

## Appendix 1.1 Policy and Strategy Alignment

The Swansea Bay City Deal Portfolio is aligned to UK, Welsh Government and Regional policy, contributing directly to their strategic aims and objectives. Detail of the specific alignment and contribution to the main overarching strategies is detailed below:

### UK Level – UK Industrial Strategy – Building a Britain Fit for the Future (2017)

UK Government long term strategy to boost productivity through the creation of jobs and by increasing the earning power of people throughout the UK with investment in skills, industries and infrastructure.

The strategy is supported through 5 Foundations of:



- Ideas: the world’s most innovative economy
- People: good jobs and greater earning power for all
- Infrastructure: a major upgrade to the UK’s infrastructure
- Business Environment: the best place to start and grow a business
- Places: prosperous communities across the UK.

The Strategy also recognises the Grand Challenges of:

- Artificial Intelligence and data
- Ageing society
- Clean growth
- Future of mobility

The overarching aim of the Industrial Strategy is to deliver a stronger economy and a fairer society – where wealth and opportunity are spread across every community in the United Kingdom. This sets the context for Swansea Bay City Deal and its portfolio of programmes and projects. Closing the gap between the SBCD area and the rest of the UK are key to the City Deal investment objectives and its anticipated impacts.

The SBCD Portfolio contribution to the 10 Pillars of the Industrial Strategy is shown below:

Industrial Strategy – 10 Pillars	SBCR Plan
 <p><b>1. Investing in science, research and innovation – we must become a more innovative economy and do more to commercialise our world leading science base to drive growth across the UK.</b></p>	<p>All City Deal projects are based upon peer-reviewed evidence of excellence in science, research, and innovation - many of which have RCUK funding and work within the Innovate UK Catapult Network.</p>
 <p><b>2. Developing skills – we must help people and businesses to thrive by: ensuring everyone has the basic skills needed in a modern economy; building a new system of technical education to benefit the half of young people who do not go to university; boosting STEM (science, technology, engineering and</b></p>	<p>Led by the South West Regional Learning and Skills Partnership (RLSP), the City Deal’s Skills and Talent initiative reflects the public and private partnership designed to address all of these points.</p>

maths) skills, digital skills and numeracy; and by raising skill levels in lagging areas.



**3. Upgrading infrastructure – we must upgrade our standards of performance on digital, energy, transport, water and flood defence infrastructure, and better align central government infrastructure investment with local growth priorities.**

The Digital Infrastructure and Homes as Power Stations City Deal projects align with this objective. The Joint Committee will also have responsibility for ensuring that the regional transport strategy both aligns with and supports the plan.



**4. Supporting businesses to start and grow – we must ensure that businesses across the UK can access the finance and management skills they need to grow; and we must create the right conditions for companies to invest for the long term.**

The region has a strong track record of establishing new enterprises, while recognising that more work needs to be done to help grow these businesses. City Deal themes including greatly enhanced digital connectivity are intended to address this issue.



**5. Improving procurement – we must use strategic government procurement to drive innovation and enable the development of UK supply chains**

The City Deal portfolio and its constituent projects have identified public sector procurement as an opportunity for fueling indigenous business growth and supporting the related supply chains. A series of City Deal procurement principles are also being developed.



**6. Encouraging trade and inward investment – government policy can help boost productivity and growth across our economy, including by increasing competition and helping to bring new ways of doing things to the UK.**

The City Deal has generated a flow of opportunity to the region not seen previously, including conversations with major companies regarding location of regional innovation hubs, research centres, test beds and manufacturing. The City Deal has also given the City Region opportunities to be showcased at international events for the business and investment community.



**7. Delivering affordable energy and clean growth – we need to keep costs down for businesses, and secure the economic benefits of the transition to a low-carbon economy.**

A number of City Deal projects focus on decarbonisation and energy efficiency. This will drive development of low carbon energy solutions for users, ranging from residential through to major industry.



