South East Wales Corporate Joint Committee

Cyd-bwyllgor corfforaethol De-Dwyrain Cymru

	Report for:	ACTION
	Contains Confidential or Exempt Information	YES - APPENDIX 1

For Consideration By	SEWCJC
Report Title	Cardiff Capital Region City Deal 2026/27 Quarter 1 Performance Report
Report of	Kellie Beirne, Chief Executive
Contact Details	Kellie.Beirne@cardiffcapitalregion.gov.uk
Date to be Considered	12 October 2026
Implementation Date	12 October 2026
Affected Areas	All
Keywords / Index	Performance; Quarterly Performance Report; Investment Performance

Report Summary

1. This report below provides the South East Wales Corporate Joint Committee with a quarterly update on the Cardiff Capital Region City Deal 2026/27 Q1 Performance Report.

Recommendations

2. The South East Wales Corporate Joint Committee is asked to:

   Consider and approve the Cardiff Capital Region City Deal 202627 Q1 Performance Report (Appendix 1) and authorise the South East Wales Corporate Joint Committee Chief Executive to formally submit the report, including supporting information, to both UK and Welsh Governments, and other stakeholders as required.

Reasons for Report

3. The report provides key stakeholders, principally South East Wales Corporate Joint Committee and Welsh and UK Governments, of the Quarter 1 reporting position against the Cardiff Capital Region City Deal 202627 Q1 Performance

Report, thus discharging the reporting requirements of the Assurance Framework in relation to performance reporting.

4. The report provides South East Wales Corporate Joint Committee with an update of actual expenditure as at Quarter 1 against the approved Wider Investment Fund budgets as set out in the Annual Business Plan for the financial year 2026/27.

Reasons for Recommendations & Options Considered

Background

5. A summary of Cardiff Capital Region City Deal 202627 Q1 performance and progress is outlined below, with detailed information included within key appendices attached to this report. The Performance Report attached at **Appendix 1** details the further progress made on the delivery and mobilisation of our current portfolio, along with progress made on other strategic objectives outlined in the 2026/27 Annual Business Plan.

Cardiff Capital Region City Deal Quarter 1 Portfolio Highlights:

6. Overall investment activity continued during 2026/27 Q1, with expenditure of £5.0 million against a planned profile of £7.9 million. The principal variance related to Metro Central, where an anticipated payment was deferred pending resolution of outstanding financial matters.

7. More broadly, the position reflects the continued evolution of the investment programme, with some long-standing investments reaching maturity and focus increasingly shifting towards the development and deployment of the next generation of investment opportunities.

8. Highlights from the investment portfolio are set out below:

- progress continued the Northern Valleys Initiative, including development of the Tourism Programme, which will deliver a coordinated Destination Management Plan, targeted support for visitor attractions and accommodation, and a tourism legacy programme linked to the Tour de France Grand Départ
- development also progressed on the Northern Valleys Business Unit Accelerator, a dedicated delivery vehicle focused on increasing the supply of modern, flexible employment space through a coordinated programme of industrial unit development across the region.

9. Cardiff Capital Region City Deal completed its final £1 million drawdown under the Fibre to the Premises investment with Ogi, bringing the current investment profile to a conclusion. Further committed funding remains available, subject to the securing of additional private sector investment.

10. Apex repaid Cardiff Capital Region City Deal investment during the quarter, representing a positive investment outcome and the return of capital for reinvestment in future regional growth opportunities.

11. A healthy pipeline of opportunities continues to progress through the investment framework, with activity focused on aligning approvals, project delivery and financial drawdown with the programme's investment profile.

Non-Investment Activity

12. A summary of significant non-investment activity is outlined below, with additional details included within **Appendix 2** Communications Report. CCR events and launches between October to December included:

Ministerial / Political Visits

Q1 2026-27 Visits

13. CCR has continued its programme of ministerial visits, stakeholder engagement and political activity. These efforts continue to raise the profile of the region and support delivery of the wider programme. The Quarter 1 Performance Report for 2026/27 highlights a number of key engagement activities, including:
    - 8 June: Visit by Jo Stevens MP, Secretary of State for Wales, to sbarc|spark to meet the Antiverse team in connection with the Innovation Investment Capital funding programme.
    - 11 June: Visit by Peredur Owen Griffiths MS and Lynne Neagle MS to CSconnected and KLA at Imperial Park, including a tour of the facility and discussions on the region's semiconductor and advanced technology sectors.

Progress against CCR City Deal Business Plan Milestones

14. During the reporting period, delivery has continued across the Cardiff Capital Region City Deal Programme in line with the approved Annual Business Plan 2026/27.

