Cyd-bwyllgor Corfforedig De-Ddwyrain Cymru | South East Wales Corporate Joint Committee

Report for:	ACTION
Contains Confidential or Exempt Information	YES - Appendix

For Consideration By	South East Wales Corporate Joint Committee
Report Title	Extension of Venture Graduates Initiative
Report of	Kellie Beirne, Chief Executive
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Date to be Considered	31 March 2025
Implementation Date	Immediate
Affected Council Areas	Regional
Keywords / Index	Venture; Graduates; Skills; Talent; Jobs

1. Recommendations

1.1 The Corporate Joint Committee is asked to:

(1) Approve a three-month extension of the CCR Venture Graduate Programme from April - June 2025; and

(2) Allocate £30,000 of unallocated Wider Investment Fund funding assigned to the Cluster Development & Growth Programme to fund the extension.

2. Report Summary

2.1 This report proposes a three-month extension of the Venture Graduates initiative (April–June 2025) using £30,000 of unallocated WIF match funding (SPF) assigned to the Cluster Development & Growth Programme. This bridging period will prevent the programme from ending in March 2025, allowing continuity of delivery and avoiding the programme ceasing in its entirety, whilst future iterations are considered.

2.2 A change request to extend the project from April to October 2024, utilising existing Venture budget, was approved by CCR Cabinet in June 2023. This extension resulted in the creation of 46 graduate jobs, of which 70% were

located outside of the capital city. Following this, CCR SPF funding has been utilised to maintain programme delivery to March 2025, as a key component of the CCR Cluster Development & Growth Programme.

2.4 The programme has recently undergone a comprehensive external Gateway Review evaluation, which validated its outputs, outcomes, and overall impact. A copy of the report is attached at **Appendix 1**, demonstrating the overarching impact of the programme. A key highlight of the report is provided below:

"From a public sector perspective, the Scheme is likely to have delivered value for money. Assuming both reduced timescales to filling roles, and subsequent productivity uplifts, the current Scheme is projected to generate a positive net cost benefit ratio of up to 1:4.2. For every CCR £1 invested, the benefits are worth £4.20."

A formal programme closure for the City Deal WIF funded Venture programme will be completed in July 2025.

2.5 The future iteration - "Venture 2.0" is set to be a key component of the Regional Development & Growth Programme, which is a follow-on proposal from the Cluster Development & Growth Programme, cited as a key milestone within CCR's annual business plan (2025/2026). This proposition will be presented for approval by the CJC in June.

It will deliver more targeted graduate initiatives, seamlessly aligned with CCR's Regional Economic Industrial Plan, supported by a diversified funding approach and innovative features like graduate retention incentives to ensure talent flourishes within the region.

2.6 Key Benefits of the Extension:

- **£30,000 Investment:** Sustain operations through Q1 2025-26.
- **15 New Graduate Jobs:** Directly created within the extension period.
- **£458,000 Private Sector Investment:** Generated by an average graduate salary of £23,500 plus on-costs.

This extension ensures continuity while providing sufficient time to position the initiative for long-term success and impact.

3. Reasons for Report

3.1 The Venture Graduates initiative is a flagship programme of CCR, designed to address the graduate brain drain and support SMEs by providing free graduate recruitment services. It connects talented graduates with businesses in South Wales, creating a mutually beneficial relationship that bolsters the local economy and strengthens the regional talent ecosystem.

To date, it has supported over 180 businesses, 73% of which are SMEs to recruit 271 graduates, cutting costs and saving time, whilst keeping graduate talent rooted in the region.

3.2 **Overall Projected Achievements by 31 March 2025:**

- A total of 286 graduate jobs created.
- 175 graduates upskilled through training and professional development.
- An average graduate salary exceeding £25,000.
- 73% of supported businesses identified as SMEs, demonstrating a focus on smaller, local enterprises.
- £8.4M of private sector investment secured as a direct result of the programme.

3.4 **Key Benefits of the Initiative**

3.4.1 **Venture Graduates** delivers significant benefits for both graduates and businesses in the region. These include:

(1) **Retaining Talent in the Region** - The Cardiff Capital Region faces a persistent graduate brain drain, as many graduates leave for higher salaries and opportunities in other regions. Venture addresses this challenge by linking graduates to local employers, showcasing the region as an appealing place to live and work. The programme not only retains existing talent but also encourages graduates to see the region as a viable long-term career destination.

