



Western Gateway Porth y Gorllewin

Our Plan for Sustainable Growth

Fuelling the UK's Future Economy

Delivering a greener, fairer, future

October 2024



The Western Gateway Area

Our Area's Strengths

The Western Gateway area is unique, spanning two countries and benefiting from their rich mix of history and culture. This diversity is at the heart of our strength and potential to be a global leader in innovation.

Drawing upon a heritage of pioneers and creatives: Sir Frank Whittle, Sir William Grove, the area is primed to lead the UK to a new generation of economic success. Already the area provides innovation in energy, aerospace & advanced manufacturing, creative and digital industries, fintech, and cyber and technology. This has allowed it to grow 1.9% pa in the last few years, providing a strong bounce back from Covid, including growth in jobs to higher levels than before the pandemic.

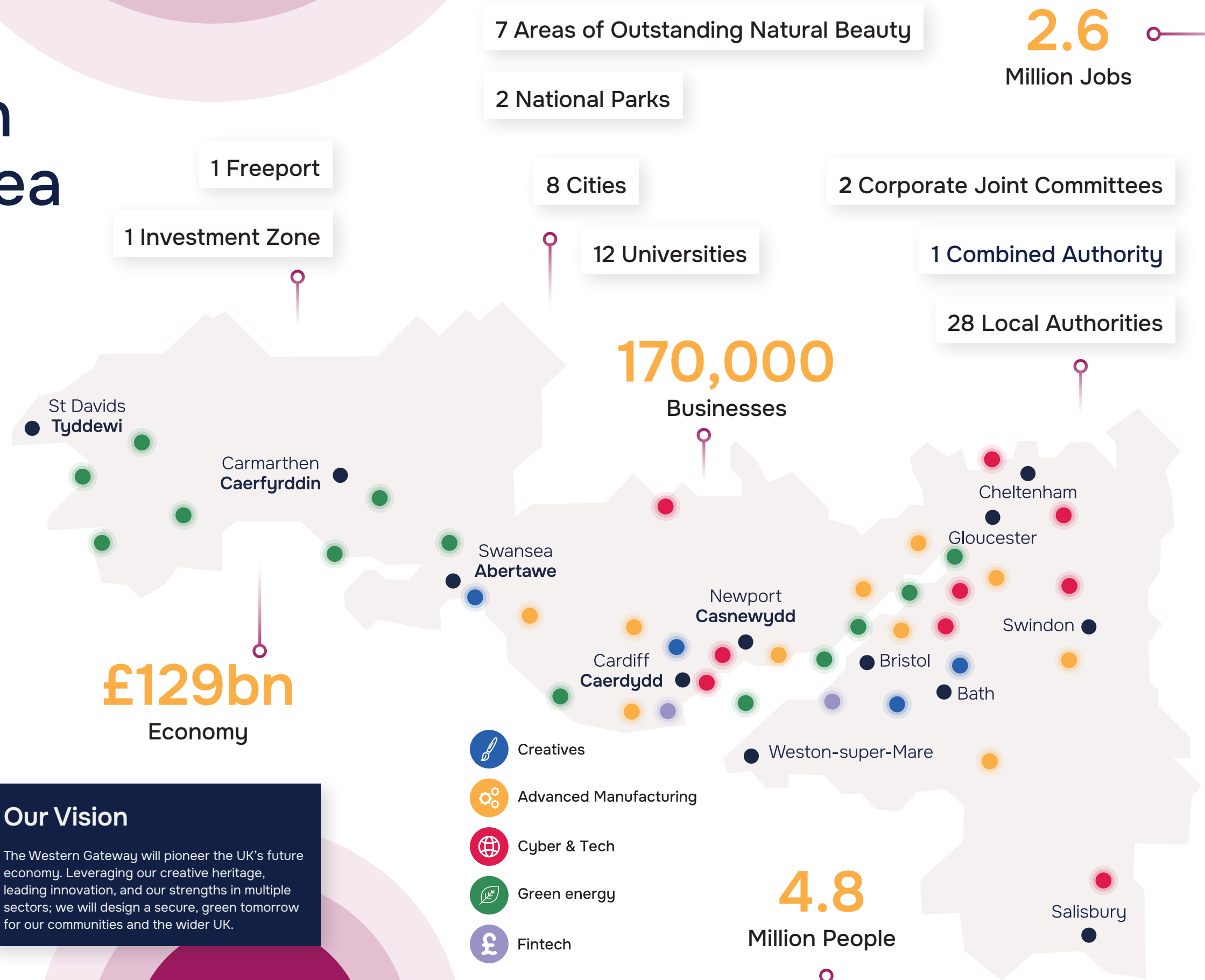
The mix of industry sectors present in the Western Gateway makes it well placed to reap the benefits of cross-sectoral innovation and the influence of Artificial Intelligence. With so many of the critical industries of the future strong in our area, their ability to collaborate for the benefit of the UK economy and the UK Government's growth strategies is huge.

