

## 18 FEBRUARY 2019 MEETING

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### THE WIDER INVESTMENT FUND - ANNUAL BUSINESS PLAN 2019/20

### REPORT OF CARDIFF CAPITAL REGION DIRECTOR

### AGENDA ITEM: 7

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#### Reason for this Report

1. For Regional Cabinet to consider and approve its 2019/20 Annual Business Plan in respect of the effective operation of its Wider Investment Fund.
2. To provide Regional Cabinet with a comprehensive and detailed account of proposed Business Plan activity in 2019/20, related to the use and application of the Wider Investment Fund.

#### Background

3. The Joint Working Agreement (JWA) governing the delivery of the Cardiff Capital Region City Deal, requires that an Annual Business Plan be prepared to set out activity relating to the proposed management of the Wider Investment Fund (WIF). The Plan should set out key targets, goals and anticipated outcomes as well as proposed investment for approved projects to be developed over the course of the year. The Plan should enable the distillation of the five year JWA Business Plan approved by Cabinet on 23 February 2018.
4. A copy of the Annual Business Plan 2019/20 is attached to this report at Appendix 1. This, the third Annual Business Plan to be considered and recommended for approval by Regional Cabinet, establishes direction of travel for the year ahead, as well as the programmes, activities and projects proposed to be developed and delivered from the WIF. The WIF totals some £495m and comprises HM Treasury grant funding amounting to £375m over 20 years and Council Contributions of £120m.

#### Key Issues

5. As the third iteration of the Annual Business Plan, changes have been made to the format and structure. This is in keeping with the wider evolution of the City Deal Programme. There are three main reasons for this. First, in the light of changes, disruption and uncertainty in the wider environment and new national strategies, policies and developments – there are now wider critical success factors to inform and focus delivery of City Deal. Second, is the proposed enhancement to how the WIF is effectively delivered through the development of the Investment and Intervention Framework. This aims to convert the WIF into three sub-funds (Innovation Investment Fund, Infrastructure Investment Fund and Challenge

Fund). This framework provides a more targeted and systematic means of achieving the GVA, jobs growth and leverage targets that have been set. Third, the increased reliance placed upon the 'top-slice' component of the WIF that provides investment in delivery capacity, is important to note because it symbolises the ramping up of capability and resources in order to accelerate delivery. It is appropriate and important that all these factors are set out in the Annual Business Plan as symbols of the changing dynamics and imperatives driving optimal delivery of City Deal.

6. The Business Plan is organised around the core themes and pillars that now underpin core Performance Frameworks – aligning the Business Plan with the 'balance scorecard' performance monitoring process introduced in 2018/19. These are:
  - Strategy and Direction
  - Finance, Governance and Assurance
  - Programme Pipeline and Project Delivery
  - Partnerships
  - Communications, Marketing & Reach
  - Influence/ Engagement
  - Culture Capacity and Leadership
7. The Work Programme associated with each of these core pillars, is now contained in full in the Annual Business Plan. A core feature of this, is the consolidation and rationalisation of work strands and projects to be in line with the commitments and priorities set out in the Heads of Terms, the Joint Working Agreement 5 year Business Plan ( CCRC City Deal Strategic Business Plan Wider investment fund) and to align with the proposed Regional Industrial and Economic Growth Plan. This sense of focus is key to maintaining core purpose and ensuring efforts and resources are targeted at getting things done.
8. In addition, all core pillars must demonstrate the direct and indirect contribution to realising the high level targets set around GVA and jobs growth and leverage. This will enable Regional Cabinet to keep track of progress in a more dynamic and consistent way.
9. In terms of proposed project development and delivery, the Annual Business Plan now organises these via the three proposed funds – innovation, infrastructure and challenge-led investment. Given the imminent launch of the funds, it is anticipated that the marketing and communication of the funds will drive much of the 'deal-flow' that comes forward, in addition to the emerging pipeline. Rather than list specific projects, this provides the flexibility to assess projects in relation to the criteria set – enabling the most successful outcomes to be achieved.
10. In relation to already 'approved' frameworks – such as Digital, Housing Investment, Metro Central and Skills – work is ongoing and these are referenced in the Annual Business Plan. Onward development of these projects will be assessed in accordance with the criteria of the Investment Framework and Toolkit – as required by the Assurance Framework.
11. The Business Plan further sets out the Funding Strategy and establishes the budget for the Joint Committee for 2019/20.
12. As stated in the key Issues above the ABP proposes that the Cardiff Capital Region Wider investment Fund shall comprise a series of three funds. Namely the Innovation Investment Fund, Infrastructure Investment Fund and Challenge Fund.

Before the funds can be established it will be necessary, amongst other matters, to develop the investment criteria and investment policy that will attach to such funds, determine how decisions will be taken in respect of each fund, the governance structure for any investment board proposed, the procedure to appoint any fund manager, if required and determine the approach to performance reporting. The ABP provides for work on these matters to be carried out in the coming year with reports submitted to Regional Cabinet for formal decision to create the three funds. It further makes provision for all further activities requiring substantive decisions – to come forward as required for all necessary approvals and endorsements.

13. Appended to the Annual Business Plan is the proposed Forward Work Programme for 2019/20 setting out key meetings and decision points.

## **Legal Implications**

14. The body of the report sets out; the requirements as regards the annual business plan, the key issues that will require detailed consideration when developing the proposals for the Cardiff Capital Region Wider investment Fund to comprise a series of three funds and notes the requirement for the activities listed in the plan, which require decision, to be reported to Regional Cabinet, as required for all necessary approvals . Detailed legal advice should be obtained on the various activities listed, as matters progress. In developing the Annual Business Plan and in carrying out the activities listed regard should be had, amongst other matters, to:

- (a) the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards,
- (b) Public sector duties under the Equalities Act 2010 (including specific Welsh public sector duties). Pursuant to these legal duties Councils must in making decisions have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. Protected characteristics are : a. Age; b. Gender reassignment; c. Sex; d. Race – including ethnic or national origin, colour or nationality; e. Disability; f. Pregnancy and maternity; g. Marriage and civil partnership; h. Sexual orientation; i. Religion or belief – including lack of belief and the Well Being of Future Generations (Wales) Act 2015.

15. The Well-Being of Future Generations (Wales) Act 2015 ('the Act') is about improving the social, economic, environmental and cultural well-being of Wales. The Act places a 'well-being duty' on public bodies aimed at achieving 7 national well-being goals for Wales - a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language and is globally responsible. In discharging their respective duties under the Act, each public body listed in the Act (which includes the Councils comprising the CCRCD) must set and published wellbeing objectives. These objectives will show how each public body will work to achieve the vision for Wales set out in the national wellbeing goals. When exercising its functions, the Regional Cabinet should consider how the proposed decision will contribute towards meeting the wellbeing objectives set by each Council and in so doing achieve the national wellbeing goals.

