



Committee Clerk
Economy, Infrastructure and Skills Committee
National Assembly for Wales
Pierhead Street
Cardiff
CF99 1NA

3 May 2017

Dear Committee Clerk,

Consultation: City Deals and the Regional Economies of Wales

BT Wales has undertaken extensive engagement with the leadership teams of the Swansea Bay City Region and the Cardiff Capital City Region and remain a firm supporter of their ambitions to further enhance the Welsh economy.

Over the past year the bulk of our engagement has been with the Swansea Bay City Region given its theme of 'the internet coast'. During that time BT Group plc's leadership team has been in regular contact with the bid team to assess the potential of a partnership with BT Wales to deliver several of the deal's key objectives. It is our view that BT Wales' current Welsh priorities to deliver Superfast Cymru and further deploy our G.Fast technology set a solid foundation of digital fibre connectivity infrastructure for the City Region.

By adopting a themed regional approach to economic development such as that envisioned by the Swansea Bay City Region team the city deals have the potential to deliver significant results to Wales.

Digital infrastructure is a vital component of maximising the economic growth and competitiveness of a regional approach to development. Our work is already ensuring that access to next generation services is more equitable and inclusive than much of the world, however, it continues to be the case that some areas of Wales do not take full advantage of the services already in place. Therefore, increasing take-up levels, as the Welsh Government are presently advocating, presents a substantial opportunity to improve productivity levels and enable citizens to adopt more flexible working arrangements to suit their needs. It can also be used to improve training opportunities by allowing people to take courses remotely, access online learning resources, and thereby help create a more skilled workforce. While BT stands ready to explore delivery of the next generation of ultrafast services, we feel it is vital to ensure that we also maximise what is already there.

From a digital connectivity perspective our experience confirms that the infrastructure which underpins development is best delivered at a large scale. This principle has been at the heart of the success of Superfast Cymru and should be replicated with any future scheme. This approach is most effective in ensuring that population centres across Welsh regions do not receive an unequal provision of digital connectivity. If any successor to the Superfast Cymru programme is divided into far smaller 'sub-regional' lots, there is a risk that inequality will grow, and that comparable areas in different regions would have vastly different levels of digital connectivity. This could exacerbate existing inequalities, both within and between regions.

BT has also been heavily engaged in the drive towards Smart Cities and exploring how public services are delivered to citizens digitally. A city/regional approach to growth provides an effective scale to drive innovation in public services and embedding digital provisions into the wider built environment. Our work in developing these opportunities has been founded on the premise that more informed organisations (and people) can make better decisions and that information is an asset. We would be happy to provide specialist evidence and briefings to the Committee on Smart Cities or any other aspect of this submission.

Kind regards,

A handwritten signature in dark ink, appearing to read 'Alwen Williams', written in a cursive style.

Alwen Williams
BT Director - Wales