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

SOUTH EAST WALES CORPORATE JOINT COMMITTEE

SUMMONS TO ATTEND A MEETING OF THE CORPORATE JOINT COMMITTEE	26 JANUARY 2026
GWŶS I FYNYCHU CYFARFOD CYD-BWYLLGOR CORFFORAETHOL	26 IONAWR 2026

You are summoned to attend a multi-location meeting of the **SOUTH EAST WALES CORPORATE JOINT COMMITTEE** which will be held via Microsoft Teams and Room 1.24, Sbarc, on Monday 26 January 2026 at 9.00am to transact the business set out in the agenda attached.

Mark Watkins
Strategic Director Legal & Governance
Monitoring Officer 20 January 2026

TO: The Members of the South East Wales Corporate Joint Committee

Cllr Mary Ann Brocklesby (Chair)
Cllr Anthony Hunt (Deputy Chair)
Cllr Huw Thomas (Deputy Chair)
Cllr Dimitri Batrouni
Cllr Lis Burnett
Cllr Brent Carter
Cllr Andrew Morgan
Cllr James Pritchard
Cllr Gareth Ratcliffe (BBNPA Representative)
Cllr John Spanswick
Cllr Stephen Thomas

This document is available in Welsh / Mae'r ddogfen hon ar gael yn Gymraeg

WEBCASTING

This meeting will be filmed for live and/or subsequent broadcast on the Corporate Joint Committee's website. The whole of the meeting will be filmed, except where there are confidential or exempt items, and the footage will be on the website for 6 months. A copy of it will also be retained in accordance with the Corporate Joint Committee's data retention policy.

If you make a representation to the meeting, you will be deemed to have consented to being filmed.

If you have any queries regarding the filming of this meeting, please contact Cardiff Capital Region:

Email: democraticservices@cardiffcapitalregion.gov.uk

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

South East Wales Corporate Joint Committee

9:30am on Monday 26 January 2026
Microsoft Teams

Agenda

PART 1

1. **Apologies for Absence**
   To receive apologies for absence.

2. **Declarations of Interests**
   To receive declarations of interest (such declarations to be made in accordance with the Members Code of Conduct).

3. **Minutes of the Previous Meeting**
   To approve as a correct record the minutes of the Corporate Joint Committee meeting held on 15 December 2025

4. **Annual Budget 2026/2027**
   Report of the Strategic Director of Resources

5. **Annual Business Plan 2026/2027**
   Report of the Strategic Director of Policy, Impact and Partnerships

6. **Month 7 Budget Monitoring Report**
   Report of the Strategic Director of Resources

7. **Local Innovation Partnership**
   Report of the Monitoring Officer and the Strategic Director of Policy, Impact and Partnerships

8. **Appointments Panel**
   Report of the Chief Executive

This document is available in Welsh / Mae'r ddogfen hon ar gael yn Gymraeg

PART 2

Exclusion of Press and Public

To resolve that the public and press be asked to leave the meeting during discussion of the remaining items of business because exempt information as defined in Part 4 of Schedule 12A of the Local Government Act 1972 is likely to be made known.

9. **Strategic Premises Fund - Investment Strategy Update**
   Report of the Strategic Director of Regional Growth

10. **Investment Zone – Gateway Process**
    Report of the Strategic Director of Regional Growth

11. **Investment & Intervention Framework - Business Cases**
    Report of the Strategic Director of Regional Growth

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

South East Wales Corporate Joint Committee

09.30am on Monday 15 December 2025
via Microsoft Teams

Minutes

Members	Constituent Authority
Councillor Anthony Hunt	Chair of current meeting and Leader, Torfaen County Borough Council
Councillor Lis Burnett	Leader, Vale of Glamorgan Council
Councillor Brent Carter	Leader, Merthyr Tydfil County Borough Council
Councillor Deb Davies	Deputy Leader, Newport City Council
Councillor Sarah Merry	Deputy Leader, Cardiff Council
Councillor Andrew Morgan	Leader, Rhondda Cynon Taf County Borough Council
Councillor James Pritchard (item 7 onwards)	Leader, Caerphilly County Borough Council
Steve Rayner (items 1 – 4)	Chair of Planning Committee, Bannau Brycheiniog National Park Authority
Councillor John Spanswick	Leader, Bridgend County Borough Council
Councillor Stephen Thomas	Leader, Blaenau Gwent County Borough Council
Cardiff Capital Region (CCR) Officers	
Kellie Beirne	Chief Executive
Liam Hull	Strategic Director of Resources and S151 Officer
Mike Brough	Strategic Director, Regional Growth and Investment
Colan Mehaffey	Strategic Director of Policy, Impact and Partnerships
Mark Watkins	Strategic Director Legal & Governance (Monitoring Officer)
Jill Byron	Head of Legal and Deputy Monitoring Officer
Nicola Somerville	Head of Operations, CCR Energy (for item 6)
Gavin Powell	Head of Innovation & Clusters (for item 7)
Jonathan Deacon	Democratic Services Officer
Nicola Butler	Democratic Services Officer

1. Apologies for Absence

1.1 Apologies for absence were received from Cllr Mary Ann Brocklesby, Leader of Monmouthshire County Council and appointed Chair of the South East Wales Corporate Joint Committee (CJC) for 2025-26, Cllr Dimitri Batrouni, Leader of Newport City Council and Cllr Huw Thomas, Leader of Cardiff Council. Cllr Batrouni was substituted by Cllr Deb Davies and Cllr Huw Thomas was substituted by Cllr Sarah Merry.

1.2 Cllr Anthony Hunt, an appointed Deputy Chair of the CJC for 2025-26, chaired the meeting in Cllr Brocklesby's absence.

2. Declarations of Interests

2.1 There were no declarations of interest.

3. Minutes

3.1 It was **RESOLVED** that the CJC **APPROVED** the minutes of the meeting of the CJC held on 24 November 2025 as a true and accurate record.

4. Annual Business Plan 2025-26 Quarter 2 Performance Report

4.1 Members received a report which provided the Quarter 2 (Q2) reporting position against the 2025/26 CCR Business Plan. Liam Hull, presenting the report, referred to some of the spend for Q1 slipping back into Q4 for the previous financial year during the audit process and that there had also been some delays to the delivery of schemes into later quarters.

4.2 Mr Hull stated that he was pleased to advise that the spend had bounced back strongly in Q2 with a total spend of almost £14m. This was almost £2.5m higher than was originally forecast and was CCR's highest Q2 spend in recent years. The majority of the spend during the quarter was on infrastructure. The original £50m of the Strategic Premises Fund was now fully committed and the Fund was entering its second investment cycle.

4.3 Members were advised by Mr Hull that the team had a high level of confidence regarding the Q3 spend with much of it already committed or incurred. Overall CCR was firmly on track to at least meet the total projected spend of £52m for the financial year. The reforecast position at the end of Q2 indicated this was more likely to be in the region of £56.5m. Mr Hull added that CCR officers had met representatives of the UK and Welsh Governments, providing this financial update, and the representatives had been comfortable with the reported spend position.

4.4 Mr Hull drew Members' attention to some of the highlights during Q2. These included an investment, Apex, continuing to demonstrate excellent progress. They were in the process of scaling supply capacity to the NHS, expanding the size of their team and seeking a larger premises. In respect of the Challenge Fund, The Endoscopy Challenge was demonstrating strong progress with evidence of

significant time and cost saving potential within the NHS. There had been the grand opening of KLA's new manufacturing site at Imperial Park and a visit to Aberthaw by the local MP, Kanishka Narayan. CCR's Local Area Energy Plan, Technical Reports and Regional Energy Plan had been produced. The Full Business Case for the Cardiff Central Enhancement programme had been approved and the consultation for the public and stakeholder consultation on the draft RTP had been completed in the quarter.

