

DATE – 28.03.2019

PEMBROKE DOCK MARINE PROJECT

RECOMMENDATIONS / KEY DECISIONS REQUIRED:

- (i) To approve the change in project scope subject to any comments from the ESB.
- (ii) To agree the five year project delivery period commences from the start on site date.
- (iii) To approve the principle of a shared allocation of NNDR uplift.

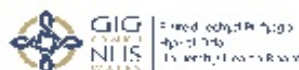
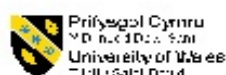
REASONS:

The Pembroke Dock Marine project is at a critical stage with partners and Pembrokeshire County Council unable to make further progress without these issues being resolved.

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EXECUTIVE SUMMARY

SWANSEA BAY CITY REGION JOINT COMMITTEE

28TH MARCH 2019

PEMBROKE DOCK MARINE PROJECT

BRIEF SUMMARY OF PURPOSE OF REPORT

PEMBROKE DOCK MARINE PROJECT: KEY ISSUES

Background

The Regional Office has received a request from Milford Haven Port Authority (on behalf of the Pembroke Dock Marine Project partners) and Pembrokeshire County Council for the Joint Committee to address a number of key issues that, individually and collectively, determine the fate and future of the PDM project. These issues are now urgent, and if supported, would enable both Governments to respond with a phased approval whereby the match funding for WEFO funded elements could be released to keep the project on track.

The case for Joint Committee decisions is set out on the attached Memorandum from Milford Haven Port Authority (dated 11 February; see Appendix 1). Significant progress on the PDM has already been achieved through the combined actions of the project partners, with major inward investment (£15m-£35m) secured on the presumption that the PDM will be delivered (see Appendix 2a, 2b, and 2c).

The project has evolved (and reduced in size) to reflect both industry needs and EU/WEFO funding timescales. The revised project (see Appendix 3) has been considered by the Regional Office (see Appendix 4) and was considered by the Economic Strategy Board at its site visit on 26 February. Pembrokeshire County Council support the change in scope.

Key issues

1. Revised project scope

Subject to comments from the ESB the Joint Committee is requested to approve the revised project scope.

2. Timeframe

The Joint Committee is requested to approve that the (discretionary) five year project delivery period commence from the start on site date rather than the approval date. (This reflects the extensive terrestrial and marine consenting process.)

3. NNDR uplift allocation

The PDM is 'unusual' insofar as the c.£48m capital expenditure is not likely to generate a significant uplift in NNDR. Historically, new businesses have been entitled to business rate relief in Enterprise Zones. Pembrokeshire County Council and PDM partners argue that as all City Deal projects are of regional benefit, and all costs are apportioned equally, then the net NNDR uplift from the City Deal projects should be aggregated and apportioned across the suite of projects.

Subject to the Welsh Government approving any necessary legislative changes, the Joint Committee is requested to agree the principle of shared NNDR allocation. This may also require clarification from WG, reference Mark Drakeford's letter of 11 April 2018, in this regard.

Conclusion

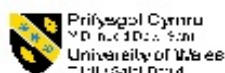
The PDM project is at a critical stage with partners and Pembrokeshire County Council unable to make further progress without these key issues being resolved.

The PDM has the potential to give the city region a competitive edge in the global marine energy sector (see forthcoming Marine Energy Wales Conference, 4 April 2019).

DETAILED REPORT ATTACHED?

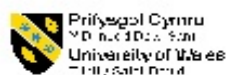
YES

Appendices 1 - 4



IMPLICATIONS

Policy, Crime & Disorder and Equalities NONE	Legal NONE	Finance NONE	Risk Management Issues NONE	Staffing Implications NONE



CONSULTATIONS

Extensive consultations with industry, and local stakeholders, with WEFO and WG and with UK Government.

Section 100D Local Government Act, 1972 – Access to Information

List of Background Papers used in the preparation of this report:

THESE ARE DETAILED BELOW

Title of Document	File Ref No.	Locations that the papers are available for public inspection/WEBSITE LINK

