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## AGENDA

<b>Committee</b>	ECONOMY & CULTURE SCRUTINY COMMITTEE
<b>Date and Time of Meeting</b>	THURSDAY, 12 MARCH 2020, 4.30 PM
<b>Venue</b>	COMMITTEE ROOM 4 - COUNTY HALL
<b>Membership</b>	Councillor Howells (Chair) Councillors Henshaw, Gordon, Gavin Hill-John, Lay, Parkhill, Robson, Sattar and Stubbs

*Time approx.*

### 1 **Apologies for Absence**

To receive apologies for absence.

### 2 **Declarations of Interest**

To be made at the start of the agenda item in question, in accordance with the Members' Code of Conduct.

### 3 **Exclusion of the Public**

Information contained in the Appendices to the following two reports are not for publication as they contain exempt information of the description contained in paragraphs 14 of part 4 and paragraph 21 of part 5 of Schedule 12A of the Local Government Act 1972.

### 4 **James Street Regeneration** (*Pages 5 - 108*)

4.30 pm

**Appendices 2 to 7 of this report are not for publication as they contain exempt information of the description contained in paragraphs 14 of part 4 and paragraph 21 of part 5 of Schedule 12A of the Local Government Act 1972.**

Pre-decision scrutiny of report to Cabinet.

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- 5      **Land at Callaghan Square - to follow**      5.15 pm
- Appendices 2 - 5 of this report are not for publication as they contain exempt information of the description contained in paragraphs 14 of part 4 and paragraph 21 of part 5 of Schedule 12A of the Local Government Act 1972.**
- Pre-decision scrutiny of report to Cabinet.
- 6      **Cardiff Capital Region City Deal - Update** *(Pages 109 - 144)*      5.50 pm
- 7      **Forward Work Programme** *(Pages 145 - 150)*      6.00 pm
- 8      **Correspondence** *(Pages 151 - 154)*      6.10 pm
- 9      **Way Forward**      6.20 pm
- 10     **Urgent Items (if any)**
- 11     **Date of next meeting- TBC**

**Davina Fiore**

**Director Governance & Legal Services**

Date: Friday, 6 March 2020

Contact: Andrea Redmond, 02920 872434, a.redmond@cardiff.gov.uk

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CYNGOR CAERDYDD  
CARDIFF COUNCIL

ECONOMY & CULTURE SCRUTINY COMMITTEE

12 MARCH 2020

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**LAND AT JAMES STREET: PRE-DECISION SCRUTINY**

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*Appendices 2 - 7 of the Cabinet Report are not for publication as they contain exempt information of the description contained in paragraph 14 of Part 4 and paragraph 21 of Part 5 of Schedule 12A of the Local Government Act 1972. It is viewed that, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.*

**Purpose of the Report**

1. To give Members background information to aid the scrutiny of the draft report to Cabinet regarding the acquisition of land at James Street, Butetown, Cardiff, which is due to be considered by Cabinet at their meeting on 19 March 2020.
2. Members should note that **Appendices 2, 3, 4, 5, 6 and 7** of the Cabinet report are exempt from publication. Members are requested to keep this information confidential, in line with their responsibilities as set out in the Members Code of Conduct and the Cardiff Undertaking for Councillors.

**Scope of Scrutiny**

3. At their meeting on 19 March 2020, the Cabinet will consider a report that seeks cabinet approval to acquire land situated on the corner of James Street and Adelaide Street in Cardiff Bay to enable a high quality mixed-use development extending to and including the restoration and improvement of the Council owned Royal Stuart Workshops and Douglas Buildings<sup>1</sup>.
4. During this scrutiny, Members have the opportunity to explore:
  - i) The proposal to acquire land at James Street;

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<sup>1</sup> Members of the Innovation and Workshop Inquiry visited these buildings in August/ September 2018.

- ii) The proposal to acquire Mandalay House;
- iii) The proposed approach to fund these acquisitions;
- iv) The proposed approach to enable development of these sites;
- v) The implications of the proposed approach re Royal Stuart Workshops and Douglas Buildings;
- vi) Whether there are any risks to the Council;
- vii) The timeline and next steps for delivering the proposals;
- viii) The recommendations to Cabinet.

