

Anglesey Enterprise Zone

Strategic Plan 2018 – 2021



July 2019

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1. BACKGROUND

Wales Enterprise Zones

There are eight **Enterprise Zones** across Wales. Enterprise Zones are designated geographical areas that support new and expanding businesses by providing a first class business infrastructure and support and each has a focus on one or more key business sectors.

The Anglesey Enterprise Zone focuses primarily on the energy and environment sector.



For more details of the Zones please visit:

<https://businesswales.gov.wales/enterprisezones/>

The strategic context for Anglesey has altered significantly in 2019. The news of Hitachi's suspension of Wylfa Newydd and Rehau's closing their Amlwch factory site have been severe blows to the immediate economic prospects and communities of Anglesey. This is added to the expected major impacts of the Wylfa power station decommissioning phase.

The Welsh Government and its partners have responded to address the immediate aftermath of these announcements recognising the need to tackle the economic challenges facing the area and ensure the long-term prosperity and well-being of Anglesey

The aim of the Anglesey Enterprise Zone Strategy is to provide a clear plan that can help deliver improvements to the area and deliver lasting benefits.

2. VISION AND KEY PRIORITIES FOR DELIVERY

The vision for the Anglesey Enterprise Zone is to create a world-renowned centre of excellence for the production, demonstration and servicing of low carbon energy. The Zone is focussed upon eight strategic sites which fully compliment the Energy Island Programme:

- Production – investing in new low carbon energy production to help secure a stable energy future for Wales.
- Demonstration – establishing world-class facilities to place Anglesey as a leading location for low carbon energy innovation and demonstration.
- Servicing – ensuring that supply chain opportunities are captured and maximised.

The Enterprise Zone builds upon planned investment in the proposed nuclear new build projects on the Island including the Thermo Hydraulic Test facility, the Nuclear Institute, alongside opportunities in marine renewables solar and micro generation. It complements the work of the Isle of Anglesey County Council associated with destination management and regeneration and seeks to deliver wider benefits to Anglesey and the wider North West Wales.

This includes:

- De-fuelling and decommissioning of the existing nuclear plant Wylfa
- Marine Renewables including Minesto and Morlais;
- Proposed developments - Holyhead Gateway and Port infrastructure improvements;
- The Menai Science Park (M-Sparc) at Gaerwen including attracting the proposed Thermal Hydraulic Facility and Nuclear Institute, the latter being considered as part of the North Wales Growth Deal;
- The proposed development of Hitachi ABWR at the Wylfa Newydd site via the Horizon Nuclear Power venture (currently suspended);
- Orthios Eco Park and Logistics Hub;
- Land & Lakes/Bluestone development, Holyhead;
- To attract further investment to the master planned site at Coleg Menai, Llangefni; to complement low carbon developments;
- Encourage the local services sector companies within the zone to maximise the opportunities that major key projects have to offer.

KEY PRIORITIES FOR DELIVERY

- Support for Business
- Support for Projects
- Support for Infrastructure

3. PROGRESS AND ACHIEVEMENTS SINCE INCEPTION

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

- The Board's priority for nuclear and marine technology has helped to make an economic case that has secured and influenced substantial new investment. The first marine project currently developing a manufacturing facility on Holyhead Port is Swedish marine energy developer Minesto which secured €5.1m funding from the EU Horizon 2020 programme to develop its commercial scale tidal power plant off the coast of Holyhead. Minesto has completed the second offshore installation phase of its DG500 project having installed the tether, micro grid system buoy and umbilical. All supporting components and systems needed to deliver the power produced by Minesto's first system of the unique Deep Green technology in Utility Scale are now in place.
- Announcement in September 2017 that £4.5m of EU and Welsh Government funds are to help boost the marine and tidal energy sector in North Wales. This funding supported Mentor Môn's £5.6m Morlais scheme which will help accelerate the development and commercialisation of multiple tidal stream technologies in the Morlais Demonstration Zone. Eight inward investors have signed up to secure space/plot in the demonstration zone.
- Match funding was awarded to Coleg Menai to masterplan its Llangefni campus. The Board assisted the college to master plan the site and a recent announcement of a £13.5 million Energy Centre for the Llangefni Campus, with £6.75 million from the Welsh Government, will assist the college to grow apprentices and skills required to develop a local talent pool. The centre will enable the college to support a number of additional places for engineering students studying for both vocational and technical qualifications. The new Centre will be located on the same campus as the existing Energy Centre and Construction Centre and together these facilities will help students develop their engineering and construction skills in support of the proposed Wylfa Newydd development.
- Funding was secured with Isle of Anglesey County Council, Grŵp Llandrillo Menai and the Nuclear Decommissioning Authority for the £12 million project for the new Llangefni Link Road; Welsh Government contribution to the scheme is over £10.6 million. The Link Road, which has been delivered in four sections, is a key part of Grŵp Llandrillo Menai's Master Plan to develop its Llangefni Campus as an internationally-renowned Energy and Engineering Training Facility. The Link Road will also be important in mitigating the impact of traffic in Llangefni town centre and has allowed major expansion of Grŵp Llandrillo Menai's Coleg Menai, Llangefni Campus which is a 40 acre site.

