

How the UK Government is delivering its commitments to the people of Wales

The UK Government is delivering a stronger Wales within a stronger United Kingdom across a wide range of areas. We are working to tackle the challenges our country faces and build a Britain that is fit for the future.

Economy: We will support a strong, outward-looking, globally minded Welsh economy

The UK Government has laid the foundations for a stronger economy and is delivering for Wales. We are backing the innovators who deliver growth in Wales. Since 2010, only London has experienced faster growth per person than Wales. We are helping businesses to create better, higher-paying jobs. The jobs market in Wales remains buoyant and robust. There are 95,000 more people employed in Wales than there were in 2010, including 74,000 more people who are employed in the private sector.

In Wales, increases made by the UK Government to the personal allowance will have lifted 61,000 people out of income tax altogether in 2018-19 compared to 2015-16, and alongside increase to the higher rate threshold 1.4m people will have gained by an average of £183.

1) Support a trade and foreign investment policy that delivers for Wales

The UK Government has been getting behind Welsh businesses and creating the right conditions for growth – there are now 18,000 more SMEs in Wales than in 2010. We are also helping more Welsh businesses to gain access export markets, and the Office of the Secretary of State for Wales and the Department for International Trade are working together to attract foreign direct investment to Wales. Last year, there were 85 Foreign Direct Investment projects to Wales, and 95% of these received support from the Department for International Trade. British Business Bank programmes are currently facilitating over £268 million of finance to over 1500 small businesses in Wales. This includes Start Up Loans delivered to businesses in Wales, which since the programme began in 2012, has issued over 2,100 loans to businesses in Wales, totalling over £17 million (as at the end of October 2017).

2) Deliver UK Government infrastructure investment

Improving Wales' transport infrastructure is key to the future economic prosperity of Wales. That is why the UK Government has given the Welsh Government £1 billion of borrowing to boost investment in vital Welsh infrastructure projects. As part of our historic programme of rail investment

we are electrifying the Great Western Mainline into South Wales and ensuring that the most modern bimodal Intercity Express trains serve passengers on the vitally important Swansea to London route. In addition to this, Crossrail will enhance the shorter journey times offered by electrification of the main line – improving journey times between South Wales and Canary Wharf.

Following the return of the Severn Crossings to public control on 8th January 2018, motorists will see a 20% reduction in tolls and at the end of 2018 all tolls at the crossings will be abolished, as per the Government announcement on 21 July 2017. These decisions taken by the UK Government will strengthen the links between communities and help to transform the joint economic prospects of South Wales and the South West of England.

The UK Government also recognises that modernising the North Wales Coast Main Line would be a significant boost to the region's transport links, maximising the benefits to be gained from the HS2 line between Crewe and London. HS2 will mean an economic transformation for the whole country and bringing HS2 to Crewe in 2027 – six years early – is a tremendous opportunity for North Wales to feel the benefits even sooner.

To ensure everyone is part of the digital economy, the roll-out of superfast broadband has continued across Wales through funding we have provided to the Welsh Government. On mobile many of the levers sit with the Welsh Government, however we have worked with the mobile industry to secure a landmark agreement that will guarantee voice and text coverage from each operator across 90% of the UK by the end of 2017.

We are safeguarding our long-term energy security for generations to come by facilitating investment in clean, but affordable, energy supplies. We are engaging with developers on their proposals for strategic energy projects in Wales like the Wylfa Newydd nuclear power station on Anglesey. Hitachi's investment in the proposed nuclear development at Wylfa would be worth up to £20 billion to the UK. It could create up to 1,000 permanent jobs, with a construction workforce of up to 4,000 workers for the majority of the time, and provide excellent opportunities for Welsh businesses to be a part of the supply chain.

We have invested £212 million in the new HMP Berwyn, which received its first prisoners in February 2017. The prison has already contributed over £100m to the local economy and created around 150 jobs and apprenticeships. Estimates indicate that the project is worth around £23m in annual revenue to the regional economy creating up to 1,000 jobs.

3) Ensure UK regional policy works for Wales

The UK Government is committed to rebalancing the UK economy, ensuring that every part of the UK is able to prosper and reach its potential in its own way. Our programme of City and Growth Deals will mean that every area of Wales has an opportunity to put forward proposals to unlock economic growth which meet their unique local needs.