4.5 Mr Hull also provided an update on the Wider Investment Fund Recycled Funds. At the end of Q2 this had stood at £21.7m. This was projected to rise to £27.5m by the end of the current financial year and £43.6m by the end of the 2027/28 financial year.

4.6 Cllr Stephen Thomas welcomed Apex's progress and expressed the wish that they are able to locate new premises and remain in Blaenau Gwent.

4.7 It was **RESOLVED** that the CJC considered and approved the Quarter 2 2025-26 performance report (Appendix 1) and authorised the CJC Chief Executive to formally submit the report, including supporting information, to both UK and Welsh Governments, and other stakeholders as required.

Exclusion of Press and Public

The SEW CJC **RESOLVED** that the public and press be asked to leave the meeting during discussion of the remaining items of business because exempt information as defined in Part 4 of Schedule 12A to the Local Government Act 1972 is likely to be made known.

NOTE: In accordance to the Standing Orders in relation to the delivery of the Cardiff Capital Region City Deal, Bannau Brycheiniog National Park Authority was not represented during the Exempt Session.

EXEMPT SESSION

5. Investment Zone Update – Progression of Gateway 5

5.1 Mike Brough presented the report.

5.2 It was **RESOLVED** that the CJC approved the recommendations in the report.

6. CCR Energy – RWE Option Land & NGET negotiations (Information Update)

6.1 Kellie Beirne presented the report.

6.2 It was **RESOLVED** that the CJC noted the recommendations in the report.

7. Deeptech SPV pilot

7.1 Colan Mehaffey and Gavin Powell presented the report.

7.2 It was **RESOLVED** that the CJC approved the recommendations in the report.

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8. Investment and Intervention Framework - Report of the Investment Board

8.1 Mike Brough presented the report.

8.2 It was **RESOLVED** that the CJC approved the recommendations in the report.

Meeting end: 10.13am

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South East Wales Corporate Joint Committee

Cyd-bwyllgor corfforaethol De-Dwyrain Cymru

Report for:	ACTION
Contains Confidential or Exempt Information	NO

For Consideration By	South-East Wales Corporate Joint Committee
Report Title	2026/27 Annual Budget
Report of	Liam Hull, Strategic Director of Resources
Contact Details	Liam.Hull@cardiffcapitalregion.gov.uk
Date to be Considered	26 January 20256
Implementation Date	1 April 2026
Affected Council Areas	All
Keywords / Index	Budget, Staffing, Resource

Report Summary

1. The report sets out the South-East Wales Corporate Joint Committee's Revenue Budget for 2026/27.

Recommendations

2. The CJC is asked to:

2.1 Approve the 2026/27 Operational Budget of £7,669,570

2.2 Approve the utilisation of £1,486,830 Treasury Management Revenue Contribution

2.3 Approve Local Authority contributions of £1,342,912 to include a 5% increase on 2025/26 contributions

2.4 Approve Bannau Brycheiniog National Park Authority (BBNPA) contributions of £3,040

2.5 Approve the proposed 2026/27 Wider Investment Fund budget & indicative programme to 2029/30 as set out in the report

2.6 Note that a Medium-Term Financial Plan (MTFP) will be brought to a future meeting of the CJC

Reasons for Report

3. The report sets out the South-East Wales Corporate Joint Committee's (CJC) Revenue and Capital Budgets for 2026/27 and seeks approval of the amounts payable by the South-East Wales Constituent Councils and the Bannau Brycheiniog National Park Authority (BBNPA) in respect of:
    - 2026/27 Strategic Planning Budget Contributions;
    - 2026/27 CJC General Budget Contributions; and
    - 2026/27 CCRCD Local Authority Partner Contributions.

4. The report should be read in conjunction with the corresponding report entitled 'SEWCJC Annual Business Plan 2026/27' which sets out the relevant delivery activity.

Reasons for Recommendations & Options Considered

<u>Background</u>

5. The South-East Wales CJC Establishment Regulations came into force on 1 April 2021 and established a corporate legal entity comprising of the 10 South-East Wales Local Authorities, which are also members of the Cardiff Capital Region (constituent councils) and, for the purposes of the Strategic Development Plan (SDP), the Bannau Brycheiniog National Park Authority (BBNPA).

6. The 2025/26 budget was prepared on the basis of consolidating the previous CJC functions and the CCRCD operations together for the first time and establishing a staffing structure with sufficient levels of capacity and capability to resource a public body. This has continued for 2026/27.

7. The CJC Statutory Guidance sets out the accounting and reporting arrangements applicable to the set-up and operations of the SEWCJC. Furthermore, the guidance clearly sets out the relevant legislative frameworks which apply to all CJCs, with CJCs seen as "a member of the Local Government family". This means that the CJC is subject to the same regulatory framework provisions as Local Authorities in respect of all financial and accounting matters.

8. 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 and unsustainable resource pressure.

9. 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.

Proposed 2026/27 Revenue (Operational) Budget

10. The 2026/27 Annual Revenue Budget has been prepared on a component basis, in line with the 2025/26 budget, which brought together the previous Statutory Duties Budget and City Deal Budgets at a presentational level to reflect the CJC's position as a public body.

11. This approach brings increased visibility to members and greater levels of accountability to budget holders.

12. A zero-based budgeting approach was taken, with all budget holders challenged on the level of resource required.

13. The statutory responsibilities of the CJC have not received any core funding and being able to meet our statutory responsibilities in this environment continues to be incredibly challenging.

Table 1 – 2025/26 Revenue Operational Budget Requirement

	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**

14. It is important to note that sitting beneath this organisational budget, distinct funding budgets will be maintained to ensure compliance with CJC regulations and City Deal contractual obligations.

15. It is not possible to draw a direct comparison to last year's directorate budgets as the organisational restructure completed in quarter 4 of 2024/25 moved various departments to different directorates and would therefore skew the analysis. It is therefore more appropriate to compare by expenditure type.

16. The table below sets out the expenditure type comparators between 2026/27 and 2025/26 noting that some of the variances are offset by increases in funding.

Table 2: Prior Year Revenue Budget Comparison

	2026/27	2025/26	% Change
Employees	£ 5,936,203	£ 5,437,906	9%
Premises	£ 67,650	£ 61,500	10%
Transport	£ 9,799	£ 10,750	-9%
Supplies & Services	£ 1,103,460	£ 734,385	50%
External SLA	£ 334,894	£ 309,077	8%
External Audit Fees	£ 167,565	£ 97,375	72%
Contingency	£ 35,000	£ 35,000	0%
Capital Financing	£ 15,000	£ 13,325	13%
Total	**£ 7,669,571**	**£ 6,699,318**	**14%**

Material Variance Analysis

Employees

17. Alongside the cost of living pay award and incremental salary drift, there are additional roles that are required due to new areas of responsibility, for example Regional Transport. These new areas come with additional income to partially offset the impact on the revenue budget. There is also a continuing increased corporate overhead to manage the contractual obligations, statutory and company law requirements of the organisation, as new major programmes such as the Investment Zone are brought online.

Premises

18. The increase in the premises budget is based on an estimated increase at this stage in the process.

Supplies & Services & Contingency

19. The key reason for the increase in supplies and services is to include a dedicated events budget to help attract investment into the region. This is partially offset by the CCR Partnership Programme, which will bring

sponsorship income into the organisation. Alongside this, some of the additional responsibilities mentioned in paragraph 17 come with an additional supplies and services overhead, and again are offset by additional income.

External Audit Fees

20. External Audit fees are set by Audit Wales and are outside of the control of the CJC. The complexity of the CJC's Statement of Accounts and a greater requirement for Performance Audit work now that the CJC has been established are the key reasons for the increase.