When combined with the vast natural resources of our area, a strong and educated workforce (3.4% unemployment and 42.4% qualified to NVQ4+) and access to abundant and relatively affordable real estate, the Western Gateway is uniquely placed to grow rapidly, indeed it is forecast to continue to grow faster than any other area of the UK outside London.

With such amazing potential, the Western Gateway Partnership wants to ensure the area delivers for the benefit of the UK and the people, businesses and organisations that live and work in our regions. We will do that by pursuing our evidence-based vision.

Our Vision

The Western Gateway will pioneer the UK's future economy. Leveraging our creative heritage, leading innovation, and our strengths in multiple sectors; we will design a secure, green tomorrow for our communities and the wider UK.



Delivering

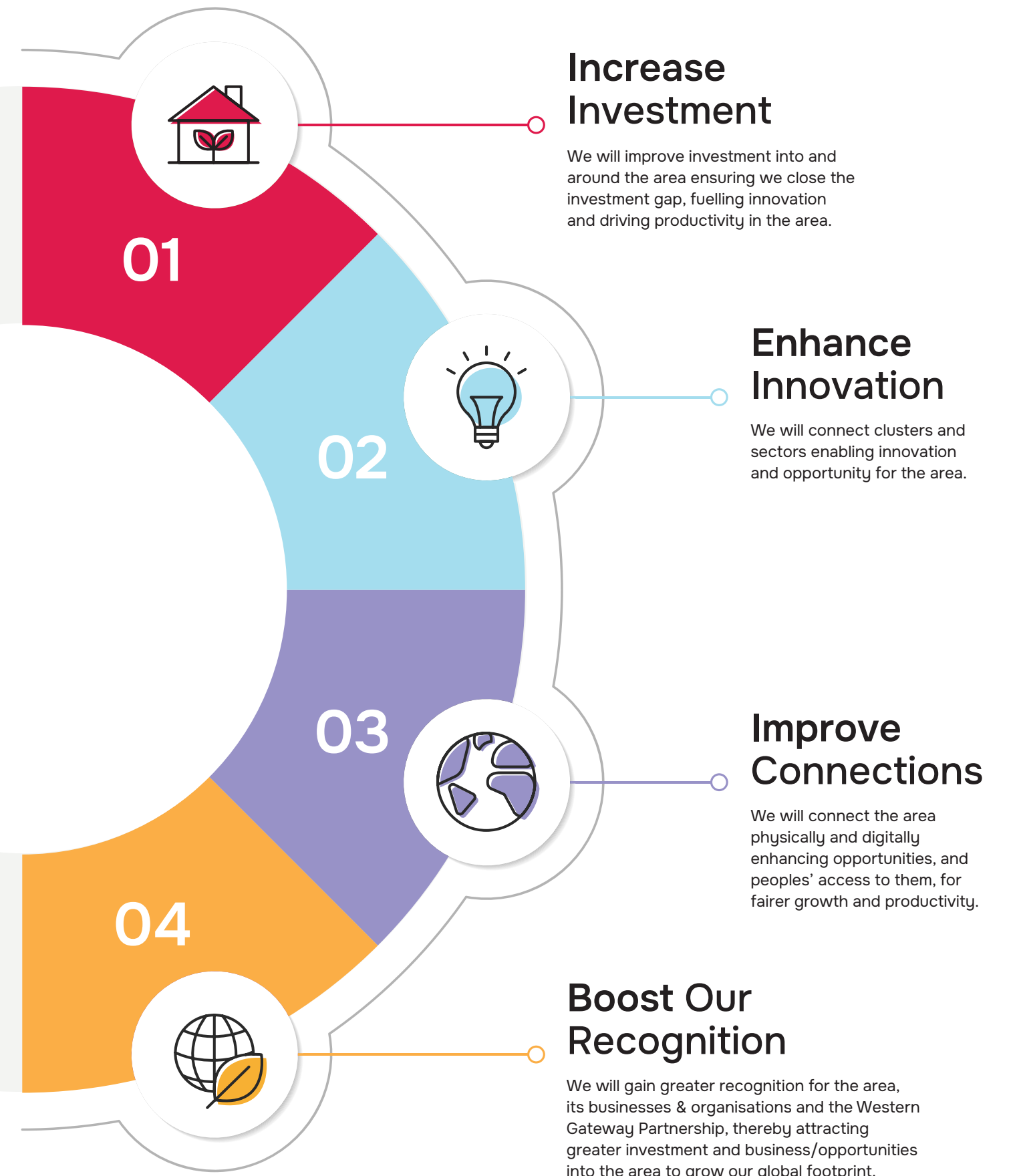
The Western Gateway Partnership, supported by its committed local authority members and academic and industry partners, is already delivering on its vision. We have successfully:

