

27 JUNE 2022

ADMINISTRATION OF CCR PROJECT PAYMENTS TO CARDIFF COUNCIL

REPORT OF CARDIFF CAPITAL REGION DIRECTOR

AGENDA ITEM 8

Reason for this Report

1. To seek Regional Cabinet's approval to appoint Monmouthshire County Council to act on its behalf in order to award grant funding to Cardiff Council under the Metro Plus, Housing Viability Gap Fund and the Challenge Fund projects.

Background

2. The constituent Councils of the CCR agreed for Cardiff Council to act as the Accountable Body responsible for discharging the Councils' obligations in relation to the City Deal pursuant to and in accordance with the Joint Working Agreement (JWA) for and on behalf of the Councils.
3. As the Accountable Body, Cardiff Council is responsible for discharging the Councils' obligations in relation to Cardiff Capital Region City Deal and ensuring that decisions made by the Cardiff Capital Region Joint Cabinet are lawful, appropriate and within budget. Regional Cabinet has no separate legal identity and so cannot own property, accept grants or enter into contracts in its own right. As the Accountable Body, Cardiff Council will take responsibility for these duties as required by the Regional Cabinet.
4. Part of that role includes the administration of grants. Whilst the Accountable Body will not be responsible for determining allocation of spend, it will be responsible for ensuring that expenditure is undertaken in accordance with UK and Welsh Government grant terms and conditions. In addition, it will discharge the requirement to prepare all performance monitoring and reporting requirements through the City Deal Office.

Issues

5. As part of its Wider Investment Fund, Regional Cabinet has approved the following projects, which allow City Deal partnering authorities to act as applicant and apply grant funding support:

1. Metro Plus: a programme of localised transport measures that will enhance the South Wales Metro;
 2. Housing Viability Gap Fund: a £35m housing investment fund open to local authorities to help address viability issues which have stopped sites from being developed for new housing and seeks to unlock such sites;
 3. Challenge Fund: seeks to assist the public sector to find solutions to address challenges it faces and consequently find a route to the market for such solutions.
6. The Council of the City and County of Cardiff (Cardiff Council) applied for grant funding, acting in its own capacity and not as Accountable Body of the Cardiff Capital Region (CCR). Furthermore, Cardiff Council has been successful in securing funding from each of these three projects as follows:
1. Metro Plus – awarded £1.5m;
 2. Housing Viability Gap Fund – awarded £3.56m;
 3. Challenge Fund - awarded £2.6m.
7. In addition, Cardiff Council has submitted a further request of £1m additional funding as part of the Housing Viability Gap Fund project, although this request is the subject of a separate report to Regional Cabinet.
8. As outlined above, Cardiff Councils acting in its role as Accountable Body is responsible for administering the various funds set up under the CCR Wider Investment Fund. Consequently, Cardiff Council cannot both administer and award itself funding that it has secured under such projects.
9. In order to address this contractual matter, it is proposed that another CCR local authority is appointed to act on behalf of Regional Cabinet in respect of the aforementioned funds and award the funding to Cardiff Council. The remaining nine local authorities have been approached on this matter and Monmouthshire County Council have agreed to act on behalf of the Regional Cabinet in respect of these projects.

Reason for Recommendations

10. To appoint Monmouthshire County Council to act on its behalf and award funding to Cardiff Council under the Housing Viability Gap Fund, Metro Plus and the Challenge Fund projects.

Financial Implications

11. This report does not result in any additional financial implications. It recommends that Monmouthshire County Council is appointed to act on behalf of Regional Cabinet in regard to any award of funding provided to Cardiff Council. This is in order to comply with the CCRCD Joint Working Agreement.

Legal Implications

12. CCRRC has the power to appoint Monmouthshire County Council to act on its behalf under the delegations policy of the JWA. Clause 9 and Schedule 1

(delegations policy) of the JWA sets out the decision-making process. Paragraph 31 of Schedule 1 provides that any matter not already covered in Schedule 1 is a matter which requires a decision from Regional Cabinet. This proposal falls within that paragraph as it is not already provided for in Schedule 1 therefore it is a decision that Regional Cabinet must make.

13. The instrument dealing with any terms and conditions of the grant, i.e. grant award letter or contract will need to reflect the fact that Monmouthshire are making the award in order for those to be binding.

Well-Being of Future Generations (Wales) Act 2015

14. 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.

15. 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 1.

Equality Act 2010

16. 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

17. It is recommended that the Cardiff Capital Region Joint Cabinet:

- (1) appoints Monmouthshire County Council to act on its behalf in respect of administering and awarding the funding to Cardiff Council that it has successfully received under the Housing Viability Gap Fund, Metro Plus and the Challenge Fund as detailed in this report.