Funding Sources

21. At the time of writing, there is still some uncertainty over the implications of certain funding elements, including funding of our statutory responsibilities.

22. With this in mind, we have only considered funding sources where we have a high degree of certainty at this point in time. Those funding sources are detailed in the table below:

Table 3: Funding Sources

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**

23. *Government contributions include areas where we have a high degree of confidence that they will be received. If they aren't received, the corresponding cost (in employees and supplies and services) would not be incurred, meaning an overall nil effect on the revenue budget.

24. In addition to this, any further obligations, would need to come with sufficient income to fully fund those obligations, ensuring a nil effect on the overall revenue budget.

25. Table 4 above identifies the requirement to utilise £1,487k of in year treasury management income to underwrite a funding shortfall in the absence of clarity on further sources of funding.

26. Whilst this should be seen as an option of last resort and is not a long-term resourcing solution, the analysis below demonstrates that utilising resources

at this level for the medium-term is possible whilst still allowing for balances to increase:

Table 4: Analysis of Interest on Balances

	2026/27	2027/28	2028/29
Estimated Opening Balance	711	1,124	1,437
Use of Funds	(1,487)	(1,487)	(1,487)
Expected Interest	1,900	1,800	1,700
Estimated Closing Balance	**1,124**	**1,437**	**1,651**

27. This £1,487k funding shortfall and the utilisation of interest as an underwrite provides a baseline for us to finalise the budget. Further engagement with key stakeholders will be undertaken to try and reduce / eliminate that funding gap through other funding sources.

Local Authority Contributions

28. There is provision within the Joint-Working Agreement to increase Local Authority Contributions by up to 5% per annum to account for inflationary challenges. Given that there has been no increase implemented for a number of years, it is proposed that a 5% increase is implemented for 2026/27. This has been initially discussed with the CJC and the Section 151 Officers of the Local Authorities. The impact of this increase is included in the table below:

Table 5: Local Authority Contributions

	25/26 Amount	Proposed 26/27
Blaenau Gwent	£ 58,167	£ 61,075
Bridgend	£ 120,882	£ 126,926
Caerphilly	£ 151,039	£ 158,591
Cardiff	£ 303,922	£ 319,118
Merthyr Tydfil	£ 50,216	£ 52,727
Monmouthshire	£ 78,550	£ 82,478
Newport	£ 127,912	£ 134,308
Rhondda Cynon Taf	£ 200,361	£ 210,379
Torfaen	£ 77,638	£ 81,520
Vale of Glamorgan	£ 110,276	£ 115,790
	£ 1,278,963	**£ 1,342,912**

BBNPA Contributions

29. BBNPA contributions are calculated based on an agreed percentage (0.60%) of the Strategic Development Plan Budget and this has been calculated as £3,040.

CCRCD Wider Investment Fund 2026/27

30. The CJC's Capital Programme consists of the capital component of the CCRCD Wider Investment Fund. The fund totals £445 million capital over a 10-year period and is a fully funded programme i.e. capital expenditure is funded from a combination of the £325 million approved HM Treasury capital grant and £120 million capital contributions approved by the 10 constituent councils.

31. 85% (£423 million) of the total fund is now committed to 32 Projects and Programmes in delivery, with around 50% of those commitments relating to investments that will deliver a return in-line with the fund's evergreen principle.

32. Therefore, the 2026/27 Wider Investment Fund Budget reflects a key phase in the maturity of the Fund's investment strategy, with annual sums in the region of £62 million profiled to be spent each year, over the next 2 financial years.

33. Table 7 outlines the proposed 2026/27 budget and to assist with medium term planning, the indicative budgets for the following 4 financial years (to 2029/30) are also set out, along with the proposed funding strategy over this period.

Table 6: Proposed 2026/27 Wider Investment Fund Budget and Indicative Programme to 2030/31

	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)**

WIF Top Slice Budget (Revenue Funding)

34. The CCR Cabinet have resolved that up to 3% of the Wider Investment Fund (over a 20-year period) is set aside to meet the costs associated with Programme Development & Support and is referred to as the WIF 'Top-Slice'. This amounted to £14.74 million of which £9.05 million is projected to be spent by the 31 March 2026. The balance of £5.60 million has been split, with an allocation of £5.26 million being allocated to support the CCRCD revenue budget in 2026/27 and the balance (£0.33 million) being allocated on an equal basis to Programme Development & Support (£0.33 million per year) for next year.

Approved and Future Projects (Revenue and Capital)

35. 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. However, it is acknowledged that the spend on projects is dynamic for a number of reasons. For example, a number of allocations relate to Investment Funds, some operated internally by CCRCD, other managed by external professional fund managers. In both instances forecasting spend is challenging as the decision to award funding can be impacted by a number of external factors, many of which are outside the control of the fund managers.

36. Whilst a range of mitigation measure are in place to help manage the position, the general risk of spend being higher or lower than forecasted has been highlighted to Local Authority s151 Officers and +/- 10% tolerance suggested to aid their local budget management decisions.

37. 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.

WIF Funding Strategy and Affordability Envelope

38. The sums allocated represent the amounts available to be spent in 2026/27, with future year budget allocations being updated accordingly to reflect current and approvals, as well as assessing the deliverability of the overall spend profile. This will ensure that the fund remains affordable and within its approved envelope at all times, as decisions to approve projects are made through the year.

39. Funding strategy is based on using the HMT Capital Grant as the 'first call', LA £120m second and LA Cost of Carry third.

40. The total expenditure for the 2026/27 WIF Budget is £62.76 million. It is proposed that this level of expenditure is funded as follows:

- Drawdown of HM Treasury Revenue Grant: 5.59m
- Drawdown of HM Treasury Capital Grant: £52.0m
- Drawdown of Council Contributions: £5.17m

41. A breakdown of individual Local Authority Capital Contributions for 2026/27 is shown in the table below:

Table 7: Local Authority Capital Contributions for 2026/27

Local Authority	£'000
Blaenau Gwent	238.8
Bridgend	487.9
Caerphilly	618.4
Cardiff	1,226.2
Merthyr Tydfil	203.6
Monmouthshire	317.4
Newport	507.4
Rhondda Cynon Taff	815.1
Torfaen	315.2
Vale of Glamorgan	437.9
Total	**5,168.0**

42. To aid cashflow management of the CJC all revenue & capital contributions will be invoiced on 1st April 2026.

43. Finally, it should be noted that the actual funding applied will be dependent on the nature and timing of project expenditure and may differ from the proposed sums for the reasons outlined above. The CJC will be provided with regular project performance reports, supplemented by quarterly budget monitoring statements, where matters such as progress against delivery plans and budgets can be assessed and the proposed funding arrangements can be reviewed as appropriate.

Funding Beyond 2026/27 & Financial Resilience

44. Whilst utilising treasury management interest for 2026/27 is a sustainable position, as outlined in paragraph 26, this is an option of last resort and serious consideration must be given over the coming months to how the statutory responsibilities of the CJC can be funded sustainably.

45. A Medium-Term Financial Plan will be developed and brought to a future CJC meeting. This is likely to show a funding gap over the medium-term if the CJC is adequately to meet all of its statutory duties.

46. This longer-term consideration will need to be informed by discussions with Government regarding longer-term core funding and will need to be guided by independent advice on the size and scale of capacity required to run a public body of this nature.

47. As part of this, it is important that due consideration is given to the strength of the CJC's Balance Sheet and the level of Usable Reserves it has at its disposal to meet unexpected costs. The vast majority of reserves built up in recent years have been utilised to fund revenue budget shortfalls and specific one-off events. Only nominal levels of non-ringfenced balances are projected to be held at the end of 2026/27.