- ✓ Launched a Rail Vision for 2050.
- ✓ Connected a thriving green energy ecosystem, including attracting nationally significant private nuclear investment at Severn Edge.
- ✓ Convened international investors at major events such as the UK's Real Estate Infrastructure and Investment Forum (UKREiIF).
- ✓ Created an independent commission to assess the feasibility of harnessing vast tidal power in the Severn Estuary.

- ✓ Accelerated collaboration across our globally significant cyber and tech super cluster.
- ✓ Secured new investment into an academic and industry collaboration looking to develop a hydrogen supercluster across the area.
- ✓ Created the UK's first cross border Hydrogen Ecosystem with a groundbreaking Hydrogen Gateway Conference and strategic pathway exposing potential for large-scale floating offshore wind and sustainable aviation fuel investment.

Areas for Impact

We want to build on this success, to deliver our mission of a greener, fairer future for our area. Our research shows we have built the key sectors for growth and are well-placed to create and deliver large parts of the emerging National Industrial Strategy. To make good on this potential the Partnership is focusing our efforts in four key areas:



Increase Investment

We will improve investment into and around the area ensuring we close the investment gap, fuelling innovation and driving productivity in the area.

Enhance Innovation

We will connect clusters and sectors enabling innovation and opportunity for the area.

Improve Connections

We will connect the area physically and digitally enhancing opportunities, and peoples' access to them, for fairer growth and productivity.

Boost Our Recognition

We will gain greater recognition for the area, its businesses & organisations and the Western Gateway Partnership, thereby attracting greater investment and business/opportunities into the area to grow our global footprint.

By delivering against these four areas, we will strengthen our key sectors and the area, supporting it to become world-leading for the benefit of our communities and wider UK economy.



Increase Investment

Done in the right way, investment is the fuel which enables inclusive growth. High rewards often come from high risk and being willing to innovate and take risks is something Western Gateway businesses do well. Investing in Information Communication and Technology (ICT) to a higher degree than anywhere else in the UK outside London, our businesses have, and are, backing the area for future prosperity. Likewise, our academic institutions and local authorities have been bold in their investment and attraction of additional investment.

