

Wiltshire Council

Cabinet

10 December 2019

Subject: Western Gateway – a powerhouse for the West

**Cabinet member: Cllr Philip Whitehead, Leader of the Council and
Cabinet Member for Economic Development**

Key Decision: Non-Key

Executive Summary

Central government announced its support for cross-border economic collaboration through the 'Western Gateway' in November 2019, with £400k of start-up funding to take the objectives of the partnership forward. The partnership aims to drive inclusive growth through greater collaboration amongst councils and other partners either side of the Severn estuary.

Proposal(s)

To approve Wiltshire Council's participation as a full and equal partner in the Western Gateway; and to review the benefits of the participation after 12 months.

Reason for Proposal

The Western Gateway proposal offers the potential means to amplify the voice of Wiltshire with national government and ensuring our desired infrastructure and other needs are better addressed.

Alistair Cunningham OBE

Executive Director, Growth, Investment & Place

Wiltshire Council

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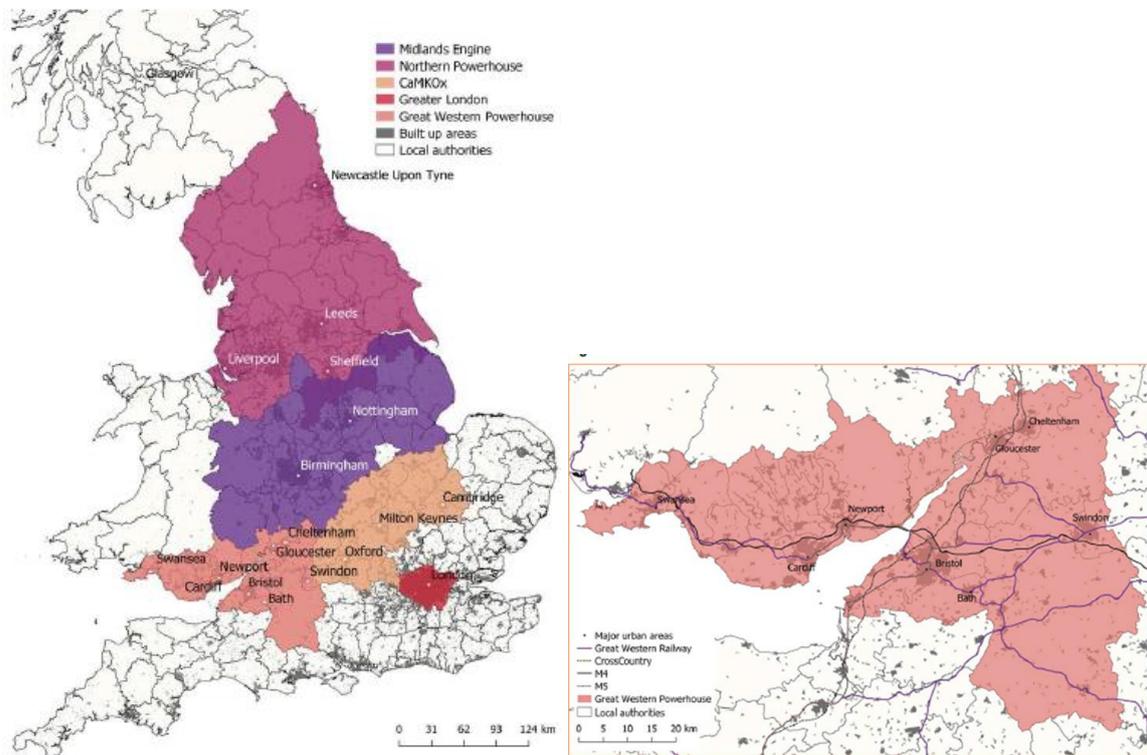
Purpose of Report

1. To outline Wiltshire's engagement with the Western Gateway and agree to its ongoing involvement, subject to review after 12 months.

Background

2. Councils and Local Enterprise Partnerships across the West of England and South Wales have been working together to develop a cross-border economic partnership which can drive inclusive growth at scale through greater collaboration.
3. Earlier this year, Bristol, Cardiff and Newport city councils commissioned and published an independent [report](#) compiled by Metro Dynamics, 'A Powerhouse for the West', setting out the case for an economic powerhouse along the M4 from Swindon to Swansea, and the intersecting M5 axis connecting Bristol into Gloucestershire.
4. The report highlighted the high level of economic connectivity and found that the area's Gross Value Added (GVA) per head of £24,428 had the potential to significantly improve to the UK average of £27,557. Whilst it found the region to have significant economic strengths, it risked being left behind and failing to capitalise on its full potential without a 'powerhouse'.
5. The report was well received, though all sides acknowledged that it was intended as the start of a conversation and that further, wider engagement of potential partners would be vital in shaping it. This has been pursued and consequently ministers across government [announced](#) support for a 'Western Gateway' on 1 November 2019, with £400k being provided in seed funding to drive the work forward.
6. The Western Gateway will be a strategic partnership promoting and maximising economic growth across south Wales and the west of England to create jobs, boost prosperity and support the world-renowned universities and businesses of the region. Linking a number of towns and cities across a wide region either side of the Severn, the Western

Gateway will mirror the successful, established work of the Northern Powerhouse and Midlands Engine and will seek to ensure that the region is globally competitive.