15. Activity has focused on supporting the delivery of the City Deal investment portfolio, alongside the maintenance of appropriate governance, assurance and performance monitoring arrangements. This has included the launch of the revised Northern Valleys Fund, which supports regeneration and economic growth opportunities across the Heads of the Valleys corridor through targeted investment in employment land development, commercial premises and regeneration schemes that encourage private sector investment, job creation and long-term economic resilience.

16. Overall, programme delivery remains aligned with the objectives and milestones set out within the Annual Business Plan.

Wider Investment Fund Budget Updates (Current & Future Years)

17. The Wider Investment Fund (WIF) 2026/27 Budgets were approved by CJC at its meeting on 26 January 2026 as part of the 2026/27 Annual Business Plan and reflected the indicative spend profiles known at that time. These spend profiles are updated as circumstances within the projects in delivery and those in the pipeline develop throughout the year.

18. Since the approval of the Business Plan, and to keep the Partner Authorities updated in terms of annual capital contribution requests and the overall affordability position, the WIF Financial Model is regularly reviewed and updated. At Q1 the Financial Model indicates that capital contributions were required from Partner Authorities for financial year 2026/27, and the Partner Authorities have paid them.

19. In addition, the model indicates a whole life cost of £181 million (over the full evaluation period), against the approved affordability envelope of £210.8 million, based on the assumptions known at this time.

WIF Recycled Funds

20. An important aspect of the continued delivery and success of the CCR City Deal Programme is the Return on Investment of its interventions. Cumulatively, as at 31st July 2026, these amounted to £28 million in principal returns and £6.4 million in interest. Furthermore, these sums are projected to total £38.3 million by the end of 2026/27, increasing by a further £10.4 million by the end of 2027/28. Further details are set out in the table below.

	Opening Balance 01.04.26 £Ms	YTD Actual 31.7.26 £Ms	Remaining Projection 2026/27 £Ms	**Total to 31/03/27 £Ms**	Projection 2027/28 £Ms
Principal Returns	22.61	5.29	2.38	**30.28**	8.5
Interest Returns	5.08	1.32	1.58	**7.98**	1.9
Total Returns	27.69	6.61	3.96	**38.26**	10.4

21. These amounts are held as usable reserves in the CJC's Balance Sheet and are available to fund CJC related expenditure in future years.

Comments of the Director of Resources and Section 151 Officer

22. The financial implications associated with this report are set out in the body of this report and in Appendices 1.

Comments of the Monitoring Officer

23. The Quarterly Performance Report meets the reporting requirements set out in the CCR City Deal Wider Investment Fund Assurance Framework. It provides the Corporate Joint Committee, UK Government, and Welsh Government with a performance narrative against the approved implementation plan, outlines outputs and outcomes, and identifies any necessary mitigation measures for underperforming projects.

Equality, Diversity, and Inclusion

24. 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.

25. 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.

26. 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.

27. 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.

28. 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.

29. 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.

30. There are no specific equalities implications arising from this report.

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

Well-being of Future Generations

32. 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.

33. 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.

34. 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.

35. 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').

36. A Well-being of Future Generations Assessment appears at **Appendix 3**.

Welsh Language Implications

37. 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.

38. 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.

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

Climate Change Considerations

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

Links to CCR Priorities

41. This report relates to the following outcome(s) set out in CCR's Regional Economic and Industrial Plan for 2023-2028:

- **Competitive**: enabling businesses within priority sectors and public services to be more productive through a focus on innovation:
  - Taking forward detailed business plans for cluster groups
  - Target £10M of investment through Innovation Investment Capital
  - Building the Regional Data Ambition initiative.
- **Connected:** investing in cutting-edge digital infrastructure and growing the green economy through investments in companies, technologies and community initiatives:
  - Commencement of early preparation work via the CJC on a Strategic Development Plan and Regional Transport Plan
  - Conclude Metro Central Business Case
  - Remediation and planning strategies for Aberthaw approved.
  - Second phase roll-out of the LEV infrastructure network.
- **Resilient (external):** maximising good growth through shared prosperity and taking direct steps to reduce economic and social disparities:
  - Commence delivery of Shared Prosperity Fund programmes
  - Progress food security challenge and establish the Social Care Mission
  - Review of all talent delivery programmes to ensure robust focus on developing human and community capital.
- **Resilient (internal):** building effective, efficient monitoring and evaluation processes, delivery capability and operating structures for the future:
  - Commencing key aspects of lift and shift into the CJC structures
  - Develop a local evaluation framework for the second Gateway Review commencing Summer 2023
  - Building the Target Operating Model for the CJC
  - Addressing recruitment and retention challenges
  - Development of a comprehensive Investment Review and Funding Strategy.

Staffing/Workforce Implications

42. No direct implications arising from the approval of this performance update report.

Consultation

43. This report has been developed by the CCR Project Management Office in consultation with CCR officers, including Investment Leads. Data and narrative are produced in consultation with relevant external organisations; South East Wales Local Authorities; Welsh & UK Governments.