We Have

- Secured, with partners, a substantial and nationally significant investment of over £100m in the Severn Edge Low Carbon Energy Park (two nuclear related sites at Oldbury and Berkley); preparing the groundwork for a site that is ready to deliver the next generation of nuclear technology and the skills for the UK to maximise that potential.
- Completed comprehensive research on the economy of the area, the investment ecosystem within the area and an international strategy for the area, providing a strong evidence base for our economic narrative and this plan.
- Supported the ambitious Golden Valley Development with local authority and private partners, providing an ongoing future for innovation in security related technologies building on the deep expertise in cyber security in the area.
- Backed schemes building on history for energy innovation such as Brig-Y-Don and Aberthaw Power Station.
- Collaborated with organisations like the Connected Places Catapult and the pioneering Bristol City Leap model to help attract investment and ensure value for money when delivering vital net zero infrastructure.

We Will

- Deliver an independent commission, exploring the potential of tidal energy from the Severn Estuary. By examining the environmental, socio-economic, energy systems and financial viability aspects we can ensure this unique marine habitat is protected and any development, if recommended, is done from a firm evidence base for the widest benefit to the area and the UK's energy security.
- Work with our partners to create a system for promoting viable investment proposals of regional significance and matching them with appropriate investment and funding proposals.
- Build on our economic narrative for the area, ensuring our main sector strengths deliver for greener, fairer growth.

We Need

The **Investment Report**, conducted by EY, and other research, is clear: we need more investment and greater focus on the area to maximise the impact of activity already underway and realise our full potential. As a predominantly privately funded and self-built economy, we have proven what we can do already. More government focus and support will enhance our significant economy to truly impactful results, beyond the 1.4% growth already projected.

We call on UK and Welsh Government to:

- ✓ Increase the Investment Funds (South West and Wales) proportionally to our £129bn economy, c£700m combined.
- ✓ Site either the headquarters or a significant second office of the newly created National Wealth Fund in the Western Gateway area.
- ✓ Allow this area to directly feed-in to the UK Industrial Strategy, recognising the Functioning Economic Market Area and need for “bottom up” contributions.
- ✓ Coordinate and simplify UK Government departments', and ancillary bodies' grant activities to reduce administration burdens and create greater impact.

The Western Gateway area is rich in green energy production and leads in innovation in hydrogen, whilst having first of a kind technology exploration in tidal power and battery production. This makes it ideal for the new Wealth Fund as a microcosm of its mission and closer proximity to large-scale investment projects in green steel at Port Talbot; green hydrogen, Baglan, Bristol, Milford Haven and more; Gigafactory at Bridgwater and 6 different ports.

The current level of public investment and focus on Western Gateway is well below its importance to the UK. Increasing the investment funds and speeding up their allocation, alongside making grants more coordinated to the National Industrial Strategy, simpler, fewer and (as appropriate) larger will take the brakes off our businesses and academics, allowing them to deliver for the area and wider UK.



Enhance Innovation

Many areas lay claim to being innovative within the UK. But innovation comes in different forms. Here in the Western Gateway our innovation comes from research, with 12 universities and world-leading programmes, but importantly from applied collaboration.

Our businesses are actively investing in innovation at a scale unseen outside London. Our area's sectoral strengths; **Green Energy, Advanced Manufacturing (aerospace and semi-conductors), Cyber & Technology, Digital & Creatives and Fintech.**

These are at the forefront of the UK's development strategies and key to the future global economy. Able to access a highly skilled workforce with relatively lower living and commercial costs than many other areas in the UK, we are well placed to take our innovative start and launch forward to world-leading status.

We Will

- Amplify the power of our cyber and technology clusters by connecting existing clusters and businesses to create a supercluster of world-beating proportions.
- Support our flourishing cross-border hydrogen ecosystem, advising and directing research and skills funding to maximum impact across academia and business.
- Identify best opportunities for cross-sectoral innovation and collaboration, listening to business problems and needs to maximise application and immediate impact; including providing expert support for collaborative bidding and connecting industry and academia.
- Build on our creative strengths by joining up the sectors, businesses and areas for a consolidated worldwide offering, creating actions to significantly raise the political profile of the Bristol and Cardiff Supercluster at a national and international level.