### **Structure of the meeting**

5. The Chair will move that this item be considered in two parts: an open session, where Members will be able to ask questions on the issues and papers that are in the public domain; and a closed session, where members of the public will be excluded, where Members can ask questions that pertain to **Appendices 2, 3, 4, 5, 6 and 7**.
6. Members will hear from Councillor Russell Goodway (Cabinet Member – Investment and Development) and Neil Hanratty (Director of Economic Development). There will be a presentation taking Members through the proposals and recommendations to Cabinet, followed by Members questions.
7. Members will then be able to decide what comments, observations or recommendations they wish to pass on to the Cabinet for their consideration prior to making their decisions.

### **Background**

8. In January 2020, Cabinet agreed a refreshed Capital Ambition that sets out the key priorities and commitments for Cardiff for the remainder of the administration's term. This includes a commitment to support regeneration of heritage buildings and to:  
*'writing a new chapter in Cardiff Bay's regeneration story'*.

9. The Council owned and managed Royal Stuart Workshops and Douglas Buildings accommodate 35 businesses in one of the city's most important creative clusters. A site adjacent to the workshops has remained derelict for many years and the report to Cabinet highlights that this *'presents a significant eyesore for local residents and children attending Mount Stuart Primary School and represents a significant blight on an important vehicular artery (James Street) into Cardiff Bay'*.
10. The draft report to Cabinet entitled 'Land at James Street' is attached at **Appendix A** and has **seven** appendices:
- **Appendix 1** - Site Plan
  - **Appendix 2** - Confidential - Heads of Terms (James Street)
  - **Appendix 3** - Confidential – Valuation Report (James Street)
  - **Appendix 4** – Confidential – Valuation Report (Council Land)
  - **Appendix 5** – Confidential – Heads of Terms (Mandalay House)
  - **Appendix 6** – Confidential – Valuation Report (Mandalay House)
  - **Appendix 7** – Confidential – Acquisition and Holding Costs

### **Issues identified in the Cabinet Report**

11. The report to Cabinet states, at **point 5**, that Royal Stuart Workshops and Douglas Buildings:
- 'are in need of investment to address statutory compliance issues and to maintain both the internal and external fabric of the building.'*
12. The Cabinet report states, at **point 7**, that the derelict adjacent site offers the potential to significantly extend workshop capacity as well as provide investment into the heritage buildings, as part of a comprehensive mixed-use scheme.
13. At **points 8-13**, the report to Cabinet sets out the key issues relating to acquiring the site, including relocating an electricity sub-station, providing alternative sites for affordable housing, and valuations for Mandalay House and the overall site.
14. At **points 14- 16**, the Cabinet report sets out the funding and delivery strategy, which is: to use Economic Stimulus grant provided by Welsh Government to acquire the site and Mandalay House; to market the site and the Royal Stuart

Workshops and Douglas Buildings; and to seek either a capital receipt or to retain ownership of an agreed quantum of new and/ or refurbished small business accommodation.

15. The financial implications section of the report to Cabinet, at **points 18-24**, highlight the following:

- i) A condition of acquisition is that the current land owner covers the cost to relocate the electricity sub-station, thus enabling increased density of development on the site;
- ii) A suitable revenue budget will need to be identified to fund the holding costs of the site as well as to fund the costs of marketing the site and procuring a developer;
- iii) VAT advice will need to be sought on specific proposals regarding future use of this land and the Royal Stuart and Douglas Building workshops and the impact on the Council's partial VAT exemption;
- iv) This report does not consider the costs of any potential redevelopment, the impact on Council income and additional holding costs that may arise.

### **Proposed Recommendations to Cabinet**

16. The report to Cabinet contains the following recommendations:

- (i) Delegate authority to the Director of Economic Development, in consultation with the Cabinet Member for Investment & Development, the Section 151 Officer and the Legal Officer to:
  - a) Conclude the acquisitions of the two properties set out in this report in line with the Heads of Terms included at Confidential Appendices 2 and 5.
  - b) Agree the terms and enter into an option agreement for the two replacement sites included within Confidential Appendix 4.
  - c) Deal with all aspects of the procurement of a development partner to bring forward the development of the site including the restoration of the Royal Stuart Workshops & Douglas Buildings subject to independent valuation/property advice.

