



Western Gateway Porth y
Gorllewin

Western Gateway powerhouse partnership
The powerhouse for south Wales
and western England

Powering a greener, fairer future

January 2022



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The Western Gateway provides a unique opportunity to level up communities on both sides of the Severn. Already a powerhouse for cyber and tech, research, engineering and the creative industries, the area has huge potential to create sustainable growth and help power the UK’s ambition to reach net zero.

This pan-regional partnership between south Wales and western England is a key part of this government’s plans to level up communities across the union. I look forward to working with them to create new opportunities and boost growth across the whole of our nation.

The Rt Hon Michael Gove MP, Secretary of State
for Levelling Up, Housing and Communities

Introduction

Our Western Gateway area is home to a unique mix of highly skilled, innovative people who are passionate about sustainable solutions alongside leading industry and enterprise. We want to use this to power the UK's ambition to reach net zero whilst also providing opportunities to those who are at risk of being left behind.

With beautiful countryside, cultural landmarks and access to a vibrant arts scene, we are a great place to live that can attract world class talent.

Despite all this, too many live in relative deprivation with a lack of access to good services and education. We want to use our strengths to open new opportunities and level up these communities.

Reaching across the union, local people within our area regularly cross borders to access work, leisure and family with over 140,000 journeys a day across the Severn motorway bridge and many more by train. We want to make sure that decision making, and opportunities can reach across the union as well to benefit all our communities.

Our powerhouse partnership has an important role to play in providing real amplification and additionality to existing projects, infrastructure and industrial strategies.



Following two years of building relationships and our evidence base, this prospectus puts forward a bold vision for how we will use our ambition and skills as a catalyst for prosperity and a better, greener future for all.

**Katherine Bennett CBE –
Chair of the Western Gateway Partnership**

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Who we are

Our Western Gateway partnership is the UK's first pan-regional powerhouse to span the border of two countries. Stretching across South Wales and Western England, our powerhouse connects the Union and has the Core Cities of Bristol and Cardiff at its heart.

We are focused on realising economic growth for the people we serve both now and in the future. By using our shared strengths to find new ways to reach net zero, we can create new opportunities to level up communities in the process and build a sustainable economy.

We start from a good position. Our area is home to world leading advanced manufacturing and high-tech clusters, excellent universities, and competitive businesses.

Despite this, many communities within the Western Gateway have been left behind, with some suffering from the highest levels of deprivation in the country. Our partnership will lead work to create new opportunities, level up communities and ensure a greener, fairer future for all.





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8 cities,
3 City Regions,
and 2 economic
partnerships

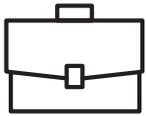


£34bn
for the economy
by 2030

4.4 million
people



£21bn goods
exports & £11bn
service exports



2.1million
jobs

£107bn
economy



Additional £580m in R&D
spend would bring SW England
level with the UK average.
£480m in Wales.

How we work

We work in partnership with public sector organisations, business, and universities to unleash our untapped potential. Our work is grounded in a core set of principles which commits us to:

LEAD when our size will achieve more for our people and the wider economies of our countries than our constituent parts could achieve alone.

COLLABORATE on partner-led opportunities to increase their visibility, impact, and reach.

CONVENE the talent and expertise from across our area to ensure we are being led by the best possible evidence.

ADVOCATE for and amplify the work of others.

Our mission

MISSION 1: CONTRIBUTE £34 BILLION TO THE ECONOMY

Drive up productivity levels to close the gap with the UK average by 50%.

MISSION 2: ATTRACT INVESTMENT AND GROW EXPORTS BY £4 BILLION

Champion the area internationally and grow exports to meet the UK average.

MISSION 3: DECARBONISE OUR ECONOMY

Position the area as a global leader in green renewable energy systems.