We Have

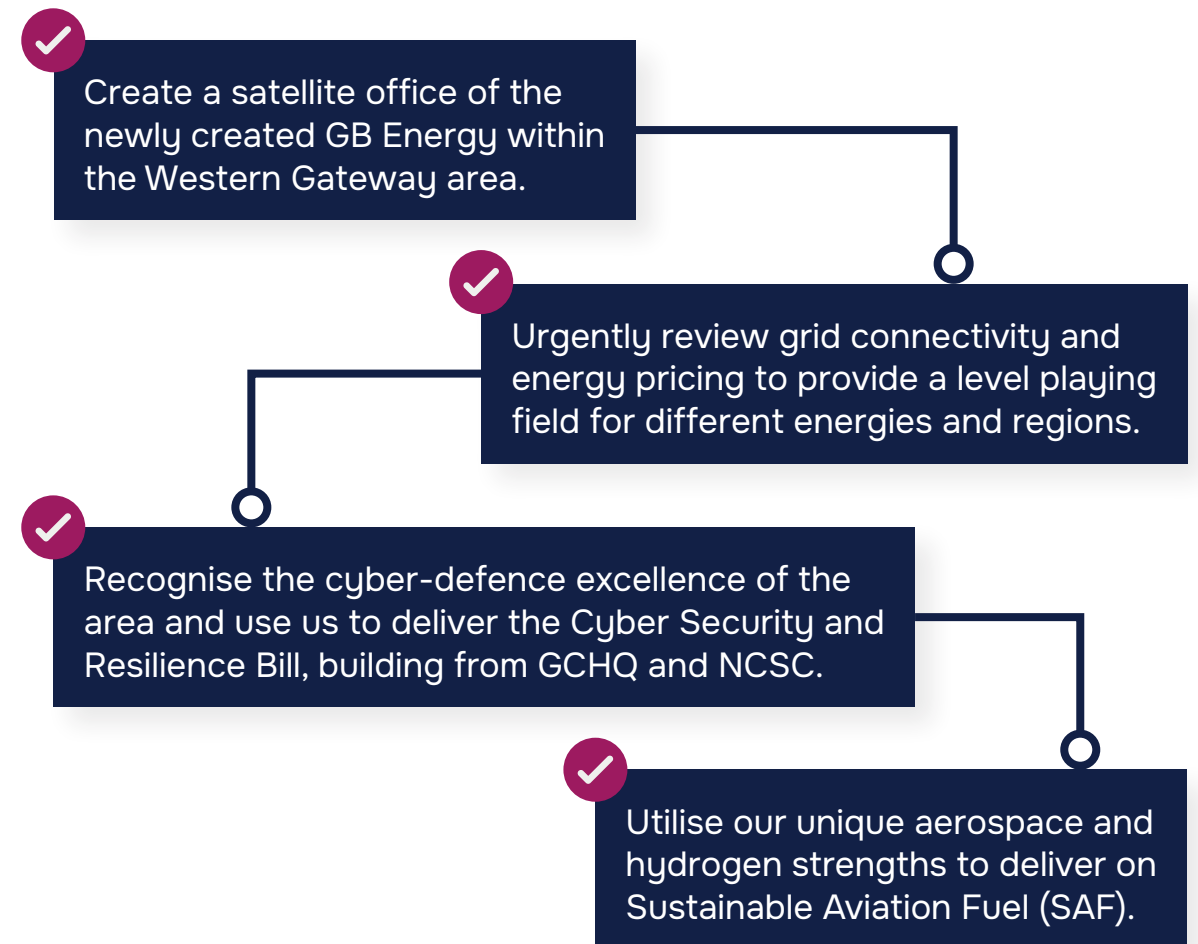
- Convened businesses, local authorities and academics to map our cyber and tech clusters: including AI, quantum, 5G, fintech, space technology, createch, and our uniquely strong cyber security sector; demonstrating in-depth, our strength in this industry.
- Led the development of a comprehensive hydrogen map and delivery pathway to support the Government's net zero targets. Delivering a ground-breaking cross-border Hydrogen Gateway conference in June 2023, bringing together over 500 representatives from industry, businesses, and the public sector, igniting new unity in the ecosystem.
- Developed a successful bid for 'GW-SHIFT: Great Western Supercluster of Hydrogen Impact for Future Technologies' which secured a £2.7 million award for academic, civic and industry partners to work together to unlock the huge potential of our area's hydrogen ecosystem; providing solutions for storage, distribution, transport and the energy sector, supporting up to 100,000 jobs by 2050.
- Conducted research and collaborative work to develop clear strategic priorities for creative industries sector support; providing a granular understanding of growth factors, and the underlying support infrastructure needed to advocate for and guide devolved sector specific investment within the creative industries.

