

The Dee Region Cross-Border Economy: next steps

*Report for the Minister for Business, Enterprise,
Technology and Science*

By

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EXECUTIVE SUMMARY

There is a strong cross-border functional economic region, consisting of Wrexham, Chester, Deeside and Ellesmere Port.

The City Region Final Report (July 2012) indicated that there was little appetite for a city region approach on the English side of the border. Although this remains and was evidenced by the contribution of the Cheshire & Warrington LEP, Cheshire West and Chester Council has now affirmed its more proactive stance towards working on a cross border regional basis.

The area does not constitute a city region in any recognised sense of the term: it is not largely urban and the only 'city' is small. Despite cross-border interaction for business and leisure purposes, there simply is not the requisite density and scale for a genuine city region.

It is, however, unique in the UK in its cross-border nature: both its strength and its potential should be recognised at both Welsh and UK Government level, with funding, systems and processes put in place to exploit this potential.

Building on the recommendations contained in the 2012 Report, my key recommendations are:

- To become a real strategic force in the region, the MDA will need to be given relevant powers and funding. It will also need to change its structure, to incorporate strong private and education (HE/FE) sector membership.
- The MDA should have the authority to develop a cross-border labour market plan, and to develop and deliver a regional skills agenda.
- The MDA should take the lead in promoting the region for investment purposes, making a virtue of its cross-border nature and rejecting the existing tendency to focus marketing on one side of the border or the other.
- There should be an MoU between the Welsh and English Governments covering cross-border transport planning (binding on independent bodies such as Network Rail), with the MDA, or Taith and the Cheshire LTP, having a statutory role to be heard on proposals of regional significance.

INTRODUCTION

1. Following publication of my City Regions Report in July 2012, the Minister for Business, Enterprise, Technology and Science (BETS) asked me to carry out some further work in relation to north east Wales. The Report indicated that the Task & Finish Group had found insufficient evidence or support for a city region covering north east Wales/west Cheshire. Unsurprisingly, north Wales Assembly Members expressed disappointment and asked the Minister to revisit the evidence and recommendations.
2. The Minister issued me with the following terms of reference:

In light of representations, to assure that no evidence for North Wales has been overlooked in regard to the five factors¹ that suggest the viability of a city region;

To examine the ways in which cross border relationships can be strengthened;

To identify what would be required for the Mersey Dee Alliance to have a more strategic role, as recommended by the report;

Where possible, to identify potential ways in which NE Wales could achieve similar economic benefits to those of a city region, as outlined in the report.

3. I held a series of meetings in the region on both sides of the border and with Assembly Members in Cardiff, and asked for and received additional written evidence. A list of the individuals/organisations that I spoke to can be found at Annex 1. I was struck by their openness and generosity with their time, and in particular would single out the professional approach of the Mersey Dee Alliance, both politicians and officers, from both sides of the border.

REVIEWING THE EVIDENCE

4. In discussion it became clear that there were two key concerns behind the disappointment expressed in north Wales at the decision by the Task & Finish Group that a City Region could not be recognised there:

That recognition of two City Regions in south Wales would put north Wales at a disadvantage, demonstrating a lack of confidence in the region which would feed into an external perception that it was not worth investing there;

That the focus of the next round of European Structural Funds (outside Convergence Areas) and other EU funds, particularly for R&D would be on areas of urban growth, and that without City Region status the area would be unable to compete successfully for this funding.

¹ Population, density, travel patterns, community identification, governance

5. While this disappointment is understandable, it misses the point that City Regions are not *created*, they are *recognised*. Simply attaching the label 'City Region' does not make it so – indeed, this would dilute the value of the concept and be putting brand before product. As was pointed out in my City Region report, if a city region is too small or weak (economically or politically), the problems in securing the necessary political agreements to create a solid revenue base in order to address planning and development issues may undermine all potential for cooperation and governance².
6. There was agreement by all those interviewed that there is no city (in the economic sense) on the Welsh side of the border, and that Chester is the region's city. It was also generally agreed that the area had little or no affinity with either the Manchester or Liverpool City Regions: Deeside had been identified in early proposals for a Liverpool City Region because of its concentration of employment, but there were no real links between local authorities with the exception of Wirral, although many from north Wales and Chester are drawn to the large cities – Manchester and Liverpool – for leisure purposes.
7. There was some variation in the view of what a city region would consist of: the most common view was that put forward by the North Wales Economic Forum and Mersey Dee Alliance in their original evidence, of a Dee City Region encompassing a core of Ellesmere Port, Chester, Queensferry, Mold and Wrexham and the wider region of Cheshire West and Chester, Flintshire, Denbighshire and Wrexham County Borough³.
8. As stated in the City Regions Report, the 2001 census figures gave a population of c. 287,000 in the core, 477,000 in the wider region. In 2011, the revised figures were up marginally, at 293,000 and 491,000 respectively.⁴
9. None of the urban centres in the region is of a scale to feature in the list of UK cities used in recognised research on cities/city regions, such as that by the Centre for Cities or the Santander UK Town and City Business Index. These are identified using the Primary Urban Area (PUA) definition, of areas that are 'built up' and which have a population of more than 125,000. All three cities recognised in Wales (Cardiff, Swansea and Newport) fall within this definition. The OECD/European Commission definition⁵ (which the Task & Finish Group used in conjunction with Office of National Statistics Travel to Work Areas) is different, but would still struggle to recognise even Chester: nowhere in the region fulfils all the criteria.