Pre CJC Scrutiny

48. Ahead of this report being brought to the CJC for approval, a draft revenue budget was considered by the Governance & Audit Sub-Committee at its meeting of 16 December 2025.

49. The sub-committee expressed concern about the ongoing lack of core funding for the CJC's Statutory Obligations and recognised that, in the circumstances, the utilisation of in-year Treasury Management income was appropriate.

Comments of the Strategic Director of Resources and Section 151 Officer

50. This report sets out the revenue budget requirement, along with the associated funding contributions. This includes a recommendation to utilise £1,487k in year Treasury Management income.

51. It should be noted that this should not be seen as a long-term sustainable option and serious consideration should be given over the coming months to how the statutory responsibilities of the CJC can be funded sustainably.

52. Without due consideration there is a risk that delivery of statutory duties and wider contractual obligations of CCR would become unsustainable in the medium to long-term.

Comments of the Strategic Director of Legal and Governance and Monitoring Officer

53. The report appropriately flags that reliance on in-year treasury management income to underwrite a funding shortfall should be treated as a short-term mitigation and not a sustainable approach to funding statutory duties. This will likely be kept under active review through regular budget monitoring and the corporate risk register

Equality, Diversity, and Inclusion

54. The Equality Act 2010 (Public Authorities subject to the Public Sector Equality Duty) (Wales) Order 2021 amended Part 2 of Schedule 19 to the Equality Act 2010 to provide that Corporate Joint Committees are subject to the Public Sector Equality duty set out in Section 149 of the Equality Act 2010.

55. The Equality Act 2010 (Authorities subject to a duty regarding Socio-economic Inequalities) (No. 2) (Wales) Regulations 2021 amended section 1 of the Equality Act 2010 in order to add Corporate Joint Committees to the list of relevant authorities subject to the Socio-Economic Duty.

56. 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.

57. 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.

58. 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.

59. 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.

60. Officers are of the view that the decisions recommended in this report will have a positive equalities impact by reducing the inequalities of socio-economic disadvantage.

Well-being of Future Generations

61. The Corporate Joint Committees (Amendment of the Well-being of Future Generations (Wales) Act 2015) Regulations 2021 bring CJCs within the scope of Parts 2 and 3 of the Well-being of Future Generations (Wales) Act 2015.

62. 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.

63. 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.

64. In developing the Recommendations of this report, regard has been had to the well-being duty arising under the Well-Being of Future Generations (Wales) Act 2015 ('the Act').

Welsh Language Implications

65. The Welsh Language Standards (No.1) Regulations 2015 (Amendment) Regulations 2021 bring Corporate Joint Committees within the scope of the standards specified by the No.1 Regulations.

66. 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.

67. This report will have a positive impact on Welsh language considerations as it increases our internal capacity for compliance with Welsh Language Standards.

Climate Change Considerations

68. The proposals in this report will have a positive impact in this regard, as it will consolidate our staffing structure and resource it appropriately to deliver against our strategic objectives, of which net zero and the climate emergency play a prominent role.

Links to CCR Priorities

69. The revenue budget and WIF budget will ensure that the CCR Annual Business Plan can be resourced effectively, enabling the CJC to be best placed to deliver against its strategic objectives and statutory responsibilities:

- COMPETITIVE - Enable businesses within our priority sectors and public services to achieve higher levels of productivity through innovation-led growth.
- CONNECTED - Invest in cutting-edge digital and physical infrastructure and grow the green economy through investing in and promoting companies, technologies and community initiatives that are embracing the de-carbonisation agenda.

- RESILIENT - Maximise ‘good growth’ by ensuring prosperity is shared and spread across the Region and take direct steps to reduce the economic and social disparities between our places.

Staffing/Workforce Implications

70. The staffing element of this budget was approved at the November Committee and allows for the implementation of a staffing structure that brings stability to the organisation. As part of this process, any employees with acquired employment rights would be recognised as permanent employees, where appropriate.

Appendices

None

Background Papers

None

Liam Hull, Strategic Director of Resources

26 January 2026

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
Report of	Kellie Beirne, Chief Executive
Contact Details	Kellie.Beirne@cardiffcapitalregion.gov.uk
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.

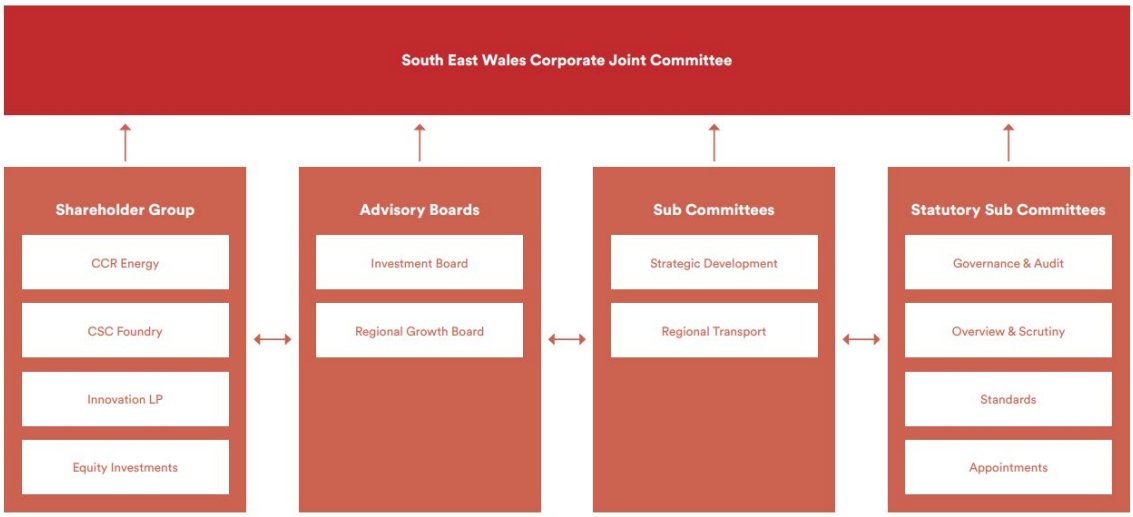
An Investment Dashboard is being developed to consolidate loans, equity and project performance as the portfolio matures with transparency being enhanced through bilingual public agendas and papers, webcasts, forward plans, freedom of information and environmental information compliance, and a publication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

Back cover:

Contact Us

E: info@cardiffcapitalregion.gov.uk
W: cardiffcapitalregion.wales

South East Wales Corporate Joint Committee

Cyd-bwyllgor corfforaethol De-Dwyrain Cymru

Report for:	NOTING
Contains Confidential or Exempt Information	NO

For Consideration By	South-East Wales Corporate Joint Committee
Report Title	2025/26 Month 07 Revenue Budget Monitoring Update
Report of	Strategic Director of Resources
Contact Details	Liam.Hull@cardiffcapitalregion.gov.uk
Date to be Considered	26 January 2026
Implementation Date	Immediate
Affected Areas	All
Keywords / Index	Finance; Budget Monitoring

Report Summary

1. The report below sets out the South-East Wales Corporate Joint Committee (CJC) Revenue Budget position as at the 31 October 2025 (Month 07).

Recommendations

2. The CJC is asked to:

   (1) Note the Revenue Budget position as at the 31 October 2025 (Month 07) as set out in the report;

   (2) Note that regular budget updates will be provided to the Committee throughout the year.

Reasons for Recommendations and Options Considered

3. To provide the CJC with details of the 2025/26 Month 07 Revenue Budget Monitoring Update Report position.

Background

4. The South-East Wales CJC Establishment Regulations came into force on 1 April 2021 and established a corporate legal entity comprising of the 10 South-East Wales Local Authorities, which are also members of the Cardiff Capital Region (constituent councils) and, for the purposes of the Strategic Development Plan (SDP), the Bannau Brycheiniog National Park Authority (BBNPA).

