South East Wales Corporate Joint Committee

Cyd-bwyllgor corfforaethol De-Dwyrain Cymru

Report for:	ACTION
Contains Confidential or Exempt Information	NO

For Consideration By	Corporate Joint Committee
Report Title	Annual Business Plan 2026/27
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Date to be Considered	26 January 2026
Implementation Date	1 April 2026
Affected Council Areas	All South East Wales local authority areas
Keywords / Index	Annual Business Plan 2026/27

Report Summary

1. To set out the key principles and provisions underpinning the 2026/27 Annual Business Plan for the South East Wales Corporate Joint Committee (SEWCJC). The Plan represents an integrated view of the programmes and core activities of the Cardiff Capital Region, spanning CCR City Deal, Investment Zone (IZ), Local Innovation Partnership Fund (LIPF), and the statutory duties and requirements of the SEWCJC, and outlines the approach for a coherent approach to regional development.

Recommendations

2. It is recommended that the SEWCJC:

   a) approves the SEWCJC Annual Business Plan for 2026/27 set out at Appendix 1, noting the Annual Budget Report for 2026/27 which is summarised within this report and is set out separately on the agenda.

Reasons for Recommendation

3. CJC Regulations came into force on 1 April 2021 and require the establishment of a corporate legal entity by the 10 Local Authorities constituting the Cardiff Capital Region and, for the purposes of the creation of the Strategic

Development Plan (SDP), the Brecon Beacons National Park Authority (BBNPA).

4. CCR has transitioned to the CJC model with three distinct statutory powers: economic well-being, regional transport planning and strategic development planning. The 2026/27 Plan consolidates these duties alongside major investment programmes, aligning activity to CCR's Economic Well-being Objectives and Action Plan.

5. The Plan builds on the Regional Economic and Industrial Plan (REIP) and frames the development of a five-year Strategic Corporate Plan, ensuring alignment of long-, medium- and short-term objectives and establishing a performance framework for the organisation.

6. 2026/27 marks CCR's tenth anniversary since the City Deal was signed, building on a decade of delivery and laying foundations for a sustained programme focused on a stronger, fairer and greener regional economy. Key achievements informing the Plan include the full business case approval of the £160m Investment Zone, at least £30m secured through LIPF, and approval of the £140m Cardiff Central Station enhancement. The Plan sets out a focused delivery programme and milestones with quarterly reporting to UK and Welsh Governments.

Strategic Context for the Annual Business Plan

7. Our Economic Well-being statement and objectives provide a framework for organisational delivery, partnership working and, ultimately, a means to deliver impact for the people of our region.

Cardiff Capital Region (CCR) will work in partnership to foster a regional economy that is stronger, fairer, and greener, generating good growth and creating conditions for shared prosperity across our ten local authorities.

8. The Plan contains detail around the Strategic Objectives and sets out a Delivery Plan that contains a coherent set of tactics. These will enable CCR to achieve the objectives in 2026/27 and range from those in delivery, to pipeline projects and, in some cases, proposed future initiatives. We will be operationally agile in delivery, revisiting and updating the plan as required, to ensure that we remain on track to achieve our objectives.

9. The milestones highlighted in the Delivery Plan are indicative and will be adjusted in-year, where required. Achievement or any amendment of milestones will be reported quarterly to UK and Welsh Governments. Also indicated in the Delivery Plan is the CCR business area that will be primarily accountable for delivery.

Strategic Objectives

10. Stronger: Grow the Regional Economy

CCR continues to deliver against the REIP and is focused on tackling the challenges of low growth and high inequality by investing in innovation-led productivity drivers and infrastructure.

11. Core activities for 2026/27 include:

- Begin delivery of the South East Wales Investment Zone, scaling advanced manufacturing and digital technology strengths centred on the UK-leading compound semiconductor cluster.
- Commence delivery of the Local Innovation Partnership Fund with UKRI; publish a Regional Innovation Plan and initiate a 'deep tech' pilot connecting university tech transfer and early-stage ventures.
- Drive inward investment per the CCR Investment Vision, including launch of the CCR Investment Prospectus at MIPIM 2026 and targeted investor pipeline deployment.
- Deploy recycled funds from the Strategic Sites & Premises Fund and launch the revised Northern Valleys Fund to support entrepreneurship and business growth.
- Co-develop and participate in the Wales Public Finance Leadership Group to align and leverage public investment across Wales; advocate for CJCs as regional growth bodies.

12. Fairer: Create the Conditions for Shared Prosperity

CCR uses its statutory duty of economic wellbeing as the central driver of its strategic direction, shaping a vision for a stronger, fairer and greener regional economy. CCR positions it as the foundation for long-term transformation, aligning activity across planning, transport, investment and governance with the goal of improving regional prosperity.

13. Core activities for 2026/27 include:

- Commence delivery against the Regional Transport Plan with regional and local schemes entering delivery; secure Regional Transport Funding.
- Begin works on Cardiff Central Station enhancements; progress multi-year strategic transport schemes across the region.
- Develop the Strategic Development Plan: publish regional vision, call for strategic sites, and initiate collaborative regional studies to inform a 25-year plan.
- Design and launch a second iteration of the Housing Viability Gap Fund to unlock stalled housing sites in areas of greatest need.
- Launch a single, region-wide approach and 'front door' for Business Growth; publish the mapping of the Business Growth Ecosystem and facilitate SME engagement.