Reasons for Exemption from Publication

44. **Appendix 1** to this report is exempt from publication because it contains information of the kind described in paragraphs 14 (information relating to the financial or business affairs of any particular person) and 21 (public interest test) of Schedule 12A to the Local Government Act 1972 and, in all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Appendices

EXEMPT Appendix 1 Cardiff Capital Region City Deal 2026/27 Quarter 1 Performance Report
Appendix 2 Communications Report
Appendix 3 Wellbeing of Future Generations Assessment

Kellie Beirne, Chief Executive
12 October 2026

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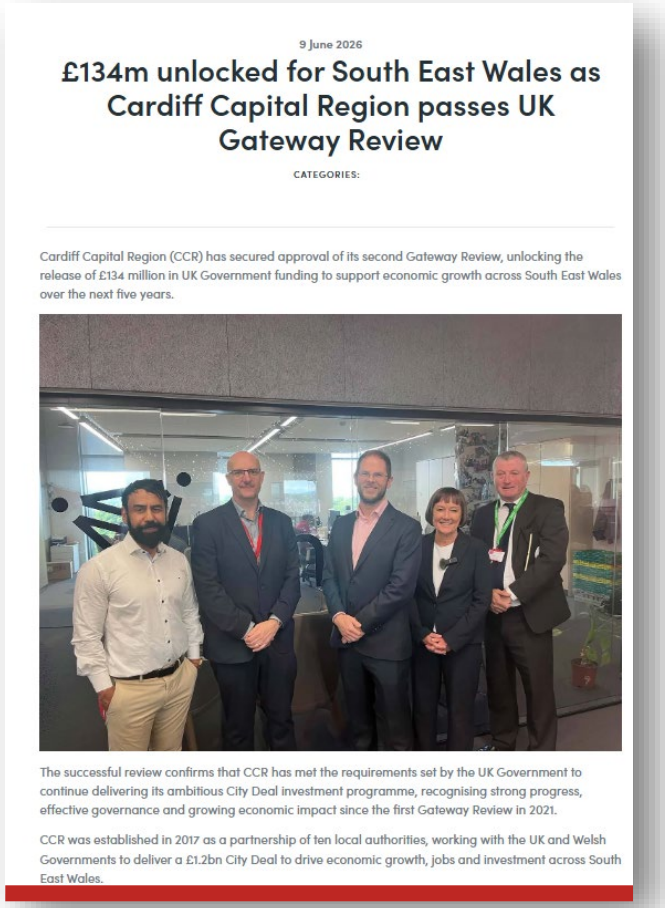
Q1 2026-27 Communication Report

Events and Launches Q1

- **Infuse2023 Innovation Collision Space** was launched at CCR, representing public, private, academic and not for profits organisations.
- **UKREiiF, Leeds 19-21 May:** three-day UK investment event, held in Leeds Armouries. CCR in the Welsh Government pavilion along with 3 other Welsh regions. CCR Leaders and Directors attended and spoke.
- **Metro&Us- The DEPOT, 4 June.** CCR had a stand at the Regional conference on investment in the South Wales Metro.
- **Pride Cymru 13-14 June** took place in Cardiff. CCR took part and joined in the parade. Several CCR colleagues spent the Saturday interacting with hundreds of visitors to the CCR stand.
- **Welsh London Centre, 22 June.** The CCR Chief Executive spoke on stage for the Learned Society of Wales about how innovation is truly driving opportunity in the region.
- **Japanese delegation visit, 25-26 June.** CCR welcomed a delegation from Japan with a visit to Imperial Park and a hosted lunch and dinner.

Communications Q1



9 June 2026

£134m unlocked for South East Wales as Cardiff Capital Region passes UK Gateway Review

CATEGORIES:

Cardiff Capital Region (CCR) has secured approval of its second Gateway Review, unlocking the release of £134 million in UK Government funding to support economic growth across South East Wales over the next five years.

The successful review confirms that CCR has met the requirements set by the UK Government to continue delivering its ambitious City Deal investment programme, recognising strong progress, effective governance and growing economic impact since the first Gateway Review in 2021.

CCR was established in 2017 as a partnership of ten local authorities, working with the UK and Welsh Governments to deliver a £1.2bn City Deal to drive economic growth, jobs and investment across South East Wales.

Features:

- 3 features online including articles from Kevin Gardiner on the CCR's journey and a similar article from Frank Holmes on capability and funding.
- 4 press releases including the winner of CCR's AI Innovator competition at Wales Week London and the £134m unlocked for South East Wales as CCR passes its latest UK Gateway Review.
- CCR announced its Local Innovation Partnerships Fund direction on 9 April.

