

Central Cardiff Enterprise Zone

Q1. What is the scale of Welsh Government resource being targeted at Enterprise Zones?

Clearly, the Board is not responsible for deciding the scale of Welsh Government's resources being allocated to Central Cardiff Enterprise Zone. However, it is the Board's role to help develop strategies and marketing plans at an advisory level to Welsh Government, which may indirectly influence how it allocates resources.

In terms of capital resources, the acquisition of land and property within the Enterprise Zone together with associated infrastructure is seen a key activity to achieve the Enterprise Zone Board's recommended strategy to create Grade A Office space. For this reason, significant investment has been made by Welsh Government in the acquisition of a prime development site Callaghan Square

Capital support to business via Enhanced Capital Allowances (ECAs) is a non-devolved policy tool, which doesn't apply to Central Cardiff Enterprise Zone.

In terms of revenue support to business, the current Business Rate Scheme is aimed at Small and Medium Sized Enterprise (SME) businesses within Enterprise Zones, but as the Central Cardiff Enterprise Zone is predominantly made up of larger Financial & Professional Services businesses, the number of companies that could benefit from the current scheme is perhaps somewhat limited compared to some other Zones.

Q2. What influence are Enterprise Zone boards having on that Welsh Government Resource

As noted above, the Enterprise Zone Boards are advisory and assist in the establishment of strategies on infrastructure, marketing and business development. Once again, the Enterprise Zones (including Central Cardiff) do not control Welsh Government budgets, but may indirectly influence how Welsh Government decides to allocate its budget through advice given.

Q3. What are the strategic objectives of each of the Enterprise Zone boards?

The overall vision for Central Cardiff Enterprise Zone is to help create one of the UK's premier locations for business with the aims of attracting new investment, facilitating the development of new high quality offices and other supporting infrastructure and to create new high quality, sustainable jobs.

With regard to the strategic objectives of individual Board Members, these are set out in the Terms & Conditions of their appointment.

Q4. What are the specific incentives that are in place to encourage businesses to invest and locate in each Enterprise Zone in Wales?

From a Central Cardiff Enterprise Zone perspective, these are considered to include:-

Support from a pro-business Government

As a devolved Government, Welsh Government will give companies easy access to key decision-makers to help fast-track relocation or expansion within Central Cardiff Enterprise Zone. It is able to listen to what businesses need and help bring together everything required to make things happen.

Central Cardiff Enterprise Zone Board is driven by industry specialists who are able to draw upon their expertise to support Welsh Government and businesses as required and as directed.

Business Support

Welsh Government's dedicated Financial & Professional Services Sector Team understands the type of support that is needed by business to succeed and the commercial pressures that they face. Welsh Government is able to give a single point of contact to take companies through its outstanding package of business support.

Incentives

Every business is different and requires tailored market solutions for growth. Welsh Government will look employ incentives to help kick-start a move to Central Cardiff Enterprise Zone. For example, a Business Rate Scheme (BRS) is available to SMEs located within the Zone which are either 'new starts' or businesses wishing to increase the size of their respective workforces. Qualifying businesses will pay Business Rates as normal and reclaim the costs through the Scheme – which is the lesser of £55,000 per annum (the cap on the Scheme per annum) or the business rates paid.

Access to Finance

Whether businesses are relocating to, starting up or expanding within the Zone, they can take advantage of a range of competitive finance packages. They can also call on commercial finance from a range of financial institutions like Finance Wales.

A skilled workforce

Cardiff has a highly regarded workforce. Welsh Government can, with business, to review and plan workforce training and development needs, and explain the support available for recruiting and employing new staff.

A new college (Cardiff and The Vale College) has announced plans to build a new campus within Central Cardiff Enterprise Zone at Dumballs Road, which is expected to include courses that will directly or indirectly support future employers within the Zone.

Welsh Government also has close links with the city's Universities and it can facilitate introductions for access to graduates and associated support for skills and training programmes.

