

15 MARCH 2021

**GOVERNANCE UPDATE – FUTURE PROGRAMME MONITORING
AND REPORTING**

REPORT OF CARDIFF CAPITAL REGION DIRECTOR

AGENDA ITEM 11

Reason for Report

1. To set out an update of current and evolving governance arrangements in order to clarify the current complement of committees, partnerships and sub-committees. To recognise, that as the Investment Programme grows and develops in complexity, the need to comprehensively document new structures and mechanisms and continue to make provisions for good governance and programme monitoring. This report takes the opportunity to update the schedule of committees, sub-committees, partnerships and boards and to outline that, at this stage of evolution, governance matters will be presided over by the Accountable Body and CCR's external appointed legal advisors, on a project by project basis.

Background

2. As set out in the Investment and Intervention Framework Self-evaluation Report (15 March 2021), following the first year of operation of the Investment and Intervention Fund, a good number of new schemes and proposals are underway, totalling some £148M of investment; £250M projected match and >£2BN in forecasted private leverage:

Approved scheme	CCR £M	Match £M	Forecast leverage £M
CSC Foundry Ltd	38.55	6	419.55
Metro Plus	15	35	TBC
Metro Central – Phase 1 only approved *	40	145	1,185.00
Homes for all Region (Viability Gap aspect only*)	31.60	15.00	750.00
Graduate Scheme	1.54	0.00	12.31
Plasma Technology	2.06	0.00	10.00
Challenge Fund	10.00	6.00	19.00

CS Connected (approved via UKRI SIPF)	3.30	40.4	300.00
Pharmatelligence	2.00	0.00	2.00
Zip World	4.40	3.00	TBC
TOTAL	148.45	250.4	2448.77

3. In addition the forward pipeline is similarly dynamic demonstrating a healthy and medium-term funnel of prospective investment proposals and programmes. Arriving at this point heralds a step-change in the pace and intensity of the programme. Having been through the growing pains of ‘start-up’, the CCR City Deal is now in the scale-up phase – and with this brings fresh challenges and a requirement to adapt and evolve the operating model.
4. Accordingly, attention must now turn to effective arrangements for managing and measuring investment schemes, driving benefits realisation and optimising impact at regional-scale. One aspect of this relates to the capacity and capability to manage and deliver; and, proposals to support this are set out in the Joint Committee Revenue Budget 21-22 Report (15 March 2021). The wider aspects relate to arrangements for Programme Monitoring and Evaluation and having appropriate governance arrangements in place – both of which are important elements of assurance and accountability.

Evolving Governance

5. In place already are a set of committees, sub-committees and partnerships, all of play a crucial role in the overarching governance of the City Deal. This represents a complicated set of arrangements given there is a sequence and hierarchy to observe – particularly important in the run-up to Regional Cabinet meetings. The current complement groups (as of March 2021) are directly administered, supported and facilitated via the CCR Office and includes:

Group	Function	Form
Regional Cabinet	Executive decision-making	Quarterly Formal open public meetings and informal monthly briefings
Regional Transport Authority	Sub-committee	Bi-monthly Formal open public meetings and informal bi-monthly briefings
CSC Foundry Ltd	Company Ltd by Shares to oversee Development Agreement for Lease	Quarterly board meetings
Regional Economic Growth Partnership	Partnership	Bi-monthly board meetings and various sub-groups
Programme Board	Partnership	Bi-monthly board meetings
Investment Panel	Advisory body (informal)	Monthly meetings
Regional Business Council	Partnership	Bi-monthly board meetings
Challenge Fund Strategic Board	Project Board	Quarterly board meetings
Challenge Fund Advisory Board	Advisory Body (informal)	Quarterly meetings
Graduate Scheme Strategy Board	Partnership (informal)	Quarterly meetings

6. In addition to this, with the evolution of the investment programme, new structures are being created through the investment pipeline which will also require either CCR facilitation or representation. These are: Pharmatelligence Board, CS Connected and structures to support decision making for the forthcoming Strategic Premises Fund and SME Finance Fund. In addition to this, with more cluster growth opportunities, Strength in Places Fund bids and

further discrete funds, such as the Innovation Investment Fund – this will continue to grow and get ever-more complex. External strategic boards that 'host' projects to which CCR is a funding partner, such as Metro Central Delivery Partnership, and the Regional Energy Group also need to be brought into the frame. CCR office also plays a major contributory role into the s151 Group convened by the Accountable Body and the CCR Scrutiny Committee.