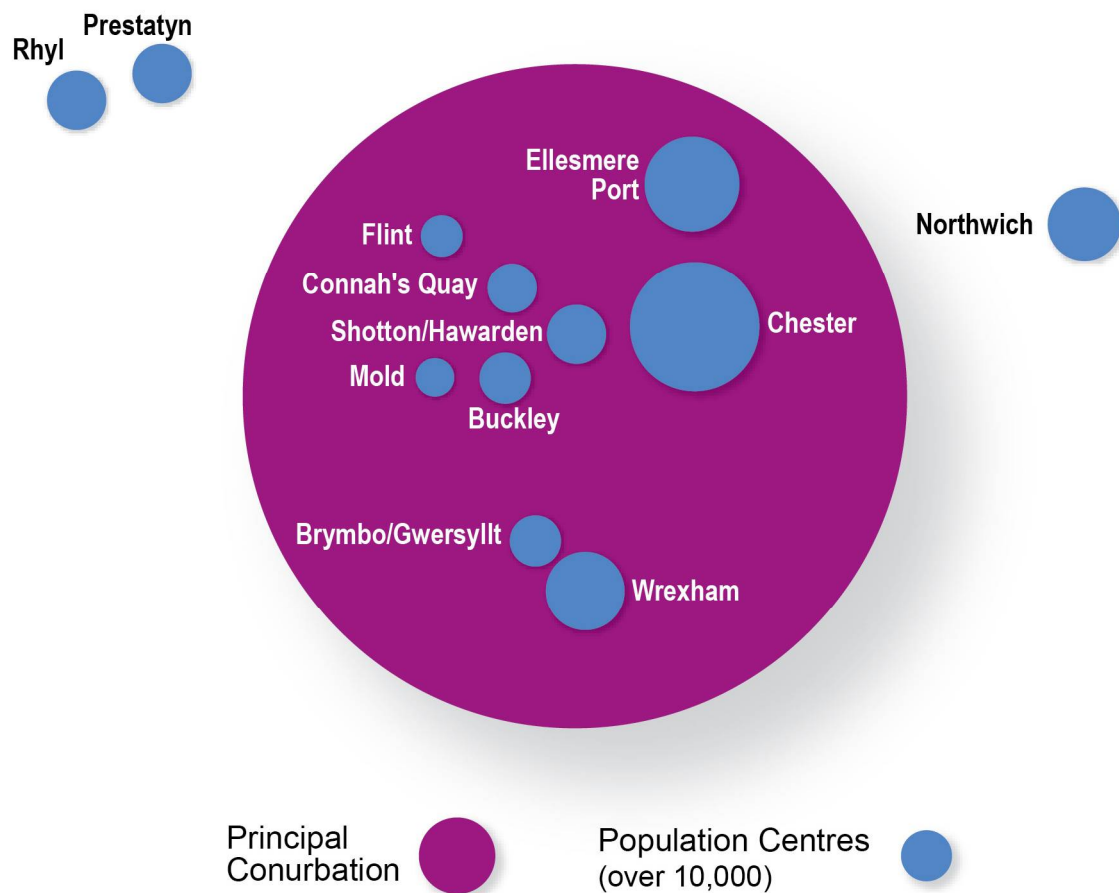
² P. 28, City Regions Final Report, July 2012

³ There were minority views arguing for a different configuration extending to Stoke, Birkenhead, Nantwich, Crewe, Ruthin, into the Liverpool City Region or across north Wales to Anglesey

⁴ The 2011 census (July 2012) indicates a figure of 617,000 in the wider region, but this includes Vale Royal, following boundary changes.