16. The wellbeing duty also requires the Councils to act in accordance with a 'sustainable development principle'. This principle requires the Councils to act in a way which seeks to ensure that the needs of the present are met without

compromising the ability of future generations to meet their own needs. Put simply, this means that Regional Cabinet must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, Regional Cabinet must:

- Look to the long term
  - Focus on prevention by understanding the root causes of problems
  - Deliver an integrated approach to achieving the 7 national well-being goals
  - Work in collaboration with others to find shared sustainable solutions
  - Involve people from all sections of the community in the decisions which affect them.
17. Regional Cabinet must be satisfied that the proposed decision accords with the principles above. To assist Regional Cabinet to consider the duties under the Act in respect of the decision sought, an assessment has been undertaken, which is attached at Appendix 2 (Well-being of Future Generations assessment) for Member's consideration.

### **Financial Implications**

18. This report seeks approval of the 2019/20 Annual Business Plan (Appendix 1) and details the current position in respect of approvals to-date, in-principle commitments and sums available for future revenue and capital projects.
19. In-line with the Assurance Framework and the proposed Investment and Intervention Framework, all investment proposals will be subject to business case development and approval. The business case will provide detailed information on matters such as; expenditure profile (and whether it is revenue and/or capital in nature), and the proposed funding streams. The business case will also need to be clear on the proposed delivery mechanism and how risks will be allocated and managed.
20. The approved affordability envelope has been set at £210.8 million and is based on the indicative modelling that was undertaken in January 2017 and informed the reports approved by each constituent council in January/February 2017.
21. The Joint Working Agreement (JWA) defines the Affordability Envelope as:
- “the overall costs and investment by each Council pursuant to their proportion of the Councils' Contribution under this Agreement over the evaluation period, which shall not exceed in aggregate £210,800,000 (two hundred and ten million eight hundred thousand pounds) and shall include, without limitation, all interest, inflation and UK Government cost to carry and shall be updated and will be reflected within the terms of the JWA Business Plan (as part of its approval by the Councils) to include, amongst other matters, the annual spend profile for each Council”.*
22. The JWA Business Plan acknowledges that the affordability implications arising from the 'wholelife cost' of the Wider Investment Fund will change over time, as investment decisions are made and projects are implemented. Therefore, the affordability model is updated periodically to reflect the latest known position. In this regard, the affordability model has been updated to capture the following:

- (i) the reported position as at Quarter 3 in respect of the WIF Top-Slice Budget and the Wider Investment Fund allocations for the current year;
  - (ii) the anticipated movements in respect of projects that have In-Principle approval;
  - (iii) allocations in respect of Revenue and Capital sums for new approvals in year, which are largely in-line with the Wider Investment Fund expenditure profiles set-out in the agreed 5 Year JWA Business Plan.
23. On this basis the 2019/20 Council contributions and indicative revenue implications for each partnering authority are set-out in Table 1.

**Table 1: Proposed 2019/20 Council Contributions and Indicative Revenue Implications**

Local Authority Partner	%	Council Contribution £'000	Indicative Revenue Implications £'000
Blaenau Gwent	4.6%	296.5	51.6
Bridgend	9.4%	605.8	105.5
Caerphilly	12.0%	768.1	133.7
Cardiff	23.7%	1,522.6	265.1
Merthyr Tydfil	3.9%	252.9	44.0
Monmouthshire	6.1%	394.3	68.6
Newport	9.8%	630.0	109.7
Rhondda Cynon Taff	15.8%	1,012.1	176.2
Torfaen	6.1%	391.5	68.2
Vale of Glamorgan	8.5%	544.0	94.7
<b>Total</b>	<b>100.0%</b>	<b>6,417.8</b>	<b>1,117.3</b>

24.

24. Regional Cabinet will receive regular revenue and capital monitoring reports throughout the year advising on matters such as: Approved Budget, Actual Position To-Date, Commitments and Projected Out-turn. These reports will be supplemented by the appropriate Project Performance Reports, advising on all aspects of the Wider Investment Fund.
25. HM Treasury funding is paid to the Accountable Body on behalf of the ten Cardiff Capital Region City Deal (CCRCD) constituent councils. The funding must be used solely to support the objectives of CCRCD through the implementation of projects and schemes agreed by the Regional Cabinet and in accordance with arrangements set out in its Joint Working Agreement, Wider Investment Fund, Assurance Framework, and the JWA Business Plan.
26. In this regard it is important that the provisions of the WIF Assurance Framework are followed, as this is a key requirement of the City Deal Funding Terms & Conditions. This sets out that business cases will be developed in line with HM Treasury Green Book (5 Case Model), although, clauses 3.5 (Appraisal Framework) and 3.7 (Business Case Development), make an important reference the concept of 'proportionality'.

27. Work is being done with external advisors (Local Partnerships) to better understand how the issue of proportionality can be addressed through the development of a variety of approaches linked to project value, complexity and timeliness. These approaches will need to be predicated on the principles (and robustness) delivered through the 5 Case Model, with proposals undergoing the necessary consultation with key stakeholders. This latter point is important to demonstrate good governance, whilst ensuring the risk of non-compliance with Funding Terms & Conditions is minimised.
28. Further financial advice will be provided throughout the year as regular Project Update reports are brought back to Regional Cabinet for detailed consideration and approval.

## **REASONS FOR RECOMMENDATIONS**

29. The reasons for the recommendations are as follows:

- To enable Cabinet to discharge the requirements of the JWA in relation to the production of a comprehensive Annual Business Plan relating to the operation and application of its WIF
- To distil and enact the objectives set out in the five-year JWA Business Plan
- To establish direction of travel for the coming year and provide an overview of activities, objectives and anticipated outcomes
- To ensure consistency across key pillars and strands of the Annual Business Plan and performance reporting and monitoring frameworks

## **RECOMMENDATIONS**

It is recommended that Regional Cabinet endorse and approve the Annual Business Plan 2019/20.