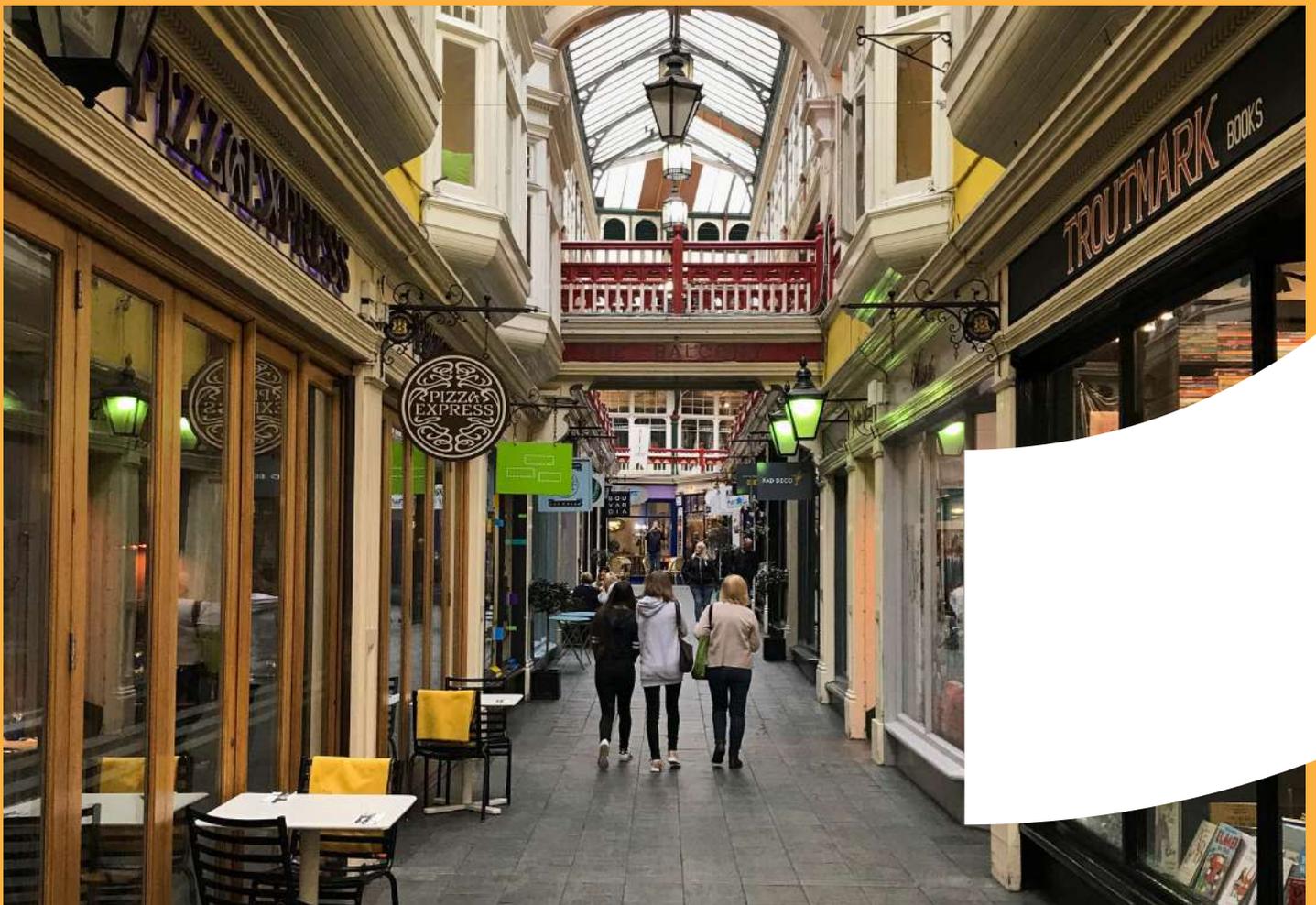
MISSION 4: CONNECT COMMUNITIES

Realise an integrated transport network and improve digital connectivity to level-up access to jobs, education and opportunity.

MISSION 5: UNLOCK INNOVATION

Create a digital super-cluster that harnesses the strengths of our high value sectors such as advanced engineering, telecoms and creative industries.

Our success will do more than contribute billions of pounds to the economy. It will also level up communities to improve the quality of people's lives across our area, and ensure that our enviable cultural institutions, coasts, and countryside are accessible to all.



In action

Mission 1: Contribute £34 billion to the economy

The Western Gateway contributes 6% of the UK's total economy every year. Despite our relatively modest size, our GVA per head of population was markedly higher in 2019 than in either the Northern Powerhouse or the Midlands Engine. Despite this, our productivity is lower than country's average. Our most recent independent economic review estimated that if we can bridge this gap by just 50% we could deliver a £34 billion boost to our economy.

And we've got strong reasons to believe this is possible. We are home to 55.5% of the UK's high growth businesses and have strengths in sectors including advance manufacturing & engineering, cyber, fintech and creative industries.

By working with partners to strengthen supply-chain and business linkages, we will foster collaboration between firms, facilities and supply chains and ensure

that high potential businesses in rural areas benefit from the same positive spill-over effects as those in urban areas.