**8. Cultivating world-leading sectors – we must build on our areas of competitive advantage, and help new sectors to flourish, in many cases challenging existing institutions and incumbents.**

From the outset, the City Deal plan has been built upon four guiding principles: excellence, differentiation, national impact and sustainability. For example, the locally based SPECIFIC project has been identified by UK Government as the potential catalyst for a billion pound industry based on recognised research excellence and UK industrial strengths.



**9. Driving growth across the whole country – we will create a framework to build on the particular strengths of different places and address factors that hold places back – whether it is investing in key infrastructure projects to encourage growth, increasing skill levels, or backing local innovation strengths.**

The City Deal programme asks Government to back demonstrable evidence-based regional excellence in science and innovation that will have UK national impact. The life science and energy themed projects are among many that have potential for rollout across the UK. Also embedded within the City Deal is the development of skills to enable higher productivity.



**10. Creating the right institutions to bring together sectors and places – we will consider the best structures to support people, industries and places. In some places and sectors there may be missing institutions which we could create, or existing ones we could strengthen, be they local civic or educational institutions, trade associations or financial networks.**

The region has already established its hugely successful Institute of Life Science at the heart of a regional innovation ecosystem, with the life science & well-being strands of the City Deal set to build on this strength.

## Wales Level - The Well-being of Future Generations Act (2015)

The Well-being of Future Generations Act requires public bodies in Wales to think about the long-term impact of their decisions, to work better with people, communities and each other, and to prevent persistent problems such as poverty, health inequalities and climate change. As a 15-year programme which provides an opportunity to address persistent challenges such as climate change, poverty, inequality, jobs and skills in a transformational and preventative way, the City Deal is in keeping with the approach and ambitions of the Well-being of Future Generations Act (WBFG).

The Act identifies 5 Ways of Working for public bodies in the delivery of their services:



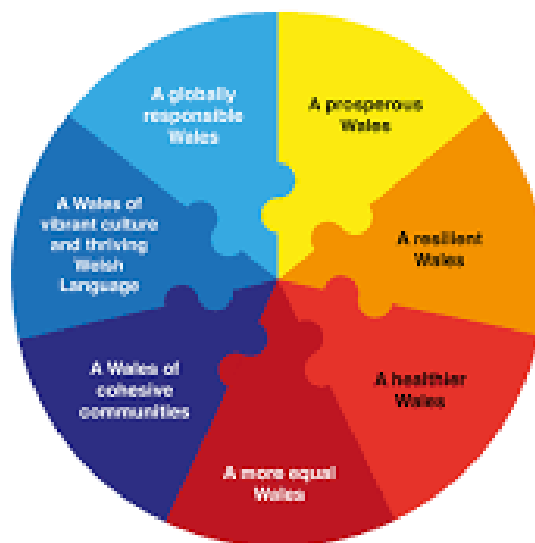
In being underpinned by a collaborative and forward focused approach, the WBFG Act's five ways of working are inherent to developing and delivering the City Deal. The City Deal is an opportunity for the four local authorities, two local health boards, two universities and the private sector to demonstrate how the seven wellbeing goals and five ways of working can be used effectively to ensure major public investment programmes are delivered with long-term, sustainable impacts for current and future generations.

The SBCD provides both opportunity and responsibility to deliver the Portfolio in alignment with the 5 Ways of Working:

Long Term	The Swansea Bay City Deal Portfolio will address both present day needs and issues whilst also providing for the long term sustainable growth of the Region. The aims of the portfolio focus on increasing jobs, GVA and investment which will have long term benefits for the prosperity and wellbeing of the Region. The portfolio also places green growth at the forefront with an emphasis on low carbon and energy efficient developments. The long term digital and training needs will also be provided for through the actions of the City Deal.
Prevention	The SBCD will directly address present day needs such as low GVA and productivity relative to the UK and structural imbalances in the regional economy. The response of the SBCD portfolio in accelerating new growth and job creation will ensure that the region doesn't continue to fall behind and will prevent problems becoming exacerbated. The portfolio will also areas of wellbeing, health, digital infrastructure, out

