



Report of the Interim Director of Place

Economy and Infrastructure Corporate Development Committee –
26 January 2023

Local Economic Delivery Plan

Purpose:	To outline the process for producing a new Local Economic Delivery Plan for Swansea that will complement the existing Regional Economic Delivery Plan.
Policy Framework:	South West Wales Regional Economic Delivery Plan
Consultation:	Access to Services, Finance, Legal.
Recommendation(s):	It is recommended that the Committee: 1) Note the process for producing a new Local Economic Delivery Plan as set out in paragraph 4 of this report. 2) To receive a further report in May 2023 outlining the draft strategic framework for local economic regeneration.
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1. Introduction

- 1.1 In January 2022 the South West Wales Regional Economic Delivery Plan (REDP), covering Carmarthenshire, Neath Port Talbot, Pembrokeshire and Swansea, was adopted as the Council's overarching economic regeneration policy. To build on this work and guide the implementation of

the REDP in a local context, a complementary Local Economic Delivery Plan is now required to set out the economic regeneration priorities and actions for Swansea.

2. Strategic Context

- 2.1 The Regional Economic Delivery Plan (REDP) provides the strategic framework for the preparation of the Local Economic Delivery Plan. It was developed in the context of a range of plans and strategies at the local, Welsh and UK level, in particular the Well-being of Future Generations Act, the commitment to decarbonisation and achievement of net zero by 2050, the opportunities and challenges presented by technological and demographic change, and the UK's exit from the European Union.
- 2.2 The REDP was developed after detailed consultation with stakeholders in Swansea and the region. To help plan for the future, it sets out three 'Ambitions' which set out the nature of the South West Wales economy that we want to work towards. These are:
- Resilient and sustainable
 - Enterprising and ambitious
 - Balanced and inclusive
- 2.3 The ambitions are supported by three complementary Missions, which will guide activity over the next ten years:
- Mission 1 – Establishing South West Wales as a UK leader in renewable energy and the development of a net zero economy: Taking forward the region's major energy related projects and driving the benefits through the region (via industrial decarbonisation, supply chain opportunities, university-linked innovation, etc.).
 - Mission 2 – Building a strong, resilient and embedded business base: Understanding and growing the business stock, supporting widespread social and commercial entrepreneurship, creating stronger supply chain and innovation networks, making public sector support sustainable; driving forward technology adoption and diffusion.
 - Mission 3 – Growing and sustaining the 'experience' offer: Linking environmental quality, quality of life and community character to create a region that retains and attracts talent and investment, and to promote this consistently and powerfully to the outside world
- 2.4 Alongside the REDP, the Swansea Economic Recovery Action Plan will inform the preparation of the Local Economic Delivery Plan. The Economic Recovery Action Plan was prepared in collaboration with the Regeneration Swansea partnership to support the recovery of the local economy from the covid-19 pandemic. It was approved by Cabinet in March 2021, and focuses on the key aims of:
- Raising Confidence – driving footfall in city and district centres to support local businesses

- Supporting Businesses – business support, small scale financial assistance, access to premises and local supplier development to support start up and existing businesses
- Championing Local Food – to increase accessibility to and promotion of local food, and raise the profile of Swansea as a food destination
- Supporting Tourism – improving market intelligence, destination marketing, online marketing and business engagement and partnership working
- Developing Skills & Employability – extending and adapting employability provision including paid work placements and support for self employment/ entrepreneurship
- A Sustainable Economic Recovery – new Regional Economic Delivery Plan, regeneration of the city centre and district centres, supporting move to net zero carbon by 2050, building capability and promoting investment in green infrastructure

3. Economic Context

3.1 The evidence base for developing the Local Economic Delivery Plan can be drawn from the extensive economic analysis undertaken for the preparation of the REDP and the 2022 Assessment of Local Wellbeing in Swansea (which informed the Local Wellbeing Plan).

3.2 These identify that the longer term economic challenges faced by Swansea are:

- The need for Post-Covid support and recovery.
- Growing the business base - the relative size of the business base (508 businesses per 10,000 population) is below Wales (539) and UK (718) averages. Swansea has a healthy level of business formations and one and five year survival rates for enterprises have improved in line with Wales and UK, but the increasing costs of goods and services, particularly energy costs, and rising interest rates are creating very challenging trading conditions for local businesses.
- 98.2% of businesses in Swansea are either micro or small scale. The scale-up potential of these businesses is vital to the economic growth of the County as a whole. These businesses are the driver of employment growth and higher value, higher paid jobs.
- Addressing the ongoing productivity gap with rest of UK - Swansea's productivity (GVA per hour worked) stood at 85.9% of the UK average in 2020.
- Increasing wage rates – Over the year to April 2021, annual median full time earnings in Swansea rose by 5.2%, greater than Wales

(+1.2%) and UK (-0.6%). Annual median full time wage rates in Swansea stood at 91.6% of the UK average in April 2021.