Ministerial / Political Visits Q1

Q1 2026-27 Visits

- 8 June: visit by Jo Stevens MP, Secretary of State for Wales to sbarc|spark for a visit to the Antiverse team, connected to the Innovation Investment Capital funding.
- 11 June: visit by Peredur Owen-Griffiths MS and Lyn Ackerman MS to CSconnected and KLA, Imperial Park. Tour of facilities and meetings with compound semiconductor experts on site.

Future Generations Assessment Evaluation
(includes Equalities and Sustainability Impact Assessments)

Appendix 3

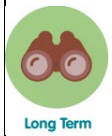
Name of the Officer completing the evaluation: Kellie Beirne **E-mail:** Kellie.Beirne@cardiffcapitalregion.gov.uk	**Please give a brief description of the aims of the proposal** Quarterly Performance Reporting
Proposal: Q1 2026-27 Performance Reporting	**Date Future Generations Evaluation form completed:** 15/9/26

1. **Does your proposal deliver any of the well-being goals below?** Please explain the impact (positive and negative) you expect, together with suggestions of how to mitigate negative impacts or better contribute to the goal.

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs	The report seeks to track performance towards CCR targets and objectives	Ongoing refinement and targeting of baseline – data, evidence, assessments and benefit realization
A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)	Discrete objectives feature as part of this work around reporting in energy strategy and responsible investing	ESG framework, risks focused on ED&I and Carbon Disclosure Project.
A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood	N/A	N/a
A Wales of cohesive communities Communities are attractive, viable, safe and well connected	This is part of the societal aims articulated through responsible investing and the revised principles of the investment strategy	

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	Monitoring performance and outcomes is about taking steps towards meeting our global economic, social and environmental responsibilities	As the work progresses on CJCs – opportunity will be taken to draw work together with that ongoing around the future Investment Strategy. Future inward investment strategy work will be part of this.
A Wales of vibrant culture and thriving Welsh language Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation		.
A more equal Wales People can fulfil their potential no matter what their background or circumstances	Having robust and progressive processes and procedures for decision making and evaluating impact of interventions is critical and our efforts in this regard must be continually reinforced and developed.	ESG focus, ED&I and macro risk of climate change and climate reporting.

2. How has your proposal embedded and prioritized the sustainable governance principles in its development?

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 Balancing short term need with long term and planning for the future	The performance framework is quarterly but is against both the annual and five-year strategic business plans. In addition, we have recently updated our Vision, Mission and Values which is detailed in the 2025/26 Annual Business Plan.	
Working together with other partners to deliver objectives	The performance framework draws on myriad partnership contributions.	

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
Involving those with an interest and seeking their views	Engagement with multiple stakeholders spanning various different panels, stakeholder groups and advisory boards has informed this process.	
Putting resources into preventing problems occurring or getting worse	The purpose of the performance framework and its continual evolution is to contribute to future proofing the CCR operating environment	
Considering impact on all wellbeing goals together and on other bodies	Having an overview of all areas of performance enables wellbeing goals and objectives to be considered in the round.	

3. **Are your proposals going to affect any people or groups of people with protected characteristics?** Please explain the impact, the evidence you have used and any action you are taking below.

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Age	The proposal is about an underpinning project monitoring framework and will not have a direct impact. However, the provision it will provide for, will all contribute to an environment where difference is celebrated and ESG, inclusion and diversity all become embedded parts of the operating environment	None arising at this time.	
Disability	As above	As above	

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Gender reassignment	As above	As above	
Marriage or civil partnership	As above	As above	
Pregnancy or maternity	As above		
Race	As above		
Religion or Belief	As above		
Sex	As above.		.
Sexual Orientation	As above		
Welsh Language	As above	Not at this time but the situation will be kept under review.	

4. Safeguarding & Corporate Parenting. Are your proposals going to affect either of these responsibilities?

	Describe any positive impacts your proposal has on safeguarding and corporate parenting	Describe any negative impacts your proposal has on safeguarding and corporate parenting	What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?
Safeguarding	Not directly relevant –however, building the future economy should have a profoundly positive impact on ability to safeguard the future of our residents		
Corporate Parenting	Not directly relevant – however building strength in the economy should create opportunities for all of the young people entrusted in our care		

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

- IIF data and evidence
- Stakeholder interviews
- IIF and Industrial Growth Plan
- IIF Review
- Highlight reports
- Risk review
- Internal audit work
- AGS

6. SUMMARY: As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?

The main positives are to do with a more professional approach to risk and embedding key principles of ED&I, ESG and sustainability. This will be an ongoing approach but it is clear that as the city deal transitions into a city region – the approach needs to flex and develop to be fit for future requirements.

7. MONITORING: The impacts of this proposal will need to be monitored and reviewed. Please specify the date at which you will evaluate the impact, and where you will report the results of the review.

The impacts of this proposal will be evaluated on:	**Q2 2026/27**