(2) **Supporting SMEs** - SMEs, which often lack robust HR resources, benefit significantly from Venture's tailored recruitment support. Services such as marketing vacancies, shortlisting candidates, and pre-screening applications alleviate the challenges these businesses face, enabling them to find high-quality graduate talent.

(3) **Proven Results** - Venture has placed graduates into roles across a wide variety of sectors, from fintech and creative industries to advanced manufacturing. This broad reach underscores its versatility in meeting diverse business needs and supporting sector-specific growth.

(4) **Enhancing Graduate Employability** - Through opportunities such as Welsh Government Personal Learning Account courses, participating graduates gain valuable skills and experiences that improve their career readiness and employability. This professional development ensures the initiative delivers benefits that extend beyond immediate job placements.

(5) **Boosting Economic Growth** - By aligning graduate skills with industry needs, Venture fosters innovation and productivity within the region. This directly supports CCR's economic and industrial growth objectives and helps to establish South East Wales as a competitive business hub.

(6) **Long-Term Regional Benefits** - Beyond its immediate outputs, Venture contributes to building a sustainable pipeline of talent, improving workforce diversity, and fostering stronger collaborations between local

universities, businesses, and authorities. These efforts help create a dynamic and resilient regional economy.

3.5 **Evidence Supporting Continuation**

3.5.1 Research highlights a clear and ongoing need to retain and attract graduates in Wales:

ONS and Centre for Cities Data:

a. Wales has one of the lowest proportions of graduates in graduate-level employment across UK regions.

b. Cardiff retains only 21% of its graduates compared to 48% in Bristol, with retention rates even lower in areas beyond the capital.

c. STEM graduates often leave the region in search of more specialised roles.

Graduate Brain Drain:

d. Despite attracting students to its universities, Wales loses many after graduation due to limited local opportunities.

e. However, some evidence suggests that returning graduates, or "returners," may offer a potential solution.

Expert Recommendations:

f. Reports from the Institute of Welsh Affairs and Global Welsh emphasise the need for policies that not only retain talent but also engage the Welsh diaspora to leverage their skills and networks for regional growth.

Sources:

www.iwa.wales : 1wiserd.ac.uk2 : 3nation.cymru : The-Great-British-Brain-Drain : Centre for Cities : https://www.ons.gov.uk/employmentandlabourmarket/

3.5.2 Continuing to run Venture Graduates ensures that the Cardiff Capital Region remains competitive, innovative, and inclusive, while addressing critical challenges like skills shortages and graduate retention.

3.6 The extension provides continuity during a period of funding uncertainty and allows time to evaluate the future of the programme and consider a business case for Venture 2.0. It enables CCR to:

- Build on its proven recruitment model;
- Address priority skills gaps in the region;
- Enhance workforce diversity, particularly for female and under-represented graduates;
- Support SMEs and clusters critical to regional economic growth.

3.7 By focusing on high-value jobs, diversity and targeting businesses and graduates in the Northern Valleys areas, the initiative aligns with CCR's long-term objectives for inclusive economic development.

4. Comments of the Director of Resources and Section 151 Officer

4.1 Funding for the Venture Graduate programme and wider Cluster Development Programme has previously been approved by CJC with an expectation that this would be spent by 31st March 2025 in line with the subsequent SPF funding.

4.2 There are sufficient funds remaining within the Wider Investment Fund Cluster Development Programme to allow for this slight extension of the programme.

5. Comments of the Director of Legal & Governance and Monitoring Officer

5.1 The pilot for a CCR Graduate Scheme that would support SMEs to recruit and retain graduate talent, whilst reducing the 'brain drain' of graduates leaving the region to seek employment, was approved by Regional Cabinet in 2019.

5.2 At the successful conclusion of the pilot scheme, a Full Business Case was approved by Regional Cabinet in 2020 to build upon the pilot and launch a rebranded Venture Graduates Programme. A budget of £1.538M was allocated for a 4-year period (to March 2024), with the target of creating 500 graduate jobs, generating £13.65M private sector investment and a return on investment of £8.87 for every £1 of CCR spend.