	migration, energy efficiency, ensuring that the region is at the forefront in maximising future benefits for its residents.
Integration	The SBCD will take an integrated approach to the development and delivery of its portfolio and will ensure that its actions are fully considered and aligned to the Wellbeing Goals. An appraisal of this contribution is shown in the table below. The contribution to the wellbeing goals will continue to be assessed and applied in an integrated way through the term of the City Deal.
Collaboration	Collaborative action is central to the development and delivery of the City Deal. At a portfolio level, formal collaborative arrangements have been established between the four local authorities, health boards and universities. Further effective collaborations have been established at programme and project level. These collaborative actions will maximise the beneficial impact of public and private bodies in the delivery of the portfolio.
Involvement	The governance arrangements for the SBCD ensure that decisions and actions are undertaken in an accountable and transparent way. The portfolio, together with each of its constituent programmes and projects, have undertaken extensive stakeholder mapping and planned or are actively undertaking appropriate engagement for each of these stakeholders.

The Act puts in place seven well-being goals. The Act makes it clear that public bodies must work to achieve all of the goals in their actions.



Given the breadth of the Swansea Bay City Deal portfolio, it has a significant impact across the seven well-being goals for Wales as follows:

<b>A Prosperous Wales</b>	The Swansea Bay City Deal will improve the GVA of the region, helping close the economic gap with other parts of the UK. It will create thousands of direct jobs, with the skills and talent initiative ensuring current and future workforces have the necessary skills to fulfil opportunities offered. The City Deal will provide an attractive, innovative and sustainable base for existing and new businesses to prosper, while generating further job opportunities for local people. In addition, a focus on well-being will improve prosperity for all at an individual and community level.
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<b>A Resilient Wales</b>	In focusing on next generation technologies to diversify and grow existing regional industry assets, the City Deal will future proof these sectors. Through the use of digital technologies, the City Deal will create a responsive industry ecosystem that will be flexible to the demands of businesses and the labour market. Given the on-going impact of Covid-19 and the economic uncertainty posed by Brexit, the City Deal's digital focus will create more resilient communities. City Deal projects will also address issues such as fuel poverty and climate change via focus on zero carbon solutions.
<b>A Healthier Wales</b>	A focus on life science and well-being will generate new technologies, applications and service delivery models which will maximise the physical and mental well-being of residents and communities. This will increase knowledge and understanding of key life science and well-being challenges affecting the region's population and beyond, while developing effective next generation solutions that can be tested in real time. The impact of Covid-19 has heightened the importance of accelerating the development of this key sector, building on the outstanding life science research and clinical work already being carried out in the region.
<b>A More Equal Wales</b>	The Swansea Bay City Deal will put the region back on an equal footing with the rest of the UK in terms of GVA output, while ensuring it's globally competitive in the growth sectors identified. In focusing on economic growth, job generation, skills development, infrastructure and well-being, the City Deal provides equal opportunities for the businesses, residents and communities of the region to flourish.
<b>A Wales of Cohesive Communities</b>	Through enhanced digital infrastructure, the Swansea Bay City Deal will ensure communities and businesses are better connected than ever before. Establishing next generation, sustainable industry with high-value jobs and considerable economic impact will create viable and vibrant communities which attract inward investment. Digital connectivity has been at the heart of business and community resilience throughout Covid-19. Enhanced digital infrastructure provides the opportunity to further boost this resilience, while developing even more cohesive communities.
<b>A Wales of Vibrant Culture &amp; Thriving Welsh Language</b>	The Swansea Bay City Deal will use digital technologies to accelerate and diversify creative industries which promote Welsh culture, language and heritage, making these assets more widely accessible to citizens within and beyond the region. The Yr Egin City Deal project highlighted in the economic case of this Programme Business Case is already delivering against this objective.
<b>A Globally Responsible Wales</b>	The Swansea Bay City Deal will put the identified regional growth industries at the forefront of next generation production and services. Through the City Deal, these industries will develop knowledge and commercial products which provide solutions to some of the most pressing issues of our time, including fuel poverty, climate change and energy production, storage and supply. These issues not only affect our region but are globally significant as well, so innovative solutions of this kind will be transferrable across the UK and the world.

