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The Rt Hon Nicholas Edwards MP

2/pjs *Prinisterlin* *N3*  
*ms 22/3*

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From The Secretary of State for Wales

*m*  
21 March 1983

*Dear Gwyn*

You and colleagues will know that I have been examining the possibility of establishing a third Enterprise Zone in Wales.

There is much interest among local authorities in Wales in the EZ idea and I have had to consider some ten or so claims for EZ designation. Only two seemed to me to merit serious consideration, one in Blaenau Gwent and one in Pembrokeshire. I have considered the issues very fully and firmly recommend the proposals of Preseli and South Pembrokeshire District Councils for a zone covering land on both sides of the Milford Haven waterway.

This proposal has been developed from an original application confined to land on the southern shore of the Haven. The area on either side of the waterway has however a natural cohesion and common economic problems and this argued for a co-ordinated approach taking in sites on both sides. As a result recent discussions involving both local authorities and major landowners in the area have suggested that the zone should comprise three main and closely related blocks fronting on the Haven including substantial areas in the dockyard land at Pembroke Dock and the Milford Docks at Milford Haven. Much of the land is privately owned and the main owners would be ready and willing to play their part in an Enterprise Zone.

The area has suffered considerably from the decline of fishing and other port related industries and, more recently, from closures and cutbacks at the refineries. Unemployment rates are very high - even by current Welsh standards (Pembroke Dock has a rate of about 30%) - and there is little realistic expectation of early recovery unless some boost can be given to the attractiveness of the area for new industrial and commercial development. In fact the area has unique opportunities for capitalising on its deep water frontage and local skills in the manufacturing or service industries and both the public and private sectors share a common concern to use the EZ experiment as a focus to revive activity in the docks sites and those related to them nearby. Direct EZ inducements and a co-ordinated approach, in both financial and administrative terms, to infrastructure development and marketing which I intend to ensure will go a long way to help restore the health of the area.

/The Zone

The Rt Hon Sir Geoffrey Howe QC MP



Regional Pl. Review  
Pt 5



The Zone which has been proposed totals about 258 acres in three main blocks of which 112 acres are in the two dockland sites. (I would want of course to discuss the precise coverage further in a little more detail with the local authorities). About 175 acres of the land is privately owned some of which is already occupied or available (142 acres) and the remainder will be made available in the short (78 acres) or longer term (38 acres). The rates payable in the proposed zone would be of the order of £200,000 as compared for example with the £225,000 or so estimated in the Flint zone.

I would like to make an early announcement - if possible, before Easter - and get the process of defining the exact boundary and agreeing the scheme with the participating authorities under way as quickly as possible. Can I ask, therefore, for confirmation of the proposal by 25 March.

I am copying this to the Prime Minister, the members of 'E' Committee, George Younger and Michael Heseltine.

✓ — esm  
Ncar



21 MAR 1987



CC/NO

Prime Minister<sup>2</sup>

Treasury Chambers, Parliament Street, SW1P 3AG  
01-233 3000

Mus 29/3

The Rt Hon Nicholas Edwards MP  
Secretary of State for Wales

25 March 1983

MT

De Nick

Thank you for your letter of 21 March reporting the outcome of your examination of the possibility of a third Enterprise Zone in Wales.

I am content for you to go ahead with the designation of the site around Milford Haven which appears to be a sound proposition as an EZ. We had left such an option open from the last round, which can now be regarded as settled.

You say in your letter that the site totals around 258 acres, subject to detailed negotiations with local authorities. This is well up to the average for the existing zones and I should not want the eventual figure to be significantly higher.

I am copying this to the Prime Minister, the members of E Committee, George Younger and Michael Heseltine.

GEOFFREY HOWE



28 MAR 1993





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NBPM

My ref: K/PSO/11711/83

Your ref:

MUR 29/3

29 MAR 83

*De Geoffroy,*

#### A THIRD ENTERPRISE ZONE IN WALES

I have seen Nick Edwards' letter to you of 21 March, in which he proposes that land on both sides of the Milford Haven waterway be designated as the third Welsh enterprise zone.

The sites described by Nick appear very suitable for such designation. We already have experience of enterprise zones made up of sites in close proximity to each other, but lying in the administrative area of two local authorities (Newcastle/Gateshead and Salford/Trafford). We have been concerned to ensure that the authorities involved work very closely together from the outset, and that they promote the several sites as a single zone. I am glad that Nick would wish to see a similarly unified approach to handling the proposed third Welsh zone.

My only other point is to stress the desirability of drawing the zone's boundary as far as possible so as to exclude existing businesses. We have had this objective very much in mind in looking at the exact areas of the new zones announced last November, both to keep down the initial costs to the Exchequer, and also to minimise the incidence of "windfall gains" to established firms. Practical considerations will always mean that some existing businesses have to be included, but Nick may find it possible to cut down the likely rates cost of the proposed third zone a little further.

Copies of this letter go to the recipients of Nick Edwards' letter.

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K*

TOM KING



Reg PO: Review P+S

29 MAR 1983