**Kellie Beirne**  
**Cardiff Capital Region Director**  
**18 February 2019**

### **Appendices**

Appendix 1 – Annual Business Plan 2019/20

Appendix 2 – Wellbeing of Future Generations Assessment

### **Background Papers**

- i. The Joint Working Agreement in relation to the delivery of the Cardiff Capital Region City Deal
- ii. Proposed Regional Industrial and Economic Growth



# CARDIFF CAPITAL REGION CITY DEAL – BUSINESS PLAN 2019/20

Beirne, Kellie

CITY OF CARDIFF COUNCIL - CYNGOR DINAS CAERDYDD [Company address]

## **Foreword**

The £1.3bn Cardiff Capital Region City Deal signals a region 'open for business'. The role of the CCR City Deal is to develop, promote and optimise the way in which that business will be delivered – but certainly not in a *business as usual way*. Our mantra is *good growth* and we want to shape an economy that is genuinely inclusive and meaningful to the 1.5m people who live in our spectacular region. The benefits realised through City Deal have to touch all areas of the region – from our large and vibrant towns and cities - to our beautiful valleys and awe-inspiring rural hinterland. City Deal has three major targets to meet – a 5% GVA increase, 25,000 new high skills jobs and leverage of £4bn additional private investment. The challenge, exacerbated by imminent departure from the European Union, is a significant one – but the opportunity, is potentially, unparalleled. We want to get on the front foot; shape our own destiny, and become more self-reliant, resourceful and resilient. We have an aspiration for our Wider Investment Fund to be 'evergreen' – constantly tapping into opportunities for leverage, generating returns on investment and creating the means to pay for the ends. This means developing co-investment mechanisms, exploring fiscal incentives and levers and building a delivery eco-system where programmes connect, are complementary and capable of building a legacy, fit for future generations.

We want our young people to see a future in the region and therefore our approach is invested in thinking local – but acting global – setting out our competitive advantages and leveraging in the kind of investment, networks and opportunities that will see us move the needle. With proposals for a new Investment Framework and three funds which aim to inspire innovation, infrastructure and challenge investment, we want to show we are able to live of our interest and not our capital. City Deal is no silver bullet – but it does provide the opportunity to break with dependency, develop our competitiveness to secure resources and chart a new course to prosperity for all.

This Business Plan for 2019/20 starts us on this journey. Exceptional delivery and good governance still remain key pillars of our approach. However with the significant turbulence and disruption to global systems and economic models and profound changes within domestic and international politics – we start a new chapter in our evolution. With a growing emphasis on future regional economic delivery through the UK Government's Industrial Strategy and Welsh Government's Economic Action Plan, significant targets to meet such as the 2.4% R&D target and new policy levers such as the Shared Prosperity Fund – our job is to adapt and adjust. Drawing ever closer to our first Gateway Review, we have identified the wider critical success factors that we will increasingly need to demonstrate and embody, if City Deal is to succeed on these new terms.

**Andrew Morgan**

**Chair, CCR City Deal Joint Cabinet Committee & Leader RCTCBC**

## **Purpose - and our market and policy context**

This business plan marks the third Annual Business Plan of the Regional Cabinet, in respect of the activities it will progress through the Wider Investment Fund (WIF) – the last Plan being approved on 28 March 2018. The WIF totals £495m and consists of HMT grant funding in the order of £375m over 20 years and Council contributions of over £120m. The Annual Business Plan must be prepared in the context of the overarching five-year Joint Working Agreement Business Plan, which was approved by Regional Cabinet in February 2018 and all ten Councils in and around March 2018.

As the third iteration of the Annual Business Plan, changes have been made to the format and structure. This is in keeping with the wider evolution of the Programme. There are three main reasons for this. First, beyond the direct ‘delivery’ activity funded through WIF – in the light of changes, disruption and uncertainty in the wider environment and new policies and imperatives – there are now wider critical success factors key to its effective delivery. Second, is the proposed enhancement to how the WIF is delivered and the proposal for an Investment and Intervention Framework that converts the WIF into three sub-funds (Innovation Investment Fund, Infrastructure Investment Fund and Challenge Fund) in order to provide a delivery framework for reaching targets. Thirdly, in view of changes to the team structures and resourcing, with a greater reliance placed on the top-slice element of the WIF to invest in the capability needed to deliver with pace and momentum - it is important and appropriate that this Annual Business Plan begins to articulate a the evolving approach.

### *Our challenges*

The challenges to which City Deal must respond are well documented and understood. In brief they include:

- Low levels of competitiveness and productivity
- Low levels of R&D investment and intensity
- Important place-based dimensions to the ‘spread’ and sharing of prosperity
- Dependency mind-set has limited our choices and eroded our self-esteem (post Brexit the emphasis will be on winning competitions to secure investment)
- High levels of social exclusion – tide of change leaves too many people behind

### *Our targets and objectives*

It is the job of City Deal to respond to this context and in particular, to work at meeting key targets to increase GVA, job creation and investment leverage. We don’t however want to hit targets in a way that misses the point. Examples exist of growth strategies, which, delivered in isolation, have exacerbated inequality. Our role therefore has to balance a focus on knowledge intensive R&D with more local foundational approaches that work at combining innovation growth with creating the conditions for more generalised prosperity. We also have a part to play in ensuring economic advancements mirror more progressive social policies and taking a place-based approach to value creation - economic and public. We call this ‘good growth’ and favour approaches that will drive more genuinely sustainable and inclusive solutions to the industrial and societal problems needing to be solved.

### *Adapting design*

We are rapidly re-purposing and enhancing design aspects of our operating model. This is in response to the significant shifts, changes and disruption seen both locally and in the world around. From huge shifts in domestic and global politics, with Brexit in particular, impacting the policy and economic landscape – the cessation of European Funds is set to have a

significant impact in Wales. In economic terms, the region remains stubbornly low in competitiveness with areas such as Blaenau Gwent, Caerphilly and Merthyr, remaining at the very bottom of the UK Competitiveness Index. Socially, deprivation and poverty are increasing and again, the same pattern and distribution is reinforced in the former industrial heartlands. Technology continues to have a profound impact on the way business is done, the way in which jobs are created and displaced and replaced and the way in which future public services should work and operate. Locally within Wales, the Economic Action Plan places a fundamental reliance on sustainability, wellbeing and a new Economic Contract and at UK Government level, the Industrial Strategy and Challenge Fund, offers competitively-driven opportunities for investment to solve the grand challenges of our time – Clean Growth, Future of Mobility, Ageing Society and AI and Data.

It is against this backdrop that City Deal must operate, evolve and deliver. Whilst the focus on the Annual Business Plan is delivery against the Wider Investment Fund, as described above, there are wider critical success factors to drive, if delivery of the WIF is to be optimised and capable of leveraging the investment needed to shape a new future.