- Develop and launch an Innovation Skills programme complementing existing provision, with academic and vocational partners to meet future skills needs.

14. Greener : Invest in the Region's Green Future

Integrating environmental sustainability with economic strategy, CCR ensures that the region's future growth is resilient, low carbon and aligned with national wider net zero ambitions. CCR will achieve this by investing in renewable and low carbon energy technologies and infrastructure, developing regional energy initiatives and partnering with national bodies to support decarbonisation.

15. Core activities for 2026/27 include:

- Progress the redevelopment of Aberthaw into a low-carbon energy destination: complete demolition, initiate partial remediation, and agree approach with NGED on Nationally Significant Infrastructure Projects.
- Publish findings on tidal range energy commercial demonstrators in the Severn Estuary; formalise partnership and develop a business case for a demonstrator site.
- Develop a Regional Climate and Nature Strategy; complete first-phase feasibility studies (e.g., mine water heating); launch an Energy Investment Prospectus and investor engagement programme.
- Implement an organisational climate action plan and establish a Working Group with regional Public Service Boards on Climate Change Risk Assessment.

Managing Delivery

16. The Plan contains an overview of **Governance** arrangements and recognises there the need to further embed the Constitution and committee arrangements with targeted member and officer training; strengthen risk management through clearer escalation, trend and trajectory reporting and integration of programme risks with the corporate risk register.

17. The **Budgets and Funding Strategy** section recognises the reliance of interest on balances to fund the operational budget and that serious consideration must be given to how the statutory responsibilities of the South East Wales Corporate Joint Committee can be funded sustainably. Moving forward, the Medium-Term Financial Plan will be developed with a view to addressing these issues in alignment with the revised Corporate Plan.

18. Finally, **Monitoring & Evaluation** continues to be a critical focus and the plan this year puts forward a draft organisational performance framework against our ambitions of a stronger, fairer and greener City Region.

19. As part of the 'CCR at 10' review and Corporate Plan development, a specific workstream is being developed to understand how this framework can be

implemented and to allocate specific KPIs and measures. It is important to recognise that CCR contribution against some KPIs can be more directly attributed, and this workstream will carefully consider how this is managed, with input from subject matter experts and relevant CCR advisory boards.

20. This will be completed during 2026, and an updated dashboard will be distributed to relevant stakeholders and published to ensure accountability.

Comments of the Section 151 Officer

21. The 2026/27 Budget report sets out the appropriate level of resources required to effectively deliver this Annual Business Plan and should be read in conjunction with this paper.

22. Members are asked to note the capacity challenges, which the 2026/27 Budget Report seeks to address, and the potential impact of the delivery of this Business Plan if not approved.

Comments of the Monitoring Officer

23. Although the Corporate Joint Committee has the legal power to approve an Annual Business Plan of this nature as a strategic document setting priorities and intended activity across the CJC's functions, approval does not of itself authorise or commit the CJC to any specific expenditure, procurement activity, contractual commitments, land transactions, or the implementation of individual projects. Any such commitments would be matters that would need to be approved separately in accordance with the decision-making framework as set out in the Constitution.

Equality, Diversity, and Inclusion

24. The SEWCJC must, in the exercise of its functions, have due regard to the Public Sector Equality Duty arising under s.149 of the Equality Act 2010, and 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.

25. In relation to the Public Sector Equality Duty, the SEWCJC Strategic Equality Plan (SEP) has been a core consideration in the development of the Annual Business Plan. The Annual Business Plan includes specific activities and milestones that are related to the SEP.

Sustainability and Climate Considerations

26. Sustainability or climate change implications arising from preparing and delivering the Annual Business Plan are reflected in the corporate Biodiversity Compliance Plan.

Welsh Language Implications

27. In accordance with the Welsh Language Standards (No.1) Regulations 2015, and the CJC's statutory obligations, 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.

28. No negative impacts were identified which would prevent approval being sought to implement the proposal. Consultees will be offered an equal opportunity to respond in either the Welsh or English language.

Well-being of Future Generations

29. In developing the recommendations of this report, regard has been given to the well-being duty arising under the Well-Being of Future Generations (Wales) Act 2015 ('the Act') and is clearly considered within the Annual Business Plan.

Kellie Beirne
Chief Executive
26 January 2026

Appendices
Appendix 1: CCR Annual Business Plan 2026/27

Cardiff Capital Region
Annual Business Plan
2026/27

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A Stronger, Fairer and Greener City Region

The Annual Business Plan for Cardiff Capital Region (CCR) 2026/27 is a significant one, marking the tenth anniversary since the City Deal was signed by the constituent councils of South East Wales in 2016.

This was built on the findings and foundations of the Economic Growth and Competitiveness Commission, led by globally-renowned urbanist Professor Greg Clark CBE. The purpose of the work was to ensure the region was positioned to create prosperity, jobs, and improved living conditions for its 1.5m population. The Commission's work has been a 'North Star' for CCR over the last decade, providing a direction that has consistently sought to unlock local potential, tackle regional socio-economic disparities and foster dynamic inter-connected local economies through strategic investment, harnessing unique strengths and promoting collaboration for sustainable and inclusive development.

In the last decade, CCR has laid the important groundwork for a sustainable and resilient future. Not only has the City Deal been effectively deployed in line with the above principles, but new programmes and opportunities have also been secured, a new kind of capability to engage with complex issues has been built and the region has evolved into a public investment body.

