

# Agenda – Economy, Infrastructure and Skills

## Committee

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Meeting Venue:

**Committee Room 1 – Senedd**

Meeting date: Wednesday, 21 June  
2017

Meeting time: 09.15

For further information contact:

**Gareth Price**

Committee Clerk

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### Private pre-meeting (09.15–09.30)

**1 Introductions, apologies, substitutions and declarations of interest**

**2 Professor Dylan Jones–Evans – City Deals and the Regional Economies of Wales**

(09.30–10.15)

(Pages 1 – 13)

Professor Dylan Jones–Evans, Assistant Pro–Vice Chancellor, University of South Wales

Attached Documents:

Research brief



### **3 Cabinet Secretary for Finance and Local Government – City Deals and the Regional Economies of Wales**

(10.15–11.15)

(Pages 14 – 19)

Mark Drakeford AM, Cabinet Secretary for Finance and Local Government

Jo Salway, Head of Cabinet Office, Welsh Government

Debra Carter, Deputy Director – Local Government Strategic Finance, Welsh Government

Attached Documents:

EIS(5)–15–17 (p1) Cabinet Secretary for Finance and Local Government /  
Cabinet Secretary for Economy and Infrastructure

**Break (11.15–11.30)**

### **4 Business panel – City Deals and the Regional Economies of Wales**

(11.30–12.30)

(Pages 20 – 26)

Paul Byard, National Director – Wales, EEF – The Manufacturers' Organisation

John Brunt, Senior Network Manager, Mid Wales Manufacturing Group (MWMG)

Attached Documents:

EIS(5)–15–17 (p2) EEF – The Manufacturers' Organisation

EIS(5)–15–17 (p3) Mid Wales Manufacturing Group (MWMG)

### **5 Paper(s) to note**

#### **5.1 Correspondence to the Chair of the Petitions Committee (Page 27)**

Attached Documents:

EIS(5)–15–17 (p4) Correspondence to the Chair of the Petitions Committee

**Private de-brief (12.30–12.45)**

# Agenda Item 2

Document is Restricted

# Agenda Item 3

## **Purpose**

1. This paper provides written evidence from the Cabinet Secretaries for Economy and Infrastructure and Finance and Local Government on progress with City and Growth Deals in Wales and the contribution they make to the regional economies of Wales.

## **Background**

2. Following the successful signing of both the Cardiff Capital and Swansea Bay Region City Deals progress continues to be made in identifying and delivering the steps to realise the ambitions of these deals, led by the local authorities in collaboration with regional stakeholders. This paper provides an update on progress with the Deals that have been signed, as well as outlining proposals for Growth Deals elsewhere in Wales.

3. City Deals are led by the ambition of local authorities and based on regional collaboration amongst stakeholders, who identify their priorities for intervention to drive sustainable economic growth. The Welsh and UK Governments are co-signatories in the Deals, but the key principle is that the local partners develop and deliver proposals which will create local economic growth.

## **Cardiff Capital Region City Deal**

4. The Cardiff Capital Region City Deal was signed by the local authorities and the Welsh and UK Governments in March 2016. This Deal aims to provide local partners with the resources to unlock significant economic growth across the Cardiff Capital Region, enabling the local authority leaders to make decisions on a regional basis, pool their resources and work more effectively with local businesses.

5. The Deal established an Investment Fund for the Region of £1.2bn over a 20-year period. The Deal seeks to build on the region's sectoral strengths, its high skill base and three successful universities. It provides an opportunity to continue tackling the area's barriers to economic growth by improving transport connectivity; increasing skill levels; supporting people into work; and giving businesses the support they need to innovate and grow.

## ***Impact***

6. Over its lifetime, the Cardiff Capital Region City Deal aims to deliver up to 25,000 new jobs and lever an additional £4 billion of private sector investment.