7. This all describes an increasingly complex picture as well as the need for dedicated governance support. In a Corporate Joint Committee (CJC) environment, much of this can be regulated into a more structured form via establishment of formal sub-committees of the CJC; reserved matters and new and clear delegations with an Executive Team that has clear and defined and often statutory responsibilities. However for now, sequence, timing, functions and delegations are core considerations on a project-by-project basis.

Challenge Fund Strategic Board

8. It is envisaged that The Challenge Fund Strategic Board will, pursuant to delegation from the Regional Director, carry out the functions set out in the business case approved by Regional Cabinet at their meeting in October 2020. To further that aim, Regional Cabinet are being asked to authorise further automatic delegation of this authority at the Regional Director's discretion to enable the Challenge Fund Strategic Board to carry out the functions set out within their proposed terms of reference attached at Appendix 1.

General Principles – moving forward

9. CCR currently operates under a Joint Working Agreement that governs a discrete City Deal funding programme. Whilst the ambition is to transition to a Corporate Joint Committee – this will take time and require new processes, procedures and an updated Joint Working Agreement. This is the formal opportunity to effect an updated hierarchy of governance and deal with matters comprehensively in relation to the requirement for formal thematic sub-committees, reserved matters issues, the appointment of an Executive Team and a revised scheme of delegation. Until that point, governance issues will continue to be considered by the Accountable Body Monitoring Officer and appointed external legal advisors on a project-by-project basis. This is important since context matters and governance issues will depend on the scope of powers, where those powers arise and the agency granting them.
10. The nature and scope of the CCR interventions signposted above will require further tiers of delegation to focused groups / boards tasked with the day-to-day delivery of individual projects. This reflects the evolving nature of the investment programme and the need to balance and target resources in the most efficient manner (albeit within the parameters of the primary delegation granted by the Regional Cabinet as part of approving the relevant FBC). Once projects / programmes have been approved by Regional Cabinet it is not necessary or practicable to refer all subsequent 'decisions' to make individual investments within the parameters of the approved project / programme back to Regional Cabinet. Rather, the implementation of the primary Regional Cabinet decision ought to be delegated to specially constituted project / advisory board tasked with implementing the project / programme within the prescribed parameters of the delegation. The Challenge Fund illustrates this

issue and provides for the establishment of a Challenge Board that has been delegated the responsibility to approve and implement individual 'challenges' within the scope of the approval / delegation granted by Regional Cabinet and in accordance with the terms of the Co-operation Agreement (again, approved by the Regional Cabinet as part of the business case). Only where a project / programme is required to step out of or vary the terms of such Regional Cabinet delegation should that 'decision' require the prior approval of Regional Cabinet. Further similar examples will include the forthcoming SME Housing Fund and the Strategic Premises Fund.

Programme Monitoring and Evaluation

11. Regional cabinet receives and approves for onward submission to Wales and UK Governments, quarterly performance reports. These are weighty tomes and relate to information and data on general performance against the Annual Business Plan. They are supplemented by data on Communications and Engagement; budgets; Annual Governance Statement; internal audit; external audit; and, logic models relating to individual projects under assessment by the National Evaluation Panel for 5-year Gateway reviews by UK Government.
12. The issue is, this reporting, whilst all in line with requirements and expectations, has a certain mandatory reporting structure which is fairly high-level. Whilst this has been effective to date, especially in relation to benefits realisation and is supplemented by oversight of the structures set out in paragraph 5 above, it has limitations. For example, it doesn't sight the audience on the detail related to individual project delivery; highlight risks and issues and provide a deep-dive into the data, challenges and opportunities associated with all projects in delivery.
13. Therefore, as set out in the Quarter 3 Performance Report, a new procedure for Programme Monitoring will be developed. This will involve the following and will continue to work in tandem with the quarterly performance reports and complement the above commentary and principles on evolving governance:
 - a) introduction of new project Highlight Reports;
 - b) introduction from Q1 of 2021/22 overview Programme Monitoring Report to Regional Cabinet – this will be a light-touch and high-level overview report with the data and information sat behind it and accessible to key stakeholders. Issues of significance will be reported on an exceptional basis;
 - c) Establishment of an Extra-net access point for key stakeholders such as Regional Cabinet and senior officers to access on a 'full disclosure' basis all project level information and data;
 - d) reports to Programme Board and REGP on project progress and evaluation;
 - e) delegation to Advisory / Investment Boards - As per the example cited under Paragraph 9 for the Challenge Fund, we will increasingly need to keep pace with the evolving investment programme and grant further controlled tiers of delegation to project specific board tasked to implement projects / programmes within the parameters of the primary delegation / approval granted by Regional Cabinet;

- f) portfolio member scheduled formal briefings. These will focus on projects within the allocated project portfolios (date these agreed by Cabinet).
14. In addition to all of this, the process of self-evaluation will continue in order to ensure the ongoing-creation of self-awareness and self-reflection – an important part of the overall monitoring and evaluation process. As City and Growth Deals develop across Wales, there will also be potential for peer review and development.
 15. In order to demonstrate how the Highlight Report process, which underpins all of this, will work, an illustrative example of a well-developed programme – the Housing Investment Fund – is attached at Appendix 2.