As a legal entity - a 'Corporate Joint Committee' (CJC) - CCR now enacts a range of statutory duties to promote regional public investment through a deployment of powers to cultivate economic wellbeing, such as leading on regional transport planning and coordinating a spatial planning framework.

With new programmes secured through continued collaboration across the ten councils, UK and Welsh Governments, such as the £160m South East Wales Investment Zone and the £30m Local Innovation Partnership Fund, CCR is building on its role as an effective, trusted and reliable regional partner, which deploys targeted investment through a place-based lens. We are proud of the part we continue to play in delivering the kind of domestic industrial strategy in which more people are equipped to both participate in, and benefit from, local growth.

Fuelled by a new policy capability that has framed our ambitions for a Stronger, Fairer and Greener regional economy, and focused on shared prosperity, improving skills and investing in resilient infrastructure, much has been achieved. In the last year, with a direct capital outlay of more than £60m, prospectively leveraging hundreds of millions of pounds of private investment and creating high-skill jobs, we have:

- Completed the Gateway process for approval of the £160m South East Wales Investment Zone
- Secured at least £30m through the Local Innovation Partnership Fund
- Secured final business case approval across CCR, Welsh Government and UK Government for the £140m enhancement of Cardiff Central Station
- Completed the first churn of the £50m Strategic Premises Fund, heralding investments in new hotels, Grade A business premises, the UK's largest battery storage facility and studio space for the creative industries

- Celebrated the success of seed investment through the CCR Challenge Fund for IQ Endoscopes, a regional company that has developed sustainable single-use devices that, in conjunction with Cardiff and Vale University Health Board, is grounding innovation in Wales that meets global healthcare needs
- Continued the comprehensive re-development of the former Aberthaw Power Station with plans to rejuvenate as a low carbon destination, capable of building nationally significant infrastructure propositions such as tidal energy in the Severn Estuary
- Started to recycle our loan funding on the originally intended evergreen basis - funds are being repaid with interest, and are being reinvested in regional propositions
- Ramped up efforts to secure more internationally mobile capital through a new Partnership Programme that targets domestic and international trade events
- Launched a new Investment Vision that will see by the end of 2027 more than £40m returned to the CCR balance sheet, to catalyse new investment opportunities

Whilst CCR has achieved a significant amount, there is no shortage of real opportunity. Our collaboration across academia, the private and public sector is stronger than ever, but there are inevitably challenges to address. CCR has grown in profile, breadth and maturity but core resources remain constrained, and the CJC model requires some refocusing, particularly given the emergence of Strategic Combined Authorities in England, and a governance shape and structure that is disproportionate to our resource base.

At the macro-level, 2026 will see the Senedd Elections and changes are afoot with major funding programmes, such as the new Local Growth Fund. It is imperative that CCR is in the best possible shape to meet these challenges, playing a stronger part in shaping the future of the region through exercising greater self-determination, and ensuring there are the strong foundations.

To this end and reflecting on this significant anniversary, we have asked Professor Clark to revisit progress over the last ten years – setting out what has worked well – and through learning from the experiences and insights of others, shaping what good could look like for the next ten years. This crucial work will provide the ‘North Star’ for the next decade and, in the first instance, frame a five-year Strategic Corporate Plan for the region – ensuring alignment of long, medium- and short-term objectives and establishing a performance framework for the organisation.

In the meantime, our Annual Business Plan for the next year provides a set of focused ambitions and objectives that continue on the same path and reinforce the key learning that consistency, discipline and sticking to a plan provides the strongest possible dividend to the communities we are privileged to serve.

Strategic Objectives

Our Economic Wellbeing statement and objectives provide a framework for organisational delivery, partnership working and, ultimately, a means to deliver impact for the people of our region.

Cardiff Capital Region (CCR) will work in partnership to foster a regional economy that is stronger, fairer, and greener, generating good growth and creating conditions for shared prosperity across our ten local authorities.

This section and the subsequent Delivery Plan contain a coherent set of tactics that will enable CCR to achieve these objectives in 2026/27, ranging from those in delivery, to pipeline projects and, in some cases, proposed future initiatives. We will be operationally agile in delivery, revisiting and updating the plan as required, to ensure that we remain on track to achieve our objectives.

Milestones are indicative and will be adjusted in-year, where required. Achievement or any amendment of milestones will be reported quarterly to UK and Welsh Governments. Also indicated in the Delivery Plan is the CCR business area that will be primarily accountable for delivery.

Stronger: CCR will grow the regional economy

CCR has made significant strides in bringing in new funds that will directly strengthen the regional economy, and 2026 sees the formal commencement of both the **£160m Investment Zone (IZ)** and the **Local Innovation Partnership Fund (LIPF)**, with a value of at least £30m.

Allied to the significant long-term UK Government commitment, these programmes aim to boost long-term economic growth and productivity, create jobs, improve infrastructure, and attract private capital to the region.

Both the LIPF and IZ will have formal programme approval by mid-2026, with the first projects commencing delivery thereafter. The **LIPF** is a UK-wide programme designed to empower local 'triple helix' partnerships comprising of public sector, businesses, and universities to develop and scale high-potential innovation clusters, and the focus for CCR will be determined in advance of the new financial year. Alongside this, CCR will further aim to stimulate early-stage innovative businesses and entrepreneurs, connecting to the University tech transfer ecosystem through the adoption of a **'deep tech' pilot programme**.