## ***Funding***

7. The £1.2bn Cardiff Capital Region City Deal includes funding of £734m for the South Wales Metro, of which over £500m is provided by the Welsh Government, £125m from the UK Government and £106m from ERDF. The

Deal also sees a further £495m (£375m from the UK Government and £120m from local authorities) available to prioritise in line with the objectives of the Deal.

### ***Governance***

8. The governance arrangements for Cardiff Capital Region City Deal have been published and agreed by the ten local authorities.

9. The authorities have established a Joint Cabinet to provide the leadership and accountability for the Deal. It will be supported and advised by an Economic Growth Partnership and Regional Business Organisation ensuring the Deal reflects the needs of the private sector and wider stakeholders. A shadow Regional Transport Authority has also been created, to establish strategic priorities across the region.

10. These arrangements also govern the identification and selection of interventions, decision making, risk management and ongoing monitoring, evaluation and reporting, to ensure that the city deal successfully delivers the benefits intended for the region.

### ***Monitoring Arrangements***

11. The Cardiff Capital region is working with Welsh Government and the UK Government to develop an agreed implementation, monitoring and evaluation plan.

12. The full allocation of the funding is subject to the Cardiff Capital Region City Deal's successful completion of the Five Year Gateway Reviews, which will evaluate the impact of the Deal's investment of the funding in the five year period up to the Review. The assessments will be underpinned by an independent review of the economic benefits and economic impact of the investments and whether projects developed by local authorities, have been delivered on time and to budget.

### ***City Deal Projects***

13. Following the formal ratification of the £1.2bn Cardiff Capital Region City Deal in March 2017 and the local government elections, the region is in the process of identifying, prioritising and agreeing projects and interventions to deliver the ambitions of the Deal.

14. An assurance framework has been developed and agreed by the local authorities, with agreement from both Welsh and UK Governments, to provide a transparent process for identifying, prioritising and agreeing projects and interventions that benefit the whole City Region.

15. The Region has announced its first investment. We welcome the plans to invest £37m to create a world-leading technology cluster in Newport, as the

first project to be supported by this City Deal, which is expected to create more than 2,000 jobs and is backed by £12m of Welsh Government funding.

16. Led by the Welsh Government, delivery of the South East Wales Metro is at the heart of the Deal, including the Valley Lines Electrification programme. The procurement process for the Metro has now commenced and a Memorandum of Understanding has been agreed between the Welsh Government and the City Deal Joint Cabinet which outlines the roles and interactions for the design and delivery of future phases of Metro.

### **Swansea Bay City Region Deal**

17. The £1.3bn Swansea Bay City Region Deal is the second deal in Wales, signed in March 2017. It offers a vehicle for supporting economic growth across South West Wales. The signing of this deal confirms a joint commitment among the four local authorities, Welsh and UK Governments, to work together and fully implement the plans set out in the document.

18. The Swansea Bay City Region Deal is structured differently to the Cardiff Capital Region City Deal. Rather than establishing an infrastructure fund, the Welsh Government, the UK Government and the partners have agreed to jointly fund a series of projects within the themes of Health, Energy, Economic Acceleration and Smart Manufacturing. There are eleven major projects proposed in total. Detailed business cases will now be developed, and will be subject to approval by the Joint Committee and the Welsh and UK Governments. The partners are also developing the governance arrangements to provide strong leadership and accountability for the Deal's successful delivery.

### ***Impact***

19. Over the next 15 years this Deal aims to boost the local economy by £1.8 billion and generate almost 10,000 new jobs, attracting £637 million from the private sector.

### ***Funding***

20. The Swansea Bay City Deal will be underpinned by a total investment package of £1.3bn made up of £125.4m Welsh Government funding, £115.6m of UK Government funding, £396m of other public sector money and £637m from the private sector.

### ***Governance***

21. The proposed governance arrangements for the Swansea Bay Region City Deal are centred on a Joint Cabinet. This approach positions local authorities at the very heart of a Deal. This Deal also proposes the creation of an Economic Strategy Board which will monitor progress with the delivery of the Deal and will provide strategic advice to the Joint Committee on the City Deal. Formal governance arrangements and a delivery model are being

agreed by the four local authorities and will need to be approved by the UK and Welsh Governments.

