

COUNCIL: 25 JANUARY 2024

INVESTMENT & DEVELOPMENT STATEMENT

Economic Outlook

Despite the turbulent economic times being experienced by across Europe and in the United States, Cardiff continues to see more jobs being created. The latest Annual Population Survey data for Cardiff, released last week, shows that the number of residents in employment grew by 6% – more than any other UK Core City and against a background of zero growth for the UK, meaning that more Cardiff residents are in work than ever before.

The latest Annual Survey of Hours and Earnings also showed that annual salaries for full time workers in Cardiff rose by 7.4% in 2023, higher than the national average, though clearly this has been eroded by the price increases we have all experienced across the UK.

As always, we are aware that whilst there is positive news for many, the economic situation means that businesses in Cardiff continue to fight against the headwinds of energy costs and inflation, and a low growth economy.

East Cardiff Industrial Strategy

This month, the city saw a further step towards the delivery of key aspects of the Administration's East Cardiff Industrial Strategy. The Administration has long recognised the need to invest in the east of the city, to support those that live there through creating more jobs, developing the transport infrastructure and improving the local environment.

The recent planning approval for the new relief road and business park at the Cardiff East Park and Ride will see parts of the site used to address congestion in residential areas, improve connections between the east of the city and the city centre, as well as providing new employment opportunities.

As part of the new development, a new bridge built over the Rhymney River will link the communities of Llanrumney and Pentwyn, which are currently divided by the A48. The site will also include provision for offices and industrial units, as well as provision for electric vehicle charging.

The development reflects the Administration's ambition to make a Stronger, Fairer, Greener city, creating jobs and opportunities for people across all of our communities.

Shared Prosperity Fund

Members will be aware that as well as the Cardiff Growth Fund that has been established, a number of schemes have also been supported through our Shared Prosperity Fund to support businesses and our local economy. This includes funding to Business in Focus to provide community-based engagement and business support for entrepreneurs; funding for the Cardiff Circular Economy Network to provide help and advice to businesses and third sector organisations to reduce their carbon footprint, redesign their products and services to reuse, recycle and reduce waste; and funding has also been provided to the Prince's Trust to undertake an Enterprise Programme for young people who are economically inactive.

A range of additional projects that will support people into employment, targeting some of Cardiff's most deprived communities, and to support businesses to become greener and more sustainable will also be supported in the new financial year from the Shared Prosperity Fund open call. Schemes will also be supported to help attract visitors to the city.

The Council will continue to operate its other grant schemes for the Shared Prosperity Fund which can be accessed through our Support and Finance for Business page on the Cardiff Council website. In particular, the Administration is keen to support businesses to invest in ways to mitigate rises in energy costs and to become more sustainable in the long-term.

Councillor Russell Goodway
Cabinet Member for Investment & Development
19 January 2024