## **Way Forward**

17. Councillor Russell Goodway (Cabinet Member – Investment and Development) will be invited to make a statement. Neil Hanratty (Director of Economic Development) will attend to give a presentation and answer Members' questions on the proposals detailed in the report to Cabinet.
18. All Members are reminded of the need to maintain confidentiality with regard to the information provided in **Appendices 2, 3, 4, 5, 6, and 7**. Members will be invited to agree the meeting go into closed session to enable discussion of this information.

## **Legal Implications**

19. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters, there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Scrutiny Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

## **Financial Implications**

20. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters, there are no direct financial implications at this stage in relation to any of the work programme. However,

financial implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any financial implications arising from those recommendations.

## **RECOMMENDATION**

The Committee is recommended to:

- i) Consider the information in this report, its appendices and the information presented at the meeting;
- ii) Determine whether they would like to make any comments, observations or recommendations to the Cabinet on this matter in time for its meeting on 19 March 2020; and
- iii) Decide the way forward for any future scrutiny of the issues discussed.

**DAVINA FIORE**

**Director of Governance & Legal Services**

**6 March 2020**

**LAND AT JAMES STREET, CARDIFF**

**INVESTMENT & DEVELOPMENT (COUNCILLOR GOODWAY)**

**AGENDA ITEM:**

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**PORTFOLIO: BUSINESS & INVESTMENT**

**Appendices 2 to 7 of this report are not for publication as they contain exempt information of the description contained in paragraphs 14 of part 4 and paragraph 21 of part 5 of Schedule 12A of the Local Government Act 1972.**

**Reason for this Report**

1. To seek Cabinet authority to acquire land situated on the corner of James Street and Adelaide Street in Cardiff Bay that has remained derelict for over 30 years to enable a high quality mixed-use development extending to and including the restoration and improvement of the Council owned Royal Stuart Workshops & Douglas Buildings.

**Background**

2. The regeneration of Cardiff Bay has been a core Council priority for a number of decades. The current political administration remains committed to the on-going regeneration of the Bay and to restoring and upgrading the remaining heritage assets that require investment. This is confirmed in their strategic policy vision document *Capital Ambition* which includes a commitment to “writing a new chapter in Cardiff Bay’s regeneration story”.
3. At the heart of this commitment is an ambition to secure the sustainable future of a number of the city’s important heritage assets located in the Bay. This is confirmed in *Capital Ambition* through priorities to support the regeneration of Cardiff Bay’s historic buildings and to deliver on-going support for the Council’s historic and heritage buildings. A report was presented to Cabinet in November 2018 outlining a strategic plan to secure investment into the Council owned heritage buildings. As part of this, authority was delegated to bring forward detailed plans for the Norwegian Church in Cardiff Bay. In December 2019, Cabinet agreed a loan under the Welsh Government Town Centre Loan Scheme (administered by the Council) in support of the Coal Exchange hotel development. Similar investment was made in the regeneration of the former Bute Town Station building which is now almost fully let. The

Council has been working for a number of years to encourage investment in the Corys Building/Merchant Place. In recent weeks, the site has been acquired by a developer, which will see these important heritage assets renovated and brought back into effective use.

4. In addition to heritage buildings, Capital Ambition also recognises the importance of maintaining the standard and quality of the Council's workshop estate and includes specific priorities to grow and improve the space available to encourage innovation and creative and cultural industries.
5. The Council owned and managed Royal Stuart Workshops & Douglas Buildings off James Street represent one of the city's most important creative clusters. Built in 1899 and consisting of 11,000 sq ft of low cost workshop space, the buildings accommodate 35 businesses employing a total of circa 100 people. The buildings however are in need of investment to address statutory compliance issues and to maintain both the internal and external fabric of the building.