To set out this new direction, a ten-point plan has been devised to shape the way. In brief this includes:

- A focus on data and evidence (sectors and place) guiding direction and decision-making
- A regional Economic and Industrial Plan – capable of setting out our stall, competitive strengths and interfacing effectively with the WG Economic Action Plan and the UK Industrial Strategy and the Industrial Strategy Challenge Fund
- Building an eco-system of delivery projects so that they connect and intersect, adding maximum value and joining-up the competitive strengths of the region
- Good governance –building a governance network, using skills and assets in the right places and having fit for purpose structures such as Investment Panel to contribute to robust decision-making
- Creating expert panels to influence UK Government – in particular UKRI and Innovate UK – at the highest levels, given the relatively levels of influence, visibility and profile that currently exist
- Building a new Office of the City Deal – creating real and virtual teams with the skills, capable and mind-set to deliver a new future for the region
- Develop industrial and local leadership – grow the voice and influence of business and support the interventionist role of the City Deal cabinet in shaping the future
- Develop the challenge, investment and mission focus – with a new co-investment model and the ‘Three Funds’ approach
- Strategy for Internalisation – sustainable comparative advantage; working with international trade bodies, attendance at MIPIM and Wales in London week to develop the investment credentials of the region
- Building a City Region – seeing City Deal as the first stepping stone in working towards a more economically self-reliant and self-sufficient future for the region

### **What we will do and deliver in 2019/20**

In 2019/20, the WIF will support, directly and indirectly, the following areas of activity, under the headings of:

- Strategy and Direction

- Finance, Governance and Assurance
- Programme Pipeline and Project Delivery
- Partnerships
- Communications, Marketing & Reach
- Influence/ Engagement
- Culture Capacity and Leadership

The activities ('What') listed below are subject to consideration and decision by Regional Cabinet or CCRCD Director, as appropriate and in accordance with the provisions of the Joint Working Agreement in relation to the delivery of the Cardiff Capital Region City Deal

**1) Strategy and Direction – informing and shaping direction in order for fitness for future**

<b>What</b>	<b>When</b>	<b>Responsible</b>	<b>Accountable</b>	<b>Contribution to GVA/ Jobs/ Leverage</b>
1) Produce final version of 'State of Region' evidence report & Data Dashboard	<ul style="list-style-type: none"> <li>• Q1 2019/20 Sectoral Analysis</li> <li>• Q3 2019/20 for State of Region</li> <li>• Q4 2019/20 for Data Dashboard</li> </ul>	City Deal Office supported by Cardiff University	Director & Regional Economic Growth Partnership (REGP)	<ul style="list-style-type: none"> <li>• Provides 'sectoral strengths' and baseline data for investment decisions</li> <li>• Provides data to underpin approach to delivering jobs &amp; growth</li> </ul>
2) Adopt Regional Economic and Industrial Plan/ Convert to 'Local Industrial Plan'  Subject to decision of Regional Cabinet	<ul style="list-style-type: none"> <li>• Approve and adopt REGP plan by Q1 2019/20</li> <li>• Conversion to Local Industrial Plan with key govt partners in Q3 2019/20</li> </ul>	Director supported by REGP	Regional Cabinet	<ul style="list-style-type: none"> <li>• Provides the framework to connect into the UK Industrial Strategy and WG Economic Plan</li> <li>• Demonstrates contribution to Grand Challenges</li> <li>• Link into the Investment Programme of £6.4bn per annum</li> </ul>
3) Adopt CENEX 'Electric Vehicle Infrastructure' Strategy and develop wider body of work on low emissions to support Metro Plus programme Subject to decision of	<ul style="list-style-type: none"> <li>• Approve and adopt Plan within Metro Plus proposals – OBC Q3/4 2019/20</li> </ul>	City Deal Office & Executive Lead for Transport	City Deal Director & Regional Cabinet	<ul style="list-style-type: none"> <li>• Aligned to objectives and gains identified in Metro Plus OBC – job creation &amp; leverage</li> </ul>

Regional Cabinet				
4) Establish the Investment and Intervention Framework & Toolkit • Develop & launch the Three Funds  Subject to decision of Regional Cabinet	<ul style="list-style-type: none"> <li>• Draft in Q1 2019/20</li> <li>• Launch of Infrastructure Fund Q2 2019/20</li> <li>• Launch of Challenge Fund Q2 2019/20</li> <li>• Launch of Innovation Fund in Q3/4 2019/20</li> </ul>	City Deal Office & REGP/ Investment Pane	Director & Regional Cabinet	Positions targeted growth on jobs, growth & leverage per fund (Innovation/ Infrastructure and Challenge)
5) Develop and sign-off a Co-Investment Framework between City Deal, Innovate UK and Welsh Govt	Q2/3 2019/20	City Deal Office, REGP and Innovate UK and WG	Director	Provides ability to be able to leverage greater investment to meet targets
6) Develop & launch CCR City Deal Investment Prospectus	Q3 2019/20 ( with earlier draft available in Q1 for MIPIM)	Director and CDO	Regional Cabinet	Provides prospectus to attract investors & investment
7) Brexit mitigation plan	Q2 2019/20	City Deal Office and WG	City Deal Director, WG Brexit lead and Regional Cabinet	Contributes to economic baseline and context forecasts
8) Develop fiscal incentives & levers programme	Q4 2019/20	S151 Group with input from REGP and Regional Business Council	City Deal Director Regional Cabinet	Provides incentives and rewards to develop inputs to grow outputs

**2) Finance, Governance and Assurance – good governance to support accountability and effective delivery**

What	When	Responsible	Accountable	Contribution to Jobs/ Growth/ Leverage
9) Develop Work Programme and Forward Planner for 2019/20	Approve in Q1 2019/20	City Deal Office	Director	Ensures the alignment of planning, good governance and delivery

10) Develop scheme of delegation Subject to decision of Regional Cabinet	Q3 2019/20	Accountable Body and City Deal Director	Accountable Body	Good governance and appropriate decision making mechanisms
11) Establish the Investment Panel to oversee and administer the Investment and Intervention Framework and Toolkit	Q3 2019/20	City Deal Director and REGP	Regional Cabinet	Right expertise to provide advice to Regional Cabinet
12) Complete Wave 1 of Local Evaluation Framework process and locality review	To be completed at end of Q4 2019/20	City Deal Office	City Deal Director	Formal evaluation of contribution to targets
13) Report and Publish Consolidated Statement of Accounts and AGS	Q2 2019/20	Accountable Body & Monmouthshire Council	Accountable Body	Good and timely governance
14) Enhanced Assurance Framework, including new Investment Framework	Q3 2019/20	Accountable Body and City Deal Office	Director & Cabinet	Good governance
15) Agree with UK Govt and Cabinet principle of front-loading WIF 3% top-slice in order to flex project support and development in line with accelerated delivery needs	Q3/4 2019/20	Accountable Body and Director	Director and Cabinet	Accelerating delivery against targets
16) Identify and act upon any outstanding 'lessons' in the WAO review report on Compound Semiconductors	Q2 2019/20	Director and Accountable Body	Cabinet	Compliance and review
17) Review and revise purpose, volume and frequency of task groups,	Q3 2019/20	City Deal Office	City Deal Director	Compliance and review

sub-groups and working groups littering City Deal frameworks				
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**3) Programme Pipeline and Project Delivery – delivery of a deal that moves all areas of the region forward**