5. The CJC Statutory Guidance sets out the accounting and reporting arrangements applicable to the set-up and operations of the SEWCJC. Furthermore, the guidance clearly sets out the relevant legislative frameworks which apply to all CJCs, with CJCs seen as "a member of the Local Government family". This means that the CJC is subject to the same regulatory framework provisions as Local Authorities in respect of all financial and accounting matters.

6. Therefore, the 2024/25 represented the first year where the revenue budgets relating to the Cardiff Capital Region City Deal programme and the new CJC functions were brought together as part of the same budget report.

7. The 2025/26 revenue budget sought to develop the CJC's cohesiveness further by preparing the budget 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 corporate public body.

8. This presentational approach is aimed at bringing increased visibility to members and greater levels of accountability to budget holders. A zero-based budgeting approach was taken, with all budget holders having the opportunity to input into the process and challenged on the level of resources required. In particular, the budget reflected the CJC's required staffing resources, following the organisational restructure which became effective from 1 April 2025.

Key Considerations

9. Table 1 below sets out the Month 07 position in respect of the approved 2025/26 Gross Expenditure Budget. This shows that actual expenditure incurred to the 31 October 2025 amounted to £5,159,718 and represents 77% of the approved budget. At Month 07 there is projected underspend of £535k against the approved budget. Further details of the material variances (+/- £10k or 10% of the budget) are set out in paragraphs 10 to 26.

Table 1: 2025/26 Gross Expenditure Budget Position – Month 07

	2025/26 Budget £	M7 Actuals £	M7 Commitments £	M7 Revised £	2025/26 Projection £	2025/26 Variance £
Chief Executive & Central Overheads						
Employees	224,211	65,179	55,868	121,047	223,962	(249)
Transport	270	(87)	0	(87)	270	0
Supplies and Services	44,165	66,546	0	66,546	70,765	26,600
External Audit Fee	97,375	0	0	0	167,565	70,190
Contingency	35,000	0	0	0	35,000	0
Sub Total	**401,021**	**131,638**	**55,868**	**187,506**	**497,562**	**96,541**
Regional Growth, Innovation & Investment						
Employees	1,727,523	711,281	4,696	715,977	1,174,727	(552,796)
Transport	4,100	2,096	(64)	2,032	4,839	739
Supplies and Services	8,165	1,900,247	(11,829)	1,888,418	8,165	0
Sub Total	**1,739,788**	**2,613,624**	**(7,197)**	**2,606,427**	**1,187,731**	**(552,057)**
Policy Impact & Partnerships						
Employees	1,633,499	561,270	57,865	619,134	1,279,586	(353,913)
Transport	2,630	6,156	0	6,156	5,127	2,497
Supplies and Services	376,735	305,112	(76,268)	228,844	515,912	139,177
External SLA	25,625	0	0	0	0	(25,625)
Sub Total	**2,038,489**	**872,537**	**(18,403)**	**854,134**	**1,800,625**	**(237,864)**
Resources						
Employees	1,146,101	794,877	(136,052)	658,825	1,136,462	(9,639)
Premises	61,500	35,666	0	35,666	61,500	0
Transport	1,875	492	0	492	2,231	356
Supplies and Services	175,615	206,236	(37,728)	168,508	162,639	(12,976)
External SLA	183,142	8,574	(8,574)	0	191,349	8,207
Capital Financing	13,325	0	0	0	13,325	0
Contingency	0	0	0	0	0	0
Sub Total	**1,581,558**	**1,045,845**	**(182,355)**	**863,490**	**1,567,506**	**(14,052)**
Legal & Governnace						
Employees	706,572	459,600	65,342	524,942	879,771	173,199
Transport	1,875	141	0	141	1,876	1
Supplies and Services	129,705	36,332	29,170	65,502	116,230	(13,475)
External SLA	100,310	0	0	0	112,700	12,390
Sub Total	**938,462**	**496,074**	**94,512**	**590,586**	**1,110,577**	**172,115**
Total	**6,699,318**	**5,159,718**	**(57,575)**	**5,102,143**	**6,164,002**	**(535,316)**

Funded By:

	2025/26 Budget £	M7 Actuals £	M7 Commitments £	M7 Revised £	2025/26 Projection £	2025/26 Variance £
Local Authority Contributions	(1,278,963)	(1,278,963)	(0)	(1,278,963)	(1,278,963)	(0)
Corporate Vacancy Factor	(275,000)	0	0	0	0	275,000
BBNPA Contributions	(2,992)	0	0	0	(2,992)	0
Government Contributions	(137,000)	(150,057)	8,525	(141,532)	(743,605)	(606,605)
Accumulated Interest on Balances Contribution	(1,289,363)	0	(322,341)	(322,341)	(588,005)	701,358
Programme Contributions	(2,284,000)	0	(411,000)	(411,000)	(2,284,000)	0
Project Contributions	(1,431,800)	(24,192)	(357,950)	(382,142)	(1,266,236)	165,563
Total	**(6,699,118)**	**(1,453,212)**	**(1,082,766)**	**(2,535,978)**	**(6,163,801)**	**535,316**

2025/26 Employee Related Variances

10. As outlined in this report, the 2025/26 budget reflected the updated resource allocations in respect of the CJC organisational restructure. Whilst existing staff members transferred cross to their equivalent roles on the 1 April 2025, the external aspect of the restructure was planned throughout 2025/26.

11. The Senior Executive Team opted to take a staged approach to this recruitment with Heads of Department highlighted as a priority. This recruitment is still ongoing with the CJC still carrying approximately 15% vacancies across the organisation.

12. This has resulted in a planned underspend, over and above the corporate vacancy factor that was built into the budget. This is partially offset by an overspend on employee costs in the Legal & Governance directorate due to a continued reliance on interim arrangements.

Chief Executive & Central Overheads (£97k projected overspend)

13. This Directorate covers the Office of the Chief Executive, the CJC's corporate contingency budget and central corporate costs

14. At Month 07, the material variances are limited to the Supplies and Services budget heading and relate to:

- an overspend of £27k on the revised 2025/26 CJC's insurance premiums. The increased costs reflect the significant change to the CJC's headcount from the previous year;

- External Audit Fees: Audit Wales' estimated fees for both the Performance Audit (£22k) and the Financial Audit (£49k) have increased from the amounts included within budget. This has resulted in a projected overspend of £70k.

Regional Growth, Innovation & Investment (£552k projected underspend,)

15. The focus of the Regional Growth, Innovation & Investment Directorate, includes Business Development, Inward Investment, Regional Talent & Skills, Infrastructure Development and Investment, including Investment Zone programme.

16. At Month 07, other than Employee related variance referred to above, there are no other variances which fall within the +/- £10k or 10% definition, set out above.

Policy, Impact & Partnerships (£238k projected underspend)

17. The services provided by this directorate include Policy & Impact, the CJC statutory duties in respect of the Strategic Development Plan and the Regional Transport Plan, Innovation led investment, as well as the CJC's Communications & External affairs function.

18. The material variances at Month 05 relate to the Supplies and Services budget head which is projected to overspend by £137k consisting of the following variances:

- £197k overspend on Strategic Development Plan, which has been offset by Welsh Government funding.

- A projected overspend of £48k on budgeted Marketing and Communications Costs due to increased activity and participation in Events, and a requirement for additional Public Relations support.

- A projected overspend of £35k against the £50k budget approved for CCR's participation at MIPIM 2026.

Resources (projected underspend of £14k)

19. The Resources Directorate provides key support services to the CJC's front-line delivery areas and includes finance & accounting services, support in respect of the people & culture function, as well as the CJC's programme delivery and performance reporting support function.