The **IZ proposition** has been under development throughout 2025, and this will scale advanced manufacturing and digital technology strengths, centred on the UK's leading compound semiconductor cluster. Working with universities, further education, research organisations and industry, the IZ will tackle skills shortages, accelerate innovation and commercialisation, and unlock strategic sites and infrastructure across Newport and Cardiff.

Likewise, these programmes will complement the **AI Growth Zone** for South Wales, announced by UK Government in late 2025. Collaboration with Welsh Government is critical in maximising growth in CCR, and this exciting new initiative will deliver significant economic and technological benefits across the region, with potential to harness more than 1GW of power by the early 2030s to support energy-intensive AI infrastructure.

Collectively, these programmes will help in the delivery of the **CCR Investment Vision**, with a focus on driving inward investment. This will be supported by the launch of an **Investment Prospectus** at the leading international property show MIPIM, allied to working with **UK Cities & Partners (UKCAP)** to extend international reach, focused on attracting large-scale investment to UK cities by promoting opportunities and shared strengths.

CCR will also extend our entrepreneurship, business growth and academic-industry partnerships that have been successfully deployed through the Cluster Development & Growth Programme, funded by the UK Shared Prosperity Fund. The successor **Local Growth Fund (LGF)** was announced in 2025, with proposals for a transition to a regional model taking place in 2026. CCR will work with local authorities to develop a three-year regional delivery plan against a ten-year vision for the region with partners, communities and citizens.

CCR's evergreen approach to the City Deal **Wider Investment Fund** is yielding significant returns that will be deployed to further enhance support for entrepreneurs and innovators,

utilising existing mechanisms, such as the £50m **Innovation Investment Capital**. Likewise, businesses will continue to have access to the award-winning **Strategic Premises Fund** and a revised offer for the **Northern Valleys Fund**

Core activities for 2026/27 will include:

- Begin delivery of the South East Wales Investment Zone
- Collaborate with Welsh Government on the newly-announced AI Growth Zone for South Wales
- Commence delivery of the Local Innovation Partnership Fund with UKRI
- Conduct a ‘deep tech’ pilot aimed at stimulating early-stage businesses and connecting to the University tech transfer eco-system
- Commence deployment of recycled funds from the Strategic Premises Fund and launch the revised Northern Valleys Fund
- Drive inward investment, as detailed in the CCR Investment Vision, allied to the launch of the CCR Investor Prospectus at MIPIM 2026
- Co-develop and participate in the Wales Public Finance Leadership Group, co-ordinating and aligning the Welsh public investment community
- Advocate for the role of Corporate Joint Committees as regional economic growth bodies and leverage further public sector funding for our region

Fairer: CCR will create the conditions for shared prosperity

CCR uses its statutory duty of economic wellbeing as the central driver of its strategic direction, shaping a vision for a stronger, fairer and greener regional economy. Rather than treating the duty as a compliance requirement, CCR positions it as the foundation for long-term transformation, aligning activity across planning, transport, investment and governance with the goal of improving regional prosperity.

Leveraging the statutory power for regional transport is critical in delivering an efficient, affordable, low-carbon transport network that enhances quality of life, enabling better connectivity for communities and businesses across CCR.

The **Regional Transport Plan (RTP)** has been developed collaboratively with local authorities, Welsh Government (WG) and other key stakeholders, and 2026 will be the first year of delivery against the plan, supported by the new Regional Transport Fund. This is a seismic moment, and significant improvements in regional transport will begin to be seen through schemes across the region. This includes multi-year strategic schemes, such as Caerphilly Interchange, the Cynon Gateway, and the Newport Road Sustainable Transport Corridor in Cardiff.

Likewise, the £140m **enhancement of Cardiff Central Station**, supported by CCR, Welsh & UK Governments, will commence in 2026, marking one of the most important rail infrastructure upgrades in Wales for a generation.

While the **Strategic Development Plan (SDP)** is at an earlier stage of development, this will commence in earnest in 2026, as detailed in the Delivery Agreement that was approved in 2025. This will include the production of a long-term vision for strategic spatial development in the region and significant collaborative studies to understand regional growth potential that will inform the 25-year plan.

A second iteration of the successful **Housing Viability Gap Fund** will be designed and launched, unlocking stalled sites that are unviable for housing delivery and investing in projects that will deliver housing in areas needed most. Allied to the aforementioned Northern Valleys Fund, these will be powerful mechanisms to focus and distribute investment.

Unlocking opportunities for businesses across the region is a focus for CCR, and the year ahead will see significant strides forward in collaborative working with local authorities. Studies have been undertaken to better understand inhibitors to growth, and CCR will launch a single, region-wide approach and resources.

The CCR skills agenda is critical in underwriting major programmes, such as the Investment Zone, and an **Innovation Skills programme** is in development that will complement existing provision and drive collaboration across academic partners and vocational skills providers, increasing both the provision of talent to future industries and access to opportunity.

Addressing digital poverty is a pronounced regional need and the £45m investment from CCR into Ogi, Wales's biggest alternative network provider, will continue to enhance digital capability in villages, towns and cities across the region.

