

BUDGET BOOST FOR AEROHUB ENTERPRISE ZONE

Businesses locating to the Aerohub Enterprise Zone at Newquay Cornwall Airport will benefit from tax incentives for a further three years, under measures announced by the Chancellor in today's Budget.

This means that businesses moving to the Aerohub Enterprise Zone will benefit from business rate discounts for five years, with the offer extending until March 2018.

The support is being offered as part of the Government's long-term plan to rebalance the economy, and will help Aerohub achieve its potential as a key driver of the local economy.

Local Growth Minister Kris Hopkins said:

"The Aerohub at Newquay Cornwall Airport has quickly established itself as one of the world's most advanced facilities for unmanned aerial vehicles. Today's announcement means it can now build on this success, and fulfil its ambition of creating 5,000 jobs."

Chair of Cornwall and the Isles of Scilly Local Enterprise Partnership, Chris Pomfret added:

"Aerohub has the potential to support some 700 jobs by 2015 so the announcement that rate discounts and capital allowances are going to be extended for a further three years to 2018 is very welcome news indeed. This was something we had lobbied Government for because the incentives help remove barriers to growth and make Aerohub an attractive proposition to inward investors. Aerohub is already home to 148 jobs with seven new businesses taking up residence since the zone went live in April 2012. Over the next year we expect to see at least 100 more jobs created with two businesses already committed and a number of others in talks to locate there."

Aerohub is establishing itself as a world-class home for aerospace firms, as well as a major driver of the Cornwall economy.

Australian logistics firm CIS this month became the latest company to move onto the Enterprise Zone, joining major players like Augusta Westland and Bristow and small and medium enterprises like Apple Aviation, whose bespoke hangar facility is due to be completed this year.

Long term programme to drive growth

Enterprise Zones are at the centre of the Government's plan to grow the economy in a balanced way – across all industries, creating jobs and getting people into employment.

Since they opened for business in April 2012 Enterprise Zones have laid firm foundations for success, attracting international companies, building centres of excellence in key industries such as automotive, pharmaceuticals and renewable

energy that will ensure that Britain continues to be competitive and successful on a global stage.

Further Information:

- This is a 25 year programme to deliver local growth and jobs through Enterprise Zones. In their first 18 months, Enterprise Zones have attracted over 250 businesses, created over 7,000 jobs and secured £1.1 billion of private sector investment.
- The Government is investing £330m in infrastructure to support Enterprise Zones to realise their potential as the engine rooms of local economies.
- Local areas will benefit from millions of pounds of taxes generated by the businesses in their Enterprise Zone over the next 25 years. The money, generated through the 100% business rate retention scheme, can be reinvested in local businesses, jobs and skills and will provide Local Enterprise Partnerships with a guaranteed funding stream.
- As part of the Budget 2014 the Chancellor announced that the Government will extend the deadline by which businesses need to have located in an Enterprise Zone in order to claim business rates discounts by three years until 31 March 2018. It will also extend the period in which enhanced capital allowances are available in Enterprise Zones by three years until 31 March 2020.

For more information, please contact:

Notes to editors:

Enterprise Zones

Enterprise zones have the opportunity to attract investment, developments and jobs through a combination of business rate discounts worth up to £275,000 over five years for each business in the zone, simplified planning procedures and superfast broadband links.

Aerohub @ Newquay Cornwall Airport is being led by the Cornwall and Isles of Scilly Local Enterprise Partnership and Cornwall Council, as the owners of the airport and surrounding land. They have co-commissioned Cornwall Development Company, the Council's arms length development company, to deliver the enterprise Zone project alongside Cornwall Airport Limited as the operator of the Airport.

www.newquaycornwallairport.com/aerohub

Cornwall and Isles of Scilly Local Enterprise Partnership

The Cornwall and Isles of Scilly Local Enterprise Partnership (LEP) was launched in May 2011. Private sector-led, it is a partnership between the private and public sectors and is driving the economic strategy for the area, determining local priorities and undertaking activities to drive growth and the creation of local jobs.

www.cornwallandislesofscillylep.com

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Convergence Programme European Regional Development Fund (ERDF)

The Aerohub Team at CDC is part financed by the European Regional Development Fund Convergence Programme 2007 to 2013. The Department for Communities and Local Government is the managing authority for the European Regional Development Fund Programme, which is one of the funds established by the European Commission to help local areas stimulate their economic development by investing in projects which will support local businesses and create jobs.

For more information visit www.communities.gov.uk/erdf or www.convergencecornwall.com

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Cornwall Development Company

Cornwall Development Company is the arms length economic development company of Cornwall Council. www.cornwalldevelopmentcompany.co.uk

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