

North Wales Regional Economic Framework



**Final Draft for Endorsement
December 2021**

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Ministerial Foreword

[Text to be included]

Vaughan Gething MS – Minister for Economy

Chair of the North Wales Economic Ambition Board - Foreword

[Text to be included]

Cllr Dyfrig Siencyn, Chair, North Wales Economic Ambition Board

North Wales Regional Economic Framework - Mission

Our mission through this REF is to start creating innovative opportunities to ensure we protect and enhance our natural environment whilst also allowing communities to thrive. Building on our strengths and taking advantage of opportunities where they add value, beyond monetary value alone, to the region.

North Wales is a region with a wealth of attributes. People have realised the importance of north Wales since the early beginnings of civilisation. It has been home to Welsh Princes and many bloody battles, which has created a powerful sense of belonging, cultural heritage and appreciation of the landscape. This has led to a wealth of literature and diverse economy which has evolved over the centuries.

The REF is not a rigid or traditional document, it provides a framework to capture how the public, private and third sectors are planning to deliver on its priorities.

The success of the framework will be measured by the individual actions which follow on from its publication. In doing so, we must ensure we take clear action to address the challenges faced and current and future opportunities for the regional economy as a result of the pandemic, EU exit and of course the transition to net zero carbon and hold as a key principle that there is no completion in community building.

The REF, through its priorities, sets out a path to boost productivity and accelerate sustainable economic and inclusive prosperity by working in partnership with the ecosystem of support to deliver collective impact.

DIAGRAM - Key role of the REF:

1. How to use and prioritise our individual and collective resources
2. Help us understand how to ask and use funding
3. Drive policy changes – planning, high streets, tourism tax etc.

The priorities are flexible and will be reviewed on an ongoing basis, allowing us to better adapt and respond to the dynamic challenges and opportunities of the Region. The priorities are framed in the context of a whole systems approach to facilitate decarbonisation of the economy, adapting and mitigating to climate change and improve the resilience of ecological networks and will (not in any order):

1. Skills & Workforce
2. Investment in magnets, hubs, supply chains, research and development, innovation and Entrepreneurship
3. Balanced support for indigenous and inward investors
4. Language, culture, place & heritage
5. Foundational Economy and a vibrant Micro / SME base.
6. Empowering communities for the benefit of our future generations
7. Connectivity (transport and digital)
8. Leverage benefits of public sector
9. Low carbon energy
10. Food and Drink Industry

Based on stakeholder engagement and initial research (as found is supporting evidence), this document sets out to present priorities which have evolved from the barriers to economic activity and the strengths that already exist. Under the leadership of the North Wales Economic Ambition Board, the Growth Deal has provided a strong basis for the development of the REF. It is one of the key vehicles which will be used to deliver this Framework's priorities alongside key services of Welsh and Local Government, public sector institutions such as FE and HE and of course the private and third sectors.

[Insert map of north Wales with key stats]

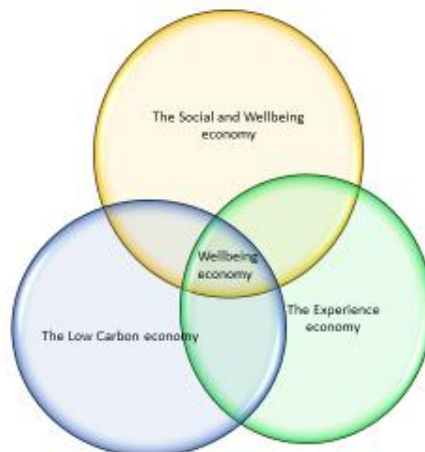
The Wellbeing Economy

The REF is based on the principles of a Wellbeing economy. The Wellbeing Economy means taking a different approach to developing the economy for North Wales. It is not simply about economic growth at any cost and requires us to change our focus from growth alone, to growth and sustaining that protects and support communities.

This is about recognising the root causes of the challenges we have in North Wales, rather than patching or repairing them. It is about creating equality and allowing communities to have the confidence and ability to be sustainable and allowing the economy to thrive and prosper.

Fundamentally, we need to understand what success will look like for North Wales; whilst important, it is not simply about GDP/ GVA. The role of this first REF therefore is to gradually influence the shift in our thinking from growth alone towards a wider set of metrics set against the wider priorities such as the climate and nature emergencies.