## Issues

6. A parcel of land situated on the south side of James Street between Adelaide Street and Royal Stuart Lane extending to approximately 0.193 Ha (0.476 acres) as illustrated marked red on the site plan at Appendix 1 has remained derelict and undeveloped for over 3 decades. The site presents a significant eyesore for local residents and children attending Mount Stuart Primary School and represents a significant blight on an important vehicular artery (James Street) into Cardiff Bay.
7. The site lies adjacent to the Council owned Royal Stuart Workshops & Douglas Buildings. It offers the potential to significantly extend the capacity of the workspace available at this location as part of a comprehensive mixed use scheme that would also provide investment into the heritage buildings.
8. The site has been owned by Wales and West Housing Association since 2013. It has proven difficult to deliver a viable affordable housing scheme on the site and as a consequence the site has remained fenced off and has become overgrown and is a target for fly tipping.
9. The Council has agreed Head of Terms with Wales and West Housing Association to acquire the site on the condition that they have the option to acquire land from the Council to replicate their housing numbers elsewhere in the city as outlined in Confidential Appendix 2. Two potential replacement sites have been offered to Wales and West Housing Association and valuation reports are attached at Confidential Appendix 4.
10. The Council has appointed an independent surveyor to establish market value of the James Street site as set out at Confidential Appendix 3.
11. There is a large structure on the junction with Adelaide Street and Adelaide Place, which houses an electricity sub-station. The building is in



a poor condition. Wales and West have agreed the relocation of the sub-station elsewhere on the site to enable the redevelopment of the site and confirmation of this agreement is a condition of the acquisition.

12. At present, a small building of circa 2,000 sq ft, known as Mandalay House, is situated in between the derelict site and the Royal Stuart Workshops & Douglas Buildings. The site is illustrated marked blue on the site plan attached at Appendix 1. Terms have been agreed to acquire this property (see Confidential Appendix 5) to enable a comprehensive redevelopment to be brought forward that properly integrates a new development with the Royal Stuart Workshops & Douglas Buildings.
13. The Council has also appointed an independent surveyor to establish market value for the purchase of Mandalay House as set out at Confidential Appendix 6.

### **Funding & Delivery Strategy**

14. It is proposed that the acquisition of both properties will be funded through the Economic Stimulus grant provided by Welsh Government. There is a requirement to invest this grant money by March 31<sup>st</sup> 2020.
15. Once the Council owns the site, it is proposed to market the site and the Royal Stuart Workshops & Douglas Buildings to secure a developer to bring forward and fund a comprehensive development including the refurbishment of the Royal Stuart Workshops & Douglas Buildings.
16. It is proposed that the Council's investment in the development will be limited to the land and the Royal Stuart Workshops & Douglas Buildings. In return, the Council will seek either a capital receipt or to retain ownership of an agreed quantum of new and/or refurbished small business accommodation equivalent to the value of its investment in the development, to be confirmed by independent surveyors.

### **Reason for Recommendations**

17. To enable comprehensive redevelopment of the James Street site and the refurbishment of the Royal Stuart Workshops & Douglas Buildings, protecting the heritage value of the buildings as part of a modern mixed use scheme to support the on-going regeneration of Cardiff Bay.

### **Financial Implications**

18. This report seeks Cabinet authority to acquire land situated on the corner of James Street and Adelaide Street in Cardiff Bay. The plan is that this purchase will be funded by an award of capital funding by Welsh Government to support economic stimulus within local authorities. Conditions of the grant are such that the grant needs to be fully claimed and invested on or before 31 March 2020. Therefore, in the event that this purchase is not completed on or before 31 March 2020 then consideration needs to be given to identifying alternative expenditure that has been incurred within the year 2019/20 and meets the conditions of the grant.

Having reviewed the Capital Programme expenditure for 2019/20 there is expenditure that qualifies against the terms and conditions of the grant amounting to £1.9 million.