⁵ European Commission (2011) *Cities of Tomorrow – Challenges, Visions, Ways Forward*

Figure 1: Urban Settlement Diagram – Based on Settlements > 10,000 (Source: ONS Settlement Data Update 2010 based on 2001 Census)



10. Employment levels in the Dee region as a whole are strong, driven largely by the Deeside manufacturing core and financial services at Chester. Flintshire and Wrexham generate a higher proportion of their economic output from manufacturing than anywhere else in the UK whilst Cheshire West and Chester has a larger absolute productive output than Flintshire and Wrexham⁶. Gross Value Added (GVA) for the region is widely quoted as £17bn⁷, although this includes Wirral, which is part of the Liverpool City Region (£3.4bn) and a figure for Conwy, so a truer figure would be £14bn.

11. The MDA has conducted research which indicates estimated employment growth of 40-50,000 over the next 20 years in the region. The projected 20,000 at Wirral Waters Enterprise Zone includes 3,000 at the International Trade Centre, and residents will also have access to up to 100,000 jobs from the Atlantic Gateway project⁸.

⁶ Sector Reports: Mersey Dee Alliance

⁷ Based on ONS December 2012 figures

⁸ A major infrastructure project linking Liverpool and Manchester, developing the Port of Liverpool and the Manchester Ship Canal

Table 1 – Employment Growth over the next 20 years (Source – Mersey Dee Alliance)

Location	Projected Jobs
Mersey Waters Enterprise Zone - Wirral	20,000
Deeside Enterprise Zone	5,000 – 7,000
Ellesmere Port – Hooton Park, Cabot Carbon, Port Bridgewater, Former BP Castrol, New Port Business Park/Former DSM	4,450
Ince Resource Recovery Park	3,250
Thornton (University of Chester)	2,000 - 4,500
Central Chester Business District	1,100
Northgate project - Chester	1,600
Total	37,400 - 41,900
Wrexham - Wrexham Industrial Estate and the Western Gateway	2,500
Denbighshire – including St Asaph Business Park and Bodelwyddan	7,500
Vauxhall Motors/GM	700
Bank of America Technology and Operations centre	1,000
Total	49,100 - 53,600

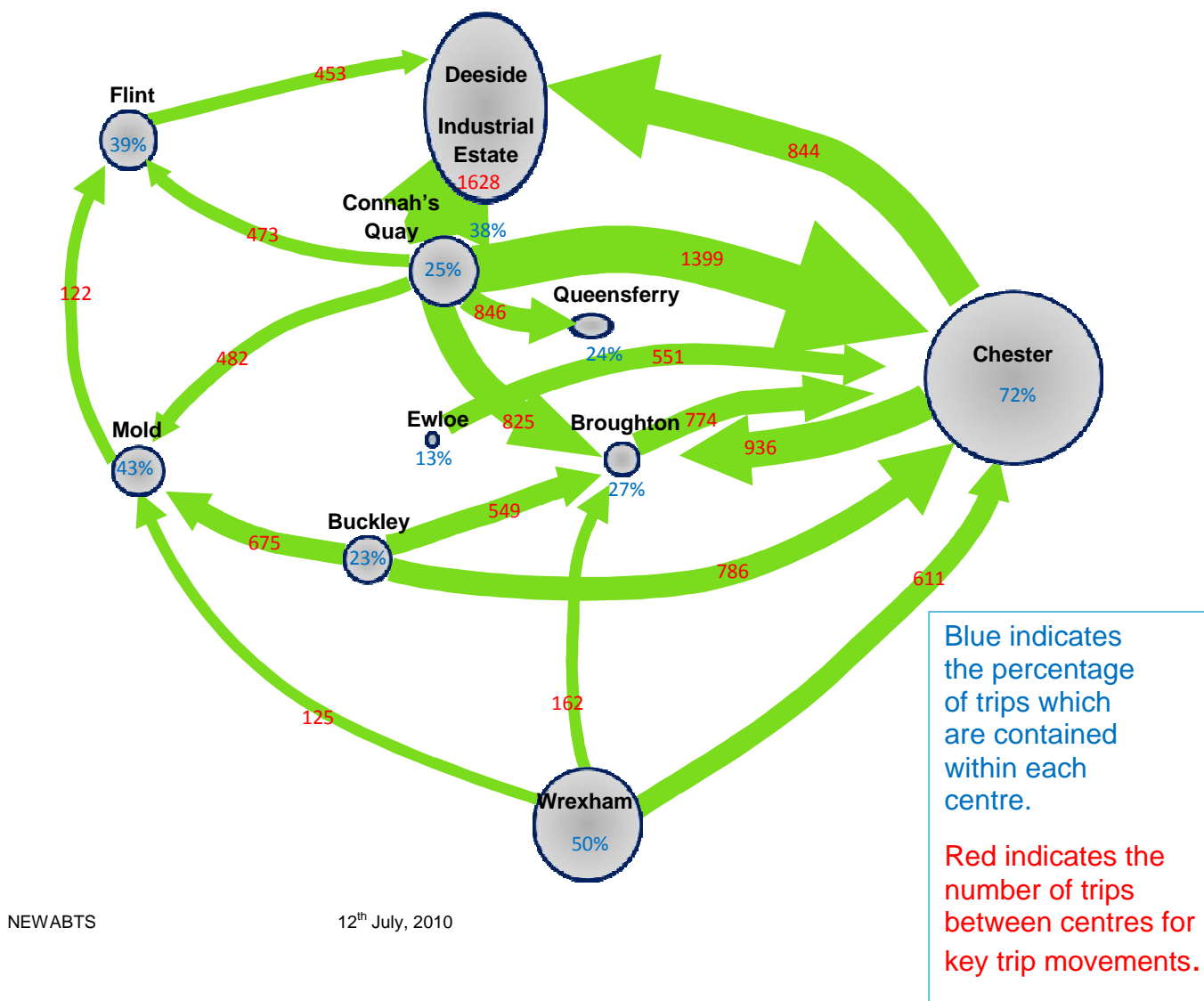
12. In terms of the way people behave in the region, it is clearly quite self-contained. Travel patterns do not recognise the English/Welsh border, with 83% of all trips starting and finishing in the sub-region⁹. There are large west-east commuter flows to the main employment centres in Deeside, Wrexham, Chester and Ellesmere Port. Based on the 2001 census, while Chester is by far the most self-contained (with 72% of travel to work beginning and ending there), it still sends almost 2,000 daily to work at Airbus and the Deeside Industrial Estate. Meanwhile, 4,400 people travel from Wrexham to work in Chester. Wrexham is much weaker than Chester with a net commuting outflow, and commuting patterns across the border almost as strongly linked to Shropshire as to Chester/West Cheshire¹⁰. Overall, more than 17,000 workers commute daily from north east Wales to Cheshire West and Chester, with over 10,000 crossing the border in the other direction¹¹. (An out-migration pattern of students is also evident).

