

24 MAY 2021

OUTCOME OF UK GOVERNMENT GATEWAY REVIEW

REPORT OF THE CARDIFF CAPITAL REGION DIRECTOR

AGENDA ITEM 7

Reason for this Report

1. To formally notify Regional Cabinet of the outcome of the UK Government Gateway Review undertaken in January-February 2021 and reflecting the culmination of assessment work carried out by SQW, against the National Evaluation Framework over the last four years.

Background

2. The National Evaluation Framework provides the baseline document for all assessments of the performance of City and Growth Deals in the UK. SQW as consortium leads have worked with the Cardiff Capital Region over the first gateway period to continually monitor and assess delivery of Wider Investment Fund activity. Three reports were produced and reported into Cabinet over the period and in the run-up to the Gateway Review comprising:
 - Baseline Report and Locality Evaluation Plan;
 - One Year-out Evaluation Report;
 - Final Evaluation Report.
3. The City Deal was signed in March 2017 and the first Gateway period for Cardiff Capital Region ended on 31 March 2021. In January 2021, the formal Gateway review process commenced. The process required submission of the SQW work and reports as well as a Director's Complementary Report. Challenge sessions were also held with officials from BEIS, MHCLG, HMT and the Wales Office and were supported by Welsh Government. Ministerial challenge sessions were further held.
4. Following cessation of the election period in England and Wales, CCR was notified of the outcome of the Gateway Review on 11 May 2021. This confirmed the review process has been successful and approved release of funds for the next five years. The letter noted the positive progress with delivery overall and with the Compound Semiconductor Foundry project; the strength and depth of partnership within and across local authorities and the private sector; positive forward pipeline; and, the potential demonstrated through the CCR Investment Prospectus.

5. The correspondence also sets out the requirement for the next Gateway period to be more focussed on the detail of delivery and impact, and, the need to exemplify the partnership approach through co-branding. In relation to the first point about more penetrative and deep dive evaluation, the developing approach to Programme Monitoring will provide a keener focus on benefits realisation and key outcomes. In addition, it will be important to leverage capacity of the new CCR Economic Intelligence Unit – to be convened via Cardiff University in conjunction with University of South Wales and Cardiff Metropolitan University - in order to provide longer-term, detailed evaluative impact. In relation to the second point, contact will be made with the relevant government branding team to co-ordinate the approach and reinforce the partnerships and collaborations across all layers of government.
6. In relation to next steps, it should be noted that the Joint Working Agreement signed by all ten Local Authorities makes provision for ongoing Gateway Reviews at 5-yearly intervals. There is no requirement to go back for further approvals from individual Councils now that the review has been successful. The JWA only makes provision in the event of failure to pass the Gateway Review and thus, to resolve and agree resultant implications such as the financial consequences and programme impact.
7. It is clear that CCR is seen as a positive vehicle for driving economic prosperity in the region through its City Deal – and wider. Aligned with the emerging agendas in Wales and the wider-UK to build back better and fairer and the important role of place-based institutions within this – the opportunity to evolve to operating at Capital City Region-scale is significant.

Reasons for Recommendations

8. To ensure that the findings of the Gateway Review are openly reported and formally recorded in order to align the principles of the next Five-year Strategic Business Plan with the next five years of delivery for the Cardiff Capital Region City Deal. This brings a sense of completeness to the first period of City Deal delivery activity.

Financial Implications

9. The successful first gateway review continues the receipt of City Deal funding for the Wider Investment Fund in the form of £22m p.a capital funding from HM Treasury. Feedback from the first review will need to be implemented as part of approach to future projects and existing processes and to ensure continued compliance with WG and HMT grant terms and conditions.

Legal Implications

10. The purpose of this report is to update Regional Cabinet on the outcome of the UK Government Gateway Review undertaken in January-February 2021. Therefore, there are no legal implications for this report.

Well-being of Future Generations (Wales) Act 2015

11. In developing the Plan and in considering its endorsement 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;
- 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 CCRC) 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. 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.

12. 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.

Equality Act 2010

13. 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.

14. An Equality Impact Assessment has been undertaken and is attached as an appendix to this report. Regard should be had to the same in reaching a decision on this matter. The purpose of the Assessments is in order to ensure that the Council has properly understood and assessed the potential impacts of the proposals in terms of equality, so that it can ensure that it is making proportionate and rational decisions having due regard to its public sector equality duty.

RECOMMENDATIONS

15. It is recommended that the Cardiff Capital Region Regional Cabinet:
1. notes the findings of the Gateway Review and the measures and provisions that will now be put in place to address the requirement for detailed evaluation and co-branding of all partnership endeavours;
 2. notes the release of the next five-year tranche of CCRCD investment into the Wider Investment from UK Government, which will be allocated to CCR via Welsh Government.

Kellie Beirne
Director, Cardiff Capital Region
24 May 2021

Appendices

- Appendix 1 Correspondence from UK Government – CCR Gateway Review
Appendix 2 Well-being of Future Generations Assessment

Cllr Anthony Hunt

Leader

Torfaen County Borough Council

Civic Centre

Pontypool

NP4 6YB

Email: anthony.hunt@torfaen.gov.uk

11 May 2021

Dear Cllr Hunt,

UK Government Gateway Review

We are pleased to inform you that the UK Government has approved the release of the next five years of funding to the Cardiff City Deal following your successful Gateway Review. This unlocks your next 5-year tranche of UK Government investment funding, with £22 million available annually for the Wider Investment Fund from 2021 to 2026.