19. The cost of acquisition of both James Street and Mandalay House is shown in Confidential Appendix 7 and is supported by independent market pricing advice at Confidential Appendices 3 and 6. As above, the Economic Stimulus Grant has been identified as an appropriate funding source for this capital investment. In the event that the transaction is not completed within the required timescales, then Capital Programme expenditure funded by other sources will be used against the Grant, thus providing funding for the expenditure on James Street in 2020/21.
20. The Heads of Terms with Wales and West Housing Association (WWHA) attached in Confidential Appendix 2 sets out the key details of the proposed transaction. This includes an option agreement in favour of WWHA who will be able to acquire two potential Council owned sites elsewhere in the city at market value. The two option sites identified are shown within the Heads of Terms in Confidential Appendix 2 and are supported by independent market pricing advice attached as Confidential Appendix 4.
21. The independent opinion of market pricing attached at Confidential Appendix 3 assumes that a number of additional units can be delivered on the site in comparison to a pre-application planning submission made by WWHA in 2015. This is on the basis that it can increase the density of the proposed development on the site. To achieve this increased density of development it is likely that the large structure referred to in paragraph 11 of this report, which currently houses an electricity sub-station, will need to be re-located elsewhere on the site. WWHA will be required to agree to cover the costs of the relocation of the sub-station to enable the redevelopment of the site and confirmation of this agreement will need to be a condition of the acquisition.
22. The Council will need to manage the site in the short-term and ensure the costs of holding the site (security, management and maintenance) are minimised or covered by income until any longer terms plans are realised. A suitable revenue budget will need to be identified to fund these holding costs in the short term, as well as to fund the costs of marketing the site and procuring a developer to bring forward and fund a comprehensive development.
23. The VAT implications of this proposal and any impact this may have must be carefully considered ahead of completing this purchase, in particular any impact future development proposals could have on the Council's partial exemption position. VAT advice will need to be sought on specific proposals regarding future use of this land, as well as the Royal Stuart & Douglas Workshop buildings, which must be taken into account during the decision making process.
24. It should be noted that this report does not consider the costs of any potential redevelopment of either the sites due to be acquired or the Royal

Stuart & Douglas Workshop buildings, and no provision currently exists within the Council's approved Capital Programme for this purpose. Any redevelopment would also need to consider the impact on Council income and additional holding costs that may arise as a result of any redevelopment of the sites.

## Legal Implications

25. The Council has power to acquire land for any of its functions, or the benefit improvement or development of its area pursuant to section 120 of the Local Government Act 1972. The Council has further power to dispose of land pursuant to s.123 of the Local Government Act 1972 for best consideration reasonably obtainable. In light of this, the Council's Procedure Rules for the Acquisition and Disposal of Land require the advice of a professional valuer to be taken.
26. The Council has to be mindful of the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards when making any policy decisions and consider the impact upon the Welsh language and the report deals with all these obligations. The Council has to consider the Well-being of Future Generations (Wales) Act 2015 and how this strategy may improve the social, economic, environmental and cultural well-being of Wales.
27. The Well-Being of Future Generations (Wales) Act 2015 ('the Act') places a 'well-being duty' on public bodies aimed at achieving 7 national well-being goals for Wales - a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language, and is globally responsible.
28. In discharging its duties under the Act, the Council has set and published well being objectives designed to maximise its contribution to achieving the national well being goals.
29. The well being objectives are set out in Cardiff's Corporate Plan 2019-22: <https://www.cardiff.gov.uk/ENG/Your-Council/Strategies-plans-and-policies/Corporate-Plan/Pages/Corporate-Plan.aspx>
30. When exercising its functions, the Council is required to take all reasonable steps to meet its well being objectives. This means that the decision makers should consider how the proposed decision will contribute towards meeting the well being objectives and must be satisfied that all reasonable steps have been taken to meet those objectives.
31. The well being duty also requires the Council to act in accordance with a 'sustainable development principle'. This principle requires the Council to act in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs. Put simply, this means that Council decision makers must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, the Council must:
  - Look to the long term

- Focus on prevention by understanding the root causes of problems
- Deliver an integrated approach to achieving the 7 national well-being goals
- Work in collaboration with others to find shared sustainable solutions
- Involve people from all sections of the community in the decisions which affect them

The decision maker must be satisfied that the proposed decision accords with the principles above; and due regard must be given to the Statutory Guidance issued by the Welsh Ministers, which is accessible using the link below: <http://gov.wales/topics/people-and-communities/people/future-generations-act/statutory-guidance/?lang=en>

32. The Council has to satisfy its public sector duties under the Equalities Act 2010 (including specific Welsh public sector duties) – the Public Sector Equality Duties (PSED). These duties require the Council to have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of ‘protected characteristics’. The ‘Protected characteristics’ are • Age • Gender reassignment • Sex • Race – including ethnic or national origin, colour or nationality • Disability • Pregnancy and maternity • Marriage and civil partnership • Sexual orientation • Religion or belief – including lack of belief.

