

COUNCIL: 18 JULY 2019

STATEMENT OF THE LEADER

Brexit Preparedness Update

Both of the two remaining candidates in the race to replace Theresa May as Leader of the Conservative Party and Prime Minister have said they would be prepared to leave the EU without a deal by 31st October 2019 if an agreement cannot be reached. In this context, council officers continue to engage with Welsh Government officials through existing Civil Contingencies arrangements to develop a Wales-specific response to Brexit and the potential of having no withdrawal agreement in place. To assist with preparations, the Welsh Government has made resources available via the WLGA to help provide additional capacity to support Brexit arrangements at a Local Authority level.

In terms of the EU Settlement Scheme, recent figures published by the Home Office show that 9,300 applications were made by EU nationals living in Wales by 30th April 2019. There are an estimated 20,000- 25,000 EU nationals living in Cardiff, but local level data by local authority is not yet available. Population estimates suggest that approximately 11.6%-13.3% of EU nationals living in Wales have therefore applied to the EU Settlement Scheme to date, although it should be emphasised that these figures are only estimates as there is no robust data on the number of EU nationals living in Wales. However, the data does suggest that there has been a lower application rate in Wales than across the UK as a whole.

In recent discussions with the Home Office, the Council has recommended that the next round of EU Settlement Scheme statistics should be made available at a local authority level. This will support with targeted engagement where there are lower levels of take-up, reflecting local understanding of EU nationals' patterns of settlement from other data sources. The Council has also emphasised the need for full details of the geographical footprint of Home Office-funded support providers for vulnerable EU nationals to be made available to local authorities at the earliest opportunity to support partnership working and the efficient allocation of resources. Similarly, officers have made recommendations in relation to improved communications and engagement by the Home Office, including the need for any future engagement events to be organised with sufficient notice and in partnership with local authorities in order to maximise their value.

The Council has developed a Community Engagement Action Plan to support co-ordination of the EU Settlement Scheme locally, which reflects the recommended actions contained within UK Government guidance. The Council has also completed a self-assessment of local preparedness in terms of the EU Settlement Scheme and tension-monitoring processes in line with UK Government guidance. The self-assessment is included within the action plan and cross-references the work that will

be delivered locally to ensure the smooth implementation and monitoring of the scheme within Cardiff.

Active Travel Conference

A Welsh Government conference on Active Travel was held on 4th July 2019 and it provided a great opportunity for me to outline some of the key components of our £1 billion transport vision for Cardiff, which is designed to cut congestion and improve air quality in the city. This included some early ideas following on from the consultation on the Transport and Clean Air Green Paper last year, which my Cabinet colleague, Cllr Caro Wild – who also attended the conference – will be bringing forward as part of a Transport White Paper in the autumn.

One of the key points I made at the conference was that Cardiff's transport network needs to change. It was originally designed for a city with a population of 200,000, but today our population is closer to 400,000 and there are another 80,000 commuters travelling into the city by car every day. Our vision is for a greener, more sustainable city and to transform the way people move in and around our city by 2030.

As I made clear in my statement to Council last month, urgent investment is still desperately needed in the transport infrastructure of the Cardiff Capital Region and it is plain to see that the city's transport network is straining under the pressure. The Council therefore believes that the capital sums previously earmarked for the M4 Relief Road must now be invested in South East Wales. Our vision – made real – alongside the delivery of the Metro, could fundamentally reshape the transport infrastructure in the city for the betterment of the whole region. We now need to have a serious public conversation about how this £1 billion transport vision can be funded. Clearly, we won't deliver this overnight and we fully recognise that we will have to work effectively with Welsh Government, Transport for Wales and other partners in order to achieve this.

A Powerhouse for the West

On 8th July 2019, a new report by Metro Dynamics, entitled 'A Powerhouse for the West', was launched at an event held at the House of Lords in London, which was hosted by Lord Kerlake of the UK2070 Commission. The report was commissioned by the Great Western Cities partnership of Bristol City Council, Cardiff Council and Newport City Council. A copy of the Metro Dynamics report can be found at: www.apowerhouseforthewest.org.uk

The report sets out the clear potential for a new economic powerhouse in the west of Britain and makes a number of recommendations to help supercharge the regional economy. It provides a strong evidence base for a cross-border partnership between Wales and the West of England, presenting recommendations to drive improved infrastructure, investment, internationalisation and inclusive growth across a region of seven cities, 4.4m people, 10 universities, 156,000 businesses and a £107bn economy. Crucially, the report talks about complementing, rather than competing with existing strategies and partnerships.

The report outlines a plan based on turbo-charging growth in the region, not economic rebalancing, and focuses on developing key strengths to stimulate that

growth. The powerhouse area already has unique strengths in advanced engineering, creative and digital media, finance and professional services, and the report highlights how growth areas around clean energy and health and life sciences would provide further benefits. The following five key areas of collaboration are also highlighted within the report:

- an industrial strategy linking sector strengths;
- integrating road and rail improvements to enable faster connectivity;
- an internationalisation strategy which promotes the region's industrial strengths;
- establishing a productivity and innovation observatory which makes better use of our data; and
- piloting and measuring tailored approaches to connecting the most deprived communities with the region's highest growth sectors.

