

Name of Place: North East Wales Investment Zone

Primary Contact Details

Name: Alwen Williams

Email Address: alwenwilliams@uchelgaisgogledd.cymru

Phone Number: 07917 024314

Organisation Name: Bwrdd Uchelgais Gogledd Cymru / North Wales Economic Ambition Board

Secondary Contact Details

Name: Catrin Jones

Email Address: catrinelainjones@bwrdduchelgaisgogledd.cymru

Phone Number:

Organisation Name: Bwrdd Uchelgais Gogledd Cymru / North Wales Economic Ambition Board

The Vision

WHAT VISION DO YOU HAVE FOR YOUR INVESTMENT ZONE? (1,500 words)

Outline your initial strategic pitch for your proposed Investment Zone, with reference to how it will support the stated programme objectives. Please draw on existing evidence as appropriate.

Introduction

The North East Wales Investment Zone builds upon our nationally important cluster of advanced manufacturing, growing and transforming the sector to meet the needs of the future and increasing its economic benefits to the UK; increasing employment and driving up productivity and pay. The Investment Zone will harness its excellent research base to accelerate business research, development and innovation and use strong and collaborative local leadership and sustained private investment to level-up and close the gap with other top-performing areas.

Early grass roots local work with businesses confirmed that an Investment Zone for North East Wales, covering the counties of Wrexham and Flintshire, with Fair Work, Net Zero, Future Generations and the Environment at its heart, could drive productivity and business growth with increased innovation whilst supporting deprivation reduction and Levelling Up.

North East Wales

The unitary authorities of Wrexham and Flintshire in North East Wales are located on the border with England and form part of a cohesive Mersey Dee sub-region where three regional economic zones overlap; North Wales, Liverpool City Region and Greater Manchester. The Mersey Dee subregion has an economy greater in size than that of Cardiff and a population equivalent to

Belfast. The sub-region functions as a single economic area with the population largely living and working within it and a critical mass of high value businesses operating either side of the functional invisible border including a wide range of global brands, with embedded supply chains.

The economy is strongly dominated by manufacturing with one of the most important sectoral clusters in the UK with global brands and their suppliers operating alongside a dynamic SME sector. Our manufacturing sector employs 31,000 people and includes major international businesses including JCB, Airbus, Toyota, Eren, Tata, Knauf, Hydro, Convatec, Ipsen, Kelloggs, Kronospan, Prysmian, Hoya, Ardagh Metal, Belfield Group and Plastipak. The area has exports of £5.5bn in goods and a manufacturing GVA of £3.12bn representing 40% of the North East Wales economy.

The advanced manufacturing sector in Wrexham and Flintshire is characterised by collaboration, innovation, and specialisation, with each sub-sector playing a critical role. It includes, for example:

- Raw material suppliers.
- Component manufacturers including precision machining, injection moulding, and 3D printing.
- Sub-assembly suppliers assembling smaller components into larger modules or subsystems, which are then integrated into final products by manufacturers.
- Suppliers of advanced manufacturing equipment and machinery, including robotics, CNC machines, and automation systems.
- Food and drink manufacturers.
- Pharmaceuticals manufacturers or companies producing basic and speciality consumer chemicals and products using chemical processes.
- Logistics companies.
- Quality assurance and certification services ensuring that products meet industry standards and regulatory requirements and maintaining the integrity and reliability of the supply chain.
- Research and technology development organisations.

Aerospace is a particularly important sub-sector in the Investment Zone with Airbus, its supply chain and a range of other companies in operation.

Challenges and opportunities

The Investment Zone will be able to capitalise upon the strengths of the sub-region:

- A skilled workforce with expertise in engineering, machining, and advanced manufacturing technologies.
- Proximity to major transportation networks, including road, rail, and air links, facilitates the efficient movement of goods and materials, enhancing the competitiveness of local manufacturers.
- Collaboration between businesses, academic institutions, and government agencies fostering innovation, knowledge sharing, and technology transfer within the advanced manufacturing ecosystem.

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- Home to a diverse range of advanced manufacturing businesses spanning aerospace, automotive, electronics, and other high-tech industries, diversifying the local economy and mitigating sector-specific risks.
- Wrexham is Wales' newest city, with high international profile due to Wrexham AFC coverage.
- Local Development Plan land allocations for employment in North East Wales.

In addition to a small number of very large multi-national owned companies in the Investment Zone, there is a very wide range of SMEs in the advanced manufacturing sector. Recent projects to engage them and build their innovation capacity through the Community Renewal Fund and Shared Prosperity Fund programmes have revealed a considerable untapped potential and appetite to grow further. North East Wales is an area where businesses want to locate and there is healthy investment interest.