<b>What</b>	<b>When</b>	<b>Responsible</b>	<b>Accountable</b>	<b>Contribution to Jobs/ Growth/ Leverage</b>
18) Innovation Investment projects: <ul style="list-style-type: none"> <li>• CSC Cluster (subject to SIPF outcome)</li> </ul> Cluster 1 innovation investment projects	Q3 2019/20  Q4 2019/20	City Deal Office supported by theme leads and REGP/ Programme Board/ Investment Panel	City Deal Director, Programme Board and Regional Cabinet	Direct contribution to 'evergreen' jobs, growth and leverage
19) Infrastructure Investment Projects  Outline approvals in place – subject to assessment and furtherance through Investment Framework: <ul style="list-style-type: none"> <li>• Metro Central</li> <li>• Metro Plus &amp; EV Strategy</li> <li>• Housing Investment Fund (including Sites and Premises assessment)</li> <li>• Digital Infrastructure</li> <li>• Skills for the Future</li> </ul>	Q3/4 2019/20  Q3 2019/20  Q3 2019/20  Q3 2019/20  Q2/3 2019/20	City Deal Office supported by theme leads & REGP	City Deal Director, Programme Board and Regional Cabinet	Direct contribution to jobs, growth and leverage

-Graduate Placement Scheme <ul style="list-style-type: none"> <li>Public Services testbed submission to WEFO institutional capacity</li> </ul>	Q2 2019/20 for commencement of delivery			
20) Challenge Projects  2 challenge prizes:  <ul style="list-style-type: none"> <li>Foundational Economy</li> <li>Open data</li> </ul>	Qs 2&4 2019/20	City Deal Office supported by theme leads and REGP	City Deal Director, Programme Board and Regional Cabinet	Direct contribution to jobs, growth and leverage

#### 4) Partnerships – mobilising the wider skills, resources and assets to succeed

What	When	Responsible	Accountable	Contribution to Jobs/ Growth/ Leverage
21) Regional Economic Growth Partnership, support for activities including: <ul style="list-style-type: none"> <li>MIPIM follow-up &amp; ROI</li> <li>Publication of Growth Plan</li> <li>Data dashboard</li> <li>Sectoral analysis and state of the region work</li> <li>Quarterly updates from UKRI</li> <li>Securing KESS studentships</li> <li>Establishment &amp; convening of Investment Panel</li> </ul>	Ongoing programme of work – dates tied in with broader programme milestones & programme monitoring  Q1/2 2019/20 Q3 2019/20  Q2 2019/20  Q1,2,3&4  Q1 2019/20  Q2/3 2019/20	Chair of REGP, Leaders of Cardiff and Monmouthshire Councils and City Deal Director	Regional Cabinet	Creating conditions through partnership network and expert advice and support into investment decisions
22) Regional Business Council Support for Council to:	Ongoing programme of work – dates tied in with broader programme	Chair of RBC and Director and Leaders of Monmouthshire and Cardiff	Regional Cabinet	Creating conditions for voice of business to influence decisions and direction

<ul style="list-style-type: none"> <li>• Review progress in 18/19</li> <li>• Foster alignment structures for greater synergy with REGP</li> <li>• Business Plan 2019/20</li> <li>• Constitute and become membership body</li> <li>• Plan of activity with Innovate UK</li> <li>• Marketing Plan</li> <li>• Post-MIPIM appraisal</li> </ul>	<p>milestones and quarterly programme monitoring</p> <p>Q1 2019/20</p> <p>Q2 2019/20</p> <p>Q2 2019/20</p> <p>Q2 2019/20</p>			
<p>23) Regional Skills Partnership</p> <p>Support for Partnership to:</p> <ul style="list-style-type: none"> <li>• Influence and shape Skills for Future</li> <li>• Enable effective administration of partnership via support for Newport City Council</li> <li>• Monitor the progress of operational schemes such as Skills for the Future</li> <li>• Input into proposals for TERCW and Innovation and Research Wales</li> <li>• Development of Social Clauses/ Targeted Recruitment and Training programme</li> </ul>	<p>Ongoing programme of work – dates tied in with broader programme milestones and quarterly performance monitoring</p> <p>Q2 2019/20</p> <p>Q3 2019/20</p> <p>Q3 2019/20</p>	<p>Chair of RSP, supported by Leader of Newport City Council and Director</p>	<p>RSP Chair, Leader of Newport and WG</p>	<p>Creation condition for skills and expertise of the sector to shape the direction of travel and evaluate real-time effectiveness</p>

<p>24) Regional Transport Authority Support for programme of work to:</p> <ul style="list-style-type: none"> <li>• Adopt and deliver Regional Transport Plan</li> <li>• Adopt EV Strategy</li> <li>• Develop Metro Plus proposals</li> <li>• Work with WG in regional transport reviews</li> <li>• Partner Transport for Wales in roll-out of Metro</li> <li>• Agree programme monitoring for the above</li> </ul>	<p>Ongoing programme of work – dates tied in with broader programme milestones &amp; quarterly performance monitoring</p> <p>Q3 2019/20 Q3 2019/20</p> <p>Q2 2019/20</p>	<p>Chair of RTA (Cllr Huw David) supported by City Deal Director and Transport Lead</p>	<p>Regional Cabinet</p>	<p>Provides structures in which to guide infrastructure development</p>
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**5) Communications, Marketing and Reach – extending our reach and ability to sell the region as an investable space**

<b>What</b>	<b>When</b>	<b>Responsible</b>	<b>Accountable</b>	<b>Contribution to Jobs/ Growth/ Leverage</b>
<p>25) Drive a 10% increase in City Deal articles and interest generated; a 10% increase in website engagement; 10% in number of tweets and 'sentiment impact'</p>	<p>Throughout the year with monitoring through quarterly reporting</p>	<p>City Deal Office</p>	<p>City Deal Director</p>	<p>Lays foundations for a positive view of region as an investment destination</p>
<p>26) Formal evaluation of MIPIM impact and future prospects/ ROI</p>	<p>Q2 2019/20</p>	<p>City Deal Office and Cardiff City Council</p>	<p>City Deal Director and Regional Cabinet</p>	<p>Develops networks and contacts to leverage opportunity</p>
<p>27) Develop sites and propositions for the Dept for Internal Trade Prospectus 2019/20 onward</p>	<p>Q3 2019/20</p>	<p>City Deal Office</p>	<p>City Deal Director</p>	<p>Develops profile of investability of region</p>

28) Produce and publish the City Region Investment Prospectus and associated marketing material	Q3 2019/20 (early draft Q1 for MIPIM)	City Deal Office	City Deal Director	Develops visibility of region and its offer to investors
29) Stage the City Deal Investment Summit	Q4 2019/2020	City Deal Office and regional partnerships	City Deal Director and Regional Cabinet	Strengthens the visibility, role and profile of CCR City Deal
30) Develop and deliver the City Deal Communications Plan	Q2 2019/20	City Deal Office and regional partnerships	City Deal Director	Provides constant stream of activity through which to promote City Deal