### ***Monitoring***

22. The Swansea Bay City Region will work with the Welsh and UK Governments to develop an agreed implementation, monitoring and evaluation plan in advance of commencing the deal, which sets out the proposed approach to evaluating the impact of delivery.

### **Growth Deal for North Wales**

23. The Welsh Government is continuing to work closely with the North Wales Region and the North East Wales Ambition Board to consider how a Growth Deal can best support their ambitions to bring further economic growth.

24. As for City Deals the Welsh Government is committed to exploring the devolution of additional powers and flexibilities to local government where there is a strong case that this could support regional growth.

25. A vision document, 'A Growth Vision for the Economy of North Wales' was submitted to both Welsh Government and UK Government Ministers at the beginning of August 2016 and is an important starting point for the development of a Deal. This vision was agreed individually by all six Local Authorities and the North Wales Business Council which included an agreement in principle to establish a Joint Committee to own and implement the North Wales Growth Bid.

26. In translating this vision into specific interventions that can have an economic impact in the region, we have been clear that partners need to identify a realistic, proportionate package of measures to unlock Welsh and UK Government financial support.

27. We welcomed the UK Government's continued commitment in the March 2017 budget to the North Wales Growth Deal and look forward to considering further proposals with the UK Government in due course.

28. The Welsh Government continues to work with local authorities and regional stakeholders to understand how we can best support their ambitions, including the Economic Ambition Board in relation to their four key work streams.

29. We are also actively engaged with our wider network of stakeholders and partners who can assist in delivering economic prosperity. These include the three North Wales Enterprise Zones, the North Wales Business Council, the Mersey Dee Alliance, Growth Track 360, Cheshire and Warrington Local Enterprise Partnership, alongside other key partners and organisations across North Wales and the wider Northern Powerhouse area.

## **Growth Deal for Mid Wales**

30. We remain committed to working with any area of Wales that wishes to explore how City and Growth Deals might benefit them.

31. Powys and Ceredigion are continuing to develop 'Growing Mid Wales' with the Growing Mid Wales Partnership established in early 2015 as a regional partnership comprising of representatives bodies from across the public, private and voluntary sectors in mid Wales to lead the region's collaborative approach to economic development.

32. The Partnership has established a Framework for Action which sets key priorities for achieving economic growth and prosperity across the region. The Partnership is also working closely with the Marches Local Enterprise Partnership on areas of common interest and has engagement on cross border issues with other bodies in the Midlands area.

33. It is also our expectation that two sets of distinct arrangements would continue under the umbrella of the Central and South West Wales joint governance committee area.

## **Impact of City Deals on Regional Growth**

34. City deals are based on collaboration between local partners to develop proposals for regional economic growth. A key consideration is the provision of a new set of opportunities and responsibilities to local partners and the identification of local economic strengths that provide a base for fostering economic growth. By encouraging partners to work together, the Government is looking to local authorities to consider how the needs of the whole region can be best supported. It will be important that in driving regional economic growth that partners ensure that the benefits are for the whole region..

35. In working with local partners and the UK Government, the Welsh Government has been sensitive to the relationship between the different City Deals and Growth Deals. It is important that the Deals are distinct and are not in competition with one another. This is particularly the case with the Swansea Bay and the Cardiff Capital Region City Deals neighbouring one another. Similarly, developments around the North Wales Growth Deal needs to reflect the specific needs of Wales and the nature of the cross-border economy, including the contribution to the Northern Powerhouse. The Welsh Government has been clear that these regions must work together in a complementary way.



## **Contribution to Welsh Government Strategy**

36. Through its active encouragement of a city region approach to economic development in 2012, the Welsh Government signalled a change in approach to a more regional focus to economic development. This included the establishment of the City Regions Task and Finish Group and its report that recommended the establishment of two city regions in south Wales. These developments are aimed at growing regional economies by empowering each area to develop its own distinct economic identity and specialised sectors. Regional skills delivery remains a key policy focus going forward with Regional Skills Partnerships at the centre. These partnerships are an integral part of the City Deals that have been agreed to date.