Delegation

16. Regional Cabinet are being asked to delegate authority to the Regional Director to take any action or decisions necessary at her discretion to implement the Challenge Fund business case presented to Regional Cabinet in October 2020, and to automatically authorise further delegation of this to such person or group at the Regional Director's discretion.

Reasons for Recommendations

17. This report documents the new additions to the CCR governance structure and reinforces specific delegation arrangements pertinent to the challenge fund operation – as previously approved by Regional Cabinet. It further sets out the proposed approach to programme monitoring and the introduction of Highlight Reports, now that the first wave of projects and schemes are in delivery.

Financial Implications

18. The additions to the CCR governance structure, reinforcement of delegation arrangements and improvements to programme monitoring procedures recommended to be approved in this report do not have any specific financial implications. Any delegations exercised should be in the agreed format, undertaking consultation where required in line that delegation. This includes the accountable body in order to provide financial implications in respect to budget and undertake appropriate monitoring of expenditure from the Wider Investment Fund.

Legal Implications

19. Para 10.18.2 of the JWA states: '*The Joint Committee may allow that such delegation shall automatically authorise further delegation of the Joint Committee's powers by any person to whom they are delegated provided that the Joint Committee specifically states this within such delegation authority.*'
20. Regional Cabinet are being asked to delegate authority to the Regional Director so that they can implement the Challenge Fund business case approved by Regional Cabinet in October 2020. Regional Cabinet are being asked to approve the automatic further delegation of this authority so that the

Regional Director can further delegate this authority to an alternative person or group.

21. Regional Cabinet should note that it under the proposed terms of reference at Appendix 1, decisions taken pursuant to the authority delegated above will be reported to Regional Cabinet in the quarterly highlight and programme monitoring reports, as well as part of the usual information exchange at Regional Cabinet briefings. The Joint Committee may revoke any delegation in whole or part, or alter its terms and conditions at any time.

Well-being of Future Generations (Wales) Act 2015

22. In agreeing to these recommendations consideration must be given, 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;
 - c) the Well-being of Future Generations (Wales) Act 2015. 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 CCRTA 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. 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.
23. Put simply, this means that Regional Cabinet A must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, CCRTA 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.

24. Regional Cabinet must be satisfied that the proposed decision accords with the principles above. To assist CCRTA to consider the duties under the Act in respect of the decision sought, an assessment has been undertaken, which is attached at Appendix 2.

Equality Act 2010

25. In considering this matter, regard should be had, amongst other matters, to the Councils' duties under the Equality Act 2010. Pursuant to these legal duties the Regional Cabinet 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:

- age;
- gender reassignment;
- sex;
- race – including ethnic or national origin, colour or nationality;
- disability;
- pregnancy and maternity;
- marriage and civil partnership;
- sexual orientation;
- religion or belief – including lack of belief.

Recommendations

26. It is recommended that Regional Cabinet:

- a) notes and endorses the proposals set out in the report for the evolution of CCR governance structures in line with the scale-up phase of programme delivery;
- b) notes and approves the full Terms of References and proposed delegations for the Challenge Fund Strategic Board;
- c) notes the illustrative Highlight Report on the Housing Viability Gap Fund and approves the new proposed arrangements for programme monitoring;
- d) authorises the delegation of authority to the Regional Director to take any action or decisions necessary at her discretion to implement the Challenge Fund business case presented to Regional Cabinet in October 2020, and to automatically authorise further delegation of this authority to such person or group at the Regional Director's discretion.

Kellie Beirne
Director, Cardiff Capital Region
15 March 2021

Appendices

- Appendix 1 Terms of Reference – Challenge Fund Strategic Board
- Appendix 2 Illustrative Highlight Report – Housing Viability Gap Fund
- Appendix 3 Wellbeing of Future Generations Assessment



Cardiff Capital Region Challenge Fund Strategic Board (“the Board”)

Terms of reference (March 2021)