20. There are no material variances within the Resources directorate.

Legal & Governance (Projected overspend of £172k)

21. The remainder of the CJC's corporate support functions are structured within the Legal & Governance Directorate. These include legal services, democratic services (including cabinet and member support) and the CJC's corporate translation services support, to ensure the CJC remains compliant with the Welsh Language Act.

22. There is a projected overspend of £173k on employee costs due to a large number of agency employees in this directorate that come with an increased premium. Previous attempts to recruit to these roles has been challenging. Further permanent recruitment campaigns are planned in the near future.

23. There is potential that some of these costs can be offset by the support provided to capital projects and an exercise is planned to consider the impact of this during quarter 3.

24. The variance on Supplies & Services budget heads amount to a projected underspend of £14k and largely relates to an underspend of £12k on translation services. This has been offset by an overspend on the Procurement SLA budget.

2025/26 Funding Sources Variances

25. Alongside the expenditure variance the CJC has also received one-off funds from Welsh Government for Capacity Building, Local Area Energy Plan and Regional Transport Plan.

26. This and other income variances, ultimately result in a projected drawdown of accumulated interest on balances of £588k, which is £701k less than the budgeted figure of £1,289k. This will allow the retained balances to be put to use in future and increase the financial resilience of the CJC.

Comments of the s.151 Officer

27. The detailed financial implications are set out in the body of this report. In summary. There is a projected underspend of £535k largely attributable to the employees budget head.

28. The positions set out about will be monitored throughout the year and regular budget monitoring updates will be brought to the Governance & Audit Sub-Committee for consideration and comment, as part of their programme of meetings.

Comments of the Monitoring Officer

29. This report asks the CJC to note information about the status of the revenue budget and the overall budgetary position of the CJC;

30. Section 151 of the Local Government Act 1972 requires the Corporate Joint Committee to make arrangements for the proper administration of their financial affairs and to secure that one of their officers has responsibility for the administration of those affairs. The CJC's Section 151 Officer is the Strategic Director of Resources.

Staffing Implications

31. Staffing implications arising from this report are set out above.

Equality, Human Rights and Community Cohesion

32. No adverse equalities implications have been identified.

Well-being of Future Generations

33. Regard has been had to the well-being duty arising under the Well-Being of Future Generations (Wales) Act 2015.

Welsh Language Implications

34. None.

Background Papers

35. None.

Report Author: Liam Hull, Strategic Director Resources
liam.hull@cardiffcapitalregion.gov.uk

Meeting Date: 16 December 2025

Background Papers:

1. 2025/26 Annual Budget Report (Item 04: 27 January 2025)

Appendices: None

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

Report for:	ACTION
Contains Confidential or Exempt Information	NO

For Consideration By	South East Wales Corporate Joint Committee
Report Title	Innovation Partnership - Terms of Reference & Member Recruitment Proposals
Report of	Colan Mehaffey, Strategic Director of Policy, Impact and Partnerships Mark Watkins, Strategic Director of Law & Governance
Contact Details	colan.mehaffey@cardiffcapitalregion.gov.uk mark.watkins@cardiffcapitalregion.gov.uk
Date to be Considered	26th January 2026
Implementation Date	Immediate
Affected Council Areas	All
Keywords / Index	Innovation Partnership; Local Innovation Partnership Fund; UK Research & Innovation; governance

Reason for this Report

1. To provide an update on the development of the Local Innovation Partnership Fund (LIPF) and to confirm the governance arrangements for the establishment of the regional Innovation Partnership which will support both the LIPF and Investment Zone (IZ) programmes.

Recommendations

2. It is recommended that the South East Wales Corporate Joint Committee (SEWCJC)**:**

   a) **Approve** the Terms of Reference for the Innovation Partnership at Appendix A.

b) **Approve** the proposed membership profile and appointment process for the Innovation Partnership (Appendix B), including the approach to co-opting additional experts where required for specific programmes.

c) **Delegate** authority to the Monitoring Officer to update the Constitution in order to incorporate the Innovation Partnership.

d) **Note** and endorse the proposed timetable for establishing the Innovation Partnership and convening its first meeting in advance of key LIPF milestones.

Background

3. The Local Innovation Partnership Fund (LIPF) is a UK Research & Innovation (UKRI) backed programme designed to strengthen local innovation systems and accelerate commercialization. It enables regions to build stronger innovation partnerships, identify priority clusters of strength, and deliver portfolios of projects that can leverage national and private investment.

4. CCR has been selected as a delivery partner to work with UKRI and must prepare and submit a readiness check including governance, strategy, and evidence of regional innovation capacity. The Innovation Partnership will act as the formal regional decision making forum required by UKRI and Welsh Government. It will also fulfil the advisory board role required under the Investment Zone (IZ) Memorandum of Understanding, ensuring consistency and avoiding duplication of governance structures.

5. In November 2025, the SEWCJC endorsed the approach to the development of the Local Innovation Partnership Fund (LIPF) and supported, in principle, the formation of a regional “Innovation Partnership” to provide the required local partnership function.

6. In parallel, the Cardiff Capital Region is developing and delivering other innovation-related programmes (including Investment Zone and related initiatives) which will benefit from a consistent regional advisory structure and avoid duplication of boards and panels.

Proposal: establishment of the Innovation Partnership

7. As per the earlier decision of the SEWCJC on 24 Nov 2025, the Innovation Partnership is intended to stand as both advisory and decision making group to and under the SEWCJC, providing strategic advice, challenge and assurance to support innovation programmes across the region (including LIPF), and to act as the recognised ‘local partnership’ required by UKRI for LIPF.

8. The Innovation Partnership will not be a committee of the SEWCJC. It will provide both decisions and advice which will be reported through officers to the SEWCJC (and, where relevant, to UKRI) for decision, sign-off or ratification.

Role and functions

9. The Innovation Partnership will:

9.1 Provide advice and make recommendations on innovation activity and interventions for CCR
9.2 Support the development, continuous refinement and delivery of the regional innovation strategy for the CCR region.
9.3 Provide long term stewardship of multiple programmes and initiatives
9.4 Review and interpret evidence to inform strategic choices and programme design
9.5 Support the acquisition and development of place-based innovation funds
9.6 Support individual programme: LIPF:

- consider and challenge the evidence base for proposed clusters of strength and advise on cluster selection for LIPF;
- Review, advise and decide on criteria, processes and assurance for inviting, assessing and prioritising project proposals;
- decide on the recommended LIPF portfolio prior to submission to UKRI, including value for money, feasibility, deliverability and impacts;
- support alignment across related programmes (e.g., Investment Zone) and help shape a regional innovation strategy;
- provide an external perspective and 'critical friend' challenge to reduce delivery and reputational risks.
- provide oversight of portfolio delivery

10.1 Support individual programme: Investment Zone:

- Provide advice on innovation activity within the investment zone portfolio

Membership and composition

11. To reflect the triple/quadruple helix approach required for LIPF and good practice, the proposed core membership profile is:

    - 1x independent Chair;
    - 3x Higher Education representatives;
    - at least 1x Further Education representative;
    - up to 6x private sector representatives;
    - up to 4x public sector / place / third sector representatives (ensuring societal/place representation is included); and
    - UKRI representation for LIPF-relevant matters (as observer/participant, without local voting rights where applicable).

12. The initial appointments should be as sector/cluster-agnostic as reasonably practicable, recognising that early advice will influence cluster selection and programme design. Additional specialists may be co-opted on a time-limited basis where specific expertise is required.

Appointment, tenure and conduct

13. Appointments will be made following an open and transparent process, using a role profile and selection criteria, with appropriate due diligence and declaration of interests. The proposed process is set out at Appendix B.