5.3 Following an independent evaluation of the Programme conducted in March 2023, Regional Cabinet approved a (no cost) extension of the Programme from April to August 2024. Since then, SPF funding has been utilised to maintain programme delivery to March 2025, as a component of the Cluster Development & Growth Programme.

5.4 This report now seeks approval to extend the Venture Graduates Programme for a further 3 months (April – June 2025), whilst future iterations are considered. It is proposed to utilise £30,000 of unallocated Wider Investment

Fund match funding assigned to the Cluster Development & Growth Programme to fund the extension.

5.5 Pursuant to the CCR City Deal Standing Orders adopted by the CJC, taking action outside of the parameters of the Business Plan for approved programmes/projects is a matter reserved to the Corporate Joint Committee.

6. Equality, Diversity and Inclusion

6.1 The Corporate Joint Committee is subject to the Public Sector Equality Duty and the Socio-Economic Duty as defined by the Equality Act 2010.

6.2 The Committee must, in the exercise of its functions, have due regard to the need to: (1) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited under the Act; (2) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not; and (3) foster good relations between persons who share a relevant protected characteristic and persons who do not.

6.3 The characteristics protected under the Act are:

- age;
- disability;
- gender reassignment;
- marriage and civil partnership;
- pregnancy and maternity;
- race;
- religion or belief;
- sex; and
- sexual orientation.

6.4 Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

(a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;

(b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;

(c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

6.5 The socio-economic duty requires public bodies to, when making decisions of a strategic nature about how to exercise its functions, have due regard to the

desirability of exercising them in a way that is designed to reduce the inequalities of outcome which result from socio-economic disadvantage.

6.6 Officers are of the view that the decisions recommended in this report will have a positive equalities impact.

7. Well-being of Future Generations

7.1 The Well-being of Future Generations (Wales) Act 2015 places a duty on public bodies to carry out sustainable development, meaning the process of improving the social, economic, environmental and cultural well-being of Wales by taking action aimed at achieving the well-being goals of:

- A prosperous Wales
- A resilient Wales
- A healthier Wales
- A more equal Wales
- A Wales of cohesive communities
- A Wales of vibrant culture and thriving Welsh language
- A globally responsible Wales

and by acting 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.

7.2 In order to act in accordance with the sustainable development principle, when exercising its functions, the Committee must take account of the following things:

- the importance of balancing short-term needs with the need to safeguard the ability to meet long term needs;
- the need to take an integrated approach to achieving the well-being goals;
- the importance of involving others with an interest in achieving the well-being goals and of ensuring those persons reflect the diversity of the population of the region;
- how acting in collaboration with others could assist to meet the region's well-being objectives;
- how deploying resources to prevent problems occurring or getting worse may contribute to meeting the region's well-being objectives.

7.3 Officers are of the view that the decision recommended in this report will have a positive impact on the wellbeing of future generations.

8. Welsh Language Implications

8.1 In accordance with the Welsh Language Standards (No.1) Regulations 2015, consideration has been given to the impact the recommendations made in this report may have on opportunities for people to use and promote the Welsh

Language, whether the proposals treat the Welsh Language more or less favourably than the English Language, and opportunities for increasing the positive effects, or decreasing the negative effects, of the proposals on the Welsh Language.

8.2 No negative impacts were identified which would prevent approval being sought to implement the recommendations of this report.

9 Staffing/Workforce Implications

9.1 Within existing resources.

10 Any Other Implications

10.1 No

11 Consultation

11.1 Not applicable

12 Appendices

12.1 EXEMPT Appendix: Gateway Review evaluation

Reasons for Exemption from Publication

12.2 The Appendix to this report is exempt from publication because it contains information of the kind described in paragraphs 14 (information relating to the financial or business affairs of any particular person) and 21 (public interest test) of Schedule 12A to the Local Government Act 1972 and, in all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Background Information

EXEMPT Investment Panel Report to Regional Cabinet, 31 July 2023

Report Author: Rowena O'Sullivan, Regional Talent & Skills Senior Manager
Date of Meeting: 31 March 2025