<p>Parties</p>	<p>1) County Council of the City and County of Cardiff (“the Accountable Body”) on behalf of the Cardiff Capital Region (“CCR”)</p> <p>2) Cardiff University (“the University”)</p> <p>together comprise the (“the Parties”) to these terms of reference.</p>
<p>Background and Governance</p>	<p>A. The Parties have entered into an agreement dated 3rd December 2020 entitled “Co-operation agreement in relation to the management and delivery of the CCR challenge fund programme.” (“the Agreement”) A copy of which is attached at Appendix A. References to defined terms within these terms of reference refer to the definitions set out within these terms of reference. Where no such definition exists within these terms of reference, the defined terms refer to those set out within the Agreement attached at Appendix A.</p> <p>B. The ten local authorities forming the Cardiff Capital Region (“the CCR”) entered into a joint working agreement dated 1 March 2017 (the "JWA") to formalise their respective roles and responsibilities and to establish a joint committee ("Joint Committee") in relation to the City Deal and appointed the County Council of the City and County of Cardiff as the local authority who is responsible for, amongst other matters, receiving and investing funds for and on behalf of the CCR in relation to the City Deal pursuant to the terms of the JWA (the "Accountable Body").</p> <p>C. On 19th October 2020, the Joint Committee approved the decision to establish a £10,000,000 (ten million pounds) fund of City Deal funding (the "Challenge Fund"); approved the continued co-operation between the Parties; approved the entry into the Agreement and approved the Accountable Body to act on behalf of the Joint Committee in relation to the Agreement.</p>

Procedures	<p>The Council's Representatives shall in Board meetings and in exercising any of its decision making powers act in accordance with the detailed provisions of the Joint Working Agreement which governs the Joint Committee and other relevant, rules and procedures, standing orders and policies of the Accountable Body. Advice from the Monitoring Officer of the Accountable Body should be sought where appropriate.</p> <p>The University's Representatives shall act in accordance with the University's rules and procedures.</p> <p>Any decisions delegated to the Board shall be made by the Council's and University's Representatives on the Board following the Board procedures contained within the Agreement and these terms of reference.</p>
Accountable to	The Board will be accountable to the Regional Cabinet.
Reporting	<p>In respect of verifying progress made against the Objectives listed in the Agreement (Clause 3.4), the Board can be asked to prepare reports for the Regional Cabinet's information only or to provide recommendations to the Regional Cabinet where decisions remain with Regional Cabinet</p> <p>On matters that have been delegated to the Board by the Regional Director the Board can prepare reports for consideration and make decisions.</p> <p>Decisions taken by the Board will be reported to Joint Committee for monitoring purposes via the quarterly highlight and programme monitoring reports. Information will also be exchanged at Regional Cabinet briefings.</p>
Membership	<p>The Parties shall appoint up to two (2) representatives each to the Board. The chairperson of the Board shall first be one of the Accountable Body's representatives appointed to the Board and shall rotate amongst the Parties on an annual basis. The Parties shall be entitled from time to time to appoint a deputy for each of its representative but such deputy (in each case) shall only be entitled to speak and vote at meetings of the Board in the absence of his or her corresponding principal.</p> <p>The CCR Fund Manager and the University Lead shall attend the Strategic Board meetings but shall not have the right to vote on any Strategic Board Decisions.</p> <p>Initial Membership:</p> <p>Councillor Marsden (Chair)</p>

For Approval @ March 21 Meeting

	Kellie Beirne (CCR) Gillian Bristow (CU)
Delegated Functions, Duties and Responsibilities	<p>On 19th October 2020, full business case approval was granted for the establishment of the CCR Challenge Fund, with delegated decision making powers being granted by CCR to the Regional Director, with automatic authority for further delegation by the Regional Director. The Regional Director has delegated those decision making powers to the Board.</p> <p>It is acknowledged and agreed that where a unanimous decision of the Board is not reached, that matter will be referred to the Regional Cabinet and the University for decision.</p> <p>The Board shall:</p> <p>a) Oversee and monitor the performance of the CCR challenge fund programme as set out in the Agreement;</p> <p>b) Make decisions to approve all challenges after recommendations made to it in accordance with the delegations policy set out at Schedule 3 of the Agreement, including:</p> <ul style="list-style-type: none"> i) Approval of the Challenge Fund Plan and approval of annual updates to the Challenge Fund Plan ii) Approval of any time extension to the plan iii) Approval of the challenge themes iv) Approval of procurement approach where SBRI not followed v) Approval of any deselection of Challenge Owners and agreement of shortlisted Challenge Owners vi) Approval of each Challenge to be issued by the Challenge Owners vii) Approval of the form of and entry into a Grant Agreement with an Owner viii) Approval of any deselection of Suppliers and agreement of shortlisted Suppliers ix) Approval of the form of and entry into an R&D agreement with a Supplier x) Approval of any changes to the allocation of the Challenge Budget between the Non-SBRI Challenges and the SBRI Challenges; and xi) And any other matters delegated to the Board by the Joint Committee from time to time.
Meetings, Quorum and Decision	<p>The Board shall meet on at least a quarterly basis and thereafter as and when required in accordance with the timetable for the implementation of the Programme.</p> <p>The quorum necessary for a Strategic Board meeting shall be</p>