Core activities for 2026/27 will include:

- Delivery against the Regional Transport Plan, with the first year of regional and local projects entering delivery
- Foundational stages of the 25-year Strategic Development Plan, with the publication of a regional vision and call for strategic sites
- Commencement of works for the enhancement of Cardiff Central Station
- Design and delivery of a second iteration of the Housing Viability Gap Fund
- Facilitate business engagement within the region, enabling local SMEs to access funding opportunities and collaborate in areas of mutual interest
- Co-ordinate and continue to work alongside academic partners and vocational skills providers within the region, with the delivery of an Innovation Skills programme focused on future skills needs
- Ongoing deployment of the Ogi Fibre-to-the-Premises scheme

Greener: CCR will invest in the region's green future

Integrating environmental sustainability with economic strategy, CCR ensures that the region's future growth is resilient, low carbon and aligned with national wider net zero ambitions. CCR will achieve this by investing in renewable and low carbon energy technologies and infrastructure, developing regional energy initiatives and partnering with national bodies to support decarbonisation.

The remediation of the former **coal-fired power station at Aberthaw** and proposed transformation into a low carbon energy destination is a project of national and international, significance and potential. 2026 will be a significant year for the project, as demolition will enter its final stages and the partial remediation of the site will begin, laying the foundations for the next stage of the project.

Among the other priorities are realising the value of assets on the site, such as the **Pulverised Fuel Ash (PFA).** Detailed testing of the PFA's properties will continue in order to understand potential usage and determine next steps. Likewise, there is significant opportunity to collaborate with National Grid Electricity Distribution (NGED) on the approach to Nationally Significant Infrastructure Projects.

Further investigation is taking place for **tidal range commercial demonstrators** in the Severn Estuary. Following on from the outputs of the Severn Estuary Commission, CCR has partnered with the West of England Combined Authority (WECA) and other stakeholders on further studies to take potential projects forward. Likewise, CCR, WECA and Liverpool City Region will seek to develop a national pipeline of projects, aligned to the UK Government's Industrial Strategy. This next, exciting stage will see commercial demonstrator sites confirmed and seek funding at scale to develop projects.

Bringing coherence to the regional energy approach is critical and CCR will develop a **Regional Climate and Nature Strategy**, which will build on the ongoing work around Local Area Energy Plans that has been developed with local authorities. Working with key stakeholders, this will propose a series of feasibility studies for renewable and low carbon energy projects across the region.

The need to land the public and, pointedly, private sector investment required to deliver these projects is recognised in CCR's Investment Vision, and we will develop **strategic relationships with GB Energy and the National Wealth Fund**, among others. This will be allied to the delivery of a regional Energy Investment prospectus and engagement activity targeted at cohorts of high potential investors.

CCR has a responsibility to understand, measure and communicate its environmental impact to stakeholders and the people of our region. To that end, a Working Group will be established with regional Public Service Boards on **Climate Change Risk Assessments**.

Core activities for 2026/27 will include:

- Demolition and partial remediation of the Aberthaw site, allied to the development of a long-term masterplan and investment prospectus
- Publish the findings on the potential for tidal range energy commercial demonstrators in the Severn Estuary and produce a business case for further development
- Deliver a Regional Climate and Nature Strategy with proposals for energy project and an Energy Investment Prospectus
- Develop an investor engagement programme, based on the approach of the Investment Vision
- Develop a decision-making toolkit for prioritising climate and nature in investment decisions
- Delivery against the Local Area Energy Plans and establish partnerships to accelerate delivery of regional actions

Delivery Plan

Stronger: *CCR will grow the regional economy*

Tactics	Milestones (2026/27)				Responsible	Funding Programme
	Q1	Q2	Q3	Q4		
Invest in interventions across the region, creating jobs, and boosting productivity, by deploying Wider Investment Fund and delivering against our Regional Economic and Industrial Plan	Collaborate with Welsh Government on the AI Growth Zone for South Wales	Launch of the revised Northern Valleys Fund	Commence deployment of recycled funds from the Strategic Premises Fund	Develop a three-year Local Growth Fund regional delivery plan against a ten-year vision for the region	Regional Growth & Investment	CCR City Deal
Attract inward investment to the region and leverage private sector capital by having a strong presence at regional, national, and international investment events	Launch of CCR Investment Prospectus at MIPIM 2026	Invest in CCR campaign	Investor database and pipeline deployment		Policy, Impact & Partnerships	Core activity funding
Create the conditions for an effective and efficient innovation environment, focusing on key areas, including Good Innovation, Fail Well, Entrepreneurship, & Intrapreneurship principles	Collaboration initiated with Connected Places Catapult on Regional Innovation Infrastructure	Regional Innovation Plan published and Local Innovation Partnership Fund programme approved by UKRI	Local Innovation Partnership programme commences delivery	Place Based Innovation Business Case in development	Policy, Impact & Partnerships	Local Innovation Partnership Fund; Investment Zone
Successfully deliver an Investment Zone for South East Wales, fuelling economic growth and job creation in technologies of the future	Approval of the South East Wales Investment Zone proposition	Initial Business Cases developed	First tranche of IZ projects begin delivery		Regional Growth & Investment	Investment Zone

