Economic Strategy Board Report to Joint Committee on the Digital Infrastructure Programme business case.

Background:

This report contains specific Economic Strategy Board (ESB) feedback on the **Digital Infrastructure Programme.**

The ESB first received a presentation from the Digital Infrastructure Programme at its meeting on 12 March 2020.

In addition, the ESB held a workshop with the Digital Infrastructure project manager on 4th June 2020 ahead of the full business case being formally presented to the Economic Strategy Board on **10th September 2020**.

This has enabled the ESB to engage in focused discussions with project delivery and authority leads around the opportunities and concerns that the ESB has identified in relation to the project.

The ESB, in their advisory capacity to the Joint Committee, is dedicated to offering further support and assistance in addressing these opportunities and concerns, drawing on their specialist knowledge and expertise to ensure maximum impact of the City Deal is realised. The ESB will monitor the progress and impact of the project and report as required to the Joint Committee.

The ESB therefore concludes that there are no significant issues that could **prevent or significantly impede** the delivery of the project and is encouraged by the additional opportunities to work collectively to identify innovative solutions and further the positive impacts of the project.

Conclusion

> **The ESB formally recommend the Digital Infrastructure Programme. In addition, we have recommended a number of opportunities that could be considered going forward**.

Areas of Opportunity

It is recommended that the project team should:

- Open discussions with Swansea University regarding their aspirations for connectivity across the SA1 Campus.
- Carry out an assessment of the potential benefits that can be achieved via procurement, especially opportunities for local supply chain development, given the national suppliers involved in the digital infrastructure arena.

Strengths – e.g. why does the project demonstrate good value for money?	**Weaknesses** – e.g. where could the aspirations of the project go further?
• Clear need for regional investment in Digital Infrastructure and Connectivity. • Clear evidence of the positive economic and social impact that fast, reliable connectivity delivers. • Clear evidence of a positive return on investment from investment in Digital connectivity. • The Project complements, underpins and strengthens existing and future investment in connectivity infrastructure from both the public and private sectors. • The investment will play a significant role in ensuring the region has the necessary foundations for future economic and social prosperity. • There is clear evidence that Digital infrastructure and connectivity can act as a catalyst for significant inward investment. • The Project and its budget provides a springboard for the region to pursue further investment in Digital Infrastructure.	• The Project budget is not adequate for addressing all the region's Digital connectivity needs and aspirations. • The Project could go further on all workstreams if we want to give ourselves a significant competitive advantage in comparison to other City Regions and growth deals. • An ambitious regional Digital Strategy would provide the clarity and direction for us to fully exploit this proposed connectivity infrastructure and realise the enormous potential for a truly connected, SMART, innovative region across the Swansea Bay footprint. • A lack of understanding across the region regarding current and future connectivity needs. • Meaningful engagement and communication with regional partners and stakeholders on this Project has improved, but needs to continue to increase.
Opportunities – e.g. what are the key areas for greater investment?	**Threats** – e.g. what are the key risks which may prevent the project from achieving its outcomes?
• All 3 project workstreams present numerous opportunities for further investment to address all of the region's needs and aspirations. • Other City Deal projects present significant opportunities for Digital innovation and the region could benefit greatly through true project collaboration. • The project and region would benefit from the production of an ambitious Regional Digital Strategy. A commitment has been made to do so as a priority. • Investment and support across the region in driving the uptake, adoption and awareness of Digital services would have a significant economic impact and complement the current project proposal greatly. • Significant opportunity for the Digital Infrastructure project to act as a catalyst for the creation of a truly SMART, innovative region.	• A lack of Supplier appetite to invest in Wales and/or the region. • Telecoms industry perception that Wales is not a committed and willing partner for alternative Telecoms investment and deployment. • A supplier preference to only invest in Swansea rather than the region as a whole. • Welsh Government and PSBA unwillingness to embrace alternative fibre builders. • A lack of understanding and/or commitment from regional partners to the success of the workstreams. • A lack of effective, meaningful collaboration amongst regional partners. • A potential conflict between the aspirations of City Deal and willingness of the region's public sector to embrace new connectivity infrastructure.