For Approval @ March 21 Meeting

	<p>one Representative from each Party. The quorum may be satisfied by personal attendance and a vote in person or by written representations received prior to a meeting provided the Party confirms within those written representations:</p> <p>a) the reasons why their attendance in person is not possible;</p> <p>b) that they have read and understood all background papers, information and reports; and</p> <p>c) an unequivocal and unambiguous vote on each recommendation, proposal or matter for decision.</p> <p>containing a record of the Party’s vote in relation to each matter or recommendation.</p> <p>The Parties representative(s) shall have one collective vote (i.e. one vote for the Council and one vote for the University) and decisions at Board meetings will require a unanimous vote of a quorate meeting. No persons shall have a second or casting vote.</p> <p>If, at a meeting of the Board, a matter is not determined, that matter shall be deferred for consideration at the next Board meeting which shall be convened within ten business days. If at the reconvened Board meeting the unresolved Board decision is not determined, the unresolved Board decision shall become a reserved matter as defined by the Agreement and shall be deferred for consideration by the Parties. Prior to such determination, the matter may first be referred for discussion between the CCR Director and the University's Pro-Vice Chancellor for Innovation & Research. However, if the matter is not agreed it will be referred to the Parties as a Reserved Matter and, if not approved by the Parties, the matter shall not be agreed and shall not be implemented under the Agreement.</p>
Frequency	The Board will meet quarterly or more frequently as required to complete business.
Allowances	No allowances will be paid.
Servicing	<p>Within the resources made available by the Regional Cabinet for the Board’s work, the CCR will organise appropriate servicing for Board meetings.</p> <p>The CCR Challenge Fund Manager shall ensure that all agendas and relevant information in relation to the Board meeting are circulated in a timely manner and in any event in accordance with legislative requirements.</p> <p>A CCR Challenge Fund Advisory Board (a non - decision making</p>

For Approval @ March 21 Meeting

	<p>group) provides an advisory role to the Strategic Board and operational CCR and CU Challenge Fund Delivery teams (referred to as "Co-operation Teams" in the Agreement) in order to support the decision-making process for new challenges and approaches. The purpose of this Board is to bring together a breadth of stakeholders to advise on Challenge selection and delivery</p>
Resources	<p>The resources for servicing and undertaking of functions will be limited to that made available within the City Deal arrangements and allocated by the Joint Committee</p> <p>The Challenge Fund is a fund of £10,000,000 (ten million pounds) in the form of a "block of finance" held by the Council and consists of:</p> <ul style="list-style-type: none"> • up to £2,000,000 (two million pounds) in aggregate (including any VAT payable (if applicable)) to pay for the Working Capital Costs of the Challenge Fund (the "Working Capital Budget"); and • up to £8,000,000 (eight million pounds) (including any VAT payable (if applicable) in aggregate for investment by the Challenge Fund into the Challenges (the "Investment Budget"). <p>At all times decisions taken by the Board must be within the approved budget set by the Joint Committee.</p>
Sub-Groups	<p>The Board, can establish sub-groups or Task & Finish Groups for any matters that they consider would be better dealt with in this manner, but shall not be entitled to delegate any of its decision making functions to any such sub group or task and finish group.</p>
Version & Review	<p>Version 1 – Prepared February 2021 for 1st CCR Challenge Fund Strategic Board meeting taking place on 9th February'21 Review - To be reviewed periodic basis. Version 2 – Further updates on 04/03/21</p>

CCR Project Highlight Report

Project Name and Log Ref	WIF005 Housing Viability Gap Fund	Reporting Period	Qtr 3 2020/21	Overall RAG Status	GREEN GREEN
Project Lead	Hrjinder Singh	Senior Reporting Officer	Kellie Beirne	IIF Stage	Project Delivery
Investment funds agreed to date	£30M Capital £1.6M Revenue	Total potential investment	£35M	Project Start Date	Mar- 2020
				Project End Date	Mar- 2024