37. Our measures for improving our transport infrastructure across all parts of Wales are set out in the National Transport Finance Plan. The City Regions have influenced this transport planning process at both local and national level. This has allowed them the opportunity to identify the key improvements they believe to be important to their regions.

38. Going forward, we have signalled a move to a more regional approach because one of the key challenges we face now is how we refocus and sharpen our approach in a way that will help us to achieve balanced growth across all parts of Wales. Through the White Paper on Resilient and Renewed Local Government, published on 31 January 2017, we set out our proposals to build resilience and support renewal in local government, building on extensive engagement with local government.

39. At the foreground we have set out a new systematic and mandatory approach to regional working as it is at the regional level and in the development of more distinct and focused identities to those economies that we can drive balanced and sustainable growth, through helping each region to develop their own clearly prioritised and specialised sectors.

40. The development of City Deals has demonstrated the impact and potential of regional working. City Deals provide a framework, beyond the City Deal investment, that allows regions to work together to set economic priorities and deliver key functions as a region, including land use planning, skills, transport and economic development.

41. City Deals in Wales have given local authorities the opportunity to drive forward and make a lasting change in how they work together for the benefit of the wider region that they represent. This is aligned with the Government's approach to local government reform.

**Mark Drakeford AM**  
**Cabinet Secretary for**  
**Finance and Local Government**

**Ken Skates AM**  
**Cabinet Secretary for**  
**Economy and Infrastructure**

## **Through the lens of an Industrial Strategy.**

### **1. The current position with regard to the signed Cardiff Capital Region and Swansea Bay City Deals and the next steps planned to take them forward**

The Cardiff Capital Region and the Swansea Bay City Deal have the opportunity to transform the region and aid economic performance. For example re quote :-

“The signing of the Cardiff Capital Region City Deal signalled an intention by the UK Government, Welsh Government, and the ten Local Authorities to increasingly work together on issues of long term development, infrastructure, land use, economic development and employment. This important agreement provides a fresh start for the city-region and offers the possibility of an integrated, singular, and long term approach to the region.

We believe the long-term strategy for the region will include at least:

- Investment in education to improve employability and productivity.
- Fostering of employment growth across distinct skills and income spectrums.
- Infrastructure investment to integrate the region better and provide more opportunities.
- Development in the spatial economy that will see multiple locations of growth.
- Improvements in the quality of place and the range of institutions investing in improving the city and town centres.
- Fostering of emerging sectors of employment and new/young companies.
- Increasing governance integration in the city-region to combine efforts and leverage investment.”

## **Regional Economic Strategy**

The Regional Cabinet has highlighted its intention to support skills and tackling unemployment, investing in innovation and connectivity and supporting enterprise and business growth, regeneration and housing.

In developing the Regional Economic Strategy, further work is being undertaken on the potential outputs and outcomes expected from the City Deal, which will develop on the expectations currently expressed of delivery of up to 25,000 new jobs and leverage an additional £4 billion of private sector investment.

## **Advisory/Consultative Bodies**

The Regional Cabinet are currently establishing three advisory/consultative bodies to assist them in developing, articulating and delivering the Regional Economic Strategy:

- Business Organisation – to provide a strong business voice articulating the regional needs of business, identifying regional priorities for business support;
- Regional Skills and Employment Board – building on the current Employment and Skills Board and representing a wide range of stakeholders it will be responsible for the region’s skills and worklessness strategy; and
- Economic Growth Partnership – to advise on the overarching city-region economic development strategy.

## **EEF – Through the lens of an Industrial Strategy**

The programme of City Deals and Regional Economic Strategies are attempting to resolve the many systemic issues/concerns we have in Wales.