**6) Influence and Engagement – develop strategies for influence in order to drive opportunity and investment leverage**

<b>What</b>	<b>When</b>	<b>Responsible</b>	<b>Accountable</b>	<b>Contribution to Jobs/ Growth/ Leverage</b>
31) Develop conference and events planner to strategically plan City Deal inputs into target environments	Q2 2019/20 and in line with Forward Planner	City Deal Office	City Deal Director and Regional Cabinet	Develops influence and visibility
32) Input into 'expert panel' for influencing UKRI and Innovate UK including hosting one UKRI Board meeting	Q3&4 2019/20	City Deal Office and Chair of REGP and Wales Office	City Deal Director	Develops specific relationship and influence levels with and within UKRI
33) Developing networks and opportunity radar through participation and representation on various influential groups and partnerships	Throughout 2019/20	City Deal Director and Chair of REGP	City Deal Director and Regional Cabinet	Strategic approach to planning our key inputs and reach
34) Working with WG and UK Govt to develop optimal role for CCRCD in positioning for Shared Prosperity Fund	As per timing of consultation	City Deal Director	Regional Cabinet	Planned approach to shaping our post-Brexit role
35) Develop target list of new partnerships and additional network building	Q2 2019/20	City Deal Director	City Deal Director	Strategic approach to brokering relationships and influence

## 7) Culture, Capability and Leadership – creating the conditions for optimal and sustainable delivery

What	When	Responsible	Accountable	Contribution to Jobs/ Growth/ Leverage
36) Seek approval for new structure and resourcing plan for City Deal Office	Q1 2019/20	City Deal Director	Regional Cabinet	Creating the capacity and capability to deliver
37) Establish new City Deal office and hub/ front of house at Innovation and Technology Centre, Tredomen	Q1 2019/20	City Deal Director	City Deal Director	Creating a profile and base for the team
38) Implement KES Studentship programme for PHD data work	Q1 2019/20	City Deal Director and REGP	City Deal Director	Creating data capacity and insights ongoing to inform delivery in real-time
39) Training, development and investment plan for City Deal office team and partners	Q2 2019/20	City Deal Director	City Deal Director	Investing in the capacity and competence for quality delivery
40) Develop framework through a Dynamic Purchasing System to establish network of providers and contractors to supply trusted advice into City Deal	Q2 2019/20	City Deal Office and Accountable Body	City Deal Director and Accountable Body	Developing a system to mobilise expert advice

### Further considerations

The development of the Annual Business Plan in this way, for 2019/20 reflects the evolution of the City Deal and the need to adjust the tempo, pace and delivery programme in order to respond to significant challenges and turbulence in the wider environment. In addition and connected to this, it further reflects upon the wider critical success factors, now identified as being key to effective, optimal and sustainable delivery.

It is for these reasons, this Annual Business Plan seeks to consolidate and bring together the material relating to delivery, work programmes, performance and finances in order to set the course for one single set of quarterly performance monitoring information to Regional Cabinet, Wales and UK Governments.

In order to further contextualise the delivery plan set out above, there are four 'in principle' approved projects that were set out in the 2018/19 Annual Business Plan. These are:

- Skills for the Future
- Regional Housing Investment Fund
- Digital Strategy
- Metro Central Project

There were also 'strategic theme' projects to be developed - namely, Strategic Sites and Premises and Innovation Investment Fund.

All these projects have not progressed to business case status in 2018/19, but have continued to be developed. Capacity and resource has been an issue and the Resourcing and Structure Plan for the City Deal – set out as a key objective above – will make a contribution to addressing this. In addition, we have seen the necessity to develop a plan for ‘how’ the City Deal targets will be met. This framework, or as we call it, the Investment and Intervention Framework, sets out how business will be done, provides the criteria and processes for investment decisions and ensures there is consistency of approach. This framework converts the Wider Investment Fund out into three sub-funds to guide Innovation Investment; Infrastructure Investment and Challenge Investment. This enables a process and system for informing evidence-base decision making and ensuring that overall, the City Deal is optimally positioned to deliver on its targets of jobs, growth and leverage. The ‘approved’ projects will be subject to this framework in their onward growth and development.

In respect of Skills for the Future, NESTA has been commissioned to provide expert advice and to develop the contemporary propositions, capable of being backed and supported by stakeholders and delivery agents. The headline plan and timescales for this work are set out above and it must be recognised that a key component of the work has come forward for approval – with Regional Cabinet approving the Graduate Placement Scheme in December 2018.

In relation to Metro Central, an ‘in principle’ commitment has been made to contributing £40m to a mobility interchange at Cardiff Central Station. This development will leverage in the region of £160-80m private sector investment and the development of an Outline Business Case for presentation to Regional Cabinet in 2019/20, is underway. This will be subject to the Investment and Intervention Framework.

The Regional Housing Investment Fund has had £100k allocated for business case development. A programme plan for this development is now in place and discussions are underway with Wales Government to match proposed investment in order to supplement and enhance an existing scheme that is scalable across the country. This work will also incorporate the potential around Strategic Sites and Premises before coming forward for eventual assessment through the Investment and Intervention Framework.

Similarly, a first cut of a digital strategy has been developed with some significant proposals proposed around the infrastructure delivery aspects of this. Again, £130k has been committed from the Wider Investment Fund top-slice. In order to keep pace with developments in the digital sector and some of the new and emergent technologies and propositions, many of which could yield real impact in the region, the digital strategy is being refreshed with a view to business case development in 2019/20. As with the above schemes, this will be subject to assessment via the Investment and Intervention Framework.

### **Budgets and Funding Strategy**

Regional Cabinet have made a number of decisions to date, which have resulted in commitments against the Wider Investment Fund (WIF) in 2019/20 and beyond.

Table 1 outlines the proposed 2019/20 budget and to assist with medium planning, the indicative budgets to financial year 2022/23 are also set-out, along with the proposed funding strategy over this period.

**Table 1: Proposed 2019/20 Wider Investment Fund Budget and Indicative Budgets to 2022/23**

	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000
<b><u>Indicative Programme Expenditure</u></b>				
Wider Investment Fund Top Slice	742.5	742.5	742.5	742.5
Approved Projects - Revenue	143.6	0.0	0.0	0.0
Approved Projects - Capital	1,381.6	0.0	0.0	0.0
Future Revenue Projects	856.4	1,600.0	1,000.0	1,000.0
Future Capital Projects	26,110.0	31,325.0	42,964.0	45,663.0
<b>Total Investment</b>	<b>29,234.1</b>	<b>33,667.5</b>	<b>44,706.5</b>	<b>47,405.5</b>
<b><u>Funded by</u></b>				
HMT Contribution (Revenue)	-1,742.5	-1,742.5	-1,742.5	-1,742.5
HMT Contribution (Capital)	0.0	0.0	-22,000.0	-22,000.0
<b>Total HMT Contribution</b>	<b>-1,742.5</b>	<b>-1,742.5</b>	<b>-23,742.5</b>	<b>-23,742.5</b>
Council Contribution	-6,417.8	-9,073.0	-7,963.7	-7,963.7
CSC Loan Funding Repayment	0.0	-1,800.0	-1,854.0	-4,553.0
Temp Borrowing 'Cost of Carry'	-21,073.8	-21,052.0	-11,146.3	-11,146.3
<b>Total Funding</b>	<b>-29,234.1</b>	<b>-33,667.5</b>	<b>-44,706.5</b>	<b>-47,405.5</b>

### WIF Top-Slice Budget

Regional Cabinet have resolved that up to 3% of the Wider Investment Fund (over a 20 year period) is set aside to meet the costs associated with Programme Development & Support and is referred to as the WIF 'Top-Slice'. This equates to an annual budget of £742,500 and is used to support the development of the City Deal pipeline of projects. Details of the 2019/20 forward commitments and the sum available to support new in-year commitments are outlined in Table 2.

