

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

Regeneration and Sustainable Development Cabinet Board

Report of the Head of Property & Regeneration Simon Brennan

25 February 2022

MATTER FOR DECISION

WARD(S) AFFECTED: All

Report title: Economic Recovery Plans

Purpose of Report

To seek approval of the South West Wales Regional Economic Delivery Plan (REDP), the Welsh Government's Regional Economic Framework (REF), and the Council's own Economic Recovery Plan (ERP).

Executive Summary

To secure adoption of the 3 Economic Recovery Strategies outlined below.

Background

1. SOUTH WEST WALES REGIONAL ECONOMIC DELIVERY PLAN (REDP)

It has been eight years since the publication of the Swansea Bay City Region Economic Regeneration Strategy in 2013, and the economic and policy context has changed considerably at the Welsh and UK level since then, particularly in light of the UK's decision to leave the European Union and the impact of the covid-19 pandemic. In addition, the regional landscape is changing with the advent of the new Corporate Joint Committees, and the preparation of new Regional Economic Frameworks by Welsh Government that set out visions and high level priorities for each region in Wales.

To respond to changing circumstances, the four local authorities in South West Wales, in partnership with Welsh Government, commissioned SQW to produce a new Regional Economic Delivery Plan (REDP). This will replace the previous Swansea Bay City Region Economic Regeneration Strategy.

The REDP commission included:

- A thorough analysis of the evidence base on the region's economy, labour market and infrastructure to determine its strengths, weaknesses, opportunities and threats
- Interpretation of the strategic policy context at local, regional and national level
- Development of detailed strategic aims and objectives that respond to the economic opportunities for the region and complement the shared regional vision as articulated in the Regional Economic Framework
- Preparation of Regional Economic Delivery Plan that includes actions that need to be taken to achieve the vision and objectives

The REDP sets out an ambitious 'route map' for the development of the region's economy over the next ten years, identifying priorities for intervention and setting out how business, government, education, voluntary/ community organisations, social enterprises and other partners can work together to bring them forward.

The Regional Economic Delivery Plan is attached as Appendix A

2. THE WELSH GOVERNMENT'S REGIONAL ECONOMIC FRAMEWORK

The REDP outlined above complements, and provides a further layer of detail, below the new Welsh Government Regional Economic Framework (REF)

- The REF outlines the basis for a regional approach to economic development across Wales, recognising the distinctive opportunities of all the regions and seeks to build upon key assets to deliver a stronger, fairer and greener economy. It supports the Welsh Government's commitment to a more regionally focussed model of economic development, by developing the distinctive strengths of the

region, supporting inclusive and sustainable economic growth and maximising opportunities to address regional and local inequalities, contributing to the Well-being Goals for Wales.

- The REF is intended as a vehicle to help promote collaborative regional planning and delivery amongst public, private and third sector partners, working to a shared vision and a set of common economic development objectives.
- The REF is not intended to duplicate the plans that already exist, but draw together the key elements to address regional inequalities and will aim to directly influence how Welsh Government and its partners deliver in regions and places.

The REF is attached as Appendix 2.

3. THE NEATH PORT TALBOT ECONOMIC RECOVERY PLAN

Whilst the REDP and REF provide useful over-arching strategies, in view of the unique and unprecedented economic circumstances that have arisen due to the vote to leave the European Union Agreement, coupled the global covid-19 pandemic, the Council took the decision to undertake further research and guidance into the Borough's own economic circumstances.

For continuity, we therefore commissioned the consultants SQW, who had delivered the REDP to produce a similar piece of work. However, this time with the focus specifically on the economic position of the Borough of Neath Port Talbot Borough, and in collaboration with the Council's Economic Development team, to produce an Economic Recovery Plan (ERP).

Following several meetings, it was concluded that this piece of work ought to consider six key considerations that would be important in developing the Recovery Plan at County Borough level:

1. The **specific identity of the local context**. There are always some aspects of the economy, such as key employers, major sites, pipeline investments, educational institutions, etc. that may

not be fully highlighted at a regional level, but are very significant locally. In the case of Neath Port Talbot, this is perhaps especially true, as **the County Borough has a highly distinctive local economy**, especially related to the steel industry and the scale of the wider manufacturing sector. This is matched with distinctive challenges, as well as opportunities, and understanding these, and the unique make-up of the local economy and its potential, will be key to a successful Recovery Plan.