1. Project Description	<p>The CCR Housing Viability Gap Fund will provide targeted investment to overcome evidenced market failures in the housing delivery market in the Region and in particular those 5 Local Authorities (LAs) that have the lowest UK Competitive Index (2019) rating (Blaenau Gwent, Caerphilly, Merthyr, RCT & Torfaen).</p> <p>The Viability-Gap Fund is aimed at development sites of 40 - 350 units that have stalled due to viability issues (high infrastructure or remediation costs etc.). A £35m fund has been established to support LAs (as lead applicants) bring forward key sites (in public or private ownerships) with their delivery partners that would not otherwise come forward.</p>
2. Summary of Project Objectives & Agreed Benefits	<p>The overall Fund Objective is to generate economic activity and returns by unlocking stalled housing sites in the region by providing viability gap funding and getting homes built. The aim to allocate at least 50% of the Fund to those 5 LA Partners that fall within the lowest ranking of the UK Competitive Index. This objective is aimed at contributing towards CCR Economic Inclusion target. The Full Business Case makes reference to three scenarios modelled, the range of potential Outputs & Outcomes between the upper ('Optimised) and lower ('Average') scenarios suggests:</p> <ol style="list-style-type: none"> 1. Unlock between 1,400 to 2,800 homes in the region over the next 10 years, 2. Leverage gross private investment in housing between £230M to £490m, at a ratio of between 6.6:1 to 14:1 per CCR £ invested 3. Support between £410m to £870m of total economic activity, spread across the region 4. Deliver 16% more homes in areas of low economic inclusivity than would be delivered in the market-led alternative 5. Boost accessibility to employment opportunities for workers throughout the region, and consequentially deliver productivity-enhancing labour market effects to employers.
3. Executive Summary & Matters Requiring Attention	<p>1. No matters requiring Executive Attention at this time, but please note the following:</p> <ul style="list-style-type: none"> • The Fund is likely to be over-subscribed and if so, Regional Cabinet may wish to consider increasing the Fund size. • Director is kept up to date via regular informal discussions and formal quarterly Project Updates, with the last one taking place on 14.12.20. • Key issues in respect of 'Advisor budget for next phase' and 'Schemes being limited to Planning Policy compliant levels' have now been resolved.
4. Actual Achievements this Period vs Planned	<p>The project is coming to the end of Phase 6 (Call for Sites Window), with Applications due on the 11th January 2021. As result, the Project Team has just concluded the Formal Clarification Process and 'Next Steps' emails have been sent to all LAs and their CEXs. Responses have been provided to all formal clarifications received as well as the circulation of a General Clarification Log to all LAs and their Delivery Partners.</p> <p>Actual Achievements are on target with that Planned for this period, although there has been a slight extension to the Application submission date from 31st December 2020 to 11th January 2021.</p>
5. Planned for Next Period	<ol style="list-style-type: none"> 1. The new Programme Manager will commence her role on the 4th January. 2. Agreed Programme (and associated budget) with Technical Advisory Panel for Phase 7 & 8 (01.01.21 to 31.03.21). These Phases include Application receipt and Clarification, D/D (incl. planned site visit), Evaluation and Shortlisted Sites being recommended to Cabinet for consideration and approval at their March meeting. 3. An informal update will be provided at the 1st March Cabinet Briefing and a formal report prepared for the 15th March Cabinet Meeting.

CCR Project Highlight Report

Project Name and Log Ref	WIF005 Housing Viability Gap Fund	Reporting Period	Qtr 3 2020/21	Overall RAG Status	GREEN GREEN
Project Lead	Hrjinder Singh	Senior Reporting Officer	Kellie Beirne	IIF Stage	Project Delivery
Investment funds agreed to date	£30M Capital £1.6M Revenue	Total potential investment	£35M	Project Start Date	Mar- 2020
				Project End Date	Mar- 2024

6. Update on Benefits Realisation Plan & Tracker	<p>1. On Target for this stage of the project (see Benefits Plan & Tracker).</p> <p>The approved FBC set out a number of benefits to be delivered through the successful implementation and execution of the CCR Housing Viability Gap Fund. These benefits consists of direct contributions to the CCR's four key targets (Jobs, PSL, GVA and Economic Inclusion), as well as wider benefits. These are set out in the Benefits Tracker. However, as the Project is based on making funding awards to stalled Housing Sites/Schemes within the region, there will be a number of Project Phases that will need to completed before CCR will have visibility on the proposed level of benefits that may be delivered by the Fund.</p> <p>Therefore, as an interim measure, a 'key metrics table' has been established to provide a view on the emerging picture, based on proposals discussed during the 'Call for Sites Window'. These are set out in the Benefits Tracker as an 'Interim Update' and the position will be updated as the project moves through each Phase e.g. at the Application stage CBRE will be carrying out a high-level evaluation based on a consistent methodology etc. This iterative process will continue until there is certainty on the Housing Sites/Schemes to be delivered (Unconditional Funding Agreement). At that stage, the Benefits will be 'locked' and used as the benchmark against which 'Actual' benefits will be measured and reported against. Until that time, the benefits outlined in the FBC will be used as a broad benchmark.</p>
---	---