The economic challenges facing Wales are of such an order that there has to be collective response that stimulates the Welsh economy, improves the competitiveness of Welsh business and delivers sustainable jobs.

The Welsh Government needs to ensure that the resources it has at its disposal are used in the most effective way. In order to ‘...foster the conditions needed to allow businesses to thrive.....’ and ‘..... reduce burdens on business and stimulate innovation and growth....’, as stated in the Programme for Government, the Welsh Government needs to seek and act on the advice of business /academia / key stakeholders within an agreed strategic framework.

To achieve this for the long term we must understand and agree what are the systemic issues and the vision / common purpose to deliver a future state economy.

### **Systemic issues in Wales:-**

Investments - Infrastructure / Inward Investments / indigenous Growth  
Investment - Research and Development - Commercial Innovations  
Investment in the Medium - Long Term to enhance our social capital - Improve Education Standards  
Reduce - Unemployment / Youth unemployment - social justice to create sustainability.  
A clear devolution structure/powers fit for purpose.  
Improve public services / Procurement  
Skills - More productive and Flexible workforce

### **Other Government Initiatives**

#### **1. Taking Wales Forward – (4)**

The development of the Welsh Government’s wider strategic work on four cross-cutting strategies:

- a. Prosperous and Secure
- b. Ambitious and Learning
- c. United and Connected
- d. Healthy and Active

#### **2. Well Being Future Generations Act 2015.**

- a. A Prosperous Wales
- b. A Resilient Wales
- c. A Healthier Wales
- d. A more Equal Wales
- e. A Wales of cohesive communities.
- f. A Wales of vibrant culture and thriving Welsh Language
- g. A globally responsible Wales

EEF Route to Growth

### **Rebalancing the Economy.**

Wales has a unique opportunity to rebalance the economy on a secure manufacturing base.

Many of the systemic issues we have in Wales are well understood but we lack the connectivity to provide a sustainable solution. A key component to addressing these concerns is through an industrial strategy which forms part of the wider economic strategy.

### **Methodology/Approach.**

The basis for the identification of the challenges facing manufacturing and the defining of a balanced economy to achieve over an agreed period of time will highlight/demonstrate the absolute connectivity between government/industry/academia and key stakeholders. This focus will hold to account the delivery of key investments/initiatives towards future state and monitor effectiveness in terms of maximizing economic benefit to Wales. In an attempt to predict future changes and challenges, a number of initiatives can be undertaken which will make clear the Vision for future state manufacturing capability in Wales.

### **Outline approach:-**

Align the Industrial Vision for Wales.

- Understand current state:- establish a baseline.
- Agree Future State:- Define:- “Building a balanced economy on a secure manufacturing base”.
- Timing Plan:- to be defined in 5/10/15 years.
- Conduct Gap Analysis:- Invite/setup an all stakeholder conference to lead and shared vision for Wales.
- Prioritisation of Initiatives/projects aligned with above.
- Agree measuring instruments for maximizing economic impact.

The above forms the basis of building on our capabilities and releasing the potential to invest accordingly.

### **Manufacturing in Wales**

The shift in manufacturing focus and corresponding capability has honed the Welsh manufacturing workforce into a highly adaptive and responsive asset capable of learning, adapting and overcoming major strategic shifts in manufacturing. This is a key strength in our evolution towards a diverse sustainable manufacturing capability. As a result of this continually changing manufacturing landscape, significant strategic shifts and technological advancements will continue as manufacturing industry adjusts to the opportunities and threats that it faces today and in the future. The emergence of new manufacturing technologies, spurred by intense global competition, will lead to new products and processes. The identification and prioritization of these opportunities will provide Wales with New Industries.

### **Vision :-**

A consistent long-term industrial strategy can help us make more of what we have and develop the growth drivers of the future. We must strive for better productivity, increased trade and more ambitious investment in new technologies. Government can underpin this by supporting Skills and higher skills, investing in infrastructure, lowering the cost of doing business and providing world class support for growing businesses.