## RECOMMENDATIONS

Cabinet is recommended to:

- (i) Delegate authority to the Director of Economic Development, in consultation with the Cabinet Member for Investment & Development, the Section 151 Officer and the Legal Officer to:
  - a) Conclude the acquisitions of the two properties set out in this report in line with the Heads of Terms included at Confidential Appendices 2 and 5.
  - b) Agree the terms and enter into an option agreement for the two replacement sites included within Confidential Appendix 4.
  - c) Deal with all aspects of the procurement of a development partner to bring forward the development of the site including the restoration of the Royal Stuart Workshops & Douglas Buildings subject to independent valuation/property advice.

**NEIL HANRATTY**  
**DIRECTOR OF ECONOMIC DEVELOPMENT**  
**DATE 4<sup>th</sup> March 2020**

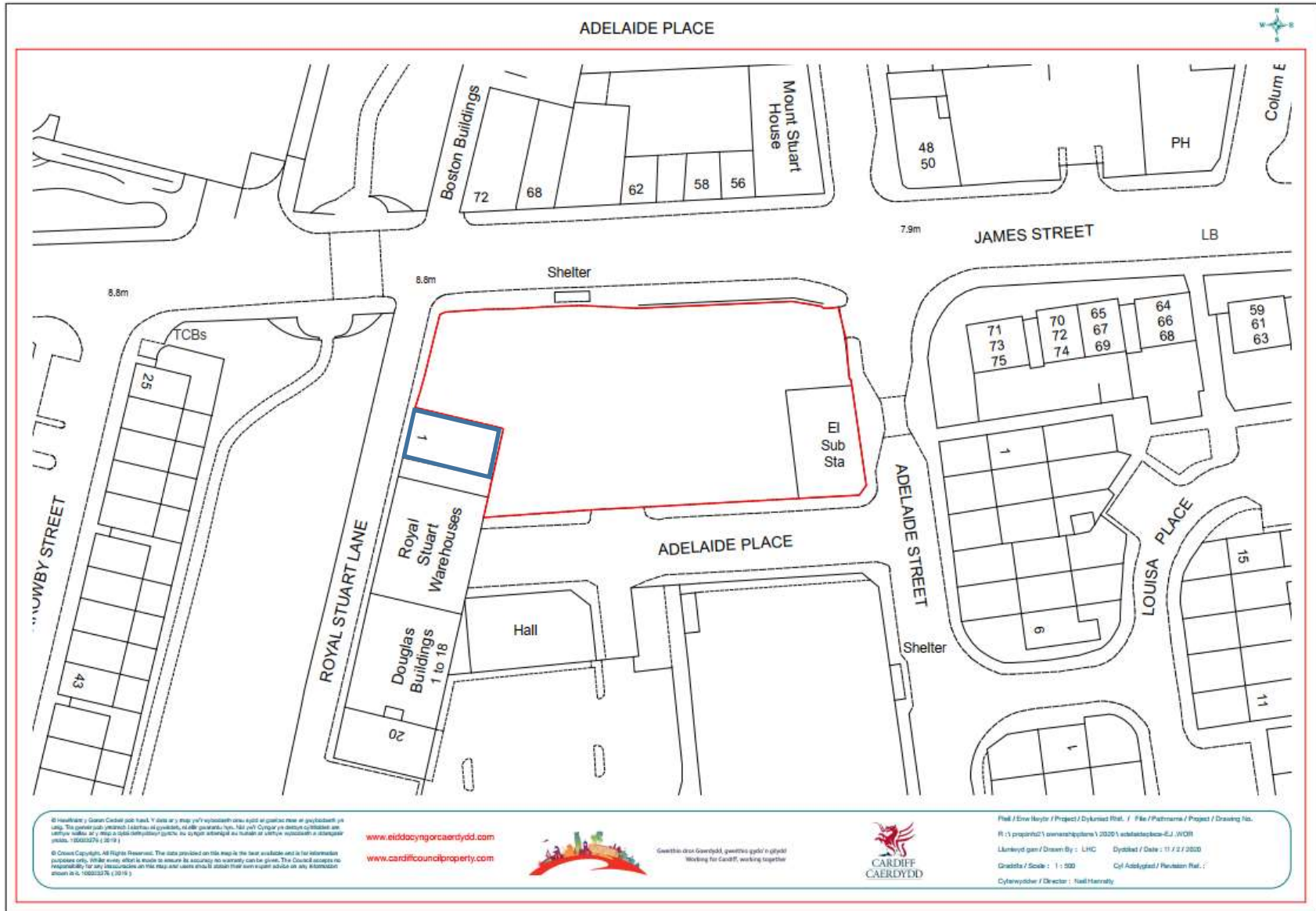
*The following appendices are attached:*