The REF, following stakeholder discussions, has been structured around three core themes:



Clearly, these create artificial boundaries, and the complexity of the relationships are not to be ignored. These have been created to allow for a readable document and the diagram at the beginning of each theme illustrates the interdependent aspects related to that area.

Regional Economic Framework – Priorities

1. The Social and Community Wellbeing Economy

[Inclusion of key activities under theme (blob diagram)]

[Inclusion of key stats for theme]

Priorities:

1.1 To work collectively as a region, recognising that how we deliver is as important as what we deliver – by embracing collaborative ways of working we can maintain and increase our impact, despite reduced resources and a capacity across all sectors. Building on the Growth Deal portfolio approach ensuring cross-border involvement, our collaborative thinking will require immediate action on:

- **Funding** - Understanding how collectively the individual elements of funding can be used more efficiently to create long term inward investments for the region which will support and provide opportunities for the indigenous supply chain.
- **Evidence** - Identifying a collaborative approach to collate evidence and eliminating gaps across the region to provide baseline evidence for future opportunities and means of measuring a successful and thriving economy in North Wales.
- **Skills** - Developing our understanding of the skills required, ensuring the right skills for a future workforce providing opportunities for all which provides a living wage.
- **Procurement** - creating a sustainable procurement process, by ensuring public sector procurement is used to encourage the wider decarbonisation of supply chains. Working with our anchor institutions to establish a strong link with communities in the way companies operate (Social License to Operate). Ensuring that public sector procurement drives development of deep and resilient local supply chains and positive social and environmental outcomes.
- **Climate Change** - holding difficult conversations to deal with the effects of climate change and to ensure we meet our net zero targets whilst also providing for a thriving economy.
- **Safeguarding Communities** - supporting the acceleration in home building by councils, housing associations and private developers whilst ensuring these are delivered for the benefits of local communities using local skills and materials wherever possible.
- **Social Care** - Supporting the resilience of the Social Care economy and workforce recognising that the region has a high population of residents over 75years old in our communities.

- **Digital connectivity** - ensure that all areas of the region have the digital connectivity required to work in a virtual world to allow for equality to access jobs.
 - **Research, Innovation and Entrepreneurship** - supporting our public services and private business with a real focus on local indigenous SMEs.
 - **Transport connectivity** – protecting and enhancing services to Ireland and cross-border to England and into mid Wales to ensure we have access to public and active transport modes. Allowing communities to travel with ease in the most carbon efficient means, whilst also strengthening our connection with the rest of Europe and the world, including a focus on the Holyhead master plan.
- 1.2 To maximise the impact of health service expenditure within the region.
 - 1.3 To secure additional projects associated with new advanced technologies, such as, medical radioisotope, recognising the potential for growth in health research in the area through the North Wales Medical school.
 - 1.4 To confidently promote and champion north Wales as a region with a wide range of economic opportunities, including the Growth Deal investments. Enticing our young people to stay and provide an ambitious and attractive place to live, for skilled and well-paid employment and to encourage investment.
 - 1.5 To support a strong recovery, working with existing provision, enhance, supplement, and provide targeted and integrated offer to those who want to start or grow a business in north Wales. The region has a high percentage of SMEs, including business owners and the self-employed who face particular challenges and have had less access to Government support. Learn from work in collaboration and build on programmes such as Arfor and Business Wales.
 - 1.6 We will need strong partnerships between communities, businesses and councils to enable town centres and villages to capitalise on redefining the role of the local high street by supporting and allowing smaller businesses to be more competitive, becoming focal centres for remote working and amenities by establishing community hubs which can deliver valuable and create innovative services.
 - 1.7 Working with our future generations to understand what they need from our town centres, to ensure we create opportunities for the youth, catering for their needs which will influence them to stay in the region whilst pursuing and progressing their careers.
 - 1.8 To ensure the development of a range of bilingual further and higher education courses. Allowing students to develop careers rooted in the region. Utilising the strong collaborative skills capability in the region, building on the opportunities which will come from developments such as the North Wales Medical School, M-SParc and AMRC Cymru.