## **Wales Level - The Taking Wales Forward programme for Government (2016 - 2021)**

The City Deal's objective to drive long-term economic improvement and growth across a range of industry sectors is aligned to all the Taking Wales Forward strategic priorities, with specific City Deal projects having greater alignment to individual aspects of the programme. The skills and talent aspect of the City Deal, for example, is fundamentally aligned to the Taking Wales Forward priority of creating an ambitious and learning Wales.

<b>Taking Wales Forward Priority</b>	<b>Swansea Bay City Deal Alignment</b>
<b>Prosperous and Secure</b>	The Swansea Bay City Deal is focused on developing a prosperous and resilient economy for the region which creates sustainable industry, investment and opportunities which improve economic performance through creating more high-value jobs and increased GVA output. The City Deal programme will support indigenous businesses to prosper and attract inward investment to secure prosperity for all, while also addressing social prosperity through improving housing and addressing environmental issues relating to energy production and efficiency.
<b>Healthy and Active</b>	The City Deal strand of life science and well-being is focused on linking research, innovation and application to accelerate the productivity and impact of the sector. It will also provide opportunities and services which will directly improve well-being for citizens and communities through the provision of dedicated, inter-connected life science and well-being facilities. In addition, the creation of jobs, opportunities and economic prosperity through the City Deal as a whole will have positive impacts on the mental and physical well-being of the region's residents and communities.
<b>Ambitious and Learning</b>	Pivotal to the City Deal is ensuring that current and future generations of local people benefit from the opportunities resulting from the City Deal programme. The City Deal is underpinned by a skills and talent initiative which will ensure appropriate learning, training and skills is delivered from regional education providers to enable high-value employment in key identified sectors.
<b>United and Connected</b>	In focusing on improving digital connectivity and infrastructure, the City Deal will help connect and unite the region's communities and industries to maximise opportunities and economic growth. This focus also provides opportunities to better connect the region through innovative transport, planning and housing solutions.

## Regional Level - Swansea Bay City Region Economic Regeneration Strategy 2013-2030

Led by the former Swansea Bay City Region Partnership Board, the region developed the Swansea Bay City Region Economic Regeneration Strategy 2013 to 2030, which identifies key priorities for economic growth. This strategy underpins the broader regeneration strategies of the partner authorities.

