entail capital investment in the region of £200 million and the expectation is that public funding sources

would need to support such a venture (particularly in relation to seed funding as outlined in the resource implications at section "4" above)). Feasibility work would be inevitable to evaluate the concepts, suitability, risks and opportunities in relation to the project.

Benefits of the NIRAH project

The benefits of the NIRAH Project to the local economy should be considered and could include:

- (i) The provision of an internationally acclaimed environmental "flagship iconic development" and thought provoking tourist attraction focus to the local area;
- (ii) An outstanding educational experience highlighting the merits of biodiversity and the need for conservation. This could involve the bioscience research departments of major institutions and possibly the establishment of a satellite facility for Universities;
- (iii) The attraction of pharmaceutical and biotech companies using the NIRAH research facilities in the area;
- (iv) The promotion and/or the focus of a regeneration project;
- (v) The promotion of research, knowledge transfer and commercial exploitation of ideas most probably further attracting additional businesses to the local research parks building on the area's local biosciences investment;
- (vi) A good example of a public/private partnership;
- (vii) Consistency with both local Council and RDA objectives and environmental policies;
- (viii) The attraction of an estimated 2 million tourists a year to the chosen area with a significant boost to the local economy; and
- (ix) The creation of around 200 construction jobs and 300 permanent jobs to the area.

Bedford – Making the Case

It has to be acknowledged that there is serious competition from other larger cities in England for the location of the attraction but Bedford is regarded, for this project, to be an accessible location with a designated growth area. This could support the case for accessing public sector funding regimes not otherwise available although significant funding for areas of deprivation (including access to European funding sources) is remote.

The project has the potential to act as an effective economic driver and tourist attraction, enabling jobs and prosperity, and the effective restoration

of environmentally damaged areas in the Marston Vale. There is, however, strong competition for the location of this unique project with South Wales and Liverpool in advanced discussions with NIRAH with a view to determining a private/public funding strategy to enable the project to be advanced towards implementation.

Bedford now has to make its case and emphasise that it offers a first class location with significant catchment that has the potential to provide long term sustainability to the project (not matched by the alternative sites). Bedford's unique advantage is its important central location to a catchment area containing around 40 million people within a two hour transport period. In addition, it is hoped that its good location in terms location of the important vertical transport infrastructure (M1 and A1) will be an important consideration for the NIRAH project. A presentation of Bedford's case is being planned in the House of Commons on 13 October 2004 with the intention that key stakeholders will be invited to attend on this occasion and support the case for Bedford. NIRAH Holdings Limited has indicated a preparedness to participate in this presentation.

It is considered that the NIRAH project supports fully the Government's Sustainable Communities Plan and the Milton Keynes and South Midlands (MKSM) Sub Regional Strategy which designates Bedford and the North Marston Vale as a "Growth Area". This has the potential to stimulate infrastructure investment, economic growth and improve the quality of life for residents, alongside the development of thousands of new homes. These proposals for economic growth will shape the development of the Sub Region where Bedford is a key centre. This underlines the very special opportunity that now exists to attract new interest and investment.

The NIRAH project is, therefore, consistent with this status and provides a catalyst for the creation of high quality jobs and tourism that will help sustain the substantial growth in terms of housing provision (with 19,500 dwelling proposed by 2021). In this context, the recent statement by the Deputy Prime Minister to Parliament on 13 July 2004 confirmed the commitment to achieve greater sustainable growth and regeneration and targeted significant financial investment at achieving these objectives as part of the Sustainable Communities Plan. The opportunity for public sector funding from this source could, therefore, significantly assist the endeavours to secure a landmark in the MKSM Growth Area and stimulate sustainability in the long term.

Bedford also has substantial links to a science and research cluster with Cranfield University nearby and both Unipath and Unilever based in the Borough. Unilever has recently announced plans to develop a Science Park at Sharnbrook (Colworth House) which it is hoping will become a destination of choice for scientists. The new Bedford i-Lab Innovation Centre has also been designed to provide wet lab space for occupants.

The possibility of requests from the promoters for a funding contribution to feasibility studies cannot be discounted but the involvement, at this stage, extends only to stakeholder discussions, site evaluation considerations and promoting the Bedford case for the location of the project in the area. This

includes discussions with the project promoter. It is considered that the sum of £3,000 should be made available at this stage for this purpose and this could be funded from the established Economic Development Reserve.

File Reference: GEN/E.1(f)

Previous Relevant Minutes: Executive Decision Number 117 – 27
February 2004

Background Papers: None

Appendices: None