ADVANCED MANUFACTURING & ENGINEERING

55% of the world's mobile phone semiconductors manufactured in Western Gateway

CYBER

The UK's most specialised cyber economy
The largest and most developed cyber cluster in Europe

FINTECH

2 out of 10 of the UK's fintech clusters

CREATIVE INDUSTRIES

Top ten for creative and high-tech UK clusters

In action

We are convening leading thinkers from across business, research, investment, and innovation organisations to generate the insight and evidence we need to develop the economy of the future within the Western Gateway. Better collaboration will create opportunities to increase our productivity, strengthen collaborations and chances to share knowledge as we unleash our potential.



Mission 2: Attract investment and grow exports by £4 billion

The Western Gateway is already a global gateway. Home to two deep sea ports and two airports that provide direct access to international markets alongside the world-leading companies, we have much we can offer the global economy.

Building on evidence from government and our partners, we are developing a coordinated approach to promoting our shared sectoral strengths and assets to key international markets.

Our focus is on growing our global brand. Working with partners to attract investment and generate the export led growth needed to close the gap with the UK average and that will add £4 billion to the economy.

Our businesses are well positioned to make the most of this opportunity. UK cyber exports increased by 90% from 2018 to nearly £4 billion internationally and demand for these products is expected to continue growing at pace. The Western Gateway's strong civil aerospace sector is also a large exporter for the UK alongside our creative sector which competes at the global level.

Businesses that export have been shown to be more productive. By bridging this gap not only will we be able to increase productivity but also lead to rise in wages.

In action

In March 2022, the Western Gateway will join partners at MIPIM Cannes to champion the area, its strong sectors and quality of life as the place to invest. In May 2022, the Western Gateway will host its partners at UK Real Estate investment and infrastructure forum UKREiIF 2022 to showcase investment propositions across the area.

Mission 3: Generate renewable energy to decarbonise our economy

The Western Gateway has all the elements needed to become a world-leading green energy cluster. These include significant natural assets in solar, tidal, marine, and wind and leading capabilities in hydrogen, nuclear and industrial decarbonisation.

By capitalising on these strengths, we have an opportunity to lead globally on delivering new clean and renewable energy solutions to help decarbonise our economy, opening up new opportunities for local people in the process.

Our key strengths include:

HYDROGEN

Our strengths in this emerging fuel stretch from the South Wales Industrial Cluster to the developing hydrogen hub in Swindon. We are poised to become a nationally significant and highly integrated Hydrogen cluster, we are mapping work across our area to connect and co-create opportunities.

FUSION

Our decommissioned Oldbury and Berkley plants helped pioneer nuclear fission energy in the UK. This nuclear heritage and cutting-edge expertise underpins the Western Gateway's case to be the future home of the UKAEA STEP fusion prototype.

TIDAL

The Severn Estuary has the potential to contribute up to 7 per cent of the UK's energy need. In Cardiff and the Blue Eden development in Swansea, work is planned to develop tidal lagoons that will generate renewable energy as part of a broader project. Our powerhouse partnership will look at what else might be done to tap into the Estuary's potential.

In action: STEP Fusion

We are leading the bid to bring the UK's first STEP fusion prototype plant to our area. Our Severn Edge bid for the Oldbury & Berkeley site would offer access to the largest nuclear industry cluster in the UK, world-leading expertise in high-temperature engineering and the National centre for fusion research and would mean 1000s of jobs and billions of pounds of investment for the area.

Our site offers the chance to develop a site which pioneered nuclear fission and would provide local disadvantaged communities on both sides of the Severn new opportunities and a chance to develop new skills which will help to create the workforce of the future.

Mission 4: Connect communities to level-up access to jobs, education and opportunity

While our area is prosperous overall, significant pockets of deprivation and inequalities exist amongst our communities. These include people displaced by the pandemic and by de-industrialisation.

Many are often unable to access many of the benefits of our prosperous society. Not only are there historic issues with transport in our area but we also lag behind the UK average for digital connectivity.

Connecting these hard-hit communities with socio-economic opportunities is within our grasp. 140,000 people cross the Severn every day and over half the UK population lives within 2 hours of our borders. The electrification of the Great Western Mainline is nearing completion and multi-billion pounds worth of investments into city-region metro systems are underway. We want to make sure that local people can easily