The Gateway Review highlighted a number of significant successes across the Deal to date and we commend the region's focus on delivering economic growth across the Cardiff Capital Region. The review highlighted the positive progress made in delivering the CSC Foundry project and the strong partnership working that is evident between the ten local authorities and a range of external partners. Furthermore, the strategic look forward identified a strong pipeline of projects. We were pleased to see further detail regarding these projects in your recently published Investment Prospectus.

Looking ahead to the next five years of the Cardiff City Deal, effective monitoring and evaluation will be key to capture progress and to clearly demonstrate how the Deal is supporting the economy, creating jobs and delivering wide ranging benefits across the Cardiff Capital Region. UK Government officials will continue to work with you to regularly capture these emerging outcomes.

With this in mind and given the advance in project timelines relative to this first Gateway Review, we would expect the next Gateway Review to incorporate more impact evaluation for completed interventions. Advice on the next Gateway Review will be provided later this year.

Furthermore, in keeping with growth deals across Great Britain, our expectation is that the Cardiff Capital Region will use bilingual UK Government branding on projects funded by the UK Government. Officials will be happy to discuss branding requirements with you in further detail.

We trust that confirmation of the release of funding gives you the certainty you need to continue investing in your programme and look forward to seeing the progress and impact of the projects as the Cardiff City Deal moves into its next phase.

Yours sincerely,



David TC Davies MP
UK Government Minister for Wales
Gweinidog Llywodraeth y DU dros Gymru



Kemi Badenoch MP
Exchequer Secretary to the Treasury

CC: Luke Hall MP, Minister of State for Regional Growth and Local Government
Welsh Government Minister for Economy and Transport

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 outcomes and implications of the UK Government-led Gateway Review of the CCRCD</p>
<p>Proposal: UKG Gateway Review of Cardiff Capital Region City Deal</p>	<p>Date Future Generations Evaluation form completed: 17 May 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. The report starts to consider benefits realisation through an impact-level deep dive into the CSC Foundry project.</p>	<p>New governance and monitoring approach and establishment of CCR Economic Intelligence Unit to ensure focus on evaluative impact.</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. Part of the evaluation references Metro Plus which comprises the ULEV scheme.</p>	<p>As above – new processes and procedures to demonstrate impact and ensure the programme is open to appropriate stakeholder challenge. This will be particularly important in the light of wider regional energy strategy developments and delivery.</p>
<p>A healthier Wales People’s physical and mental wellbeing is maximized and health impacts are understood</p>	<p>The proposal relates to governance and monitoring and so underpins efforts to maximize programme impact.</p>	<p>Wellbeing metrics and introducing alternative ways of measuring success are one of the objectives to improve monitoring. This will be picked up as part of the Economic Intelligence Unit.</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 Wales of cohesive communities Communities are attractive, viable, safe and well connected	What gets measured gets done – so the saying goes – having a focus on impact evaluation in the scale-up and delivery years will ensure more real-time and ongoing capture of information.	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	The Gateway Review process provides alignment with other Cohort 2 regions across the UK. The growing focus on Climate Change and the CCR Energy Plan will ensure this is front and centre of efforts to globally address climate change.	Development of Implementation priorities work. Development of challenge-fund approach with focus on joined-up working and delivery around climate goals.
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.	The investment strategy for CCR embraces 'levelling-up' and the need to tackle economic and societal disparities within the region and across UK-regions.

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?
 Balancing short term need with long term and planning for the future	The proposal relates only to UKG review of CCR performance at this stage. Therefore it needs to be read in conjunction with business plan for next 5 years which sets out 5 ways to plan for now and the future at the same time –climate, building a region clusters, R&D and delivering the CCRCD programme.	Governance and reporting will need to be constantly adapted and updated in order to remain relevant and fit for an evolving future.

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>Working together with other partners to deliver objectives</p> <p><small>Collaboration</small></p>	<p>The governance provides a framework for how 3 layers of government, partners and stakeholders will work together.</p>	<p>The move to a CJC will help reinforce some of the partnership momentum generated through the first Gateway period.</p>
 <p>Involving those with an interest and seeking their views</p> <p><small>Involvement</small></p>	<p>The work has been informed by a wide range of views and perspectives with regard to expert evidence and data.</p>	<p>More work is now needed on the citizen focus and angle and ensuring co-branding as per the requirement set out in the Gateway report from UKG.</p>
 <p>Putting resources into preventing problems occurring or getting worse</p> <p><small>Prevention</small></p>	<p>The governance space is busy. Moving to a more structured and systematic approach through future evolution to CJsCs will help re-align and consolidate.</p>	
 <p>Considering impact on all wellbeing goals together and on other bodies</p> <p><small>Integration</small></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	<p>Not relevant in this context since the Gateway Review report is the conclusion of a process and not a proposal. It will however reinforce all the factors that are key to good programme governance, which should put protecting characteristics at its heart – Responsible Investing, ESG, risk and diversity and inclusion.</p>	<p>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.</p>	<p>The 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.</p>
Disability	As above	As above	As above.

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?
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		
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. UKG Gateway documents, SQW reports and the evaluation of IIF and Audit Wales work.

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:

As per the new phases of the National Evaluation Framework for which we are awaiting confirmation.