Kellie Beirne
Director, Cardiff Capital Region
27 June 2022

Appendices

Appendix 1 Well-being of Future Generations Assessment

Future Generations Assessment Evaluation

(includes Equalities and Sustainability Impact Assessments)

Name of the Officer completing the evaluation: Hrijinder Singh E-mail: h.singh@cardiff.gov.uk	Please give a brief description of the aims of the proposal To appoint Monmouthshire County Council to act on behalf of the Cardiff Capital Region City Deal to administer grant funding to Cardiff Council for approved Investment & Intervention Framework (IIF) projects.
Proposal: Administration of CCR Project Payments to Cardiff Council	Date Future Generations Evaluation form completed: 27 June 2022

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?
A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs	The IIF sets out the framework for testing, assessing and appraising proposals in an independent, fair and balanced way, in order to ensure the proposals that develop are those that best contribute to wealth creation and prosperity. The projects in the pipeline seek to make a major contribution to this.	Maximising potential for added value and meeting City Deal targets is enshrined within the assessment process.
A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)	The IIF is underpinned by the four Industrial Strategy Grand Challenges, included in which is clean growth. The CCR Responsible Investing Strategy provides for considerations in respect of carbon reduction and the CCR Energy Strategy.	This will be pertinent on a business case by business case basis. In addition, major scheme proposals seek to focus explicitly on accelerating CCR's journey towards net zero. The work now underway on the revised Investment Strategy places a specific focus on compliance with CCR's energy strategy aims.
A healthier Wales	Developing the conditions, through new links and networks – and opportunities for future engagement	Inclusive growth and sharing prosperity are key principles and some of the conditions proposed to be set by Panel.

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?
People's physical and mental wellbeing is maximized and health impacts are understood	<p>– will make a contribution to prosperity, which in turn will support wellness and wellbeing.</p> <p>CCR is contributing to dialogue on good fair work – again – a core principle of the ESG and EDI considerations in the new Enterprise Risk Policy.</p>	
<p>A Wales of cohesive communities Communities are attractive, viable, safe and well connected</p>	The IIF seeks to position our region and its competitive strengths – economic and wider and will seek to yield demonstrative legacy benefit for the country as a whole.	<p>ROI assessments and expert advice on how to leverage opportunities and build on local social capital whilst at the same time, scanning the world for experts who can help grow high potential ideas</p> <p>The proposal around Cyber Innovation in particular will seek to make a contribution to keeping communities safe.</p>
<p>A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing</p>	The IIF has regard to the wider factors required to support a vibrant and responsible economy	<p>The assessment of projects has an in-built global dimension – for example, the references to comparative advantage in respect of enhanced digital connectivity, cyber and Ai developments.</p> <p>In addition, there is a further opportunity to be developed through continuing work on business cases for cyber in terms of localizing supply chains which will continue to be explored.</p>
<p>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</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>A more equal Wales People can fulfil their potential no matter what their background or circumstances</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.	The 'spread' and targeting of City Deal benefits in a place-based and place-led way – as reflected by the proposals.

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?

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>Long Term</p>	<p>The IIF is relevant to today, but focused on foresight and what comes, tomorrow.</p>	<p>Continued work on data/ evidence and generating in equal measure, insight and foresight.</p> <p>The CCR is a 15-year programme with the transition to CJC establishing a direction of travel for the long-term. All proposals have a medium to long-term timespan.</p>
 <p>Working together with other partners to deliver objectives</p> <p>Collaboration</p>	<p>The report sets out the different partners and sectors engaged in this work</p>	<p>City Deal will be delivered by a multiplicity of diverse partners and from IP, to REGP, RSP, Programme Board and the Business Councils – takes input from a number of different sources.</p>
 <p>Involving those with an interest and seeking their views</p> <p>Involvement</p>	<p>The report sets out the different partners and sectors engaged in this work</p>	<p>The report demonstrates the nature and extent of stakeholders. This is however identified as an area for future development – rooted in work around benefits realisation and impact.</p>
 <p>Putting resources into preventing problems occurring or getting worse</p> <p>Prevention</p>	<p>The framework operationalizes the process for stimulating economic activity in the region creating opportunities to engage people in work and develop the prosperity needed to ensure people are more economically self-reliant and self-sufficient.</p>	
 <p>Considering impact on all wellbeing goals together and on other bodies</p> <p>Integration</p>	<p>This will be undertaken on a case-by-case basis through the new assessment process.</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	As with all those categories below – the impacts will relate to specific delivery that underpins the execution and operation of this Plan	None arising at this time.	
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		
Sex	As above		
Sexual Orientation	As above		
Welsh Language	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		
---------------------	--	--	--

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

- Legal and Contractual documentation pertaining to the Joint Working Agreement, Welsh Government Funding Terms & Conditions and project specific funding agreements
- Individual SIFTs and accompanying business case documents for each of the approved IIF Projects
- CCR Priority Sectors analysis 2019 updated from time to time
- Due diligence reports supporting the business case development process

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 of this proposal is a contractual matter that will allow Cardiff Council to progress its applications under the three approved IIF projects.

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:

Whilst not directly attributable to this proposal the wider impacts of approved IIF projects are evaluated as part of the Quarterly IIF Performance Reporting mechanism to Cabinet.