⁹ GVA Grimley (2004) *West Cheshire-North East Wales sub-regional study*

¹⁰ Labour Force Survey Data 2011

¹¹ Cheshire West & Chester Integrated Transport Strategy (June 2009)

Figure 2: North East Wales – 2001 Census Trips to Work within the Study Area (All Modes)¹²



NEWABTS

12th July, 2010

CITY REGION – OR SOMETHING ELSE?

13. That there is a strong cross-border functional economic region is beyond doubt. Evidence points to this coinciding with the geography put forward by the MDA – and it was pointed out in discussion that any attempts to tinker with this by aligning parts of it to different neighbouring areas would destroy its strength. At the same time, it was also suggested that it could be unhelpful to upset existing shared service delivery boundaries by recognising a cross-border economic entity with new governance structures.

¹² North East Wales Area Based Transport Study (NEWABTS)

14. However, as the Task & Finish Group consistently made clear, a city region is not defined merely by population statistics, or the existence of a functional economic area. Critical mass (scale and density), natural cultural identity and integrated governance are all important to the assessment.
15. A city region must have a central business district or districts of 'reasonable' size, with associated leisure and cultural activities. Wrexham and Chester combined do not realistically have the requisite density and scale, despite the interaction in terms of employment, shopping and, increasingly, health services. If one or other were of sufficient scale there would be a stronger argument, but the critical mass belongs to Liverpool and Manchester, each about 45 minutes' travel time from the Dee region's urban centres.
16. Well-developed knowledge communities (research and skills) are an important aspect of city regions. The Dee region does not contain a large, strong university, although both Chester and Glyndwr universities have niche strengths with Glyndwr, in particular, focusing on applied research which benefits local manufacturing industry. Key elements of this are the proposed £20m Advanced Manufacturing and Skills Centre on the Deeside Enterprise Zone, the Optic-Technium at St Asaph and Chester University's soon-to-be announced development plans. Glyndwr also has an excellent reputation for the employment of its graduates in graduate-level jobs. Although there is some evidence of cooperation between the two universities, there are no plans for a formal compact or strategic alliance. Business is keen to see a Russell Group university centred in the region, but this would represent a significant challenge. Moreover, it was pointed out that for many of the multi-national companies in the area, their sites were on the geographical periphery of their global holdings, and research is generally concentrated at the centre.
17. The question of cultural and social identification is a complex one. The two sides of the border are very different social entities, with Cheshire being appreciably more prosperous but the cross-border flow means that ordinary residents (and indeed tourists) do not generally 'see' the border – they cross it without thinking about it whether for work or leisure purposes. Decisions are made on the basis of access to services. However, Cheshire West and Chester is more self-contained than north east Wales, while many on the Welsh side of the border are keen to stress their Welshness and appear slightly embarrassed or ambivalent about their commonality with north west England¹³. This is also borne out in the 2010 Annual Population Survey figures on national identity: the percentage of the population in Wrexham identifying as Welsh is similar to that in the rest of Wales (and, indeed, is higher than in Anglesey) at 59.4%, although in Flintshire (home to the Deeside Industrial Estate which has a large influx of workers from England), it is 42.3%. It should also be remembered that there was real antipathy (spearheaded by the People's Council of North Wales) to the last attempt at cross-border collaboration (2011) because of a perception that NE Wales was