We Need

The recently completed and published The Western Gateway Updated IER: The UK's Future Economy, clearly shows the green energy potential of the Western Gateway. Already providing 6% of the UK's green energy capacity, our ability to go further is constrained by systemic issues: network spatial planning, lack of local input to plans and, uncertainty in funding and policy.

Equally our innovation in underlying technologies and cyber are constrained by lack of clear signals from governments of the confidence in our area and willingness to back more novel propositions.

We therefore call on UK and Welsh Governments to:



Recognising the importance of Scottish green energy and placing more significant public sector assets in varied locations, we agree with the decision to establish GB energy in Scotland. With the unique green energy ecosystem in Western Gateway, and its potential to grow to up to 20% of the UK capacity, the logical choice for the next office is here. Just as the vast strengths and supply chains in cyber security, hydrogen and aerospace make us ideal to deliver UK Governments aspirations on SAF and cyber resilience. These few policy changes will cost Governments nothing, but send a clear signal of confidence in our area that will free up private investment and innovation.

Improve Connections

Our area's ability to attract investment, and ensure more people can benefit from that investment, relies on our connectivity. Businesses can only thrive and grow when they are digitally and physically connected. Ensuring the benefits of our economic activity and growth flow around our area and into the more deprived places and households, is a key aspiration of our mission for a "fairer" future. Doing this requires that households have strong digital and physical connectivity to access opportunities.

We Have

- Presented a transformational, deliverable and value for money vision for how our rail network can be improved to best unlock our communities, which has local and national backing.
- Built the industry partnerships and conversations to realise delivery, focusing on investment and finance, rail electrification and the need for future stations.
- Delivered successful events around using local skills with modern methods of construction to speed up the delivery of cheaper rail stations, with as many as 29 new stations deliverable by 2050.
- Convened industry leaders in modern deployment of electrification such that Filton Bank and Cardiff-Swansea can become exemplary schemes in a future programme of electrification, that can realise more than 29,000 tCO₂e in replacement of diesel fleet.



We Will

- Progress our Rail Vision to 2050 by launching a Rail Deal for the Western Gateway area prioritising schemes to deliver at least £17bn in socio-economic return for the UK economy. The Rail Deal demonstrates how increased frequency and efficiency of service can create access for more than 248,000 Western Gateway residents to a rail network offering jobs, skills and leisure.
- Partner with the likes of Transport for Wales, Western Gateway Sub National Transport Body, Network Rail, Great Western Railway, CrossCountry Trains and the Rail Industry Association to deliver a series of rail innovation events dedicated to cost-effective delivery in support of our Rail Deal.
- Support digital connectivity aspirations, including Welsh Government, to explore means and opportunities to better connect our area.

We Need

Our ability to grow, and importantly to do that inclusively with opportunities available to more, regardless of their location, is limited by our connectivity issues. Our people face a stark choice between living in urban centres, with the increased cost of living that it presents, to travelling on unreliable transport or relying on inconsistent internet connections.

We call on UK and Welsh Government to:



Support the Rail Deal providing policy and infrastructure enablement and helping explore a suitable public and private funding mix to deliver it.



Renew commitment to Project Gigabit and targeted incentives to digitally connect our communities and unlock potential in our underserved communities.



Our Rail Deal has support from Network Rail, Department for Transport and rail operating companies and represents a genuinely achievable and essential enhancement of the rail network for the area. It will allow more of our residents to access opportunities in a low-carbon and sustainable way without severe impact on the environment.