Therefore EEF The Manufacturing Organisation is focused on :-

**Our key Route to Growth is via 4 key ambitions as stated by our members.**

<b>Ambition 1.</b> More companies bring new products and services to market	Innovation
<b>Ambition 2.</b> More globally focused companies choosing to expand in the UK	Commercialisation
<b>Ambition 3.</b> A lower cost of doing business	Competitiveness
<b>Ambition 4.</b> A more productive and flexible labour force.	Future Skills

By supporting these ambitions it is evident that the synergy through an overarching Industrial Strategy provides the connectivity to deliver and create sustainable employment.

Key considerations to align “**Systemic** issues with **Policy** and ensure **Connectivity**”.

The Economic Strategy should have 3 main elements :-

- The Economic Strategy must provide a clear vision for the kind of economy the Welsh Government is trying to create.
- A cross – government approach to work relentlessly to deliver the vision.
- Measurable benchmarks to track progress and a framework to ensure action is taken if we go off track.

**Industrial Strategy alignment**

In summary the UK Industrial Strategy is focused on 10 pillars of support namely:-

1. Investing in science, research and innovation
2. Developing skills
3. Upgrading infrastructure
4. Supporting businesses to start and grow
5. Improving procurement
6. Encouraging trade and inward investment policy
7. Delivering affordable energy and clean growth
8. Cultivating world-leading sectors
9. Driving growth across the whole country
10. Creating the right institutions to bring together sectors and places

Therefore we must consider the alignment of the key elements to provide sustainable growth with an Industrial Strategy. This will provide an opportunity to consider the powers and resources available in Wales and align to a future state aspiration and then conduct the gap analysis in provision to address both the shortfall and the root cause of the many systemic issues we have in Wales.

<b>Route to Growth</b>	<b>Industrial Strategy</b>
Ambition 1 – Innovation Helping companies bring new products and services to market	<b>1. Investing in science, research and innovation.</b> <b>7. Delivering affordable energy and clean growth</b>
Ambition 2 – Commercialisation More globally-focused companies choosing to expand in the UK	<b>4. Supporting businesses to start and grow</b> <b>6. Encouraging trade and inward investment policy</b>
Ambition 3 – A lower cost of doing business	<b>Gap analysis.</b>
Ambition 4 – A more productive and more flexible labour force	<b>2. Developing skills</b> <b>8. Cultivating world-leading sectors</b>

Consideration via other Government Initiatives:-

**3.Upgrading infrastructure**

**5.Improving procurement**

**9.Driving growth across the whole country**

**10.Creating the right institutions to bring together sectors and places**

### Gap analysis.

The above Route to Growth identifies a gap in provision re Lower Cost of Doing Business. This can provide an opportunity to look at Efficiency, Productivity, Value Engineering, Design for Manufacture, Industrial Engineering, Lean Benchmark etc. The Productivity Fund via Innovate UK provides a key support mechanism to engage to address our competitiveness whilst we go through this period of uncertainty.

### **Summary:-**

An Industrial Strategy can provide the “glue” and the basis for forming long term decisions that will create a sustainable Economic Impact whilst addressing the many systemic issues in Wales by addressing and investing in the root cause of so many problems.

### **Building for the future – Industrial Strategy**

Any strategy for the sector/region requires a process which not only clearly sets out a direction of travel but, more importantly, continuously reviews the steps required and resources needed to maximise economic impact from the sector in response to changes in the global marketplace. The aim therefore is to create a real time high-level Strategic Route Map for the sector supported by a series of detailed Tactical Implementation Plans which reflects the dynamic approach to strategy development espoused by the Manufacturing Sector. A Strategic Route Map will target five key priorities that deliver maximum impact for the sector by collectively providing Wales with a distinct competitive edge:

1. **Globalisation** – increasing trade, export and inward investment opportunities from existing and emerging markets
2. **Innovation** – encouraging and supporting R&D in innovative products and processes to increase and embed ‘intellectual capital’ in Wales
3. **Employment** – ‘future proofing’ education, skills, training and leadership to meet the demands of the 21<sup>st</sup> century manufacturing workplace
4. **Finance for Growth** – syndicating risk-sharing financial packages through a combination of public and private sector funding mechanisms
5. **Capacity Building** - targeting “investment” in indigenous, inward and strategic infrastructure and broad-access business improvement initiatives.