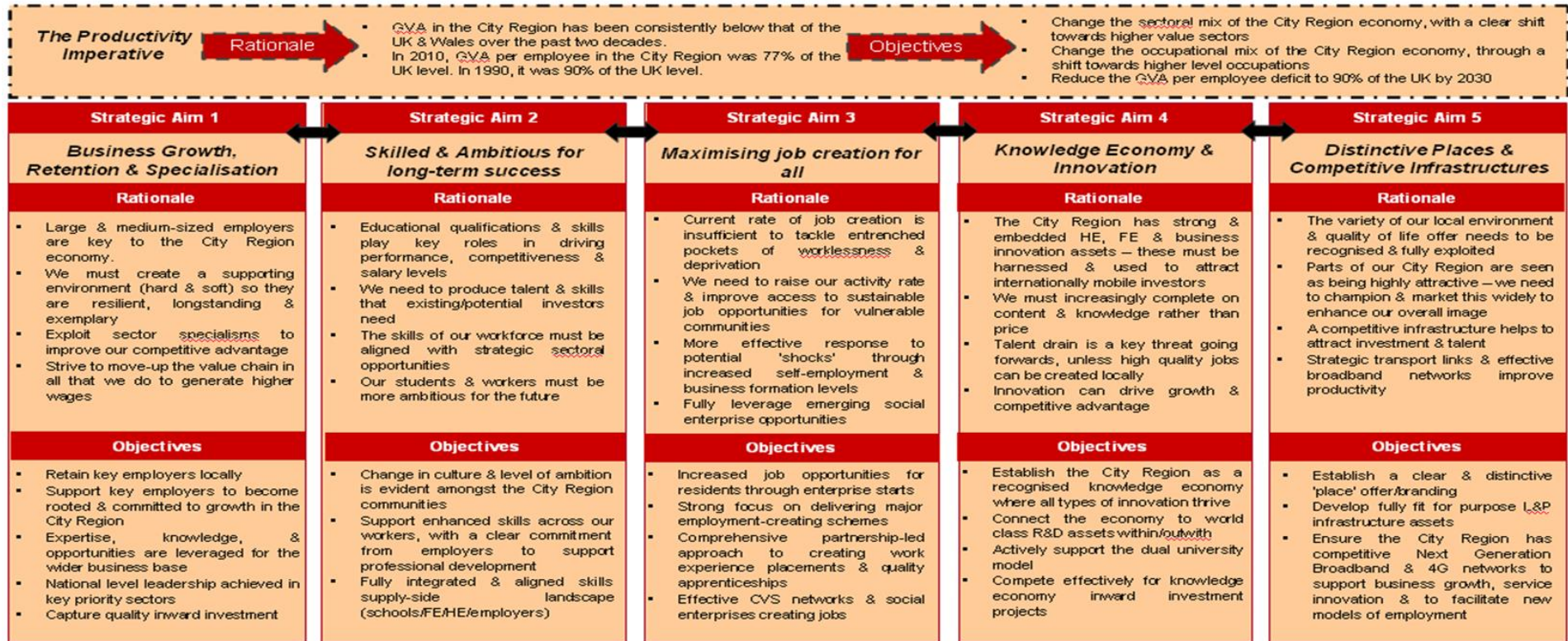
The Swansea Bay City Deal is therefore fundamentally aligned to the region's broader ambitions for economic regeneration. The strategy contains five Strategic Aims (SAs) outlined below with the City Deal fit shown in the following table:

<b>Strategic Aims of the Swansea Bay City Region Economic Regeneration Strategy</b>	
<b>SA1 Business Growth, Retention &amp; Specialisation</b>	The City Deal is based on industry-led propositions for each sector. It supports indigenous and external businesses to establish and grow in the region through providing innovative, next generation infrastructure and opportunities to develop, test and commercialise products.
<b>SA2 Skilled &amp; Ambitious</b>	Working with all levels of skills providers from schools through to employers, the City Deal will ensure current and future generations are equipped with the skills to fulfil the high value opportunities for training and employment across City Deal sectors.
<b>SA3 Maximising Job Creation for all</b>	The City Deal will create thousands of high-value jobs in highly specialised, progressive industries with modern techniques and infrastructure.
<b>SA4 Knowledge Economy &amp; Innovation</b>	Building on existing research and development successes within the region, the City Deal will further enhance the region's knowledge economy through utilising digitalisation and next generation technologies to enable progression of research and development to commercial application and delivery.

<b>SA5 Distinctive Places and Competitive Infrastructure</b>	The City Deal will create a globally competitive region across the sectors of economic acceleration, smart manufacturing, energy, and life science and well-being. It will deliver a sustainable, next generation infrastructure of inter-related innovative industry and digital networks. This will establish the region as an attractive proposition for inward investment, while developing indigenous and external businesses in the identified sectors. A skilled workforce will be trained in sectors pertinent to the investment programme.
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**By 2030, South West Wales will be a confident, ambitious & connected City Region, recognised internationally for its emerging Knowledge and Innovation economy**



Cross-Cutting Theme 1: Thinking & Delivering Together for Regional Success

Cross-Cutting Theme 2: Quality & Intelligence-driven Leadership & Action

Cross-Cutting Theme 3: Being, & Acting, Connected

Cross-Cutting Theme 4: Understanding Sustainable Growth

## **Other Policy and Strategy Alignments**

The attached spreadsheet demonstrates the policy and strategy alignment across the whole portfolio of the constituent programmes and projects. This appraisal will be updated to reflect current alignment of the individual business cases to relevant policy at a UK, Wales and Regional Level.