14. Membership will be time-limited, with an expectation of rotation to refresh perspectives and manage conflicts.

15. As the Innovation Partnership will decide on clusters and project proposals that may attract public funding and private investment, strong safeguards are essential. Members will therefore be be required to not only comply with the Terms of Reference but also the Member Code of Conduct. This is to ensure that there are:

    - upfront declarations and an up-to-date register of interests;
    - declarations at each meeting and appropriate recusal where a conflict (actual or perceived) arises;
    - satisfactory confidentiality arrangements and information handling controls.

Appendices

Appendix A - Draft Terms of Reference (Innovation Partnership)

Appendix B - Membership profile and appointment process

Timeline

Key milestones with indicative dates include:

Action	Due date
(CJC meeting): ToR + recruitment approach approved.	26 Jan 26
Finalise recruitment pack (role profile, eligibility, time commitment, skills matrix).	27 Jan – 30 Jan:
Go live with the advert(4-week window):	2 Feb – 27 Feb
Longlisting/eligibility checks + sift.	2 Mar – 6 Mar
Interviews	W/c 9 Mar
Pre-appointment checks (references, eligibility, declarations).	16 Mar – 27 Mar
induction + mandatory training (Code of Conduct, confidentiality, data protection etc).	30 Mar – 10 Apr

First meeting window: (to allow time to prepare papers and comply with notice requirements).	16 April 2026 - 23 April 2026

Financial Implications

16. Any costs associated with establishing and supporting the Innovation Partnership (including meeting administration and reasonable expenses) will be managed within existing resources and/or relevant programme budgets.

Comments of the Monitoring Officer

17. No direct contractual commitments arise from the establishment decision itself; however, the Partnership will inform recommendations and make decisions that may have future financial and delivery implications for innovation programmes, and therefore robust governance and assurance are required.

18. The Terms of Reference (Appendix A) should be read as a critical control document. They define the Partnership's advisory status, reporting lines to the SEWCJC, and the arrangements for managing real and perceived conflicts of interest (particularly for private sector and academic members). The appointment process (Appendix B) should be operated transparently and proportionately, with due diligence and declarations of interest completed before members participate in discussions on clusters or project proposals. Officers should ensure that the SEWCJC retains clear decision-making and accountability for any recommendations progressed, and that information governance and confidentiality controls are applied to protect personal data and commercially sensitive information.

Well-being of Future Generations

19. The Corporate Joint Committees (Amendment of the Well-being of Future Generations (Wales) Act 2015) Regulations 2021 bring CJCs within the scope of Parts 2 and 3 of the Well-being of Future Generations (Wales) Act 2015.

20. 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.

21. 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.

22. In developing the Recommendations of this report, regard has been had to the well-being duty arising under the Well-Being of Future Generations (Wales) Act 2015 ('the Act').

Equality, Diversity, and Inclusion

23. The Equality Act 2010 (Public Authorities subject to the Public Sector Equality Duty) (Wales) Order 2021 amended Part 2 of Schedule 19 to the Equality Act 2010 to provide that Corporate Joint Committees are subject to the Public Sector Equality duty set out in Section 149 of the Equality Act 2010.

24. The Equality Act 2010 (Authorities subject to a duty regarding Socio-economic Inequalities) (No. 2) (Wales) Regulations 2021 amended section 1 of the Equality Act 2010 in order to add Corporate Joint Committees to the list of relevant authorities subject to the Socio Economic Duty.

25. 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.

26. 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.

27. 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.

34. CCR is committed to advancing the economic development of the Region, through its investments and projects across key portfolio areas and its additional statutory powers. The LIPF programme will adhere to the objectives and measures as established in the CCR Strategic Equality Plan and there will be controls around Equality, Diversity and Inclusion across the programme and for individual projects.

Welsh Language Implications

36. The Welsh Language Standards (No.1) Regulations 2015 (Amendment) Regulations 2021 bring Corporate Joint Committees within the scope of the standards specified by the No.1 Regulations.

37. 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.

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

Risk Management

39. This fund is ultimately owned by UKRI, requiring their final sign off on portfolio project choices. This shares risk with UKRI in terms of programme and project delivery, and transfers risk to them for some elements.

40. The need to carefully manager reputational risk is clear, related to both our regional stakeholders and UKRI. This is an opportunity to solidify our position, role and capability within the region through this work. It is also an opportunity to set the mechanism that more UK Government money will flow through.

41. To mitigate this, CCR will deliver the programme professionally and in a considered manner. UKRI currently have strongly supported and approved CCR's set up and planning through our inclusive approach and being data/ evidence driven.

Colan Mehaffey
Strategic Director of Policy, Impact and Partnerships

Mark Watkins
Strategic Director of Law & Governance

9 January 2026

Appendix A: Innovation Partnership

Terms of Reference

1. Status

1.1 The Innovation Partnership ("the Partnership") is a group established by the South East Wales Corporate Joint Committee ("the CJC").

1.2 The Partnership is not a committee or sub-committee of the CJC.

1.3 The Partnership provides advice and recommendations. It will also take decisions when it comes to innovation priorities and portfolio choices involving UK Research and Innovation (UKRI), the arms-length body sponsored by the Department for Science, or anybody that replaces it.

2. Purpose

2.1 To provide independent strategic advice and constructive challenge and decision making to support the development and delivery of innovation-related programmes and investment across South East Wales.

2.2 To help ensure that programme governance is conducive to the delivery of innovation, including meeting any advisory capacity requirements associated with relevant programmes (for example, Investment Zone arrangements).

3. Functions

3.1 Provide advice on priorities, opportunities, programme design and delivery models and to decide on innovation priorities and portfolio choices

3.2 Provide informed challenge on pipelines, business cases and proposals, including benefits, deliverability, value-for-money, risk and dependencies.

3.3 Support collaboration and alignment across public, private, higher education and further education partners.

3.4 Advise on stakeholder engagement and learning/evaluation.

3.5 Consider any other matters referred to it by the CJC or the Investment Board

4. Membership (Core Voting Members)

4.1 The Partnership comprises a "core membership" appointed for fixed terms.

4.2 Core membership will be maintained at a size that is effective and quorate in practice; normally up to 12 members. This will consist of no more than 10 lay members and no more than 2 elected members drawn from the CJC itself.

4.3 The core membership profile will, as far as practicable, include balanced representation and expertise across:

- Further Education representative
- Higher Education representative
- Private sector/industry representative(s) aligned to priority clusters where possible
- Innovation ecosystem / R&D commercialization expertise
- Public/place-based innovation delivery expertise (as appropriate)

- 4.4 The core membership profile will also include two elected members (with voting rights) who will normally consist of the Portfolio Holders for Research & Innovation and Economic Development.

5. Chairing

5.1 The Partnership will be chaired by a member of the "core membership" and will normally be chosen from the lay membership. of the Partnership

5.2 A Vice-Chair may be appointed from among the core voting members which, normally, would be chosen from the lay membership. of the Partnership

6. Attendance – Subject Matter Experts (Non-Voting)

6.1 The Partnership may co-opt subject matter experts ("SMEs") to attend meetings on an ad hoc basis to advise on specific agenda items.

6.2 Co-opted SMEs will have no voting rights, and are not counted for quorum purposes.

7. Quorum and Voting (Core Members)

7.1 Quorum consists of four members which is made up as follows: three core voting lay members, one of whom must be the Chair or Vice-Chair and one elected member.

7.2 The Partnership will seek to reach recommendations by consensus. Where a vote is required, decisions are by simple majority of core voting members present and voting.

7.3 In the event of a tie, the Chair has the casting vote.

8. Reporting Routes and Governance Gateways (IZ and LIPF)

8.1 How the Partnership reports depends upon the category of proposition that it is considering and will be split as follows:

8.1.1 Category A– Investment Zone (IZ) recommendations: where advice relates to IZ investment propositions, the Partnership will endorse a recommendation which officers will submit to the Investment Board for consideration.