Several constraints limit this growth potential:

- Advanced manufacturing businesses need to meet the challenges of net-zero especially in the more energy-intensive sub-sectors.
- There is very limited availability of investment-ready sites and premises.
- Businesses face significant skills gaps exacerbated by an aging workforce.
- Penetration of advanced technology remains very limited.
- There is very limited non-car access to employment sites.
- Older employment sites have outdated infrastructure and poor physical environments which can make them unappealing to investors and limits business growth potential.
- Many of the largest businesses in North East Wales are multi-nationals which must compete internally for investment and strategic decisions are taken elsewhere.
- Digital connectivity is still uneven in coverage especially 4G and 5G networks.

Despite the economic strengths of North East Wales, there are pockets of deprivation which remain. In Flintshire, there are three areas within the top 10% of WIMD (Higher Shotton, Holywell Central and Sealand 2) located close to the main employment sites. In Wrexham there are 7 areas within the top 10% of WIMD, with 5 located on the Caia Park Estate (Queensway 1 & 2, Wynnstay, Cartrefle 2, Smithfield 3), located within less than a 10 min drive of Wrexham Industrial Estate.

Gross disposable income in Wrexham is £17,661 vs national average of £20,445. This is £19,212 in Flintshire. Weekly pay in Wrexham is £548 vs national average of £571. This is £569 in Flintshire.

Wrexham and Flintshire's GVA per hour worked shows we are 12.3% less 'productive' than neighbouring Cheshire West & Chester and our Per Capita emissions are 66% higher than the UK average at around 10.1 tCO₂e vs. 6.1 tCO₂e.

There is also an educational divide to overcome as skills levels in business and particularly advanced manufacturing rise over time potentially leaving less-skilled individuals further behind. Only 52.6% of adults in Wrexham have Level 3 qualification or higher vs national average of 60.4. It is 55.8% in Flintshire.

Strategic contribution

The Investment Zone will deliver interventions and outcomes under the three pillars of the UK Government *Build Back Better: Our Plan for Growth 2021* with a focus on infrastructure, skills and innovation.

The Investment Zone will make a significant contribution towards delivering the Welsh Government *A Manufacturing Future for Wales 2021* framework for action and the Welsh Government *Innovation Strategy 2023* economy and climate and nature priorities in one of Wales' most important manufacturing clusters.

The Investment Zone will also contribute toward the delivery of a wide range of the *North Wales Regional Economic Framework 2022* priorities.

Finally, the Investment Zone will be delivered within the context of the Welsh Government *Well-being of Future Generations Act 2015* with a focus on the wider determinants of well-being as well as on economic growth.

Potential interventions

The high-level mix of interventions for the North East Wales Investment Zone are expected to include:

1) Research and Innovation

Develop dedicated pop-up factory workspace for new businesses to scale up the production of innovative sustainable product lines.

Build configurable research capacity to support businesses in finding innovative solutions their future needs.

2) Skills

Transform the links between the advanced manufacturing sector and children and young people – growing aspirations, building innovative pathways into the sector and creating exciting higher skill opportunities. Harness the power of the creative sector to engage people in careers in advanced manufacturing.

Create new social partnerships with businesses to widen access to employment especially from deprived or disadvantaged communities.

Work closely with the North Wales Regional Skills Partnership and learning providers to build the learning capacity of the region and the workforce to serve the rapidly accelerating technical skills needs of businesses especially adopting Industry 4.0 and 5.0.

3) Infrastructure

Develop the next generation of specialist learning facilities to upskill advanced manufacturing workforces.

Reshape transport networks and infrastructure to connect employment clusters with areas of population and of deprivation.

Accelerate the development of high-quality sites and premises ready for business investment.

4) Regional Enterprise and Business Support

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Create a dedicated frontline service to advanced manufacturing businesses enabling seamless navigation through the support and regulatory ecosystem and business to business supply-chain connectivity and learning.

Provide leading-edge specialist advice to businesses to encourage investment in new technologies; transition to low carbon; and research, development and innovation with financial incentives where needed.

Engage high growth potential start-up and scale-up businesses in the sector to facilitate their routes to growth.

5) Planning and Development

Provide a responsive single point of contact service to accelerate planning processes.

Create ambitious high-quality masterplans for key sites to accelerate development and build investor confidence.

NNDR retention will help to sustain some of these investments, especially in revenue-based activities, beyond the initial 10 year period of the programme and may facilitate public sector borrowing to support infrastructure development.

