

## **Anglesey Enterprise Zone**

### **What is the scale of Welsh Government resource being targeted at Enterprise Zones?**

I think it is worth noting that the role of the Enterprise Zones is not simply about having or requiring additional resources but to identify and prioritise the best fit alignment of existing resources. The Enterprise Zone holds no budget but will put forward proposals that align with the sector specifically identified to assist growth, wealth and jobs to the Zone. Recommendations will be put to the Minister which the Board deem beneficial to the Zone and seek approval of projects from the Minister. These activities will then be managed by WG. The EZ Boards will be aware of and informed of potential significant revenue or capital projects and consulted with to provide opinion and steer if required.

A significant resource that has been allocated to the Anglesey EZ is that of the EZ Business Rate Scheme to SMEs that sit within the Zones, further assisting the creation of growth, wealth and jobs by offering financial assistance in the form of reduced operating costs to businesses that meet the criteria. Welsh Government officials sought input from the Enterprise Zone Boards in fine tuning the Scheme criteria to ensure appropriate targeting and maximum impact.

Enhanced Capital Allowances (ECAs) are not a Welsh Government financial resource. ECAs are a non-devolved policy lever.

From the first round of the EZ Business Rate Scheme, 5 applications were approved for SMEs on Anglesey EZ sites. A second round was launched on May 15<sup>th</sup> 2013 via direct mail to all businesses that were deemed potentially eligible to benefit.

### **What influence are Enterprise Zone Boards having on that Welsh Government resource?**

The Board's role is to advise the Minister where appropriate on the allocation of WG resources and developments. The Board have also provided a detailed Strategic plan for the Zone. On Anglesey, initially 10 sites were identified as potential areas within the Zone and 8 were approved.

Uniquely, Anglesey's EZ Board also aligns and works with the Energy Island Programme which is in operation on Anglesey, in looking at the wider opportunities for future business growth and how WG can assist in achieving its potential.

The Board also assist and provide direction when looking at the marketing activity of the EZ on various platforms e.g. Website, printed materials, direct mailing and target events.

The EZ Board also works and liaises with the Sector specific teams within WG that allows projects to be developed cohesively. The Board however holds no budget of its own.

### **What are the strategic objectives of each of the Enterprise Zone Boards?**

The Boards strategic objective is to advise the Minister and assist in the decision making process to enable the creation of jobs, wealth and growth. This is assisted with a high level

business plan for the Zone and involves recommendations on transport, infrastructure, provisions on sites and premises (working closely with the local authority on compiling information, while harnessing and using existing information already held), the development of skills and identifying future skills requirements, and highlighting the importance and influencing the priority of improving the broadband connectivity and mobile telephone signal infrastructure improvements.

Anglesey as we are all aware is in line to benefit over the coming years from £billions of worth of investment from within the energy sector and we need to make sure we are maximising the potential of the proposed investments.

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

Below is a list of both financial and non financial incentives offered on the Anglesey EZ sites designed and compiled to offer additional assistance for both the short, medium and long term benefits to businesses located within the designated Zones.

- Inward Investment assistance
- Access to finance
- International trade advice
- Workforce and skills development
- Industry networks
- Business rate support for SMEs
- Access to next generation broadband
- Investment in infrastructure
- Alignment with the Energy Island programme and sector teams
- Business friendly planning process

### **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)**

The Enterprise Zones are not remitted with specific job creation or business support targets but act as an enabler to assist in the above. These targets are measures of success for the WG sectors through programme activity rather than the Zones. The exception being (as mentioned previously), under phase one of the EZ Business Rate Scheme on Anglesey, 5 businesses have benefited to date. All SMEs located within the designated Zones have been contacted directly to make them aware of their potential for assistance under the EZ Business Rate Scheme for the second phase. We are now awaiting information on the take up of phase two.

### **What are the achievements of each Enterprise Zone to date?**

We have created a strategic plan to identify key priorities and ongoing activities required to assist in future developments.

Anglesey EZ has secured the status of having the second phase of the EZ Business Rate Scheme available to businesses located within the appropriate sites.

We have commissioned a review of all of our strategic sites which will provide any potential investors with detailed and site specific information, this report is in draft form and due imminently.

We have identified the prioritisation of the next generation broadband to be located in all 8 of sites

We are currently engaged with both the WG and Ofcom on the importance and availability of improved mobile telecom infrastructure requirements.

We have endorsed and supported the development of a master plan for Holyhead Port as it has been identified as a critical requirement for any future investor to have access to good port facilities.

We have developed and populated a sub-site for Anglesey EZ – which sits within the main WG EZ website, offering information to potential investors and individual businesses on the Anglesey EZ offer.

### **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?**

Anglesey EZ does not benefit from the Enhanced Capital Allowance scheme and we understand that the current position is that the scheme will not extend beyond those Zones that already have the allowance.

### **What is the expected impact on areas neighbouring or outside Enterprise Zones?**

The expected impact of a successful EZ on Anglesey reaches far beyond the boundaries of the 8 sites on Anglesey. Working closely with the Energy Island Programme the focus is on identifying the potential of the sites in creating opportunities for supply chain businesses considering the likely investment taking place on the Island from the energy sector. The benefit of this approach means that the potential outcomes and areas to benefit from growth, jobs and wealth stretch across the entire North Wales area. We as a Board have never considered that the benefit will be entirely and wholly only enjoyed on Anglesey.

### **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)**

As mentioned above the supply chain opportunities have been identified as a key priority in the Anglesey EZ strategic plan and will create improved and enhanced employment and earning opportunities for the local and regional workforce.

Key infrastructure improvements such as a third crossing of the Menai Strait and further enhancement of utilities offer considerable improvements for local population and improved quality of life benefits. These along with better access to high speed broadband and

improved mobile telecommunications, will in future offer improvements to both the local population but also visitors to the island.

The identified skills requirements will also offer workforce development opportunities to both the local and the regional workforce enhancing the future economic prosperity of the workforce.

The EZ Business Rates Scheme is seen as a key driver in achieving the potential for the supply chain development.

Again working in close alignment with the specific sector teams and WG Departments e.g., DfES, EST, ICT, supply chain and R&D developments, is critical to maximising the opportunities in assisting the Anglesey EZ in achieving its potential.

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

Anglesey EZ Board has adopted the WG EZ Board Governance by signing up to its terms and conditions.

To date the Anglesey EZ has also developed its vision and identified its priorities and provided this information to WG. Working with specific indicators such as job creation or simple GVA would, or could not be a fair reflection of performance, as outside factors out of the control of the Board may influence the outcomes.

We expect in the future that any uptake of priorities and indicators will be provided and discussed by WG and presented to the Board.

### **What approach is used to ensure that Enterprise Zones in Wales create additional economic activity?**

The vehicle chosen to create additional economic activity within the Zones was to make them sector / industry specific. The benefit with this approach is that in effect, Zones can be viewed as centres of excellence or hubs of activity where focused areas of specialist knowledge and skills are available.

The makeup of our Board comprises local, successful and ambitious members who understand the local and regional economy and are in a position to advise WG on sector specific strategies while assisting in exploiting further opportunities to assist in growing the local and regional economy on, in and around the EZ.

*Neil Rowlands – Chair Anglesey Enterprise Zone*