8.1.2 Category B– LIPF decisions for UKRI

END

Appendix B: Innovation Partnership

Recruitment and Co-option Process

1. Purpose

1.1 This Appendix sets out (a) the recruitment process for core voting members of the Innovation Partnership and (b) a lighter-touch process with regards to non-voting co-opted subject matter experts (SMEs)

1.2 The objective is to ensure transparency, fairness and good governance while enabling timely access to expertise, particularly for time-critical programme requirements (including Investment Zone and LIPF).

2. Core Membership Recruitment (Voting Members)

2.1 Role profiles and skills matrix: officers will maintain a brief role profile for core members (including Chair) and a skills matrix to ensure balanced representation (HE/FE, industry, innovation ecosystem, delivery/public sector).

2.2 Recruitment approach: core appointments will normally be made through open recruitment/advertisement, supplemented by targeted outreach to widen the field.

2.3 Selection panel: a small panel will shortlist and interview/assess candidates. The panel should include (as a minimum) an appropriate senior officer, the Monitoring Officer (or nominee), and a member/Chair representative as determined by the CJC.

2.4 Due diligence: successful candidates will complete a declaration of interests, confirm availability, and acknowledge confidentiality/information governance expectations.

2.5 Appointment: appointment letters will confirm term (normally two years, extendable once), expected attendance, conduct/conflicts requirements, and expenses/remuneration arrangements (if applicable).

2.6 Induction: officers will provide an induction pack covering governance routes, conflicts, programme context (IZ/LIPF as relevant), and meeting procedures.

3. Ad Hoc Co-option of Subject Matter Experts (Non-Voting)

3.1 The Chair (or officer lead) identifies a need for specialist input and prepares a short ‘expert brief’ (topic, questions, expected outputs, and whether any information is confidential).

3.2 Identification and selection: officers may propose candidates with a short written justification. The Chair (supported by officer advice) approves invitations.

3.3 Before attendance, the SME must provide (a) a Declaration of Interests Form and (b) an acknowledgment of being bound by the Member Code of Conduct.

3.4 Invitation communication: an email/letter will confirm membership, non-voting status and expenses arrangements.

4. Expert Advisory Pool (Optional)

4.1 To reduce delay, officers may maintain an Expert Advisory Pool: a list of potential SMEs mapped against priority expertise areas (e.g., advanced manufacturing, digital tech, semiconductors; infrastructure/transport/planning; evaluation).

4.2 Pool inclusion does not confer membership. It enables rapid invitations under section 3, subject to item-specific conflict checks.

END

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	Appointments Sub-Committee: Appointment of Director of Legal & Governance (Monitoring Officer)
Report of	Kellie Beirne, Chief Executive Officer
Contact Details	Kellie.beirne@cardiffcapitalregion.gov.uk
Date to be Considered	26 January 2026
Implementation Date	With immediate effect
Affected Council Areas	All
Keywords / Index	Senior Executive Team, Legal & Governance, Monitoring Officer

Report Summary

1. The report seeks the South-East Wales Corporate Joint Committee's ratification of the appointment of the Director Legal & Governance (Monitoring Officer), following recommendation made by the Appointments Sub-Committee on 16 January 2026.

Recommendations

2. **Corporate Joint Committee is asked to:**

2.1. Approve the recommendation of the Appointments Sub-Committee, to appoint Jill Byron as Strategic Director of Legal & Governance and Monitoring Officer.

Reasons for Recommendations

Background

3. The meeting of the South-East Wales Corporate Joint Committee on 4 December 2023, agreed the Executive Team structure proposed by the Chief Executive. This included the statutory Monitoring Officer role within the responsibilities of the Strategic Director of Legal & Governance.

4. Sinc the establishment of the CJC as a public body, interim arrangements have been put in place for the Strategic Director of Legal & Governance role, due to several failed attempts to recruit to the role on a permanent basis.

5. A further recruitment campaign was undertaken in November 2025, and following the process of external advert and shortlisting, a comprehensive Assessment Centre was held, supported by the Chief Executive, Strategic Director of Resources, Head of People & Culture and external Psychometric expertise.

6. The Assessment Centre concluded that Jill Byron was the preferred candidate with an additional candidate also taken through to the final stage interview with the Appointments Sub-Committee. Both candidates were subsequently invited to final interview with the Appointments Sub-Committee on Friday 16 January 2026.

7. Due to changes in circumstances, the additional candidate decided not to continue their involvement in the process and did not therefore proceed to the final stage.

8. The Appointments Sub-Committee met on 16 January and following an interview, recommended the appointment of Jill Byron to the role of statutory Monitoring Officer and Director of Legal & Governance.

9. The current interim role undertaken by Mark Watkins, will cease on 31 January and it is proposed Jill Byron, will take up the role, subject to acceptance of all terms and conditions to be agreed with the Chief Executive in consultation with the Chair, on 1 February 2026.

Corporate Policies and Priorities

10. The processes set out in this report have been conducted with regard to Corporate HR and Finance policies and procedures and in line with the Terms of Reference of the Appointments Sub-Committee and Scheme of Delegation to Officers.

Comments of the Strategic Director of Resources and Section 151 Officer

11. The role referred to within this report is a statutory role that is part of the CJC establishment and, as such, has the necessary budget provision.

12. Current interim arrangements for this role bring a budgetary pressure to the organisation because of the premium associated with interim roles. This pressure will be alleviated by the permanent appointment recommended in this paper.

Comments of the Monitoring Officer

13. Section 5 of the Local Government and Housing Act 1989 (as amended by Regulation 7 of the Corporate Joint Committees (General) (No. 2) (Wales) Regulations 2021) places a duty on the CJC to appoint a Monitoring Officer.

14. The Monitoring Officer is a statutory Chief Officer post and, pursuant to the CJC's Employment Procedure Rules and Scheme of Delegation, their appointment is a matter reserved to the CJC following the recommendation of the Appointments Sub-Committee.

Staffing Implications

15. The staffing implications set out in this report are self-evident.

Equality, Human Rights and Community Cohesion

16. There are no implications directly associated with this report, save to say, the process of recruitment was undertaken in accordance with HR policy and procedure and with the aim of attracting a diverse pool of eligible candidates.

Sustainability and Climate Considerations

17. There are no implications directly associated with this report. However, ensuring the right team is in place to lead the CJC operations and talent on and off-payroll is about ensuring the capability and capacity exists to deliver on significant objectives, such as the CCR's adopted Energy Plan.

Risk Management

18. The appointment of an able and committed Senior Executive Team is required to:

- ensure the requisite senior leadership capacity is in place to lead, develop and deliver on the CJC agenda;
- ensure capacity is in place in respect of statutory officer positions: Chief Executive Officer, s151 Officer and Monitoring Officer;
- safeguard the reputational interests of CCR by promoting high standards and ensuring openness, probity and accountability.

Consultation

19. The Senior Executive Team structure for CCR was approved at the meeting of the SEWCJC on 4 December 2023. In line with the Constitution, the final stage of the recruitment process involved an interview with the Appointments Panel, who recommend the appointment of Jill Byron to the role.

Welsh Language Implications

20. Due regard has been had to Welsh language Implications in the conducting the full recruitment process.

Well-being of Future Generations

21. In developing the Recommendations of this report, regard has been had to the well-being duty arising under the to the Well-Being of Future Generations (Wales) Act 2015 ('the Act').

Kellie Beirne
Chief Executive
Kellie.beirne@cardiffcapitalregion.gov.uk
26 January 2026

Background Papers

Appointments Sub-Committee Report of 16 January 2026.