- 1.9 To maximise opportunities of virtual working to allow opportunities for those living in rural areas. Creating access to work without the need to travel and therefore providing a platform for innovative digital opportunities for the development of multi-language tools to allow users to use the Welsh language and for the region to be a world leader in multi-language interface technology.

2. The Experience Economy

[Inclusion of key activities under theme (blob diagram)]

[Inclusion of key stats for theme]

Priorities:

2.1 In order to support the sustainable development of the experience economy, to protect communities and support industries, we need to react to the most pressing issues collaboratively:

- Support local communities to take advantage of and are responsible for supporting the experience and visitor industry in a way which benefits those communities, working across the region and with other similar regions across the UK to develop best practice.
- ensure an all-year tourism offer where appropriate, to create more sustainable opportunities for workforce
- development of higher-level pipeline of multilingual skills in hospitality, service industries, outdoor pursuits and events management, leading to skilled roles at higher rates of pay.
- develop a food and drink strategy, including community food strategies, for the North Wales region, to grow our businesses' scale, value and productivity as well as benefiting our people and society.
- aligned with the Food Innovation Wales programme, maximise opportunities to ensure our food and drink sector can be UK leaders through promotion and celebration of success as a global food nation by reaching for the highest levels of sustainability and that fair work in Wales is rewarded, heard, and represented with more businesses will earn accreditation, win awards and attain highest food standards.
- work collaboratively to seek evidence to provide a clearer understanding of future economic opportunities in the sport and leisure industry across the region. Develop a route map to drive investment to deliver resources and changes at scale in elite sports facilities and new facilities, and transform the way local sport and physical opportunities are managed and delivered through the establishment of the North Wales Regional Sports Partnership.
- strengthening creative industry opportunities across the region which ensures innovative opportunities for the Welsh language and culture to thrive even more, ensuring that all areas have access to cultural activities.

2.2 To work with our indigenous businesses to ensure they are in a strong position to benefit from the visitor economy, providing them with the skills to develop, create new opportunities and to protect local communities and their environment where these activities happen.

2.3 To think creatively, by aligning with tourism-related projects, on providing opportunities and facilities for young people by ensuring our town centres have leisure and night-time provision which can compete with other areas, catering

for year-round activities to provide a choice for young people, thus providing a real opportunity for the region to retain its future workforce.

- 2.4 Realising the economic benefits of public realms within our towns, allowing residents and visitors to benefit from parks and open spaces, squares and tree-lined streets. Lockdown showed how crucial such places are for our wellbeing as places to escape as well as improving the natural environment and providing economic stimulus.
- 2.5 To ensure that any significant spend in relation to cultural infrastructure or key activity filters through to other activities in the region, maximising the impact of public spend.
- 2.6 To explore opportunities for communities to have active roles in expanding the cultural offer, building on opportunities that have been created in many towns/villages across the region and are key in keeping our heritage and literature alive and relevant.

3. The Low Carbon and Low Emissions Economy

[Inclusion of key activities under theme (blob diagram)]

[Inclusion of key stats for theme]

Priorities:

- 3.1 To work collaboratively across every sector, especially with the utility sector, to create Low Carbon Energy and Green Growth Route maps. Developing and implementing a coherent, multi vector energy system which provides a consistent approach to exploiting opportunities in low carbon and green growth to maximise skills capability and wider benefits to local communities and ensuring the pound stays local.
- **Hydrogen Route Map** - Continue to develop a route map to understand how the opportunity for the deployment of Hydrogen across the North Wales Region can best be delivered, maximising the expertise, assets and benefits that could be derived.
 - **Low Carbon Energy** –Welsh Government and Regional Partners to prepare an action plan to deliver the North Wales Energy Strategy, which highlights the scale of the economic opportunity presented in the drive to achieve net zero.
 - **EV charging** - To work collaboratively to deliver a network across the region ensuring that every community has the access required to the infrastructure.
 - **Energy efficiency** - To improve the energy efficiency of the region's housing and accelerate the decarbonisation of North Wales' building stock and to ensure a significant shift in the way homes are heated and their level of energy efficiency across the region.
- 3.2 To collaboratively work across the region to develop a sustainable supply chain, skills and port infrastructure to support the offshore wind and marine industry in the region and globally:
- **Tidal stream** – building on work that is already taking place to ensure local companies can be competitive to support this growing industry.
 - **Tidal range (lagoon)** - continue to explore the potential of this industry in North Wales and ensure we have the supply chain ready to support.
 - **Offshore wind** – working with the developers of fixed offshore wind to ensure we create sustainable long-term opportunities for supply chains and ports in the region, creating a strong platform to also support floating offshore wind and wave.
- 3.3 Pursue a just energy transition, keeping wealth local and ensuring our communities and public institutions have a say over, and stake in, how we generate and save energy.

