

Cardiff Airport and St Athan Enterprise Zone

Strategic Plan 2015



July 2015

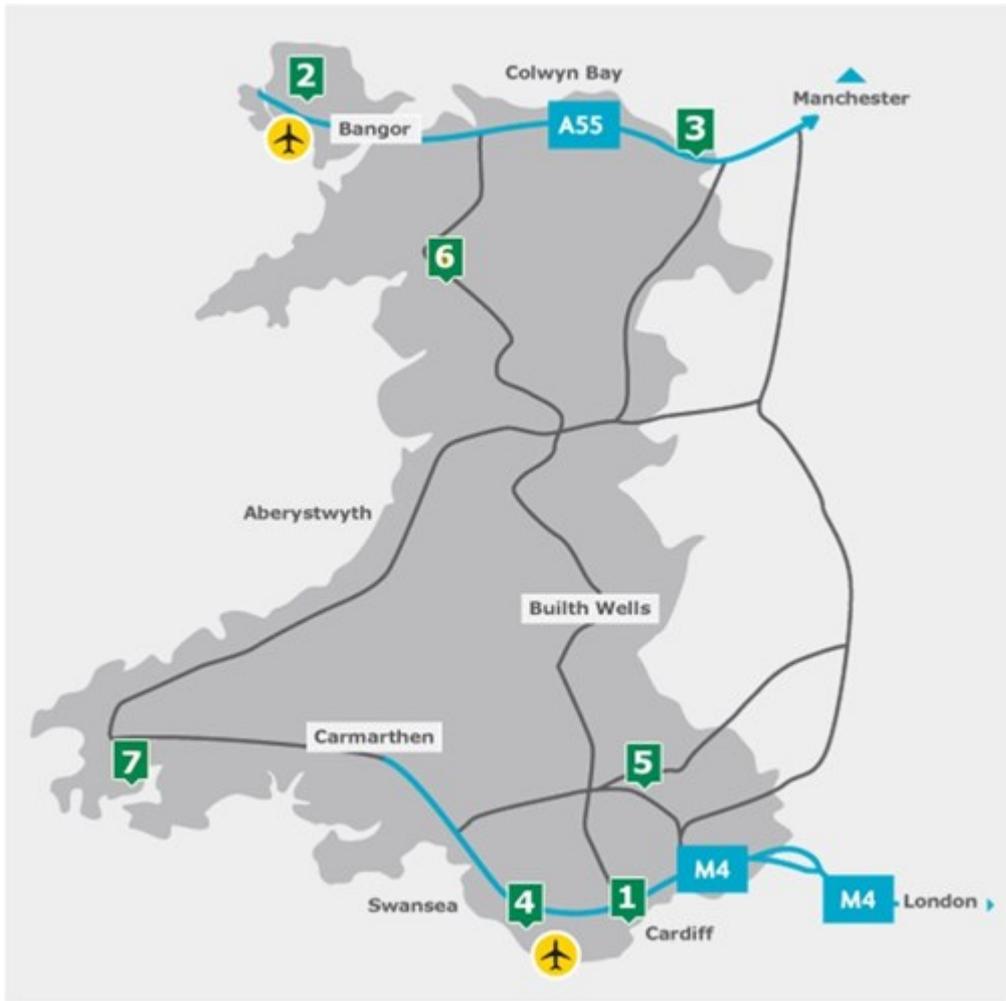
Contents

Contents	Page
1. BACKGROUND	3
2. VISION	5
3. KEY PRIORITIES	5
4. CROSS SECTORAL PRIORITIES <ul style="list-style-type: none">• Transport• Skills• ICT• Other Infrastructure• Business Development and Marketing	7
5. PROGRESS TO DATE	10
6. FUTURE PRIORITIES	12
7. GOVERNANCE	13

1. BACKGROUND

Wales Enterprise Zones

In 2012, the Welsh Government launched seven **Enterprise Zones** across Wales. The Enterprise Zones are designated geographical areas that support new and expanding businesses by providing a first class business infrastructure and support.