7. Financial Summary	<p>Revenue and Capital Summary (Narrative Summary)</p> <p>The Annual and Project Revenue Budgets remain on target. The 2020/21 underspends on Employees and LA Support Budgets will be used to meet the overspend on the Technical Advisor budget. In addition, the Project has a Contingency of £235k set aside, some of which is likely to be required to meet Phase B D/D requirements.</p> <p>The approved Capital Budget of £30M and Welsh Govnt budget of £5M are likely to be over-subscribed, so this will be a consideration going forward.</p> <p>Full details are set out in the Qtr 3 Project Budget Monitoring Statement.</p>
-----------------------------	---

8. Project Governance & Project Management Arrangements (incl. Key Issues for Review)	
<p>Project Governance consists of weekly Project Team meetings, which largely consists of CCR and Technical Advisory Panel, but legal advisors and other support brought in as required. Formal Update meetings held with the Director quarterly to supplement regular informal updates. CEXs are kept up to date via regular email updates and individual meeting requests as required. Cabinet Portfolio Member will be kept up to date via the introduction of the Highlight Reporting cycles. Updates to Cabinet via Briefings and/or Meetings in-line with the Project Timetable.</p> <p>Further Scrutiny/Challenge comes from Internal Audit, Audit Wales (which have just completed a review of the Housing Fund), SQW and Joint Scrutiny.</p> <p>The Project Team has established: (1) Issues Log, (2) Risk Register, (3) Project Timetable, (4) Phased Project Plans, (5) Benefits Plan and Tracker. Issues Log is reviewed regularly and as a result 39 of the 41 Issues raised have now been CLOSED. The remaining 2 OPEN Issues are detailed below. The Project Team accepts that the Risk Register needs to be reviewed more frequently.</p>	

CCR Project Highlight Report

Project Name and Log Ref

WIF005 Housing
Viability Gap Fund

Reporting Period

Qtr 3 2020/21

Overall RAG Status

GREEN GREEN

Project Lead

Hrjinder Singh

Senior Reporting Officer

Kellie Beirne

IIF Stage

Project Delivery

Investment funds agreed to date

£30M Capital
£1.6M Revenue

Total potential investment

£35M

Project Start Date

Mar- 2020

Project End Date

Mar- 2024

Issue Description	Agreed Actions	Interim Updates/Agreed Resolution	Owner	Target Date
40. Professional Advisors - are there any issues for the Fund to consider as a result of the same Consultant advising more than one Applicant?	22.12.20 - Project team to discuss and take appropriate action if any.	22.12.20 - Project team's view at this stage is that this is a matter for Applicants and the consultant. The Fund is relying on appropriate safeguards being in place re: Confidentiality of bid submissions. However, further consideration to be given to this matter at the Funding Award stage, as specific conditions will be agreed on a case-by-case basis and it is important that the integrity of these discussions remain between the Fund and each Applicant.	HS	31.03.21
41. CCR funded Infrastructure - Need to ensure that Fund is clear on direct and indirect benefits (and capture these accordingly) arising from CCR funding in respect of other sites becoming viable	22.12.20 - To be assessed at Application receipt and clarification stage and appropriate overage clauses included within the Funding Agreement.		HS	31.01.21

9. Summary of Key Risks

Risk Description	Potential Impact	Risk Owner	Inherent Risk	Current Controls	Residual Risk	Proposed Management Actions (if any)
(1) Utilisation of WG Funding	May have to return funding	HS	B2 High	Full details of WG funding included in Fund Guidance document, along with funding T&Cs, so applicants are clear on the requirements.	C2 Medium	Built in dialogue with LA Partners early on in Call for Sites window. Will look to re-purpose
(2) LAs not injecting enough resource and momentum into their identified sites to meet timetable	Timetable slips and costs increase	HS	C1 High	Clear Programme Timetable and Fund requirements set out.	C2 Medium	HS/KB to email CEXs/Directors to provide updates and risks
(3) Poor or sub-optimal applications received resulting in the Fund being under-utilised	Fund objectives not being fully delivered	HS	C2 Medium	Extensive documentation provide, regular engagement with LAs, Clear Programme Timetable and Fund requirements set out.	D3 Medium	Review progress as part of formal Clarification sessions
(4) Fund Legal Agreement/T&Cs not acceptable to LAs/Delivery Partners	Fund objectives not being fully delivered	HS	C1 High	HoTs provided as part of Fund's suite of documents.	D2 Medium	Point will be raised as part of formal Clarification sessions