The partnership has, for now, proposed the inclusion of two tax sites as part of the Investment Zone but further discussion and modelling work is needed to understand whether these will form part of the final mix of interventions.

Tax Sites

TAX SITES
Will you be proposing tax sites?
Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
If yes, how many tax sites are you proposing?
One <input type="checkbox"/> Two <input checked="" type="checkbox"/> Three <input type="checkbox"/>
What is the estimated size and location of this site/each of these sites, where known. If you already have specific locations in mind please provide maps and/or postcodes, this will be purely to inform our initial discussions.
Site 1 tbc
Site 2 tbc
Site 3 n/a

Non-Domestic Rates Retention (NDR retention)

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Non-Domestic Rates Retention
Will you be proposing sites within which 50% of non-domestic rates growth is retained over an agreed baseline for 25-years?
Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
If yes, how many NDR retention sites are you proposing? (2 maximum)
Two
What is the provisional location and estimated size of these sites?
Deeside 300ha Wrexham Industrial Estate 20ha
Have you engaged the relevant billing authorities? If yes, what was their initial feedback to your proposals?
Yes, authorities engaged and no significant barriers identified. Clarity needed from Welsh Government on how collection and repatriation of funds will work.
Do you intend for these NDR retention sites to be located on the same location as your tax sites?
Need to have further discussion and modelling to determine.

Planning

PLEASE OUTLINE YOUR EARLY THINKING ON THE PROSPECTIVE PLANNING OFFER FOR THE INVESTMENT ZONE (250 words)
You should briefly set out what planning you intend to take forward as part of the Investment Zone and how you will ensure it accelerates progress.
<p>The Investment Zone in North East Wales will not be characterised by the development of a small number of large sites. Instead, the focus will be on making a number of smaller and medium sized sites ready for investment and realising the potential of suitable land. The sites will be capable of conforming with the Local Development Plans in principle, but may require investment or other interventions to become development-ready. The support that businesses will need is therefore complex and it is proposed that this will take the form of:</p> <ul style="list-style-type: none">• A dedicated single point of contact for the Investment Zone for businesses and investors who will co-ordinate support functions across the two counties.• Dedicated planning officer resource in each County to accelerate planning processes for Investment Zone proposals.• Dedicated resource in each County to help businesses and investors to navigate wider regulatory and support functions including flood risk, conservation, biodiversity, highways and land and property.• Considering dedicated officer resources within Natural Resources Wales to accelerate biodiversity and flood advice and consenting.• Development of masterplans for key sites where this will increase the quality of final development, accelerate development and provide investor confidence. <p>Although this approach will seek to accelerate development, the focus will be on achieving high quality and sustainable development outcomes linked, where appropriate, into wider placemaking.</p>

Partner Research Institutions

WHICH RESEARCH INSTITUTION(S) WILL CO-SIGN YOUR PROPOSAL? (250 words)

Please provide details of proposed partner research institution(s), why they are appropriate and how you envisage they could support the proposal.

There are three research institutions that operate in the North East Wales Enterprise Zone, each with their own specialities. Each has a valuable role to play in the delivery of the Investment Zone.

AMRC Cymru, which is part of the University of Sheffield Advanced Manufacturing Research Centre (AMRC) innovation cluster and a member of the High Value Manufacturing (HVM) Catapult, is a £20m state-of-the-art applied research centre, which was fully funded by the Welsh Government. AMRC Cymru's focus is to turn world-leading research into practical improvements for industry, helping to boost productivity, sharpen their competitive edge and save time, money and energy. AMRC Cymru focuses on advanced manufacturing sectors including aerospace, automotive, nuclear and food in the key research areas of future propulsion, sustainability and digital manufacturing. As a cutting-edge R&D facility, AMRC Cymru is driven by industry, for industry. It provides an open innovation platform accessible to all manufacturers in the whole of Wales.

Bangor University has operations in North East Wales and a strong research based related to advanced manufacturing including: telecommunications and sensing; photonics and imaging; life sciences and medical devices and low carbon. Bangor University is the second highest performing research-intensive University in Wales after Cardiff University with a research portfolio of around £90-100m running at any one time.

Wrexham University has a history of developing higher level skills and knowledge working collaboratively to use research and partitional experience to inform its learning and teaching, meeting the needs of industry and enriching the communities it serves.

Wrexham University has identified the strategic importance of Knowledge Transfer and commercialisation and works with industry partners to develop their capacity. The university is also aiming for Research Degree Awarding Powers (RDAP) based on its performance in the 2021 Research Excellence Framework (REF) exercise.