We support The Internet Services Providers' Association (ISPA UK) approach to ensuring rural and underserved communities have digital connections enabling them to access opportunities and for businesses to base themselves across our geography. With 8.7% of the most deprived communities in the UK in our area, increased connectivity is vital to inclusive growth.

Boost Our Recognition

The recognition of Western Gateway as an economic area which is vibrant and buzzing with potential is vital to the continued attraction of business, investment and the kind of high-skilled people delivering our economic success. Equally the recognition of the area's natural strengths, in themselves as means to fight the climate emergency, but also as resources to be responsibly tapped will allow governments and business to best direct opportunities and account for the area in plans. Whilst the area has made great strides via its strong participation in and with Western Gateway Partnership, we know there is more work to be done.



We Have

- Over the last several years, led and delivered a collective platform for our local authorities at international and national events, **MIPIM & UKREiiF**, the UK's largest investment conference.
- Supported a group of cross-party members of parliament to promote a shared narrative on behalf of the wider area.
- Brought together industry, business, academics and local leaders at three sold out cross-border conventions, providing vital opportunities for networking across our natural economic geography.
- Brought together heavy industry from across South Wales with aviation in the West of England for the first time to plan for a net zero future at our Hydrogen Gateway conference.

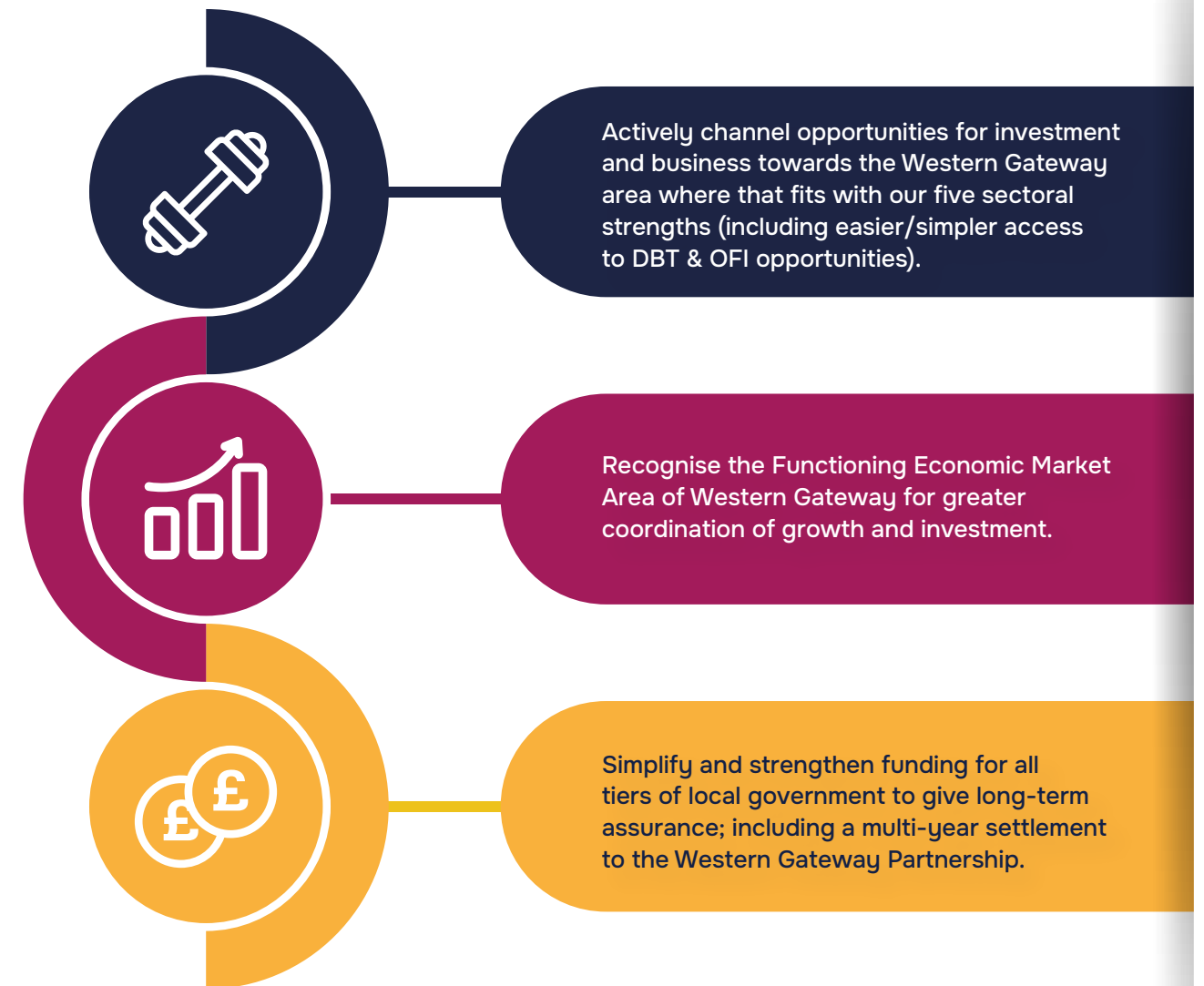
We Will

- Work with partners, DBT and Welsh Government to showcase the area in its best light whilst integrating with established Welsh and UK brands, focusing on those pan regional sectors where we can add greatest value.
- Develop a shared image and language to give the area a single voice when it comes to attracting investment and supporting our world-leading industries
- Continue to work as a partnership, showcasing the area, projects and investment opportunities and via the Partnership where it makes sense to do so. This includes attendance at conventions such as UKREiiF.

We Need

The Western Gateway Investment Report and The Western Gateway Updated IER: The UK's Future Economy, both make clear the Western Gateway Partnership has made great progress in establishing a vision for the area and bringing together a coherent and powerful single voice. But we recognise UK and Welsh Governments have greater capacity to help us amplify our identity and present the investment opportunity at scale. Just as our strengths as an area can help Governments deliver growth and prosperity.

We therefore call on UK and Welsh Governments to:



Our area is strong and growing, but it receives too little recognition across Whitehall and by investment houses. By boosting our recognition and backing the Partnership to support and coordinate across the area, we can ensure that growth continues and accelerates, adding £11bn annually to the UK economy in the process.



This Plan for Sustainable Growth was launched at the 2024 Convention for the Western Gateway. Led by the Western Gateway Partnership, this plan has been prepared with support from local authorities, businesses and academics from across South Wales and Western England to demonstrate how we can become the UK's fastest growing economic area outside of London in the next five years.

Who we are

The Western Gateway is the Pan-Regional Partnership for South Wales and Western England. We bring together 28 local authorities with business and academia to deliver growth and new opportunities for our communities.

Together, we represent a natural economic geography with over a 100,000 journeys across the M4 Severn Bridge every day and shared world-leading strengths in advanced manufacturing, cyber security, creative, green energy and fintech.

This plan shows how we can harness this strength to deliver for the UK Economy and our communities.

Action & Impact

This Plan for Sustainable Growth represents an evidence-based and focused approach to the key factors needed to unleash the full potential of the Western Gateway. The area is already on track to grow more than any area outside London, has a high concentration of businesses and compelling strengths in five key sectors for the future economy. However, there are key issues to address in social equality, connectivity and emissions if we are to achieve the greener, fairer future of our mission.

If these 13 asks of government are answered, the area can, and will, deliver more for its inhabitants and the UK economy, adding a minimum of £11bn GVA to the economy annually. With a strong and secure future, the Western Gateway can deliver all its commitments to the area; supporting our key sectors and expanding critical innovation to support decarbonisation, energy security via green power, cyber security and more.

We can ensure the area is connected, providing greater opportunities for business and, critically, for our inhabitants to ensure more of them can reap the benefits of growth. With greater business activity and more investment recognition for the area we will grow, driving a virtuous cycle of growth and investment.

The Western Gateway is the place to grow the UK's future economy, now. We have the people, the natural resources, pre-existing key sectors and, vitally, a committed and coherent partnership focused on making the very best of our abundant assets.

We call on all partners, businesses and other stakeholders to continue to engage with us, support us and continue to champion this special part of the UK.



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