- Grŵp Llandrillo Menai has plans to develop a world-class infrastructure skills training centre at Coleg Menai's Llangefni campus, the Centre for Infrastructure Skills (CIST). The Centre will be located at the northern end of the Llangefni Campus, and the objective is to create a training centre of excellence for North Wales which will deliver many of the skills requirements associated with the construction stages of major infrastructure projects planned for the region. This project has also demonstrated the direct impact of the Anglesey EZ Board; it was with the direct intervention and endorsement of the AEZ Board that funding was secured to progress with Phase 1&2 of this project.
- Progress has been made on the smaller industrial units within the Zone with an announcement in July 2017 that £4m of EU funding is to be utilised to provide over 1,300m² of office, light industrial and storage space for businesses on the former Mon Training site and over 750m² of office space at the Anglesey Business Centre at Bryn Cefni Business Park. Work was completed in October 2018 with all 5 units being successfully let.
- Nearly £4m in funding has been announced for new business units to support Anglesey's growing low carbon energy sector. The new development in Holyhead will provide around 2,787m² of office, light industrial and storage space for businesses on the former Heliport site on Penrhos Industrial Estate with £2.3m from the European Regional Development Fund (ERDF) and £1.6m from Welsh Government.
- Conygar's Truck Stop/Logistics Hub Development at Parc Cybi, Holyhead, has been delivered by local contractors including Jones Brothers (Ruthin) and Watkin Jones.
- Developer Conygar Investment Company received planning permission last year for an 80-bedroom Premier Inn next to the A55 on Anglesey opposite the existing Road King truck stop at Parc Cybi and development was completed in late 2018.
- With support from Finance Wales, Anglesey Sea Salt has taken forward development of a new £1m plus factory and visitor centre.
- "Discover Tourism", an online tool to guide pupils, parents and teachers about the opportunities in the hospitality and service sector is currently being developed; this addresses a need to encourage pupils to consider tourism as a career option.
- The Board commissioned a piece of work from JLL on supply and demand of industrial property availability within the Zone. A subsequent event in May 2018 in Manchester, aimed at attracting property developers to start looking at speculative build properties within the Zone was a success, with enquiries continuing to be followed up.

- The potential Thermal Hydraulic Test facility for the Menai Science Park site is currently undergoing a feasibility study across the UK to demonstrate best siting. If successful this will bring highly paid nuclear sustainable jobs in research and development to the Zone and start to develop a cluster of nuclear specialist knowledge which will attract inward investment. It is also the intention to sustain jobs in the emerging marine sector developing on the Island with the Port of Holyhead site becoming an Operating and Maintenance base (O&M) for this activity.
- Anglesey's cutting edge £20m Menai Science Park (M-Sparc) building is now more than half full just six months after opening its doors. It is designed to attract businesses from the low carbon energy sector with science and research including entrepreneurship at its core, the facility has 17 firms on site and has hit 70% capacity.
- Bangor University is developing a world leading capability in nuclear science and engineering linked to the Science Park; it will enable international partnerships and opportunities from a rich mix of existing and new talent in support of the local and regional economy. With nuclear decommissioning and nuclear new-build projects on its doorstep, and an increasing number of businesses from the nuclear supply chain becoming active in the area, the University is focusing on existing and emerging nuclear power generation technologies including Pressurized Water Reactors (PWR), (Advanced) Boiling Water Reactors ((A)BWR) and Small Modular Reactors (SMR).
- Bangor University and Imperial College London, with Hitachi-GE providing technical expertise and support, have established a joint "Boiling Water Reactor (BWR) Research Hub and Network". The Network brings together the UK research base with Hitachi's nuclear researchers to help develop future generations of Boiling Water Reactor technology.
- Nuclear expertise and academic capacity at Bangor University is expanding rapidly with the appointment of international research 'stars', plus their supporting research teams, funded by the Welsh Government's Sêr Cymru Programme and the European Regional Development Fund.
- A substantial number of technical and detailed studies have taken place in the Port of Holyhead in collaboration with Stena and the County Council. The purpose of which is to inform the future expansion and improvement of the Port as part of the North Wales Growth Deal's Holyhead Gateway project. This will future proof the port and ensure its competitiveness to be a part of energy projects and diversification.

Enterprise Zone Performance

Update of progress against key projects across the Enterprise Zones is published annually (please see Section 6 – Previous Enterprise Zone Publications for links to the relevant documents).