Each of the Enterprise Zones has a focus on one or more key business sectors. They are:

- **Anglesey Enterprise Zone (2)** – focusing on the energy and environment sector;
- **Central Cardiff Enterprise Zone (1)** – focusing on the financial & professional services sector;
- **Deeside Enterprise Zone (3)** – focusing on the advanced materials and manufacturing sector;
- **Ebbw Vale Enterprise Zone (5)** – focusing on the advanced materials and manufacturing sector;

- **Haven Waterway Enterprise Zone (7)** – focusing on the energy & environment sector;
- **Snowdonia Enterprise Zone (6)** – focusing on the energy & environment, aerospace, and ICT sectors.
- **Cardiff Airport and St Athan Enterprise Zone (4)** – focusing on the advanced materials and manufacturing sector and in particular its aerospace sub-sector.

Enterprise Zone Boards

Each Enterprise Zone has an independent; private-sector led advisory Board. The role of the Enterprise Zone Boards is to advise the Welsh Government on the implementation and delivery of action plans and priorities for the Zones, including:

- Strategic advice towards investment opportunities
- Encouraging supply chain development
- Identifying property and infrastructure needs
- Marketing and promotion of Enterprise Zone Boards.

A full list of Board Members is published at www.business.wales.gov.uk/enterprisezones

2. VISION

Each Enterprise Zone Board submitted a Strategic Plan for each Enterprise Zone to the Minister for Economy, Science & Transport in September 2012. The vision for each Zone is contained in summary documents published in October 2013 and December 2014:

<http://wales.gov.uk/topics/businessandconomy/business-wales/enterprisezones/?lang=en>)

The overall vision for the Enterprise Zone is to strengthen the foundations already in place to maximise the opportunities for Cardiff Airport and St Athan to become an internationally recognised centre of excellence for the aerospace industry and Maintenance, Repair and Operations (MRO) activities.

3. KEY PRIORITIES

The Vision for the Zone recognises five key priorities:

- Investing in high-quality and sustainable infrastructure
- Making Wales a more attractive place to do business
- Broadening and deepening the skills base
- Encouraging innovation
- Targeting the business support we offer

A Development Framework has been agreed by the Board and the Vale of Glamorgan Council who will undertake consultation on this document. Support will be considered to drive forward private sector projects, including feasibility studies and support for marketing.

Key infrastructure and property considerations

Road access within the Zone has been improved with the straightening of the Gileston Bends, and with work currently underway to look at measures to strengthen the Five Mile Lane.

At Cardiff Airport considerable improvements have been made to the visitor experience in an effort to attract more routes. This has included reconfiguring the car parks, internal changes of use to provide more natural light and additional public transportation to the Airport. These works will continue as part of the ambitious business plan being implemented by the Airport.

Investment will be required for the construction of advance units at St Athan designed around the market interest being generated. Negotiations with the Ministry of Defence to agree site segregation remain ongoing.

The gateway site has the potential to be a hub for future development to accommodate freight and R&D, and there is an aspiration to enhance the current academic provision within the Zone.

Deliverables and outcomes

It is envisaged that circa 5,000 jobs could be delivered within the Enterprise Zone over a phased plan, which in turn would secure over £250m of investment on delivery.

4. CROSS SECTORAL PRIORITIES

In addition to identifying priority areas for delivery across the Enterprise Zones, the Enterprise Zone Boards have also considered and made recommendations on a series of key cross cutting delivery areas which are key to the future success of the Enterprise Zones. These include transport, ICT and skills. Work being undertaken across these areas includes:

- **Transport**

Planned transport investment into the Enterprise Zones is being reviewed to ensure that it is directed to enhance transport connectivity to each of the Enterprise Zones, align with the Enterprise Zone Boards' transport priorities and maximise economic impact.

The Enterprise Zone Board is a key stakeholder in the South East Wales Integrated Transport Task Force Report. The Enterprise Zones were also a consideration in the proposals for a metro system to support economic growth and regeneration at key locations in Cardiff, including Cardiff Airport, and across South East Wales.