Future Generations Assessment Evaluation

(includes Equalities and Sustainability Impact Assessments)

<p>Name of the Officer completing the evaluation:</p> <p>Kellie Beirne</p> <p>Phone no: 07826 919286 E-mail: kellie.beirne@cardiff.gov.uk</p>	<p>Please give a brief description of the aims of the proposal: to set out the committee and reporting structure for CCR city deal and introduce new programme monitoring arrangements.</p>
<p>Proposal: CCR Programme Governance and Monitoring</p>	<p>Date Future Generations Evaluation form completed: 15 March 2021</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.

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>A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs</p>	<p>The work relates to good governance and monitoring which is an underpinning factor in respect of the aim for wealth creation and inclusive growth.</p>	<p>New reporting and highlight reports introduced to improve openness and transparency.</p>
<p>A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)</p>	<p>Good monitoring and evaluation will ensure there is better data and detail to demonstrate how objectives are being met.</p>	<p>As above – new processes and procedures to demonstrate impact and ensure the programme is open to appropriate stakeholder challenge.</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?
A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood	The proposal relates to governance and monitoring and so underpins efforts to maximize programme impact	Wellbeing metrics and introducing alternative ways of measuring success are one of the objectives to improve and expand programme
A Wales of cohesive communities Communities are attractive, viable, safe and well connected	What gets measured gets done – so the saying goes – having stronger and more real time processes will ensure impact and effects are captured as well as they practicably can be.	Introduction of portfolio lead accountability, highlight reports and new programme level reporting to Cabinet.
A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	As above	
A Wales of vibrant culture and thriving Welsh language Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation	As above.	
A more equal Wales People can fulfil their potential no matter what their background or circumstances	The approach focuses on economic inclusion, levelling-up and a mission-driven approach capable of not just tackling economic problems – but societal ones too.	

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>Long Term</p> <p>Balancing short term need with long term and planning for the future</p>	<p>The proposal is to enhance governance and reporting. This will inform future planning strategy and guide where interventions need to make most impact.</p>	<p>Governance and reporting will need to be constantly adapted and updated in order to remain relevant and fit for an evolving future.</p>
 <p>Collaboration</p> <p>Working together with other partners to deliver objectives</p>	<p>The governance provides a framework for how 3 layers of government, partners and stakeholders will work together.</p>	<p>Increased weight given to CCR scrutiny committee and supporting a programme that is proportionate to the levels of investment made.</p>
 <p>Involvement</p> <p>Involving those with an interest and seeking their views</p>	<p>The work has been informed by a wide range of views and perspectives with regard to expert evidence and data.</p>	
 <p>Prevention</p> <p>Putting resources into preventing problems occurring or getting worse</p>	<p>The governance space is busy. Moving to a more structured and systematic approach through future evolution to CJs will help re-align and consolidate.</p>	
 <p>Integration</p> <p>Considering impact on all wellbeing goals together and on other bodies</p>		<p>Wellbeing metrics will be key to informing future work.</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.

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Age	Not relevant in this context since the principles, approach and ways of working apply to all prospective interests and stakeholders	The proposals relate to governance and ensuring the right balance of stakeholder views, being open inclusive and transparent are principles which extend to all aspects of the programme.	A full ESG agenda and diversity and inclusion reviews into partnerships and groups will help ensure this agenda is embedding in ways of working and the culture that is created.
Disability	As above	As above	As above.
Gender reassignment	As above	As above	As above.
Marriage or civil partnership	As above	As above	As above.
Pregnancy or maternity	As above	As above	As above.
Race	As above	As above	As above.
Religion or Belief	As above	As above	As above.
Sex	As above	As above	As above.
Sexual Orientation	As above	As above	As above.
Welsh Language	As above	As above	As above.

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

	Describe any positive impacts your proposal has on safeguarding and corporate parenting	Describe any negative impacts your proposal has on safeguarding and corporate parenting	What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?
Safeguarding	Not directly relevant –however, building the future economy should have a profoundly positive impact on ability to safeguard the future of our residents		This is dependent upon the brief for regional education consortia and whether or not, it is intended to be grouped within CJsCs.
Corporate Parenting	Not directly relevant – however building strength in the economy should create opportunities for all of the young people entrusted in our care and makes a direct contribution to wellbeing.		

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

Current workings, new projects and proposals and best practice on programme monitoring.

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?

As above, the main implications will be in the delivery of this work.

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:

Quarterly via the IIF reports to Cabinet and ongoing work of Investment Panel and REGP.