

COUNCIL: 21 SEPTEMBER 2023

INVESTMENT & DEVELOPMENT STATEMENT

Economic Update

Despite the UK's precarious economic health, Cardiff's economy continues to show signs of positivity. City centre footfall data continues to show recovery post-Covid, and the city continues to create jobs and opportunities. The latest data from the UK Competitiveness Index, released last month which measures the performance of local economies based on a range of indicators from economic activity to wages, highlights the increasingly competitive nature of our city's economy, and the continued focus we have on delivering more and better jobs for our communities. The data shows that Cardiff has risen a place in the Index, placing us 4th in the 'extended' Core Cities list included in the 2023 edition of the competitiveness rankings.

Of course, performing well on paper needs to translate into real outcomes for residents, which we have seen from recent announcements such as that of Rocket Science, a US specialist games company with offices in New York and Texas, which is to set up its new European headquarters in Cardiff. Rocket Science will create 50 highly paid and skilled jobs for games industry graduates and professionals, one of the creative industry's biggest and fastest growing sub-sectors.

We have also seen the news of new investment in Seren Studios in Cardiff, where US-based production company Great Point Studios have plans to double the capacity of the studios, reflecting the confidence in the city's film and TV sector. The Council has been closely involved in working with Great Point's local management and their international team in consolidating their interest in the Seren Studios and land at Wentloog. The Council has hosted several visits from the US management team to reinforce support for the investment and advise on the development options available for the company. Great Point have also signed up to the Cardiff Commitment, recognising the value in connecting with schools in the east of Cardiff to inform local children of the opportunities arising at the company's studios in Wentloog and in the creative industries generally.

It is clear, however, given the stagnation of the UK economy that we will need to continue to work hard to support our city's economy.

Cardiff Market

Members will have seen the recently announced plans for the significant restoration of Cardiff's historic Grade II* Listed Central Market. This £6m plus investment will help secure the future of the building as part of a thorough restoration that will reveal original design features, restore the traditional entrances and original stalls, repair the roof, and make improvements to the Victorian drainage system.

This investment is needed to protect the future of the building, which has not seen any significant restoration or renovation for over 30 years. Members should note that this is a restoration and renovation of our iconic market, not a regeneration or redevelopment. The Council is investing in supporting existing businesses within the market and helping them to thrive. The importance of this investment is recognised in our Corporate Plan, reflecting our commitment to working with partners to support the retail and hospitality sectors in successfully re-emerging from lockdown, and specific reference made to the need to progress proposals for investment in Cardiff Market.

Atlantic Wharf Masterplan

This month, the Atlantic Wharf Masterplan took another step forward as the Council presented the redevelopment opportunity to the market. The regeneration opportunity covers around 30 acres and includes the planned Indoor Arena and the existing County Hall and Red Dragon Centre sites. Around 7 acres of land north of Hemingway Road, containing the current County Hall site, will be taken forward through a procurement process, where the Council will specify some elements of the redevelopment including the delivery of offices and a creative industries production studio.

The remaining 11.3 acres of land south of Hemingway Road containing the Red Dragon Centre and land immediately adjoining will be marketed as a land transaction. The marketing process will run for eight weeks and will seek to secure a developer to enter into an 'Option Agreement' to bring forward a phased mixed-use development including the relocation of tenants of the Red Dragon Centre into new purpose-built space.

The marketing of the site will deliver the ancillary facilities for the Indoor Arena, as well as modern office space and a production studio, which will create further jobs and investment into this part of Cardiff Bay. Despite the challenging economic climate, the Council is committed to transforming this part of Cardiff Bay which will benefit local people by creating much-needed jobs and opportunities.

The process builds on the continued commitment from Live Nation to deliver the new Indoor Arena, with enabling works due to start on-site prior to Christmas and construction due to start in 2024 for the Arena to be opened in 2026.

Cardiff Growth Fund

The Cardiff Growth Fund provides up to £10,000 for existing businesses, on a match-funded basis, with the focus on creating a fairer, greener and prosperous future for Cardiff businesses. The fund has been popular with businesses to date, with investments in areas such as energy efficiency, new machinery to reach new markets and supporting business expansions. Information on the Growth Fund can be found at: <https://www.cardiff.gov.uk/ENG/Business/Support-and-Finance-for-Business/cardiff-growth-fund/Pages/default.aspx>

Business Roadshow

Members will recall that the Council have held business park roadshows where a team of officers and external organisations have met businesses on local business parks to provide guidance on funding support and advice. A recent event held at Ty Glas Business Park was a success and a new event in Cardiff Castle will be held for city centre businesses on 10 October 2023.

In the current challenging business climate, businesses are keen to understand new funding sources and advice to support their business, and this event brings together business and infrastructure organisations including the Development Bank for Wales; Business Wales; Transport for Wales and FOR Cardiff in addition to Council officers from Economic Development, Finance and the Into Work Advice Service to provide an overview of available funding support and business advice. The event will be free for businesses in the city centre.

Councillor Huw Thomas
Leader of the Council
21 September 2023