Fairer: *CCR will create conditions for shared prosperity*

Tactics	Milestones (2026/27)				Responsible	Funding Programme
	Q1	Q2	Q3	Q4		
Increase the access to opportunity for CCR residents by developing key infrastructure plans and projects, including a Regional Transport Plan, Spatial Development Plan, and a focus on housing	Regional Transport Plan begins delivery and Regional Transport Funding secured	Cardiff Central Enhancements programme: South Entrance work commences	Design of second Housing Viability Gap Fund scheme complete	Delivery commences on Housing Viability Gap Fund projects		Regional Transport Fund; CCR City Deal
Facilitate business engagement within the region, enabling local SMEs to access funding opportunities, network and collaborate in areas of mutual interest		Mapping of Business Growth Ecosystem published	Launch an integrated, region-wide approach to Business Growth at the CCR Unleash conference			CCR City Deal
Co-ordinate and continue to work alongside Academic Partners and vocational skills providers within the region to deliver programmes		Innovation Skills programme business case approved	Confirm CCR regional skills planning approach	Innovation Skills programme launch		Investment Zone
Develop regional policy levers, ensuring activity and decision-making is aligned to Child Poverty Strategy, Strategic Equality Plan, and Responsible Investment Policy	Publish Annual Performance Reports for Strategic Equality & Biodiversity Compliance Plans		Publication of the CCR Child Poverty Strategy and associated action plan		Policy, Impact & Partnerships	Core activity funding

Greener: CCR will invest in the region's green future

Tactics	Milestones (2026/27)				Responsible	Funding Programme
	Q1	Q2	Q3	Q4		
Invest directly in the green economy, through the deployment of the Wider Investment Fund, and future funding models	Development of a Strategic Business Plan for CCR Energy	Agreement with NGED on Nationally Significant Infrastructure Projects at Aberthaw	Testing of the Pulverised Fuel Ash at Aberthaw complete and commercial case initiated	Demolition of the Aberthaw Power Station completed	CCR Energy	CCR City Deal
Foster energy security and renewable energy production within our region and seek to partner GB Energy and other national bodies in pursuit of innovative solutions to energy transition	Publish Severn Estuary tidal range findings with West of England Combined Authority	Formalise tidal energy partnership group	Development of a business case for a tidal range Commercial Demonstrator in the Severn Estuary	Develop decision making toolkit for prioritising climate and nature in investment decisions	Policy, Impact & Partnerships	CCR City Deal
Work with key regional partners to develop a regional Energy Strategy and attract further private sector investment to deliver on green projects		Develop investor engagement programme, based on the approach of the Investment Vision	Complete first phase of Feasibility Studies on energy project opportunities (for example, Mine Water heating)	Energy Investment prospectus launched	Policy, Impact & Partnerships; Regional Growth & Investment	CCR City Deal; Core activity funding
Collect, monitor, and develop an action plan to reduce organisational carbon emissions and explore CCR's role in Climate Adaptation and Mitigation	Implement organisational climate action plan	Regional Climate and Nature Strategy developed, to include Energy	Working Group established with regional Public Service Boards on Climate Change Risk Assessment		Policy, Impact & Partnerships	Core activity funding

Managing Delivery

Governance

Cardiff Capital Region operates as the South East Wales Corporate Joint Committee with statutory responsibilities for economic wellbeing, regional transport planning and strategic development planning. Governance is anchored in the CCR Constitution, which sets out decision-making structures, schemes of delegation, financial regulations and member/ officer protocols. The framework is aligned to the Chartered Institute of Public Finance and Accountancy (CIPFA) Society of Local Authority Chief Executives (SOLACE) good governance principles and is supported by policies that promote openness, integrity and accountability across delivery.

Member oversight is provided through our executive function in the form of the Corporate Joint Committee meeting in public with published papers, webcasts and decision records. Our Assurance Framework is supported by the Governance and Audit Sub-Committee, which oversees governance, risk, internal control and financial reporting, and by the Standards Sub-Committee, which maintains the ethical framework, codes and registers.

Regional Transport and Strategic Development sub-committees oversee our statutory planning functions, with the Joint Overview and Scrutiny Committee providing scrutiny across the programme. Advisory Boards, including the Investment Board and Regional Growth Board, provide expert input to business cases and policy prior to CJC decisions with our Shareholder Board exercising oversight of CCR group corporate entities and investment vehicles.

CCR applies a clear Three Lines assurance model with Management owning delivery, controls and performance; corporate functions such as finance, risk, governance and legal, with Internal Audit providing independent assurance on the adequacy and effectiveness of governance, risk management and control. Audit Wales complement this last function by way of external audit. This structure links portfolio performance and risks to corporate stewardship and financial sustainability.

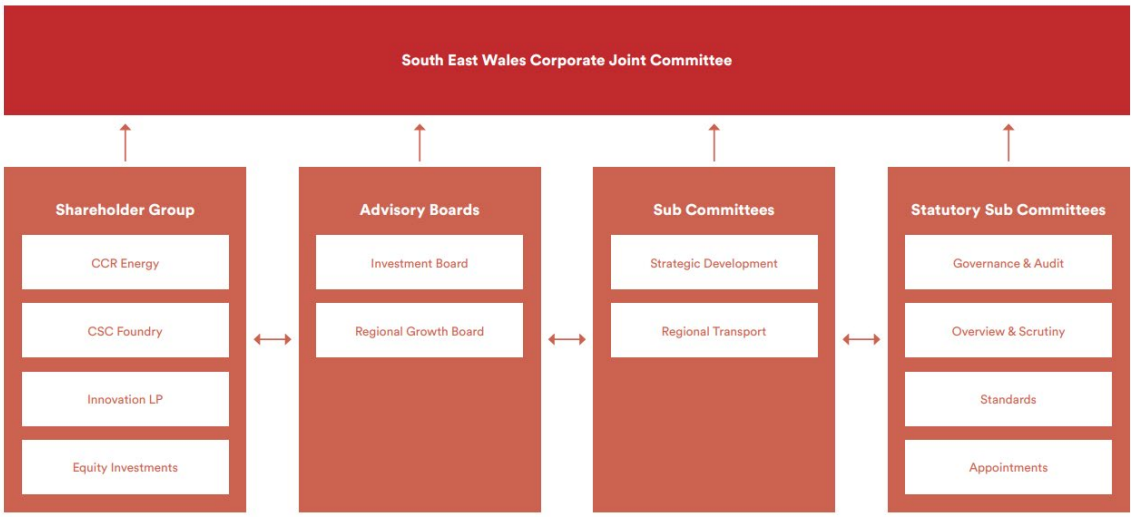
An Investment Dashboard is being developed to consolidate loans, equity and project performance as the portfolio matures with transparency being enhanced through bilingual public agendas and papers, webcasts, forward plans, freedom of information and environmental information compliance, and a publication scheme.