Without this alignment the key concern is we miss the opportunity to create building capacity and capability by localising and developing sectors / supply chains.

**National Assembly for Wales' Economy, Infrastructure and Skills Committee  
Inquiry into City Deals and the Regional Economies of Wales.**

**Grow Mid Wales**

Mid Wales Manufacturing Group (MWMG ) have been involved with the partnership since its inaugural meeting. We are delighted to be able to participate in what we hope could develop into a vital initiative representing the specific and possibly unique interests of our region in the overall Welsh economy and provide the means for transformational change to the region.

- Partnership Structure  
Full engagement by the private sector has been challenging, due in part by the size of companies that operate in the region but also through a lack of change after countless regional and County strategies have failed to deliver. The structure is very public sector heavy, however this is noted by the Partnership who are seeking other ways to engage. We would welcome a Partnership Director who is employed outside of the Council structure to deliver on the Framework agreements.
- Economic Development Priorities

Transformational change doesn't come easily or without cost, however considering the failure by all parties to provide even mobile phone coverage for the region even 30 years later, we need to somehow find a way to get the needs of businesses in the region addressed. The opportunity to be able to develop and bid for a programme of change without the EU regulations hindrance is welcomed and allows us to focus on the needs of all of Mid Wales rather than West Wales & the Valleys or East Wales and aligning ourselves to particular funding pockets.

- Cross Border Working

East-West connectivity is vitally important to the region and it was encouraging to see the work with the Marches on the cross border freight survey. Opportunities are evident for supply chain development if we can capitalise on them.

- Industrial Property

The availability of suitable industrial premises in the region is a major barrier to growth of businesses and despite inward investment enquiries we are unable to attract new business as the property and land is unavailable, Planning regulations are stifling, and BREEAM regulations a large expense. Addressing this issue is a major priority and can be addressed through the partnership by ensuring appropriate sites are available and addressing market failure.

- Skills & Training

The latest MWMG member survey (May 17) shows 62% of our members have cited skills shortage as affecting Business Growth, we must develop initiatives around retention of young people in the region, recruitment into the region and upskilling the exiting workforce to ensure the future prosperity of our businesses.

- Infrastructure

Improving transport flow into the region will assist with recruitment difficulties. Widening trunk roads, providing overtaking spaces can all assist. We must do more to connect Wales and to connect Mid Wales into the Midlands corridor. Many companies are still unable to maximise the benefits of Digital Technology due to poor broadband speeds.

Mid Wales Manufacturing Group  
6/6/2017



**Cynulliad Cenedlaethol Cymru**  
Pwyllgor yr Economi, Seilwaith a Sgiliau

**National Assembly for Wales**  
Economy, Infrastructure and Skills Committee

Mike Hedges AM  
Chair Petitions Committee  
National Assembly for Wales  
Tŷ Hywel  
Cardiff, CF99 1NA

12 June 2017

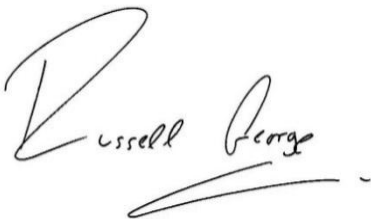
Dear Mike,

## **Petitions currently under consideration by the Petitions Committee**

Thank you for your letter dated 25 May regarding petitions currently under consideration by the petitions committee. The EIS Committee noted the letter at our meeting on 7 June 2017.

When we look at our future work programme later this term, we will consider whether there are themes emerging from the petitions which could inform a future inquiry.

Yours Sincerely,



Russell George AM

Chair of the Economy, Infrastructure and Skills Committee