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- 3.4 Establish ways in which energy generation on sites and the retrofit of properties can be done in a way that builds community wealth, ensuring local businesses and people benefit from the amount that will be spent on the energy transition.
- 3.5 Seek opportunities to support and invest in the low carbon economy at key locations, projects and facilities in North Wales. This includes marketing the region as a location of choice for future investment alongside providing support for the Welsh supply chain to compete for work across the UK and overseas for:
- **Nuclear** (new build and decommissioning at Wylfa and Trawsfynydd),
 - **Offshore wind** (including decommissioning),
 - **Marine** (tidal stream and range) energy
 - **Hydrogen**
 - **Holyhead Gateway**
 - **Space, aerospace and automotive** (manufacturing, R&D and key locations including Deeside / Wrexham cluster, Llanbedr and Valley).
- 3.6 To optimise North Wales's place in the knowledge economy, with partnerships and facilities such as the Northwest Nuclear Arc, Optic Glyndwr and M-Sparc, enhancing a place-based network of R&D facilities and supply chain companies stretching from Cumbria to North Wales and encompassing Lancashire, Greater Manchester, Cheshire and Sheffield City region.
- 3.7 To reposition High Value Manufacturing (HVM) for post-Covid, post-Brexit and low carbon future by delivering the Framework for the Future of HVM, particularly in relation to Industry 4.0, digital technology and automation, building on our investment in Advanced Manufacturing Research Centre (AMRC) Cymru and planned development of Advanced Technology Research Centre (ATRC). This will be critically important in securing innovative opportunities in North Wales to reduce emissions by working with academia to use more recycled content through a circular economy approach.
- 3.8 To work regionally with the development company Cwmni Egin Cyf to ensure we maximise the opportunities across the region for nuclear and potentially other forms of energy generation.
- 3.9 Many parts of North Wales suffer from poor public transport connections, which impacts on residents' access to jobs, education and training. We need to continue to promote active travel, deliver road safety schemes and encourage a return to public transport as the reliance on the private car is growing. We need to work together to source investment in new strategic transport links and to approach opportunities to achieve shifts to lower carbon transport modes:
- **Active transport** - providing a true alternative to communities, recognising the importance of the role of the communities in this, especially to change the behaviours of society.

- **Public transport** – working in partnership to ensure public transport provides an alternative to the car across the region as well as cross-border.
 - **Cycle and walking networks** – build on the work taking place to create a safe alternative across the region.
- 3.10 We need to develop a resilient and prosperous agriculture industry, which reduces its carbon emissions through a range of approaches, including the development of improved efficiency in livestock and crop production, nutrient management and increasing the sustainability of farm assets, building on current and planned activities at Glynllifon and Llysfasi.
- 3.11 To work with the agricultural industry to support innovation and maximise the economic opportunities of agricultural products to ensure the industry leads in terms of sustainability.
- 3.12 Work jointly to implement systemic change in consumption emissions to ensure we keep resources in use for as long as possible and find new uses for resources, ensuring that community hubs play a key role and that decommissioning is a key consideration in any project taking place in the region across all sectors.
- 3.13 To work jointly to improve the way we manage our natural resources by ensuring that any future opportunities build and create a resilient ecosystem, creating actions to improve it that complements the implementation of technological solutions, resource efficiency (maximising product life) and investing in solutions to support the circular economy.

Next Steps

The immediate next steps will be to establish, via the Economy Recovery Group (and other key partners), a delivery programme. This will include considering how we prioritise the priorities, and who is best to lead on those delivery packages, recognising and respecting existing regional governance and delivery architecture.

Some of this work is already taking place and we will therefore need to have a better grasp of all the ongoing work, the funding packages under each priority area before creating new areas of work.