As part of this we are working closely with local partners and the Welsh Government on the implementation of the Cardiff Capital Region City Deal. The Deal will deliver over almost £1.2bn of investment to the region and aims to create in excess of 25,000 jobs. We are also working with local partners to deliver a City Deal for the Swansea Bay Region which will deliver £1.3bn of investment to the region and aims to create in excess of 9,000 jobs. We have recently begun formal negotiations on a North Wales Growth Deal and have committed to considering proposals for a Mid-Wales Growth Deal should the local area bring them forward.

Local growth deals are a key part of our Industrial Strategy which we published recently - a strategy for the whole of the UK that provides a strong offer for places, businesses and people in Scotland, Wales and Northern Ireland, as well as England. This is a strong offer on innovation through the Industrial Strategy Challenge Fund and the new Strength in Places Fund; on place-based priorities through City Deals, cross border growth corridors and local industrial strategies; and a strong offer on Sector Deals and digital infrastructure. Wales also has significant innovation strengths that align with the four Grand Challenges, which are designed to put the UK at the forefront of the industries of the future.

We are working with other departments to take forward the manifesto commitment to create a UK Shared Prosperity Fund. We will also be discussing the fund with the Welsh Government and other stakeholders across Wales and the UK at the earliest possible opportunity.

EU Exit: We will ensure Wales's interests are fully represented as we exit the EU

We are working closely with departments across the UK Government and with the Welsh Government to ensure that the UK's exit from the EU delivers for all parts of the UK.

4) Implement effective stakeholder engagement on EU exit

The department is working closely with stakeholders across Wales to ensure their views are fed into Government thinking on EU exit. The Secretary of State has established an Expert Panel on EU Exit that meets regularly to consider issues related to our exit from the EU and in particular where powers repatriated from the EU should best reside in the future.

The Secretary of State and his Ministers have also chaired roundtables with different sectors of the Welsh economy to consider the impacts of our EU exit on Wales. These have included discussions with the energy sector, the life sciences sector and with voluntary organisations from across Wales.

5) Ensure the EU (Withdrawal) Bill delivers for Wales and the UK

We are working closely with DExEU, Cabinet Office and the other Territorial Offices on the devolution aspects of the EU (Withdrawal) Bill and have been discussing the Bill extensively with the Welsh Government and the Assembly. These discussions have included bilateral discussions such as the First Secretary of State's meetings with the First Minister and multilateral discussions through the Joint Ministerial Committee.

We are making good progress in our discussions with the Welsh Government on where common frameworks might or might not be needed in areas of repatriated EU law that intersect with the Welsh devolution settlement. We are also working closely with the Welsh Government on where deficiencies in parliamentary and Assembly legislation might need to be corrected as a result of our exit from the EU.

United Nation: We will deliver a clear and sustainable devolution settlement

6) Implementing the Wales Act 2017

We are continuing to ensure that the current devolution settlement works effectively in the interests of people in Wales and the rest of the UK by overseeing the delivery of powers contained in the Wales Act 2017.

The Wales Act received Royal Assent on 31 January 2017 and will deliver a clear devolution settlement for Wales based on a new reserved powers model that will be put into place on 1 April 2018. The Act will also strengthen Welsh devolution - devolving important new powers over energy, transport and local government and Assembly elections that can make a real difference to the lives of people in Wales. It will also give the Assembly

greater control over its own affairs, including what it calls itself, what size it should be and how its members are elected.

During the Bill's passage the UK Government and the Welsh Government agreed a fiscal framework for Wales which guarantees fair levels of funding for the long term and implements the funding floor we committed to in 2015. The adjustments to the Barnett formula that the fiscal framework included were used for the first time at this year's autumn Budget and resulted in the Welsh Government receiving an additional £69 million of funding. We also agreed to double the Welsh Government's capital borrowing limit so that it can now borrow up to £1 billion to invest in infrastructure in Wales.

7) Supporting Welsh cultural interests in Wales and the UK

We are continuing to champion the Welsh language and are working with other departments to ensure there is Welsh representation on UK public bodies. We have delivered the manifesto commitment to hold an independent review of S4C. Following its publication we will continue to work with the Department for Digital, Culture, Media and Sport to ensure that S4C remains on a sustainable footing and can continue to promote the Welsh language and showcase some of the best British talent to Welsh speakers around the world.

We are continuing to deliver a safer society in Wales. Since 2010, crime in Wales is down, and in this Parliament we are bringing forward legislation to modernise the court system and protect victims of domestic violence. This complements our July 2017 announcement of an award of £1.4million to the South Wales Police and Crime Commissioner for their Violence Against Women and Girls in South Wales Programme. We will also ensure that the police and security services have all the powers they need to tackle terrorism and extremism.