¹³ Robin Mann and Alex Plows, Bangor University: The Menai Papers 2011/01

about to become a dormitory for NW England as a result of different approaches towards housing policy.

18. When challenged to come up with an identity for the region, none of the participants were able to do so, other than the strength of the manufacturing sector. The future success of the Dee region depends on it being able to identify and market its complementarity to the big city regions nearby (Liverpool, Manchester, Birmingham) in order to compete for private investment against international centres like Dublin, Stuttgart or Barcelona. Simply calling itself a city region will not create that identity.
19. My overall conclusion therefore remains that the Dee region does not constitute a city region. This should not, however, detract from its strength and its potential, which must be recognised at both Welsh and UK Government level. It is unique in the UK in its cross-border nature.

THE REALITIES OF CROSS-BORDER WORKING

20. One thing that has changed since the Task & Finish Group prepared its original report is the attitude of Cheshire West and Chester (CWC). At that time, the local authority made it clear that while it would welcome closer collaboration with north east Wales on a project by project basis, its primary focus lay eastwards, and it had no desire to focus on a formal governance approach. Recognition of the economic engine created by Wrexham, Chester and Wirral and the fact that a significant proportion of the CWC workforce lived in north Wales were counter-balanced by a focus on exploiting potential manufacturing growth at Ellesmere Port, and an application for the second wave of the UK Government's City Deal programme.
21. CWC's greater enthusiasm for a cross-border focus appears to be driven by two recent events: the failure of their application for a City Deal¹⁴, and the wake-up call about business resilience presented by the potential loss of MBNA Europe, a major employer in Chester's financial services sector with 3,000 staff from across the MDA region and beyond.¹⁵ This resulted in a concerted effort by MDA partners to persuade MBNA of the benefits of remaining in the region and is widely felt to have contributed to the successful outcome. (It also highlighted the need for concerted relationship management activity with key employers across the region to highlight the benefits of continued investment and address the concerns about business resilience).
22. One discordant view was presented by the Cheshire & Warrington LEP, which felt that it represented a natural economic area which did not stretch across the Welsh border, that funding could not stretch across the border and Chester would need to choose which direction it looked to, and that any

¹⁴ The only successful Wave 2 bid in the vicinity was by Preston, England's newest city, population 132,000

¹⁵ In 2011 Bank of America put MBNA Europe up for sale. In addition, Virgin Money, for which MBNA services credit card cards, decided to set up its own credit card business. This was expected to lead to a loss of jobs and to MBNA closing in Chester. MBNA has since confirmed (31 January 2013) that no jobs will go

attempt at cross-border engagement was in any case rendered difficult by the lack of a LEP-like structure in Wales¹⁶.

23. Representatives on both sides of the border identified differences in Government policy and practice which severely hinder development of an integrated region. To achieve similar economic benefits to those of a city region, cross-border relationships will need to be strengthened and ways found to ensure divergent policies do not disadvantage growth and prosperity.
24. Examples of obstacles in the way of a streamlined approach included

Education: in the early days of Welsh devolution, NEWI (as Glyndwr University then was) and Chester College of Higher Education wanted to work together and approached HEFCE to obtain funding for a pilot project. Concern over whether cross-border development was the right move, and over difficulties in differentiating funding streams, meant this did not happen. It is also clear that the levels of funding available from HEFCE and HEFCW are miles apart.¹⁷

Investment: there was real concern among all those I spoke to that UKTI's approach appears to be largely focused on financial services and the south east of England. Without the scale and identity available with a recognised cross-border region, it is extremely difficult to promote the area's strengths for investment purposes. This also affects existing companies' plans for further investment when making the case internally for funding.

Training: the UK and Welsh Governments have established different FE policies and eligibility criteria for training, which can make it difficult to provide training for English companies moving into Deeside. English FE colleges are more focused on applied workplace learning, Welsh colleges on in-college learning because they have less flexibility over funding use. An example was given of Thomas Cook wanting Deeside College to provide a training programme because they liked what the College was doing at Airbus, but because many of Thomas Cook's employees came from Greater Manchester it was necessary to devise a tortuous process of transferring the apprenticeship programme to West Cheshire College which then sub-contracted it to Deeside College.