- **Skills Development**

Welsh Government Skills Strategy

The Welsh Government's Policy Statement on Skills, launched in January 2014, sets out the long-term vision for employment and skills in Wales over the next 10 years. A fundamental commitment within the policy statement was the publication of a Skills Implementation Plan, which sets out how Welsh Government will strengthen the approach to regional skills delivery, building on the regional skills structures already in place across Wales.

The Plan has established three Regional Skills Partnerships across Wales to drive investment in skills and maximise opportunities for their local economies. Each partnership will develop and publish an Annual Regional Employment and Skills Plan which identifies investment priorities as well as local demands and opportunities; these will include priorities identified by the Enterprise Zone Boards.

Across Enterprise Zones, the development and delivery of skills support to support the employment and skills needs identified in each Zone is being taken forward. These include:

- The Enterprise Zone Board is working closely with key partners to encourage inward investors to locate in the Cardiff Airport and St Athan Enterprise Zone, with work progressing on a number of projects.
- We are working closely with Cardiff and the Vale College to explore the potential of providing specialist provision for both Inward Investors and

Enterprise Zone employers from the International Centre for Aerospace Training located at Cardiff Airport.

- We have continued to support British Airways Maintenance Cardiff through a bespoke training fund in conjunction with colleagues from the Department for Education and Skills.

- **ICT**

Superfast Cymru

Enterprise Zones are a priority under the Superfast Cymru programme. The Superfast Cymru roll-out plan takes into account the demographics and topography of Wales, together with our economic priorities, including Enterprise Zones. Our investment with BT will provide equal wholesale access for communications providers, encouraging a choice of internet service providers within each Zone.

In the Cardiff Airport and St Athan Enterprise Zone, the Llantwit Major and Rhoose exchanges are now live, with further work needed to enable the St Athan exchange.

A number of additional ICT Infrastructure interventions are also being explored which are intended to benefit the Enterprise Zones. These include looking at how very high bandwidth communications facilities can be made more widely available to improve Mobile and WiFi communication services. Investigation works and a series of studies are underway with Enterprise Zone delivery prioritised for support within all of these areas.

Ultrafast Connectivity Voucher Scheme

In November 2014 the Welsh Government launched the Ultrafast Connectivity Voucher scheme. This will assist businesses with funding of up to £10,000 to cover the capital costs associated with providing an ultrafast data connection. Enterprise Zones have been prioritised for inclusion in the scheme.

More information about the scheme including details of how to apply and the eligibility criteria are available at www.wales.gov.uk/broadband.

- **Business Development & Marketing**

Driving existing and new business growth is key to success of the Enterprise Zones. In this context communicating the benefits of the Zones, their relevant specialisms and bespoke support is critical.

The marketing of the Enterprise Zones has been a clear priority focus since their inception, with a dedicated website ([www:business.wales.gov.uk/enterprisezones](http://www.business.wales.gov.uk/enterprisezones)), currently being refreshed, and

the ongoing provision of new signage to mark the boundaries and key sites within the Zones.

A package of marketing materials has been developed for Cardiff Airport and St Athan which includes literature, exhibition display stands, promotional videos and a 3D 'fly through' animation. A comprehensive programme of marketing activity, which includes both generic and Zone specific work to continue to promote the Zones, is in place and the Zone is being promoted extensively as part of the broader Sector offering.

The main marketing focus for the Zone is via two international/European trade shows. The Airport exhibits each year at World Routes, the main event for airports seeking to speak with airline route developers. St Athan has a presence each year at the European MRO event.

The Zone is also promoted at wider Aerospace events including the Farnborough and Paris Air shows.

5. PROGRESS TO DATE

Progress in the Zone in support of the Board's objectives includes:

- Following the Board's recommendation, the Minister for Economy, Science and Transport has agreed the Strategic Development Framework for the Zone. The Vale of Glamorgan County Borough Council will now consult upon this for it to become additional planning guidance.
- Works to straighten the Gileston Bends are complete.
- Close cooperation between the Welsh Government, its new airfield management contractor Serco Ltd and the Ministry of Defence has enabled the St Athan airfield to open seven days a week. This is a major improvement to the marketability of the Aerospace Business Park.
- The works to the taxiway at St Athan Aerospace Business Park were completed in spring 2014, providing a major improvement to the airfield infrastructure.
- Bristow Helicopters contractors Balfour Beatty have commenced construction of the £5m facility for Search & Rescue covering south Wales and the south west of England. The facility is due for completion in summer 2015.
- In addition to its MRO facility already operated at St Athan, Cardiff Aviation Ltd has set up a training facility in the Norman Hangar at Cardiff Airport.
- New destinations have been added and new airlines have started operations:
 - In December 2014, it was announced that Thomas Cook Airlines will operate a one-off flight to Orlando on its long haul Airbus A330 fleet next summer and in 2016, offering holidays for 14 nights.
 - It was also announced that Thomson Airways will be launching its first Dreamliner flights from Cardiff in 2015.
 - Eastern Airways announced new code share with Wideroe which will provide Cardiff Airport travellers with greater Norwegian connections.
 - Vueling announced additional 6 Nations flights to Rome and Paris in 2015.
 - In autumn 2014, Ryanair's new Cardiff to Tenerife service and additional capacity on KLM services were both announced.
 - Europe's largest regional airline, Flybe, has announced it is to create a new base at Cardiff Airport this summer in a move which will see 11

routes, 50 new jobs created and over half a million extra seats on sale from Wales' national airport.

- The new network includes flights to existing routes between Cardiff and Belfast, Düsseldorf and Jersey, plus **new routes** between Cardiff and Cork, Dublin, Edinburgh, Faro, Glasgow, Munich, Milan and Paris.

The focus of the Cardiff Airport and St Athan Enterprise Zone Board remains on positive job growth and ambition. From inception to March 2014, 94 jobs have been created either through direct financial support or through wider assistance from the Welsh Government.

The Board continues to focus on growing infrastructure and skills to further consolidate this growth. Since inception of the zone to March 2014, £1,635,170 of finance from the public sector has been invested, comprising £60,000 for buildings/infrastructure, £1,567,170 investment in business and £8,000 other Welsh Government (ancillary) funding. Over 4,657m² of floor space has been created or refurbished in the zone.

From inception to March 2014, 4 businesses within the Zone have been financially supported and financially assisted through Welsh Government business support programmes or direct interventions. In addition, three businesses have benefited from support under the Enterprise Zone Business Rate Scheme to a total of £152,146.

6. FUTURE PRIORITIES

The success of the Enterprise Zones ultimately depends on the jobs and growth generated by the private sector. The Welsh Government is committed to supporting such private sector activity through focussing upon delivering successful projects and outputs against Board priorities.

The private sector led Enterprise Zone Boards will continue to provide regular advice on priorities as well as regular reports on progress and implementation. The continuing advice from the Enterprise Zone Boards will shape the delivery of each Zone and assist the prioritisation of additional projects that will further support the Enterprise Zones to deliver jobs, growth and wealth to Wales.

Going forward the Board will:

- Undertake a comprehensive Skills Audit at the Zone.
- Develop a Marketing Strategy for the Zone.

7. GOVERNANCE

There are seven Enterprise Zone Boards, set up to advise the Minister for Economy, Science & Transport on the opportunities and needs of each of the seven individual Zones.

The current appointments to the Boards were made on a 'task and finish' group basis for a period not exceeding 18 months. Board members are not remunerated. The Boards' current terms end on 31 July 2015.

The Boards focus on providing the Welsh Government with advice on:

- The implementation and delivery of Enterprise Zone actions and priorities.
- Opportunity identification and securing jobs and investment in Enterprise Zones, ensuring that Equality and Diversity issues are addressed.
- Reviewing progress to date and activity in relation to Enterprise Zones, which may include strategic advice towards investment opportunities, encouraging supply chain development, identifying property and infrastructure needs, business support, international export, R&D, and marketing and promotion of the Enterprise Zone.
- Reviewing the existing strategies ensuring they remain current and reflect the opportunities presented to support Wales achieve strong growth in Jobs and wealth within Enterprise Zones.

The future governance of the Enterprise Zone Boards is currently being undertaken. In May the Minister advised that Enterprise Zone Boards will be reappointed for a three year period from 1 August 2015. Recruitment is currently underway.