7. With an agreed focus and central government support, the initial group of partners has widened from the original three and Wiltshire has been invited to participate in the Western Gateway as a fully equal partner to the other participants.

Relevance to Business Plan

8. Participation in the Western Gateway is consistent with the priorities set out in Wiltshire Council's business plan to grow the economy and work with partners as an innovative and effective council; and in particular the goals of highly skilled jobs, good homes and improved transport and infrastructure.

Main Considerations for the Council

9. The 'A Powerhouse for the West' report identified key strength sectors across the region: advanced manufacturing and engineering; creative and digital media (inc. cyber); and finance, business and professional services. It also identified two high growth opportunities in clean energy and low carbon; and health and life sciences. These are consistent with strengths identified within the Swindon and Wiltshire Local Industrial Strategy.

10. The partnership is not intended to replace or replicate existing local, regional and national structures. It aims to complement existing plans and strategies, providing additionality through wider collaboration. Local Industrial Strategies provide an excellent evidence base for identifying common priorities. Individual bodies will also continue to participate in both the Gateway and existing integrated transport bodies which will enable consistent messaging.
11. When fully established, the Gateway will facilitate collaboration across the full extent of the proposed geography on the partnership's agreed priorities, for example developing an Internationalisation Strategy or engaging with HM Government to identify key infrastructure asks ahead of Government spending decisions.
12. Governance of the project has been established on the principle of equity between the partners and is designed to be collaborative and inclusive. The Western Gateway board will be independently chaired and consist of representatives from the partner bodies (upper tier local authorities, Combined Authorities, City Regions, LEPs, Businesses, Universities, Transport bodies, Voluntary sector, Environmental bodies). The Leadership Board will consist of two groups:
 - **Executive leadership**
 - CEOs and senior executive representatives from the partner bodies, chaired by one nominated CEO, on a rotating one year basis. This CEO would provide overall leadership and direction on behalf of the initiative. Wiltshire Council's Executive Director for Place will be represented on this.
 - **Political leadership**
 - Chaired by an independent chair, the political leaders will meet quarterly to shape and drive overall direction for the initiative. The Leader of Wiltshire Council will join other Leaders and Mayors on this group.
13. Katherine Bennett, Senior Vice President of Airbus, has been announced as the first acting chair of the Western Gateway, who will lead and shape the governance, management and initial priorities for the partnership.
14. The Leadership Group will be supported by a project group which will consist of designated officers from participating authorities and partners. This group could operate virtually or through secondments (or a combination of both) and will be supported by a small dedicated secretariat. It may flex as needs develop and change. An officer may lead or advise on specific workstreams, provide technical advice and lead on local engagement.
15. Further work will take place on key workstreams: legal and governance; project management; technical and economic analysis; Communications and marketing; stakeholder engagement and management; and government relations and public affairs.

16. Taking this into account, the Western Gateway proposal offers the potential means to amplify the voice of Wiltshire with national government and ensuring our desired infrastructure and other needs are addressed.

Overview and Scrutiny Engagement

17. At this stage there has been no engagement with overview and scrutiny however this can be considered for future milestones such as the 12-month review.

Safeguarding Considerations

18. None

Public Health Implications

19. If the Western Gateway works well for Wiltshire then this may have a positive impact on the wider determinants of health (such as jobs, housing and improved transport links).

Environmental and Climate Change Considerations

20. Initial work by the Western Gateway has identified two high growth opportunities for the Western Gateway in clean energy and low carbon.

Equalities Impact of the Proposal

21. Initial work has identified the opportunity to pilot and measure tailored approaches to connecting communities in deprived neighbourhoods with skills and employment opportunities in the region's high growth sectors. This could be of benefit to a range of groups with protected characteristics.

Risk Assessment

22. The Western Gateway proposal offers the opportunity to build partnership at regional and national levels and develop the evidence base created so far to provide strong rationale, information and data in support of the powerhouse vehicle

Risks that may arise if the proposed decision and related work is not taken

23. Not participating in the Western Gateway will mean its voice and credibility with central government will be weakened, it will not provide an effective counterbalance to the Midlands Engine and Northern Powerhouse and the infrastructure needs of Wiltshire may not be heard by central government.

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

24.

| | Risk | Action to mitigate the risk |
|----|---|--|
| 1. | Unclear governance | Undertake due diligence |
| 2. | Distinct Wiltshire voice is not heard amidst the priorities of the wider area | Active participation as an equal partner |

Financial Implications

25. Participating partners have agreed to contribute up to £20,000 each to fund the Secretariat. They have also agreed to scope procurement of an Independent Economic Review and to work together on forming initial 'big asks' of the partnership. These could ultimately be beneficial to the economy of Wiltshire and in turn the finances of Wiltshire Council.

Legal Implications

26. The formal governance arrangements are being developed. At this stage it is a decision in principle on whether to participate in the Western Gateway that is under consideration. Further due diligence will take place in the event of further formalisation of the partnership arrangements.

Conclusions

27. The Western Gateway proposal offers the potential means to amplify the voice of Wiltshire with national government and ensuring our desired infrastructure and other needs are addressed.

Alistair Cunningham OBE

Executive Director, Growth, Investment & Place

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25 November 2019

Background Papers

Hyperlinks are provided in the body of the report