Infrastructure: the most frequently cited physical example of a lack of cross-border planning was the M56 ending in concrete blocks as it entered Wales, creating a real obstacle for tourists, workers and inward investment. The northern Passenger Transport Executives produced a report on rail devolution without consulting Wales, and ignored key aspects of the Wales and Borders franchise. The Heseltine Report *No Stone Unturned* (2012) failed to take into account the Atlantic Gateway

¹⁶ Liverpool LEP saw no problem over Wirral belonging to the LEP and working with the Dee region, whereas Cheshire & Warrington LEP was negative about a similar position for Chester

¹⁷ It remains to be seen what impact differing secondary education curricula will have: it might be positive for Wales if worried English parents, uncertain of the value of the proposed E-Bacc, decide to send their children to study A-levels at Coleg Cambria

proposal's potential for north Wales. Dee region transport is treated as peripheral to overall transport planning for Manchester-Sheffield-Leeds. An imbalance in bus service funding by governments could result in two incompatible schemes and bus services ceasing at the border.

DELIVERING ECONOMIC BENEFITS

25. Practical projects which could help deliver real economic growth across the region include

Infrastructure: rail access to Deeside Industrial Park to relieve congestion on the A494¹⁸; rail electrification, in particular of the Wrexham-Bidston line; rail access to Liverpool via the Halton Curve. The Welsh Government is already planning a bid to the UK Government for a north Wales rail network modernisation project including Wrexham-Bidston, Wrexham-Chester and Chester-Warrington Bank Quay, as well as electrification of the Crewe-Holyhead line also championed by the Cheshire & Warrington LEP, and close cooperation with the proposed Cheshire Local Transport Plan will be critical for achieving enhanced passenger services. Ideally, the LTP should stretch across the border into Wales, or it risks perpetuating the sort of problems highlighted in the previous paragraph. Some formalised structure allowing transport projects (road¹⁹ as well as rail) to be developed cross border is needed to ensure the market rather than administrative boundaries decide priorities, and to facilitate practical schemes such as integrated ticketing. So, as proposed by Welsh Government's NE Wales Integrated Transport Task Force, transport planning should look not only to Wrexham, Chester and Deeside as employment centres, but also two other nearby Enterprise Zones (the two parts of Mersey Waters – Wirral²⁰ and Liverpool – and Daresbury)

Investment: a partnership vehicle with a remit to promote inward investment in the region as a whole. Regional collaboration would help identify 'place' by creating a perception of scale²¹. It could also help raise the profile of the region with funding departments in Whitehall, and provide the solid evidence-base of future growth needed for EU funding streams, in addition to facilitating relations between the Enterprise Zones.

Labour market and skills agenda: a cross-border labour market plan, with an alignment of different policy levers to support growth. This is particularly important in light of the fragile business resilience in the area – a point raised by several in both public and private sectors – whereby the departure of just one of the multi-national firms would have a devastating impact on the regional economy. A cross-border

¹⁸ There has been an estimated 30% increase in commuting via the A494 to Deeside since the 2001 census according to Taith

¹⁹ Three road entry points to north Wales carry more than the M4/M50 entry points south Wales. There are 13 lanes in south Wales, 4 lanes in the north.

²⁰ Wirral is home to much of the UK's nuclear expertise, so easy direct access into north Wales could also be attractive to companies considering investment in and around Energy Island, Anglesey, including manufacturing at Deeside

²¹ It was suggested that when Hitachi chose NE England for its new plant, Deeside ran a close second but a lack of focus on the strengths of the cross-border region as a whole meant it lost out

labour market plan is also important in making the business case for EU funding bids.

Sector development: identifying the potential for sector growth and clusters without the need to draw an artificial (economically speaking) line at the border would help cement the area's acknowledged reputation in advanced manufacturing, and facilitate development of specific sectors, of which the best defined are aerospace, automotive, pharmaceutical, paper and chemicals as well as financial services²². It could also use the Enterprise Zones and the four local BETS anchor companies as focal points. A sector by sector approach has the added benefit of making it easier to align with peripheral geographic areas where it is most beneficial for them (e.g. nuclear: Wirral, Daresbury, Deeside, Anglesey). It was also pointed out that a cross-border approach to marketing the region (including more broadly across north Wales) would enhance tourism: it was felt that Chester, for example, had sufficient to attract tourists for up to 24 hours, but a joint promotional effort would extend the number of bed nights across the region, thus increasing tourism's GDP contribution to the area.

