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MAJOR INVESTMENT FOR WALES

Cardiff International Business Park **Connecting Wales to the global economy, creating 4,375 jobs and investment of £525m**

Legal & General remain committed to obtaining planning permission for a progressive Business Park of 45-hectares near Cardiff International Airport and today confirmed that it wishes to continue to invest and work closely with Welsh Government and the Vale of Glamorgan Council.

The proposed development is within one of eight Enterprise Zones designated by the Welsh Government. It would deliver a first-class business infrastructure to Wales, bringing significant economic benefits, not only for the Capital Region, but for Wales on an international scale.

Having had the backing of the Council Planning Committee and Executive, the planning consent has been delayed, and Legal & General has recently written to the Welsh Government, to seek further cooperation for the investment.

Andrew McPhillips, Development Director of Legal & General Strategic Land and Major Projects, stated: "This is a key project for Wales and we know it is important that we continue to communicate our plans to key stakeholders, the community and future partners. "

Andrew McPhillips said "It is important that we have a continued dialogue with Welsh Government and Vale of Glamorgan Council. Wales must be open for business for those who want to invest and consider investment in its future global economic development. The land has been allocated for planning within the enterprise zone for a number of years.

"Legal & General has been committed to Wales as a progressive investor and substantial employer for many years. This is a project which will increase economic growth and we will continue to pursue the planning viability sensitively with existing stakeholders."

Jobs and Investment

Andrew McPhillips adds: "Creating 4,375 jobs and investment of £525 million must be seen as essential for the future of the Welsh economy, especially next to Cardiff International Airport. This investment in business infrastructure by Legal & General enhances the Welsh Government's current major investment in Cardiff International Airport which is a strategic gateway to facilitate international connectivity."

Allocated in the Local and National Development Plans

The country's national development plan named '[Future Wales: The National Plan 2040](#)' states that "Cardiff Airport and the Enterprise Zone is an essential part of Wales's strategic transport infrastructure. It is an international gateway connecting Wales to the world and is an important driver within the Welsh economy." It continues: "The Enterprise Zone offers a wide range of development sites and business accommodation, providing opportunities for the development of bespoke facilities or investment in existing accommodation."

Mr McPhillips added " **Future Wales** provides a strategic direction for all scales of planning and sets out policies and key issues to be considered in the planning decision making process, especially in relation to Cardiff International Airport and the Enterprise Zone. This site has strategic economic importance because of its proximity to the runway. That is why, following comprehensive consultation, it was rightly allocated in the local development plan in 2017."

The Welsh Government is the sole shareholder in nearby Cardiff International Airport and the development plans enhance the Government's continued investment in the economic infrastructure of Wales. The project sits within the recently adopted **Future Wales: The National Plan 2040** and the **Llwybr Newydd: The Wales Transport Strategy 2021** policy.

Environment, Community and Biodiversity

Mr McPhillips said "In addition to forecasted new jobs, the development will bring wider social and environmental benefits. We have already agreed the transfer of 48 hectares of land to the Vale of Glamorgan Council to form an extension to Porthkerry Country Park, for use by the community with added funding for environmental management. This transfer will provide more public access with connection to the Wales Coastal Path, and access on foot from Porthkerry and Rhoose. From an environmental perspective, this transfer goes beyond mitigation and provides significant biodiversity net gain. In addition to the country park, there would be a total of 10.3ha. of green space within the business park."

New Rail Links

The proposals incorporate the safeguarding of a land corridor alongside Porthkerry Road, connecting the existing Cardiff-Bridgend railway line with the Airport passenger terminal. This would facilitate a completely new rail/tram service directly to the Airport.

Planning

The economic merits of the approval given by the Planning Committee originally are supported by advisers RPS Consulting.

Darren Parker Operations Director of RPS Consulting UK & Ireland stated, "Cardiff International Business Park is plan led development. Following comprehensive public consultation and examination, the site was designated as a location for large-scale employment in the 2017 local development plan adopted by the Vale of Glamorgan Council. As presented to Members of the Council's Planning Committee last year, the national policy framework, put in place by Welsh Government in 2021, fully supports the future development of Cardiff Airport and the Enterprise Zone. Legal & General, as a well-qualified investor in Wales over many years, wishes to continue to support the economy of Wales. The merits of this development were outlined by the Executive at the Vale of Glamorgan Council Planning Committee meeting, as a major opportunity for economic growth, sitting alongside the Airport."

Notes

CREATING 4,375 JOBS

Based on the overall floorspace of the proposed development (circa 160,000m²) and using Homes & Communities Agency (HCA) indicative floorspace densities, the anticipated level of employment floorspace could create the capacity to accommodate approximately 4,375 Full Time Equivalent (FTE) jobs.

TOTAL INVESTMENT - £525 MILLION

The total cost of the development proposal is estimated at c. £180m. The latest study from CBI and Oxford Economics suggests that for every £1 spent on construction, this creates £2.92 of value to the UK economy. This development could result in a total direct and indirect investment in the economy of over £525m.

GROSS VALUE ADDED (GVA) OPERATIONAL - £232 MILLION

Gross Value Added (GVA) measures local economic output. The latest data from the Annual Business Survey was used to determine the GVA associated with the anticipated number of operational phase jobs that could be created by this scheme.

GROSS VALUE ADDED (GVA) CONSTRUCTION - £69 MILLION

The contribution of the site to economic output has been calculated by taking the job creation associated with the construction phase of the scheme and multiplying this by an estimate of average levels of Gross Value Added (GVA) per employee. It is estimated that the GVA associated with the direct construction jobs will be around £6.9m per annum or c. £69m over the entire construction phase.

When combining the operational and construction GVA this results in a total GVA across the scheme of c. £300m.

BUILD PHASE - 104 FULL TIME EQUIVALENT JOBS

Construction is estimated to last up to 10 years and generate up to 1,050 person years of construction sector employment. This equates to the creation of 104 full time equivalent jobs.

PRESERVING AND ENHANCING THE ENVIRONMENT

Legal & General will transfer approximately 48 hectares of land to the Vale of Glamorgan Council to extend the Porthkerry Country Park, providing significant biodiversity net gain as well as considerably expanding public accessibility to the countryside. It is anticipated that the extension will result in increased visitor numbers to Porthkerry Country Park.

Legal & General will be making financial contributions of over £500,000 towards the establishment and maintenance of the park environment.

Other enhancements include:

- Nearly two miles (3.01 km) of new hedgerows, which is the length of 30 football pitches. Plus 300m of hedgerows to be restored through additional planting
- Nearly 4 acres (1.5 hectares) of hazel dominated scrub planting
- Nearly 2.5 acres (1 hectare) of scrub planting
- Over 6 acres (2.5 hectares) of new broadleaved woodland planting.
- The total area of planting is greater than the rugby pitches at six international rugby stadiums.

LEGAL & GENERAL IN WALES

The planning and development of Cardiff International Business Park is led by Legal & General. Cardiff and the surrounding area is an important, strategic investment region for L&G. Last year, in celebrating 25 years in Cardiff, it was announced that in 2023, L&G will move almost 2,000 Cardiff employees to the new £140 million Interchange building in Central Square. In doing so, L&G is committing to Cardiff for another 25 years, and beyond. L & G's investment into the Interchange is part of £450 million of investment to regenerate Central Square. This major regeneration project will provide circa 13,000 new jobs as well as up to £1.1bn of gross value to the city region.

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