**Table 2: Proposed 2019/20 WIF Top-Slice Budget**

	£s
<b><u>Forward Commitments:</u></b>	
Contribution to Joint Committee Revenue Budget	163,417
Development of Metro Plus Programme	75,000
REGP PHD Student support	15,000
Housing Investment Fund	80,000
REGP Costs (Chair Expenses)	1,000
Regional Business Council	15,000
Challenge Fund Set-Up and Management Support	25,000
Investment Fund Set-up / Manager	40,000
Emerging Projects	90,000
<b>Sub Total</b>	<b>504,417</b>
<b><u>Programme Development &amp; Support:</u></b>	
Uncommitted Sum	238,083
<b>Total</b>	<b>742,500</b>

Regional Cabinet has approved 'In-Principle' commitments in respect of a number of projects to date. These projects are in the process of developing their business cases for consideration by Programme Board and approval by Regional Cabinet in-line with the Assurance Framework and the proposed Investment and Intervention Framework. Details of the proposed work programme in respect of these projects is outlined earlier in this document and the financial commitments associated with this work will be largely met from the Programme Development & Support budget outlined above.

The proposed 19/20 Joint Committee Revenue Budget outlines the need to significantly increase resources to fundamentally alter the way City Deal is structured and operates. In particular, the need to bring forward and strengthen arrangements in respect of Programme Development & Support has been identified. These proposals have been designed with the 2019/20 Annual Business Plan in mind and in particular to ensure the appropriate support (capacity and capability) is in place to deliver the Work Programme, including the need to accelerate the project delivery pipeline.

Regional Cabinet, at its meeting 12<sup>th</sup> February 2018, delegated authority to the Joint Committee's Section 151 Officer (in consultation) to establish an appropriate mechanism for managing Programme Development & Support resources (both on annual and cumulative basis) within the 3% cap previously agreed.

The purpose of this mechanism is to provide additional resources in-year to supplement the annual £742,500 budget, where required. Current projections indicate that cumulative resources amounting to £1.615 million are available to support the Programme Development & Support budget at the beginning of 2019/20.

### Approved Projects

The 2019/20 Annual Business Plan will also need to meet the Year 3 costs of the approved Compound Semi-Conductor Foundry Site which have been slipped forward from the previous year. These are budgeted at a cost of £1.382 million and consist of project delivery and implementation costs. In addition, the 'Approved Projects' budget line also includes revenue expenditure in respect of the Graduate Pilot Scheme, approved by Regional Cabinet at its meeting of the 17<sup>th</sup> December 2018.

Table 3: 2019/20 Budget - Approved Projects

	£'000
Graduate Pilot Scheme (Revenue)	143.6
CSC Foundry Site Funding (Capital)	1,381.6
<b>Total</b>	<b>1,525.2</b>

### Future Revenue and Capital Projects – Indicative Allocations

The Annual Business Plan also includes indicative allocations in respect of future revenue and capital projects which may come forward during the year. However, approval against these allocations is subject to meeting the requirements of the Assurance Framework.

An indicative budget of £0.856 million has been included in respect of new revenue expenditure, whilst the capital allocation amounts to £26.110 million.

At its meeting of the 15<sup>th</sup> January 2018, Regional Cabinet made a decision to preserve the HM Treasury revenue funding. This amounts to £40 million over the first four years of the fund to 31<sup>st</sup> March 2020. Therefore, whilst the indicative sum included within the Annual Business Plan for new revenue projects is just under £1 million, Regional Cabinet have the ability to increase this sum (if required), by approving further HM Treasury grant funding during the year, providing always that funding terms and conditions are met.

### Affordability Envelope and WIF Funding Strategy

The sums allocated represent the amounts available to be spent in 2019/20, with future year budget allocations being updated accordingly to reflect each new approval's overall spend profile. This will ensure that the fund remains affordable and within its approved envelope at all times, as decisions to approve projects are made through the year.

The total expenditure for the 2019/20 Annual Business Plan is £29,234,100. It is proposed that this level of expenditure is funded as follows:

- a. Draw down of HM Treasury Revenue Grant - £1,742,500
- b. Draw down of Council Contributions - £6,417,800 (as per the funding ratio)
- c. Temporary Borrowing – 'Cost of Carry' - £21,073,800

Finally, it should be noted that the actual funding applied will be dependent on the nature and timing of project expenditure and may differ from the proposed sums outlined above. Regional Cabinet will be provided with regular project performance reports, supplemented by quarterly budget monitoring statements, where matters such as progress against delivery plans and budgets can be assessed and the proposed funding arrangements can be reviewed as appropriate.

### **Monitoring and Quality Assurance**

Currently, the following activities constitute the substantive monitoring and quality assurance activity:

- Development of the Local Evaluation Framework, including establishment of the economic baseline and contextual economic forecasting to inform Gateway Review in 2021
- Development and application of the Logic Model for the deep dive (which will commence in earnest in 2019/20) on the Compound Semiconductor project
- Individual project monitoring and evaluation – for the Compound Semiconductor project, this is performed and provided by CSC Foundry Ltd – the City Deal Special Purpose Company Limited by Shares
- Development of sectoral analysis, a 'State of the Region' economic assessment and commissioning of data work
- Quarterly performance monitoring reports to Regional Cabinet which are compiled, assessed against a comprehensive work programme and filed with Wales and UK Governments
- The assessment and advisory roles of the Programme Board and the Regional Economic Growth Partnership

The proposed Resourcing and Structure Plan for the City Deal will create specific capability and capability around the Monitoring and Evaluation role and this will seek to integrate the above into one framework.

### **Key Risks**

There are a number of risks, threats, challenges and opportunities associated with the ambition and detail set out above. A comprehensive Risk Log, recently compiled for

Programme Delivery in 2019/20 is in full operation – demonstrating direct read-across and relevance to the activity set out above.