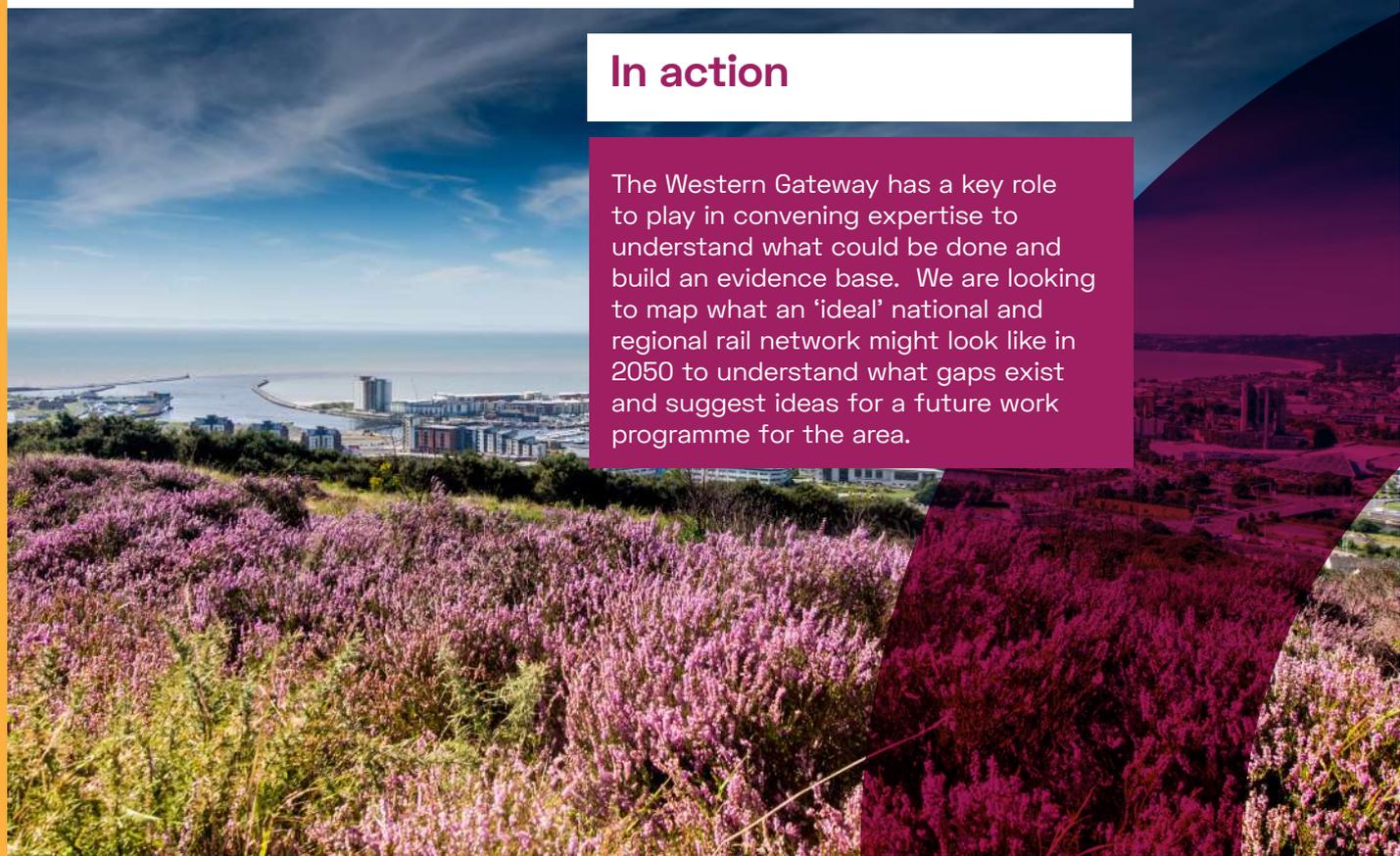
cross borders and have fast access to other economic powerhouses, including the Midlands Engine and Northern Powerhouse.

Our ambition is to build on these foundations to better connect communities to one another and the national transport system, raising productivity, unlocking housing growth and supporting our transition to a 'net zero' future. This would ensure everyone can access centres of employment, high-quality education and the cultural institutions and areas of outstanding natural beauty that our cities, coastlines to countryside have to offer.

We are mapping the area's strategic transport plans to identify where there are gaps and will use this information to help highlight where we need better connections.

In action

The Western Gateway has a key role to play in convening expertise to understand what could be done and build an evidence base. We are looking to map what an 'ideal' national and regional rail network might look like in 2050 to understand what gaps exist and suggest ideas for a future work programme for the area.