Q5. What are the specific outputs and outcomes that each EZ expects to achieve (such as number of jobs created, businesses supported, number of businesses benefiting from business rates reductions, number of businesses using the Enhanced Capital Allowances)

It is hoped that Central Cardiff Enterprise Zone will secure the following outputs and outcomes:-

1 Million sq ft of new Grade A offices for both local key pre-lets and speculative inward investing companies, with a potential outcome of accommodating 10,000 people benefitting growth, jobs and wealth;

A new centre transport interchange including a new city/bay metro transport system, linking together the various business hubs of Cardiff;

Significant investment in public realm works and architectural treatments to new buildings;

Further enhancements to the city's excellent broadband connectivity through its 'Super-Connected City' status;

Investment in new green electricity supplies and infrastructure, together with data storage capacity to meet the future needs of businesses.

Q6. What are the achievements of each Enterprise Zone to date?

Welsh Government has acquired Callaghan Square in order to help in the provision of Grade A offices;

Detailed consideration has/is been given to a Railway Transport Interchange;

Cardiff and Vale College has chosen to locate its new campus within the Enterprise Zone;

The establishment of the Enterprise Zone is encouraging the interest in property developments within the Zone;

Active engagement between Sectors of Welsh Government (most notably the Financial and Professional Services Sector (F&PS) and private sector businesses;

Much more coherent interplay between Welsh Government Sector Panels and private enterprise, using the skills of the Board Members as appropriate in its advisory capacity;

Pro-active marketing of the Enterprise Zone through the Website and brochures,

Q7. What is the latest position in relation to the use of Enhanced Capital Allowances and what potential is there for extending their use to more Enterprise Zones in Wales

Not applicable to Cardiff Enterprise Zone.

Q8. What is the expected impact on areas neighbouring or outside Enterprise Zones?

It would provide growth for the local economy and provision of new jobs within the Enterprise Zone, whilst acting as a catalyst of growth elsewhere within the city region and Wales.

Q9 How can the impact of Enterprise Zones on the local economy be maximised? (such as through the development of supply chains that use local businesses)

Activities within the Enterprise Zone provide short term boost in the Construction Sector which will indirectly provide a boost to the Retail, Leisure and other service sectors.

Through the appropriate use of Social Benefit Clauses in agreements and the links to education and skills - such initiatives are likely to assist in the employment of local contractors and other associated supply chain workforces.

Q10. Are the processes in place to ensure that Enterprise Zones are monitored and evaluated effectively?

The activities of the advisory Board and the governance requirements of Board Members are set out in the Terms & Conditions of Members appointments.

Within Welsh Government, the Enterprise Zone Programmes and the respective Enterprise Zone Projects are understood to have an appropriate governance and compliance processes in place to monitor progress and compliance and to measure activities, outcomes and outputs.

Output targets are also measured through the respective Sector Teams and some examples of the Key Performance Indicators (KPIs) that are or could perhaps be measured are:-

- Land brought forward for Development;
- Commercial floor space Committed;
- Jobs, and;
- Private Sector Investment Induced

Q11. What approach is used to ensure that Enterprise Zone in Wales create additional economic activity?

Welsh Government has a dedicated sector strategy for the F&PS sector which is fully aligned with the Enterprise Zone Board. This provides a focussed means to retain and attract new F&PS businesses.

Having achieved close Sector and Board alignment, we are now looking to pro-actively promote the EZ Strategy through the establishment of our Marketing Sub Strategy which includes the on-going production of:

- A Central Cardiff Enterprise Zone Brochure
- A dedicated Website include the use of CGI graphics
- A Video/DVD including testimonials.

This pro-active approach, combined with prospective investment by the private and public sectors, will potentially 'catalyse' additional economic activity in the following sectors within the whole city of Cardiff and the wider economic multiplier effect across the City region:-.

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- Financial & Professional Services
- Retail
- Tourism
- Leisure
- Construction
- ITC/Broadband
- Energy and Environment

Mr John Antoniazzi
Chairman
Central Cardiff Enterprise Zone

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