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Y SWYDDFA GYMREIG

GWYDYR HOUSE

WHITEHALL LONDON SW1A 2ER

Tel. 01-233 3000 (Switsfwrdd)
01-233 8545 (Llinell Union)



WELSH OFFICE

GWYDYR HOUSE

WHITEHALL LONDON SW1A 2ER

Tel. 01-233 3000 (Switchboard)
01-233 8545 (Direct Line)

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FROM THE PRIVATE SECRETARY

TO THE SECRETARY OF STATE

FOR WALES

Prime Minister (4)

To note the progress
which has been made following the
Courtaulds closures, progress which of course
you did a good deal to push along.
Dear Mark,
MEM 26/6

26 June 1986

You asked for an up-date on the various measures taken
in the wake of the Courtaulds closures in Wrexham and
... Delyn. I attach a note which sets out the action taken
by both the Department and the company which covers
progress to date and also an announcement which is
expected shortly.

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R C WILLIAMS

Mark Addison Esq
10 Downing Street
London
SW1

BACKGROUND BREIFING - COURTAULDS CLOSURES

1. Following the closure of the Courtaulds plants at Greenfield and Wrexham the Secretary of State and Courtaulds plc both announced a range of measures to assist the areas affected. These included:-

Secretary of State

- a. sympathetic consideration to economically justifiable road projects designed to encourage new industrial development and improve access between the A483 and the Wrexham Industrial Estate;
- b. urban programme aid of £1m (in 1985/86) for new schemes in the Clwyd area and provision by the MSC of additional special programme places;
- c. additional factory building by the WDA at Wrexham and Deeside, costing £2.4m, and use of the full range of its support services.

Courtaulds plc

- d. intensive searching for jobs available in existing enterprises and the use of specialist training consultants;
 - e. clearing the sites of hazardous materials, preparing a report on each, and transferring them to the local authorities concerned;
 - f. arranging senior management input into the Delyn Enterprise Agency.
2. Action taken since then includes:-

Welsh Office/WDA

- a. announcement of the Transport Supplementary Grant settlement in December 1985, which will enable Clwyd County Council to commence construction in 1986/87 on the provision of a road bridge over the Wrexham-Bidston railway line at the Deeside Industrial Park;
- b. urban programme measures for 1986/87 for infrastructure works at the Wrexham Technology Park (£350,000) and the Redwither Industrial Estate, Wrexham (£1m), and the Delyn Enterprise Zone (£1m);

- c. special capital allocations (PRNI) for 1986/87 for work on the Delyn Enterprise Zone and the Greenfield site (£1.8m) and on the Redwither Industrial Park, Wrexham (£0.8m);
- d. the WDA is constructing a 50,000 sq ft unit on the Deeside Industrial Park together with a wide range of other units; is planning the construction of 3 units (total 15,000 sq ft) on the Wrexham Technology Park; and has just started work on an extensive land reclamation scheme at the Greenfield site. Total expenditure to date is £2.7m; budget for 1986/87 is £2.84m (partly included in the "to date" total).

Courtaulds plc/Delyn Borough Council/Delyn Enterprise Agency

- e. job search centres were set up at each plant, providing individual counselling and information. All the craft apprentices affected by the closures were successfully placed with other employers. The specialist consultants provided additional support, for example by identifying latent skills and providing structured training in conjunction with the MSC;
- f. both the Courtaulds No 1 site at Greenfield and its plant at Wrexham (at Redwither) have now been almost completely cleared of hazardous materials and most of the redundant buildings at Greenfield have been demolished. Reports on the condition of each site were given to both local authorities (Delyn BC and Wrexham BC) and the sites transferred;
- g. senior managers have been seconded to the Delyn Enterprise Agency. The full-time secondee (Mr Griffiths) will remain there for up to 3 years, helping the LEA in its various tasks of assisting local enterprise to develop. One example of this is the conversion by Delyn BC of former Courtaulds warehouses into micro workshops (due for completion in July) which will be managed by the LEA. The Agency and the new workshops are due to be formally opened by Mr Wyn Roberts in October.
3. The success of the measures is now starting to be seen: we have the recent announcement by Breger Gibson, the first company to set up on the Greenfield site, of a development which promises up to 300 jobs in the next few years. [Confidential: an announcement is expected soon that a second company, from Finland, will start operations at Greenfield employing about 60 people.]

PM

MTG WITH
MAREK

4/05