GOVERNANCE AND THE MERSEY DEE ALLIANCE

26. Governance has turned out to be a major challenge for all involved in English city regions, city deals, LEPs and other economic partnership bodies. It is clear that both the Mersey Dee Alliance (MDA) and the West Cheshire and North Wales Chamber of Commerce are, as stated in my report last year, examples of positive cross-border working, but they are coalitions of the willing with no powers and few resources. Moreover, several of those I spoke to indicated that there were longstanding differences between the English and Welsh local authorities which had not yet been entirely resolved.
27. The unique cross-border (as against cross-boundary) nature of the Dee region means that it is important to have a regional strategic body with the powers and resources it needs to deliver sustainable growth in jobs and prosperity. In England, the Government is increasingly using the LEP structure to deliver growth (although without the level of finance that was available to the Regional Development Agencies). It has been suggested that to succeed in this, LEPs will need to be of sufficient scale (such as those covering the core cities/city regions), and that smaller LEPs (including Cheshire and Warrington) would struggle to deliver all the Government is devolving, and to carry the risk (for instance, in relation to EU funding).
28. I have already indicated that I do not believe the Dee region has the scale and density to be recognised as a city region. It is clearly, therefore, going to struggle to manage a comprehensive economic governance structure, and careful thought will need to be given to identifying functions where the nature

²² See the MDA's Concept Proposal for Development and Promotion of the M56/A55 Industrial Innovation Corridor (January 2013) and MDA Sector Reports (July 2012)

of the cross-border region would best be served by a single-body approach, and those which could be delivered by a Memorandum of Understanding between existing structures.

29. The recommendation in my Report last year was for the MDA to be given the powers (and funding) it needed to become a real strategic force for the area, and the Leaders and Chief Executives with whom I spoke on both sides of the border voiced their enthusiasm to pool resources for joint strategic objectives. In addition, its membership would need to change. It is currently not fit for purpose as it consists almost entirely of public sector bodies, and strong private sector leadership as well as HE/FE involvement will be crucial for success in delivering jobs and prosperity. Ideally, private sector involvement should include financial input: the Liverpool LEP, for instance, draws its operating budget from membership fees of £180,000 from the six local authorities and £600,000 from company members.

30. For the MDA to be successful, it will need to do three things, which will require an agreement between the existing partners, the private and education sectors and both Governments:

‘Gross up’ – i.e. expand its membership and obtain the wherewithal (funds and powers) to achieve its aims;

Be given the authority to develop a cross-border labour market plan for the area and act on the skills gaps it identifies by facilitating a seamless provision of training notwithstanding different policies in England and Wales;

Be endorsed as the body to promote the region for investment purposes, building on the work already started on key sectors and working with UKTI and Welsh Government.

31. This will be no easy task. It was pointed out, for instance, that there are hundreds of cross-border anomalies in skills policy and funding provision which will need to be at least partially reconciled if a seamless system is to exist. It would be no mean feat for the UK and Welsh Governments to do this, particularly since it would be likely to open a Pandora's box the length of the border. However, there are some practical steps which could be considered without tearing up the devolution compact. For instance, a sensible *de minimis* approach called ‘the watershed’ has been adopted by the local FE colleges themselves: they do not claim the per capita funding to which they are entitled for cross-border students as the total numbers involved on each side are roughly similar. This avoids bureaucracy without anyone losing out. Such an approach might be feasible in other areas also.

32. The MDA will also need inter-governmental agreement on its expenditure facilities. It was clear that at all levels – HE, FE, LEP – available government funding for projects was far higher in England than Wales which would

naturally be reflected in what might be made available to the MDA in the future. To avoid any 'poor relation' mentality, it will be important to adopt the Manchester City Region view of a budget for the region as a whole, wherever the funds come from and wherever is/is not a direct beneficiary²³.

33. The Euregio Maas-Rhein area crosses three country borders²⁴ and involves Aachen, Maastricht and Liege. They have a dedicated cross-border EU INTERREG programme (€145 million). Although the cross-border region we are discussing is Wales/England and therefore in the same EU Member State, the feasibility of the model could be explored further and might attract finance from other EU funding mechanisms.
34. For the MDA also to take on responsibility for transport planning at the same time would be a step too far. The Liverpool LEP described establishing the governance structure for transport as 'a nightmare', largely because of the lack of understanding of regional economic linkages displayed by UK Government bodies. The MDA would not have the clout required to obtain and exercise control over cross-border transport planning and delivery, and any attempt to do so would no doubt be fiercely resisted by both UK and Welsh Governments. Moreover, individual local authorities would resent any attempt by a regional body to interfere in local transport schemes.
35. Transport would therefore appear to be a policy area best dealt with by a MoU between the two Governments, with the MDA, or Taith and the Cheshire LTP, having a statutory role to be heard on transport proposals of regional significance.
36. An interesting model which might be adapted is that of the Oresund cross-border (Denmark-Sweden) region in Scandinavia, which is connected by the Oresund Bridge. The cost for the Bridge, including motorway and railway connections on land, was DKK 30.1 billion, with the cost of the bridge paid back by 2035. The company is owned half by the Danish government and half by the Swedish government and has used government-guaranteed loans to finance the connection, with user fees the only income. (Taxpayers have not paid for the bridge or the tunnel). These fees are enough to pay the interest and begin paying back the loans, which is expected to take about 30 years.
37. Additional cross-border linkages should also be encouraged. The Chamber of Commerce is a long-standing cross-border body, but other partnerships could be formed, for example it would be beneficial for Glyndwr University to join the North West Universities Alliance.

