

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **ENVIRONMENT OVERVIEW AND SCRUTINY
COMMITTEE**

DATE: **TUESDAY, 23 JULY 2013**

REPORT BY: **DIRECTOR OF ENVIRONMENT**

SUBJECT: **DEESIDE ENTERPRISE ZONE PROGRESS REPORT**

1.00 PURPOSE OF REPORT

1.01 To inform Members of progress with on Deeside Enterprise Zone.

2.00 BACKGROUND

2.01 Welsh Government officially launched Deeside Enterprise Zone (DEZ) as Wales' designated area for Manufacturing and Advanced Manufacturing in 2012. DEZ has a five year lifespan in which to create 7,000 new sustainable jobs, to grow Welsh GDP, to drive the economy of North Wales and to deliver an advanced manufacturing hub to underpin economic renewal in the area. DEZ continues to attract new investment interest from local, national and overseas sources.

2.02 The DEZ business plan is very ambitious and sets out a vision designed to make Deeside a recognised focus for advanced manufacturing on a world scale. It was submitted to Welsh Government on 30 September 2012. The plan includes proposals to make DEZ a better place for existing businesses, as well as a more attractive place for potential inward investors. A wide range of proposals include improvements to road and rail infrastructure, in line with TAIITH priorities, a marketing and promotion plan and feasibility study for the Advanced Manufacturing Centre. The response from Welsh Government was received on 4th July 2013.

2.03 Welsh Government has confirmed the following regarding the Business Plan;

1. an investment of £2.5m in flood defence works to Northern Gateway;
2. support to make Northern Gateway 'shovel ready' during 2014;
3. support the preparation of a feasibility study for the North Wales Advanced Manufacturing Skills and Technology Centre;
4. support for transport projects that will help deliver the objectives of DEZ will follow consideration of the North East Wales Integrated Task Force report..

Additionally, planned improvements in the roll-out of Next Generation Broadband are now underway, with parts of Hawarden and Connah's Quay having already gone live.

3.00 CONSIDERATIONS

- 3.01 DEZ now has a strategy based on securing expansion of local businesses, growing the key sectors of aerospace, automotive engineering, food, pharmaceuticals, electronics, paper and packaging and sustainable energy.
- 3.02 The addressing of skills needs has been identified as a critical success factor for DEZ. The area has a very high proportion of manufacturing employment, maintaining this level and allowing it to increase further, will require the development of a 'skills pipeline', bringing together schools, colleges and higher education with local employers. This is now happening at both the local and regional levels.
- 3.03 DEZ can be a catalyst for the regeneration of the wider Deeside area and it can also develop a role as a driver for the North Wales economy. The decision by Wales Rally UK to locate their event at the Toyota plant at Deeside for the next three years provides an ideal opportunity to raise awareness of the automotive and advanced manufacturing sector and supply chain and will enable promotion of skills and education requirements with large employers within the EZ.
- 3.04 DEZ is a strategic employment zone and is an 'engine' driving the economies of both the North Wales region and the Mersey Dee Alliance area. It is a one key element of the argument justifying City Region status for the MDA, since cross border infrastructure links and labour market planning will be critical success factors for DEZ.
- 3.05 The wider regional role of DEZ has been recognised by the North Wales Economic Ambition Board and work is now underway to coordinate strategy for the next round of European Union funding to commence in January 2014.

Progress in Year 1 (2012/13)

3.06 Jobs

431 new jobs have been created in DEZ during 2012-2013, together with an estimated 1300 jobs safeguarded. Tata Steel, Airbus, Argo Aviation, Henrob and Toyota have all seen new jobs created and existing jobs safeguarded

3.07 Northern Gateway

Planning permission has been granted for the eastern part of Northern Gateway (known as 'The Airfields'), whilst an application for the western area (alongside the River Dee) was received in 2012 and is likely to go to Planning Committee in September. Additionally, the Flood Alleviation Scheme has now been approved and subject to planning consent, ground work on the site is expected to commence in Autumn 2013 with initial infrastructure development to be underway by early 2014.

3.08 North Wales Advanced Manufacturing Skills and Technology Centre

This is an ambitious proposal to develop a new, further and higher education-linked facility at Deeside, designed to encourage more young people to take the vocational education route, to increase the take-up of apprenticeships and to provide a link with local employers.

The feasibility study has been completed and presented to the DEZ Board for comment. This will be a centre of excellence for advanced and sustainable manufacturing and technology, built upon a unique partnership of industry, education and government, potentially with access to research and development facilities with internationally renowned universities. The centre will build and retain a high value skills base and develop an enterprise culture where all businesses are valued and supported with opportunities for new starts, rapid commercialisation and inward investment.

3.09 Promotion and Marketing

A significant amount of promotional activity has been undertaken.

- Marketing and promotion via the dedicated website and Twitter announcements.
- DEZ promotional video is being developed by Welsh Government
- Testimonials, case studies and good news articles are being collated for inclusion on websites
- DEZ promotion planned throughout Flintshire Business Week 2013 and Wales Rally GB

3.10 Advanced Manufacturing in North Wales

The development of DEZ is being integrated into a wider regional approach to supporting advanced manufacturing across North Wales as one of the Economic Ambition Board priorities.

Successful economies are characterised by strong, local networks. The potential of a North Wales Advanced Manufacturing Business Network, based on the existing MDA Innovation Network, is being considered. Such an initiative would support North Wales and North West businesses through the collaboration of a range of existing and potential academic and advanced manufacturing links and facilities throughout the region.

This approach will help use a variety of facilities along the proposed 'A55/M56 Innovation Corridor', including;

- Optic Technium at St Asaph
- The Advanced Composites site at Broughton
- The proposed Advanced Manufacturing Centre at Deeside
- Thornton Technology Campus (University of Chester)
- The Heath Business & Technology Park at Runcorn
- Riverside Innovation Centre, Chester University
- Glyndwr University
- Sci-Tech Daresbury Science and Innovation Campus
- Bangor University
- Proposed Menai Science Park

The Business Network will also help to develop:

- More supply chains across the region, retaining the benefits of investment in North Wales.
- Improved access to technology, innovation and skills development.
- More collaboration between business and academia.
- More awareness of the region as a place to invest.

4.00 RECOMMENDATIONS

4.01 That the progress report is noted.

5.00 FINANCIAL IMPLICATIONS

5.01 DEZ will contribute significantly to the work of the Council in the period 2012-2017 and will have a significant sustainable impact to the local economy.

6.00 ANTI POVERTY IMPACT

6.01 DEZ has the potential to make a significant contribution to tackling poverty as a result of investment in local opportunities for training, skills and employment.

7.00 ENVIRONMENTAL IMPACT

7.01 DEZ will have the potential to make a significant contribution to environmental enhancement as a result of Welsh Government and private sector infrastructure investment, under which DEZ will be expected to demonstrate impact.

8.00 EQUALITIES IMPACT

8.01 DEZ has the potential to make a significant contribution to equalities and this is included as a cross cutting theme under which all investment projects will be expected to demonstrate their impact.

9.00 PERSONNEL IMPLICATIONS

9.01 None directly.

10.00 CONSULTATION REQUIRED

10.01 Welsh Government as the lead body for all Enterprise Zones. DEZ Board as the advisory body to WG.

11.00 CONSULTATION UNDERTAKEN

11.01 Welsh Government as the lead body for all Enterprise Zones. DEZ Board as the advisory body to WG.

12.00 APPENDICES

12.01 Appendix 1 - DEZ Marketing Document

This document can be found on the website and in the Members Library.

LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985 BACKGROUND DOCUMENTS

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