2. **Stakeholder views and aspirations.** The Recovery Plan will be 'owned' by Neath Port Talbot CBC. But successful delivery will depend on its relevance to a range of economic partners and stakeholders, including businesses and business groups and skills providers. It was important that these were engaged in the Plan's development, and were able to influence it.
3. **Links beyond Neath Port Talbot.** The regional strategy for South West Wales is obviously highly relevant, and connections with Swansea and its institutions are very important. But Neath Port Talbot also has close links with the concentrations of manufacturing in Bridgend and Rhondda Cynon Taf for example, and is also within easy reach of Cardiff and points east along the M4. Economically and historically, the County Borough has much in common with other Valleys authorities connected by the ever improving A465 'Heads of the Valleys' road. The Plan would need to recognise these 'cross-regional' links and the opportunities that can arise from them.
4. **The balance between strategy over the medium term and practical action.** It was anticipated that the Recovery Plan ought to extend **beyond the 'return to normality' after Covid**, and should set out a strategy looking perhaps 5-10 years ahead that the Council and its partners could work towards. We also wanted the Plan to identify specific actions that could be progressed in the shorter term.
5. **Reflecting more broadly on the exciting and timely opportunity that this proposed Economic Recovery Plan would offer.** It was recognised that we needed to produce a well thought through and clearly articulated Neath Port Talbot growth narrative that impacts locally, but is very much outward-facing and, is likely to pay the highest dividends for the area. Additionally, a

confident and assertive partnership-led approach would be needed to unlock our full economic potential.

6. **Developing actions:** With the strategic priorities providing a guiding framework, our next task will be to work with key partners to develop a widely supported Action Plan that can be practically taken forward. To this end, the Economic Development Team are already developing an Action Plan which is a working document.

The ERP is attached as Appendix 3 and the Action Plan as Appendix 4.

Financial Impact

There is no immediate financial impact on the Council however where there is a financial aspect regarding individual elements under these plans they will be subject to further reports to members with a detailed financial appraisal.

Integrated Impact Assessment

A first stage impact assessment has been undertaken to assist the Council in discharging its legislative duties (under the Equality Act 2010, the Welsh Language Standards (No.1) Regulations 2015, the Well-being of Future Generations (Wales) Act 2015 and the Environment (Wales) Act 2016. The first stage assessment has indicated that a more in-depth assessment is not required.

Workforce Impact

Not applicable.

Valleys Communities Impact

The Economic Recovery and the future of our Valley Communities, is addressed within the document.

Legal Impact

There are no Legal impacts associated with this report.

Risk Management

There are no risk management issues associated with this report.

Consultation

There has been consultation throughout the production and delivery of the ERP with groups such as the NPT Economic Forum, which includes not only internal stakeholders, but external stakeholders as well, such as DWP, Neath Port Talbot College Group, CVS, Tai Tarian, Coastal Housing, NRW and the Federation of Small Businesses. In addition, the consultants, SQW interviewed 4 local businesses for their contribution to the document. These were TWI, Call of the Wild, British Rototherm and Swansea Valley Cottages.

Sustainability

The aim of these plans is to allow for a more prosperous and reactive local economy going forward.

Recommendations

Having had due regard to the first stage of the Integrated Impact Assessment, it is recommended that Members approve the adoption of the following documents:

1. South West Wales Regional Economic Delivery Plan
2. Welsh Government's Regional Economic Framework
3. Neath Port Talbot's Economic Recovery Plan

Reasons for Proposed Decision

These documents will form the basis of planning for the economic recovery from the pandemic and other influences, and provide a roadmap for the future prosperity and economic development of the Borough and the wider region, in line with the Council's Corporate Plan – Recover, Reset, Renew, Well Being Objective 4 *Jobs and Skills across the area are improved.*

Implementation of Decision

The decision will be implemented after a 3 day call in period.

Appendices

1. South West Wales Regional Economic Delivery Plan
2. Welsh Government's Regional Economic Framework
3. Neath Port Talbot's Economic Recovery Plan
4. Neath Port Talbot Action Plan

List of Background Papers

None.

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