The potential powerhouse – which is yet to adopt a formal name – would stretch along the M4 corridor from Swindon and across the Welsh border to Cardiff and Swansea, and in the north from Gloucester and Cheltenham to Bath and Bristol. To support this venture, the existing partners in Great Western Cities (i.e. Bristol, Cardiff and Newport) have been joined by Bath and North East Somerset Council, Gloucester City Council, Swansea Council and Swindon Borough Council. The powerhouse area already has strong transport links that include two major arteries running across the entirety of the region (the M4 motorway and Great Western railway line), intersected by the M5 motorway, and is uniquely positioned to develop and support trade growth in a way which could be complementary to existing local and regional strategies.

The launch of the report by Metro Dynamics is just the start of the conversation. The next step will be to set up a leadership vehicle to shape this initiative and drive it forward. We would be developing a partnership between public and private sectors across this region of seven cities, with representatives from local enterprise partnerships, businesses and universities and with the backing of national government.

Cardiff Capital Region Investment and Intervention Framework

On 26th June 2019, the Cardiff Capital Region (CCR) launched a new Investment and Intervention Framework. This will enable maximum leverage of the City Deal's £495 million for investment in high-potential projects, following the ringfencing of £734 million for the South Wales Metro. A bespoke three-priority approach has been developed in partnership with the investor community to leverage maximum economic and social benefits for the region.

The *Innovation Priority*, worth £220 million, will look at proposals demonstrating unique intellectual property, market leadership and competitive strength. It will support propositions in targeted growth sectors that have the greatest potential for direct economic return on investment through job creation and GVA increase.

The *Infrastructure Priority*, worth £200 million, will focus on targeted co-investment and pooling of resources to deliver maximum impact through the delivery of new

physical and digital infrastructure projects, including roads, public transport, broadband, skills, sites or testbeds.

The *Challenge Priority*, worth £75 million, will seek to stimulate the adoption of new products and solutions in South East Wales. It will look at growing new markets and welcomes proposals that emerge from competitive spaces where more than one organisation or individual might be equipped to deliver, in order to offer more flexibility and scope for experimentation.

This three-way funding model aims to build a delivery pipeline with partners, within and beyond the Cardiff Capital Region, while focusing on the priorities outlined in the region's Industrial and Economic Plan, which was launched in February this year. Two key investments have already been agreed by the City Deal, which include £38.5m to assist the development of a compound semiconductor industry cluster in the region and an in principle commitment for £40million to support the proposed £180m Metro Central development in Cardiff.

Celebrating a Bilingual Capital

Tafwyl took place on the weekend of 21st-23rd June 2019 and was once again hosted at Cardiff Castle. Supported by the Council and delivered by Menter Caerdydd, Tafwyl has grown from a small festival in 2006 to become a lively mix of music, literature, drama, comedy, art, sports, food and drink. Each year Tafwyl brings in over £1.5m to the Cardiff economy and this year saw its busiest day ever, with over 20,000 visitors attracted to the event on the Saturday. The festival was named 'Cardiff's Best Festival' at the Cardiff Music Awards 2018.

On the second day of Tafwyl, I was pleased to join, and speak at the start of, a parade to celebrate 70 years of Welsh-medium education in Cardiff, which went from City Hall to the festival. Each of the 15 Welsh-medium primary schools in the city was represented as part of the parade, which was led by former pupils of Cardiff's first ever Welsh-medium school, Ysgol Gymraeg Caerdydd.

The Council is committed to making sure that the Welsh language is embedded in the everyday life of the city – we're actively encouraging staff to use Welsh in the workplace, developing measures to ensure equality between the number of Welsh and English street names in the city and encouraging businesses and partner organisations to follow suit and commit to increasing their use of the Welsh language too – but education is absolutely key. We have delivered significant growth in the provision of Welsh-medium education and there are now over 8,000 school pupils being taught through the medium of Welsh, every single school day. The Council is proud to be playing our part in delivering a million Welsh speakers by 2050 and we will continue to work hard to increase the number of Welsh speakers in Cardiff.

Co-operatives Fortnight

To mark the start of this year's Co-operatives Fortnight, which ran from 24th June to 7th July 2019, I attended an event on 24th June 2019 that was hosted by the Wales Co-operative Centre in the Clink restaurant at Cardiff Prison. Around 40 co-operative leaders attended the event, including those from energy co-ops, credit unions, retail stores, housing associations, technology businesses, creative industries, manufacturers and other member-owned businesses.

I am proud that Cardiff Council was named Co-operative Council of the Year in 2018, the first ever recipient of this award. It recognised our open, fair and inclusive approach to delivering a range of services and that a number of our flagship initiatives – such as the Cardiff Commitment and Cardiff Living – embody the co-operative ethos. I would like to pass on my congratulations to the winners of the award for 2019, South Tyneside Council, which won the award for proactively supporting and empowering their local residents to take positive action.

Cardiff Business Awards 2019

The Council was pleased to support the annual Cardiff Business Awards ceremony, which was held at City Hall on 21st June 2019. With over 20,000 new jobs created in Cardiff over the last year alone, the capital city is an economic growth engine that is demonstrably delivering for Wales. The fact that we now have almost 100,000 people commuting into the city on the daily basis points to the importance of Cardiff businesses to the wider region. Much of our city's success has been driven by our businesses. From the multi-national HQs to social enterprises in our communities, our businesses don't just create jobs and wealth, they help to shape the city as we know it. I'm proud that Cardiff has such a diverse range of businesses, with many at the forefront of driving both a more innovative and inclusive Cardiff economy. The annual Business Awards goes some way to showing our appreciation for the hard work, talent and creativity which are at the heart of Cardiff's success.

Councillor Huw Thomas
Leader of the Council
12 July 2019