In terms of the governance priorities in the year ahead, there is a need to further embed the Constitution and committee arrangements with targeted member and officer training; strengthen risk management through clearer escalation, trend and trajectory reporting and integration of programme risks with the corporate risk register.

We also plan to further enhance portfolio monitoring of cashflows, covenants and social and economic outcomes to inform recycling and reinvestment; to consolidate group oversight by further reviewing reserved matters, information rights and reporting cadence through the shareholder routes, and to sustain transparency by expanding forward plans, searchable decision registers and bilingual publication.

The governance structure itself is set out below and serves to provide not only a strong framework with an emphasis on simplification but also distinguishes between external engagement and internal programme management systems and processes.

CCR Governance Arrangements



Supporting Programme Structure

Funding

Budgets and Funding Strategy

The South East Wales Corporate Joint Committee provides the legal structure for the requirements of the CCR City Deal Funding Agreement and the CJC regulations to be governed and executed, along with other live programmes such as the Investment Zone.

The 2026/27 Annual Revenue Budget has been prepared on a component basis, bringing together the previous Statutory Duties Budget and City Deal Budgets at a presentational level to reflect the CJC's position as a public body. This approach will bring increased visibility to members and greater levels of accountability to budget holders.

The new duties of the CJC have not received any core funding (recognising that some one-off funds have been received), which presents the organisation with a significant resource pressure.

In prior years, this budget pressure has been managed through underspends on the staffing budget as a result of keeping a high number of vacancies. Whilst this is again likely to be achieved in 2025/26, it presents an ongoing corporate risk to the organisation.

Against this backdrop, the CJC relies on interest on balances to fund its operational budget. While utilising interest on balances for 2026/27 is a sustainable position, this is an option of last resort and serious consideration must be given to how the statutory responsibilities of the South East Wales Corporate Joint Committee can be funded sustainably. Moving forward, the Medium-Term Financial Plan will be developed with a view to addressing these issues in alignment with the revised Corporate Plan.

Table 1: Proposed Operational Revenue Budget 2026/27

	2026/27
Chief Executive & Central Overheads	
Employees	221,575
Transport	270
Supplies and Services	77,473
External Audit Fee	167,565
Contingency	35,000
Sub Total	**501,883**
Regional Growth, Innovation & Investment	
Employees	1,593,448
Transport	4,100
Supplies and Services	5,065
Sub Total	**1,602,613**
Policy Impact & Partnerships	
Employees	1,896,132
Transport	2,854
Supplies and Services	778,317
External SLA	0
Sub Total	**2,677,303**
Resources	
Employees	1,463,005
Premises	67,650
Transport	1,385
Supplies and Services	185,850
External SLA	210,484
Capital Financing	15,000
Contingency	0
Sub Total	**1,943,374**
Legal & Governnace	
Employees	762,042
Transport	1,190
Supplies and Services	56,755
External SLA	124,410
Sub Total	**944,397**
Total Budget Requirement	**7,669,570**

Table 2: Funding Sources 2026/27

Funded By:	
Local Authority Contributions	1,342,911
BBNPA Contributions	3,000
Programme Contributions	2,284,000
Government Contributions*	630,000
Project Contributions	1,572,829
Corporate Vacancy Factor	350,000
Treasurry Management Revenue Contributions	1,486,830
Total Funding	**7,669,570**

Proposed 2026/27 WIF Budget and Indicative Budgets to 2029/30

	2026/27 £'000	2027/28 £'000	2028/29 £'000	2029/30 £'000
Indicative Programme Expenditure				
Top Slice - City Deal Budget Contribution	1,644	1,640	1,520	459
Top Slice - programme Development & Support	332			
Approved Projects - revenue	3,528	1,483	340	163
Future Revenue Projects	90	90	260	
Sub Total Revenue Expenditure	**5,594**	**3,213**	**2,120**	**622**
Approved Projects - Capital	45,740	38,089	20,331	7,425
Future Capital Projects	11,428	21,460	28,762	43,746
SubTotal Capital Expenditure	**57,168**	**59,549**	**49,093**	**51,171**
Total Investment	**62,762**	**62,762**	**51,213**	**51,793**
Grants & Contributions				
HMT Grant - Revenue	(5,594)	(3,213)	(2,120)	(622)
Sub Total Revenue Funding	**(5,594)**	**(3,213)**	**(2,120)**	**(622)**
HMT Grant - Capital	(52,000)	(52,000)	(10,000)	(10,000)
LA Partner Contributions - Capital	(5,168)	(7,549)	(39,093)	(41,171)
Temp Borrowing 'Cost of Carry'				
Sub Total Capital Funding	**(57,168)**	**(59,549)**	**(49,093)**	**(51,171)**
Total Funding	**(62,762)**	**(62,762)**	**(51,213)**	**(51,793)**