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## Future Generations Assessment

<p><b>Name of the Officer completing the evaluation:</b></p> <p><b>Kellie Beirne</b></p> <p><b>Phone no: 07826 9219286</b>  <b>E-mail: kellie.beirne@cardiff.gov.uk</b></p>	<p><b>Please give a brief description of the aims of the proposal</b></p> <p>To set out direction of travel for City Deal in 2019/20.</p>
<p><b>Proposal: Annual Business Plan 2019/20</b></p>	<p><b>Date Future Generations Evaluation form completed: 4 Feb 2019</b></p>

**1. Does your proposal deliver any of the well-being goals below?** Please explain the impact (positive and negative) you expect, together with suggestions of how to mitigate negative impacts or better contribute to the goal.

<b>Well Being Goal</b>	<b>Does the proposal contribute to this goal? Describe the positive and negative impacts.</b>	<b>What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?</b>
<p><b>A prosperous Wales</b> Efficient use of resources, skilled, educated people, generates wealth, provides jobs</p>	<p>The core targets against which progress is assessed are set out in relation to specific goals in the Plan – GVA uplift; jobs and leverage.</p>	<p>Proposals are set out in detail in the report with a description and expectation as to contribution to core City Deal targets.</p>
<p><b>A resilient Wales</b> Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)</p>	<p>One of the cited targets is to produce an Energy Resilience plan for the region.</p>	<p>Support engaged through Local Partnerships expertise on Green Growth.</p>

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
<p><b>A healthier Wales</b> People’s physical and mental wellbeing is maximized and health impacts are understood</p>	<p>The emphasis on place based and social justice is writ clear in the plan with a specific post and function proposed around inclusive growth.</p>	<p>Enact new structure to ensure explicit focus</p>
<p><b>A Wales of cohesive communities</b> Communities are attractive, viable, safe and well connected</p>	<p>The place-shaping component of our City Deal in the plan and the need for inclusive growth.</p>	<p>A greater contribution will be made to this by the aforementioned data capability, sectoral analysis and place assessments.</p>
<p><b>A globally responsible Wales</b> Taking account of impact on global well-being when considering local social, economic and environmental wellbeing</p>	<p>Attending MIPIIM to promote the CCR will see us play a stronger part in developing the economic wellbeing of our region and country, thus impacting social and community objectives. It will help make our country feel more connected and outward looking.</p>	<p>Develop the legacy impact of the event, sustaining new connections, sharing great practice and potentially securing propositions and deals that support economic growth.</p>
<p><b>A Wales of vibrant culture and thriving Welsh language</b> Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation</p>	<p>Our City Deal is uniquely Welsh – but pitches towards being world leading in areas of competitive strength. This enables a strong reflection on our rich culture and heritage.</p>	
<p><b>A more equal Wales</b> People can fulfil their potential no matter what their background or circumstances</p>	<p>City Deal is about delivering as far as possible across 10 LAs and a population of 1.5m people. It is about economic gains – but importantly how this will convert as tools for improving people’s lives. Some of the specific interventions around skills and housing – will seek to make a more direct contribution to equity of access and equal opportunity for all.</p>	

## 2. How has your proposal embedded and prioritized the sustainable governance principles in its development?

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 <p>Balancing short term need with long term and planning for the future</p>	<p>The report describes performance target and interventions in the round. It sets out short-term interventions and balances these against the long-term delivery of major programmes.</p>	<p>The business plan provides a 12 month perspective balanced against the newly emerging Regional Industrial and Economic Growth Plan.</p>
 <p>Working together with other partners to deliver objectives</p>	<p>A cornerstone of our process is the strength of partnership working for which specific objectives are set</p>	<p>Industry-led production and promotion of the EG Plan helps to maximize the contribution.</p>
 <p>Involving those with an interest and seeking their views</p>	<p>Communications and engagement remain a feature of our work.</p>	<p>More needs to be done to develop engagement platforms – beyond formal partnerships – to reach communities, hard to reach groups and those who currently have a limited understanding of City Deal. Improving social media, web presence and marketing materials will increasingly make a contribution to this.</p>
 <p>Putting resources into preventing problems occurring or getting worse</p>	<p>This is set out in the REGP work on the developing Regional Economic and Industrial Plan.</p>	<p>This will be an increasing focus of scheme and programme delivery.</p>
 <p>Considering impact on all wellbeing goals together and on other bodies</p>	<p>City Deal seeks to make a contribution on place and to improving the life chances of people in the region.</p>	<p>The five year business plan will require refreshing to achieve this clearer focus.</p>

**3. Are your proposals going to affect any people or groups of people with protected characteristics?** Please explain the impact, the evidence you have used and any action you are taking below.

<b>Protected Characteristics</b>	<b>Describe any positive impacts your proposal has on the protected characteristic</b>	<b>Describe any negative impacts your proposal has on the protected characteristic</b>	<b>What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?</b>
Age	The report is an overview of performance in all of the relevant aspects of projects, partnership, governance and investment. The protected characteristic assessments related to specific proposals will need to be drawn out in the relevant business cases and proposal documents.	None arising at this time.	As plans develop and unfold as discrete activities requiring decisions – impacts will be comprehensively assessed.
Disability	As above	As above	
Gender reassignment	As above	As above	
Marriage or civil partnership	As above	As above	
Pregnancy or maternity	As above		
Race	As above		
Religion or Belief	As above		

<b>Protected Characteristics</b>	<b>Describe any positive impacts your proposal has on the protected characteristic</b>	<b>Describe any negative impacts your proposal has on the protected characteristic</b>	<b>What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?</b>
Sex	As above		
Sexual Orientation	As above		
Welsh Language	As above	Not at this time but the situation will be kept under review.	

**4. Safeguarding & Corporate Parenting. Are your proposals going to affect either of these responsibilities?**

	<b>Describe any positive impacts your proposal has on safeguarding and corporate parenting</b>	<b>Describe any negative impacts your proposal has on safeguarding and corporate parenting</b>	<b>What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?</b>
Safeguarding	Not directly relevant –however, building the future economy should have a profoundly positive impact on ability to safeguard the future of our residents		
Corporate Parenting	Not directly relevant – however building strength in the economy should create opportunities for all of the young people entrusted in our care		

**5. What evidence and data has informed the development of your proposal?**

- Evidence and input contributed by theme leads
- Outcomes of assessments such as audit reports
- Delivery against targets set out in individual business cases/ approved project documentation

**6. SUMMARY: As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?**

*The areas requiring attention and focus are set out and follow-up actions will be assessed and monitored ongoing through the quarterly reporting mechanism. .*

**7. MONITORING: The impacts of this proposal will need to be monitored and reviewed. Please specify the date at which you will evaluate the impact, and where you will report the results of the review.**

**The impacts of this proposal will be evaluated on:**

**Quarter 1, 2, 3 & 4**