Mission 5: Unlock further digital-driven innovation in some of the highest value-add sectors

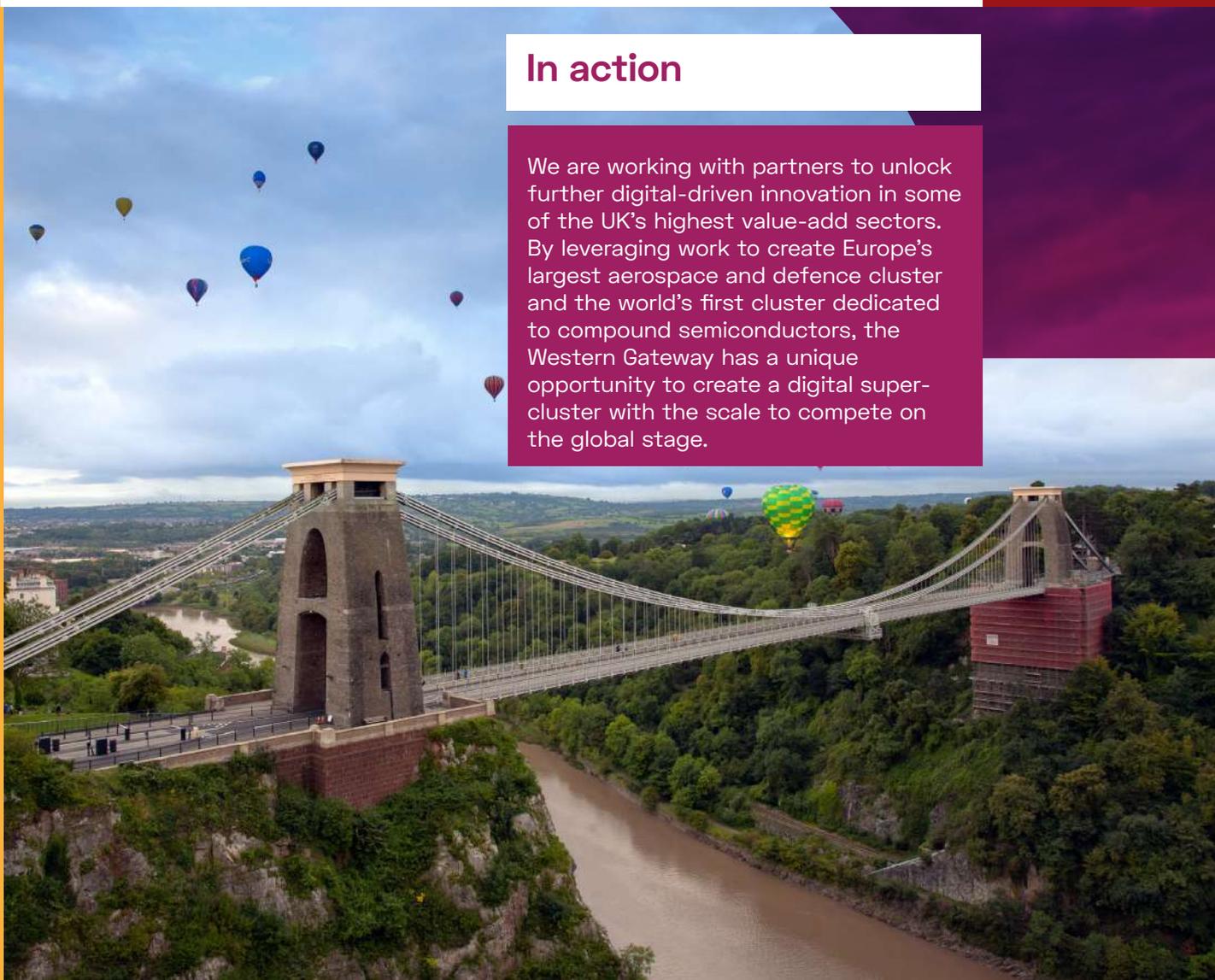
The Western Gateway is highly innovative. Wider SW England and Wales both outrank the UK and EU average in the EU Innovation index, and SW England is home to 52.5% of the UK's high growth businesses. An ecosystem of university, public, and private sector start-ups, scale-ups, multi-nationals and innovation infrastructure provides technology pull at the same time as driving technology adoption and diffusion.

This unique ecosystem has attracted significant investment from the public and private sector, including BT's new state-

of-the-art office in Bristol, the Golden Valley Development that is home to Cyber Central in Cheltenham and the UK's first business-led cyber centre in Wiltshire. The area has highly innovative clusters in Advanced Engineering, Creative Industries, Digital Connectivity (mobile telecommunications) and Data Solutions (businesses that create wealth from data such as fintech and space). These are some of the UK's highest value-add sectors and, with better support, provide the best opportunity to consolidate the UK's role as a scientific super-power.

In action

We are working with partners to unlock further digital-driven innovation in some of the UK's highest value-add sectors. By leveraging work to create Europe's largest aerospace and defence cluster and the world's first cluster dedicated to compound semiconductors, the Western Gateway has a unique opportunity to create a digital super-cluster with the scale to compete on the global stage.





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