The 2026/27 budget of £62.76 million has been set to reflect the profiled spend of approved revenue and capital projects based on individual profiles known at this time. Sums allocated to the 'Future Revenue and Capital Projects' budget lines are designed to capture the potential funding requirements of the pipeline of projects progressing through the Wider Investment Fund assessment and approval process.

Monitoring & Evaluation

In 2026/27, Cardiff Capital Region (CCR) will deliver a focused and ambitious programme of activity aligned to its three Economic Wellbeing Objectives: creating a **stronger**, **fairer**, and **greener** regional economy. This framework sets out how CCR will measure progress, demonstrate impact, and ensure accountability across its ten local authorities.

Alongside its Economic Wellbeing Objectives, CCR will monitor and report on its wider statutory public sector duties to ensure that all regional activity is delivered in a transparent and inclusive way.

CCR will continue to report annually on its Strategic Equality Plan, demonstrating how its investments, policies and partnerships promote equality, help eliminate discrimination and advance opportunities for underrepresented groups. This will include monitoring Equality Impact Assessments for major decisions, workforce diversity metrics, accessibility of CCR-funded opportunities and progress against organisational equality objectives.

In addition, CCR will continue to meet its responsibilities under the Well-being of Future Generations (Wales) Act. Annual reporting will outline how CCR's work contributes to the seven national wellbeing goals and five ways of working, ensuring that long-term thinking, prevention, integration, collaboration and involvement are embedded across all programmes. This includes demonstrating how CCR's economic, transport and planning decisions support wider public sector priorities such as child poverty reduction, fair work, climate resilience and community involvement.

Organisational Performance Framework

CCR's commitment to building a **stronger regional economy** will be driven by targeted investment through the Wider Investment Fund, the delivery of the Regional Economic and Industrial Plan, including the successful implementation of the South East Wales Investment Zone. Performance will be assessed through job creation, productivity gains, levels of private sector leverage, and the growth of innovation-led activity across priority sectors. CCR will also track its influence on regional governance, ensuring that Corporate Joint Committees continue to strengthen collaboration and long-term economic stewardship.

To create a **fairer region**, CCR will monitor how its policies, funding decisions, and partnerships contribute to reducing economic inactivity, improving access to opportunity, and embedding Fair Work principles. Key measures will include progress on the Regional Transport Plan and Spatial Development Plan, uptake of skills and employment programmes, SME engagement levels, and the extent to which CCR-funded jobs exceed the Real Living Wage. CCR will also evaluate how investment supports the foundational economy and contributes to reducing regional inequalities.

In pursuing a **greener future**, CCR will assess the environmental sustainability of all investments, progress on renewable energy initiatives, and the development of a regional Energy Strategy. Performance indicators will track carbon reduction, private investment in green projects, and progress toward organisational and regional net zero targets.

Together, these measures will ensure CCR delivers good growth, shared prosperity, and long-term resilience for the region.

As part of the 'CCR at 10' review and Corporate Plan development, a specific workstream is being developed to understand how this framework can be implemented and to allocate specific KPIs and measures. It is important to recognise that CCR contribution against some KPIs can be more directly attributed, and this workstream will carefully consider how this is managed, with input from subject matter experts and relevant CCR advisory boards.

This will be completed during 2026, and an updated dashboard will be distributed to relevant stakeholders and published to ensure accountability.

Performance Framework 2026/27

Objective 1: Stronger – Grow the Regional Economy

Key Performance Indicators

- Number of jobs created and safeguarded through CCR investments
- Total private sector leverage secured (£)
- GVA uplift attributable to CCR interventions
- Number of innovation-led projects supported
- Delivery milestones for the Investment Zone
- Number of regional, national, and international investment events attended

Success Measures

- Increased productivity across priority sectors
- Strengthened innovation ecosystem
- Improved regional investability
- Enhanced regional governance capacity

Objective 2: Fairer – Create Conditions for Shared Prosperity

Key Performance Indicators

- Reduction in economic inactivity rates
- Number of participants supported through regional employment and skills partnerships
- Progress on Regional Transport Plan and Spatial Development Plan milestones
- Percentage of CCR-supported jobs paying above the Real Living Wage
- Number of SMEs engaged, supported, or funded
- Investment allocated to foundational economy projects

Success Measures

- Improved social mobility across the region
- Greater access to work, skills, and transport
- Reduced regional inequalities
- Stronger SME ecosystem and cross-sector collaboration

Objective 3: Greener – Invest in the Region's Green Future

Key Performance Indicators

- Investment in green and renewable energy projects (£)
- Carbon emissions reduction from CCR operations
- Progress on regional Energy Strategy development and delivery
- Private sector investment leveraged for green initiatives
- Number of projects aligned with Local Area Energy Plans

Success Measures

- Improved regional energy security
- Increased renewable energy generation
- Progress toward organisational and regional net zero
- Enhanced climate resilience across the region

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