- From inception to March 2018, 516 jobs have been created either through direct financial support or through wider assistance from the Welsh Government, with a further 88 jobs assisted and 448 safeguarded.
- From inception of the zone to March 2018, £12.3m was invested by Welsh Government with over £3.2m invested by the Private Sector during this period.
- From inception to March 2018, 63 businesses within the Zone have been financially supported and financially assisted through Welsh Government business support programmes or direct interventions.

Enterprise Zone Business Rates Scheme

The Enterprise Zones Business Rates Scheme was launched in October 2012 as a means of providing financial assistance for business rates liabilities incurred by small and medium-sized businesses located in Enterprise Zones in Wales. Since its inception the Wales Enterprise Zone Business Rates Scheme has benefitted 29 businesses within the Anglesey Enterprise Zone with over £568K offered towards the cost of their business rates.

4. FUTURE PRIORITIES AND DIRECTION FOR THE ZONE

The Board has identified the following key priorities and objectives for the further development of the Zone moving forward:

Support for Business

- Continue with additional support for business within the Anglesey Enterprise Zone.
- **“Discover Tourism” and “Môn Larder”** - continue to support the opportunities and skills requirements in the local service sector.

Support for Projects

- **Menai Science Park (M-Sparc)** - Support the delivery of the proposed £50m thermal hydraulics facility in the North of Wales as part of the nuclear sector deal, making M-Sparc the destination of choice for North Wales.
- **UK/Welsh Government Public Sector R&D Innovation** – building on the potential Thermal Hydraulic Test facility at M-Sparc, maximise all opportunities through the industrial strategy and sector deals, to bring public sector technology developments into the Anglesey Enterprise Zone. This would include control and instrumentation technology, equipment qualification and a feasibility study for a potential civil nuclear cyber “stress testing” training centre.
- Support for the proposed Nuclear Institute through the North Wales Growth deal.
- **Marine related projects** – continue to support innovation through the emerging marine sector and offer support where appropriate including Morlais and Minesto.

Support for Infrastructure

- **New Industrial Sites & Premises** – ensure there is an adequate supply of appropriate industrial sites and property to meet the wide range of new and existing business requirements emerging from low carbon, marine and nuclear related activity.
- **EU Funding Project** - the Llangefni link road is well advanced in the construction phase; further work is now required to maximise the EU funding opportunities available to match fund a potential WEFO application. This will be to create new and upgrade existing industrial stock in the Llangefni area.

- **Holyhead Gateway** – Holyhead Gateway is master planned with significant investment opportunities in the nuclear, cruise, freight and marine sectors and with Brexit. Anglesey Enterprise Zone Board will continue to support this transformational project which is an Anglesey Enterprise Zone site; this project also forms part of the North Wales Growth deal.

- **Marketing and Promotion** - explore three key areas of promotional activity to enhance and add value to the Welsh Government promotional campaigns:
 - I. Explore the value of the control and instrumentation market for the nuclear sector as a cluster to develop around the Menai Science Park;
 - II. Support the development of the M-Sparc promotional video for the region on low carbon energy;
 - III. Host a developer event for Anglesey Enterprise Zone building on the success of the event in Manchester 2018.

5. GOVERNANCE

Enterprise Zone Boards

Each Enterprise Zone has been led since inception by an independent; private-sector Advisory Board which advises the Welsh Government on the implementation and delivery of action plans and priorities for the Zones.

Though governance arrangements for some Zones have been streamlined with effect from 31 July 2018, the Cabinet Secretary for Economy & Transport has asked for a Board to be appointed to oversee developments at the Anglesey Enterprise Zone for a further three year term until 31 July 2021.

Details of current membership of Anglesey Enterprise Zone Advisory Board is published at:

<https://gov.wales/anglesey-enterprise-zone-advisory-board>

6. PREVIOUS ENTERPRISE ZONE PUBLICATIONS

Strategic Plans

Anglesey Enterprise Zone – Strategic Plan 2015 (includes updates made in 2016 and 2017)

<http://gov.wales/docs/det/publications/170719-strategic-plan-anglesey-en.pdf>

Enterprise Zones – Progress Update November 2014

<http://gov.wales/docs/det/publications/141203-ezw-progress-update-en.pdf>

Enterprise Zones – Progress Update October 2013

<http://gov.wales/docs/det/publications/141001-enterprizezone-summary-en.pdf>

Enterprise Zone Performance

Key Performance Indicators 2017/18

<https://gov.wales/docs/det/publications/enterprise-zone-key-performance-indicators-annual-report-april-2017-to-march-2018.pdf>

Key Performance Indicators 2016/17

<http://gov.wales/docs/det/publications/170719-kpi-16-17-en.pdf>

Key Performance Indicators 2015/16

<http://gov.wales/docs/det/publications/160802-kpi-15-16-en.pdf>

Key Performance Indicators 2014/15

<http://gov.wales/docs/det/publications/150615-ezw-kpi-14-15-en.pdf>

Key Performance Indicators 2012/13 and 2013/14

<http://gov.wales/docs/det/publications/140522ezwkpi1213-1314en.pdf>