- Ongoing issue of unemployment and inactivity and ensuring a supply of genuine pathways and opportunities. Economic activity and employment rates in Swansea are lower than Wales averages and further below equivalent UK rates.
- Skills Gaps - work needs to continue to upskill people to take advantage of opportunities in new and emerging industries, and to address the gaps in sectors such as care, hospitality and construction.
- The Household Income Gap - In 2019 Gross Disposable Household Income in Swansea was 75.9% of the UK average.
- Reducing deprivation across the county - In the 2019 Welsh Index of Multiple Deprivation (WIMD), Swansea had an above average proportion of its Lower Super Output Areas (LSOAs) featuring in the most deprived 10% in Wales, with 17 (11.5%) of its 148 LSOAs in the 191 (10%) most deprived. There is need to create sustainable well paid employment to help address this.
- Swansea's Local Development Plan identifies a lack of available, high quality office space to meet inward investment and economic growth needs, combined with an oversupply of sub-standard office space at central and out of town locations. There is a viability gap for commercial property development so public sector investment is needed before commercial developers are willing to invest.
- Responding to changing consumer and workers habits by developing new uses for city centre, district and local centres. Including adapting to new ways of working including transport methods and connectivity and positive impact on places.
- Climate change and nature emergencies, the need for rapid adaptation and the achievement of the Council's Net Zero ambitions
- Responding to the digital revolution and connected future with new models of working.

3.3 The Local Economic Delivery Plan will address these economic challenges and reflect the REDP in the local context. It will aim to make the local economy more resilient, adaptable and create an economy which provides opportunities for all its citizens and businesses.

4. Preparation of the Local Economic Delivery Plan

4.1 Building on the overarching policy framework in the REDP and the extensive economic analysis undertaken during the preparation of the REDP and Assessment of Local Wellbeing, the Economic Development &

External Funding team will work with partners on the Regeneration Swansea Partnership to produce a Local Economic Delivery Plan.

4.2 The LEDP will set out the strategic framework for economic regeneration locally and outline the key actions that will deliver against the aims and objectives. It will include the following:

- Executive Summary
- Strategic context
- Economic context
- Strategic Framework setting out the aims and objectives
- Action plan for delivering against the aims and objectives

4.3 The indicative timescales for completing this work are as follows:

Activity	Date
Design and consultation on local aims and objectives with Regeneration Swansea	February – March 2023
Draft strategic framework produced	April 2023
Preparation of action plan with Regeneration Swansea	May - June 2023
Draft LEDP	July - August 2023
Final version LEDP	September 2023

4.4 It is proposed that the draft strategic framework and draft LEDP are brought to future meetings of the Corporate Development Committee for review.

5. Integrated Assessment Implications

5.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage
- Consider opportunities for people to use the Welsh language
- Treat the Welsh language no less favourably than English.

- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.
- 5.1.1 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.
- 5.1.2 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.
- 5.2 An Integrated Impact Assessment (IIA) screening has been completed and is attached at Appendix A.
- 5.3 The Local Economic Delivery Plan will complement the existing Regional Economic Delivery Plan and aim to create an economy that is resilient and sustainable; enterprising and ambitious; and balance and inclusive. It is expected that it will have a positive impact on people and communities in Swansea by improving economic performance and creating sustainable employment opportunities. In line with the Equality Act 2010 and Public Sector Equality Duty, due regard will be given to the impact on protected groups in the development of the LEDP. A full IIA will be undertaken on the Plan during its development.

6. Financial Implications

- 6.1 There are no immediate and direct implications arising from this report. Any actions stemming from the Local Economic Delivery plan will need to identify the nature, timing and design of any programmes or projects and the resulting costs and funding prior to any investment decisions being made.

7. Legal Implications

- 7.1 There are no specific legal implications at this stage.

Background Papers:

[Regional Economic Delivery Plan](#)
[Swansea Economic Recovery Plan](#)

Appendices:

Appendix A: Integrated Impact Assessment Screening Form