²³ MDA partners have so far pooled resources on small-scale projects; big cross-border ones have been hampered by geographical funding restrictions.

²⁴ Para 105, City Regions Final Report (July 2012)

CONCLUDING REMARKS

38. The region identified throughout this paper is an important functional economic area to both Wales and England. There is genuine potential here, not for a City Region, but to develop a powerful economic development model – based around the region’s primacy in key manufacturing sectors - which delivers prosperity and growth by focusing on a number of strategic priorities.
39. One overarching message to come out of the discussions was that the border is invisible to business and the economy. Politicians and administrative boundaries were perceived too often to be the barrier. There was a genuine desire to reach a position where national and local government on both sides of the border can agree to collaborate and work together to support this important economic area (and, conversely, a frustration that this is rarely the case).
40. Some felt that the economic importance of this region is not recognised because of the border and argued that it should rather be seen as an opportunity. I support this view. A well-supported cross-border approach would demonstrate political maturity across an established economic footprint that could harness increased economic development for the benefit of all.

Annex 1 – List of Individuals/Organisations

1. National Assembly for Wales:

Sandy Mewies AM; Welsh Labour – Assembly Member for Delyn
Eluned Parrott AM; Welsh Liberal Democrats – Economy Spokesperson
Aled Roberts AM; Welsh Liberal Democrats – North Wales Regional Member
Carl Sargeant AM; Welsh Labour – Assembly Member for Alyn and Deeside
Ken Skates AM; Welsh Labour – Assembly Member for Clwyd South

2. Mersey Dee Alliance (MDA):

Cllr Herbert Manley; Chair, Mersey Dee Alliance, Portfolio Holder Prosperity - Cheshire West and Chester Council
Cllr Bob Dutton OBE; Vice-Chair, Mersey Dee Alliance – Lead Member – Environment, Wrexham County Borough Council
Cllr Hugh Evans; Leader, Denbighshire County Council
Cllr Pat Hackett; Cabinet Member Regeneration & Planning Strategy – Wirral Council
Dave Heggarty; Head of Regeneration, Flintshire County Council
Cllr Mike Jones; Leader, Cheshire West and Chester
Chris Koral; Mersey Dee Alliance
Cllr Peter Macfarlane; Cabinet Member for Regeneration, Enterprise and Leisure – Flintshire County Council
Rebecca Maxwell; Corporate Director Economic and Community Ambition, Denbighshire County Council
Melissa Parsons; Mersey Dee Alliance
Lee Robinson; Strategic Director, Wrexham County Borough Council
Cllr Neil Rogers; Leader, Wrexham County Borough Council
Charlie Seward; Director Regeneration and Culture, Cheshire West and Chester
Cllr Aaron Shotton; Leader, Flintshire

3. Universities:

Professor Mike Scott; Vice-Chancellor – Glyndwr University
Professor Tim Wheeler; Vice Chancellor – Chester University
Dr Chris Haslam; Pro Vice Chancellor - Corporate Development & the Student Experience – Chester University
Peter Heard; Pro Vice-Chancellor (Research) – Glyndwr University

4. Further Education:

David Jones; Principal and Chief Executive, Deeside College
Sara Mogel, Principal, West Cheshire College (retired)

5. Department for Business, Innovation and Skills:

David Higham; Director BIS Local
Martin Wood; Director BIS Local

6. Local Economic Partnerships (LEPs):

Howard Hopwood, Deputy Chair, Cheshire and Warrington LEP

Aidan Manley, Director, Cheshire and Warrington LEP

Michael Palin, Executive Director – Strategic Economic Development, Liverpool LEP

7. Business:

Jackie Pearson, Mill Controller, UPM-Kymmene & Chair CBI North Wales

Richard Thomas; Cheshire & North Wales Chamber of Commerce

8. Taith:

Iwan Prys Jones, Executive Officer