Appendix 1 - Site Plan

Confidential Appendix 2 - Heads of Terms (James Street)  
Confidential Appendix 3 - Valuation Report (James Street)  
Confidential Appendix 4 - Valuation Report (Council Land)  
Confidential Appendix 5 - Heads of Terms (Mandalay House)  
Confidential Appendix 6 - Valuation Report (Mandalay House)  
Confidential Appendix 7 - Acquisition and Holding costs

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 Working for Cardiff, working together



Plan / Enw Heol / Project / Dykuned Rhai. / Ffôn / Paffwrdd / Project / Drawing No.  
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 Llywodraeth / Drawn By: LHC Dyddiad / Date: 11/2/2020  
 Graddfa / Scale: 1:500 Cefn Aeddf / Revision Ref.:  
 Cyfarwyddwr / Director: Neil Henratty

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**CYNGOR CAERDYDD  
CARDIFF COUNCIL****ECONOMY & CULTURE SCRUTINY COMMITTEE****12 MARCH 2020**

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**CARDIFF CAPITAL REGION CITY DEAL JOINT OVERVIEW & SCRUTINY  
COMMITTEE: UPDATE**

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**Background**

1. This report provides Members with an update on recent meetings of the Cardiff Capital Region City Deal (CCRCD) Cabinet and details of the CCRCD Joint Overview & Scrutiny Committee (JOSC) meeting on 20 January 2020.
2. Members have received updates and hyperlinks to meeting papers and minutes for previous meetings, with the last update provided at Committee on 5 December 2019.

**CCRCD Cabinet**

3. The last scheduled meeting of the CCRCD Cabinet was held on 19 December 2019. The agenda and papers for the meeting are available here: <https://www.cardiffcapitalregion.wales/event/regional-cabinet-meeting-13/>
4. This meeting considered the following items:
  - a. Month 8 Revenue Budget Monitoring
  - b. Q2 Performance Report
  - c. Wider Investment Plan – Annual Business Plan 2020/21
  - d. Proposed 2020/21 Joint Committee Revenue Budget
  - e. Investment Panel Recommendations to Regional Cabinet
  - f. Strength in Place Fund – Wave 2 Eol Submission Medical Devices and Diagnostics
  - g. CCR Energy Vision and Delivery Approach – Early Work
  - h. CCR Pilot Graduate Scheme Update.
5. The next scheduled meeting of the CCRCD Cabinet is on 9 March 2020.

6. The CCRCDD has produced a month-by-month round up of its activities in 2019, which is attached for information at **Appendix A**. The Business Plan for 2020-21 is attached at **Appendix B**, which shows the areas of activity for the year ahead. This includes preparing for the Gateway Review, which is a critical step required by U.K. Government focused on ensuring fit for purpose governance and delivery, in order to qualify for release of further tranches of funding.

### **Joint Overview & Scrutiny Committee (JOSC)**

7. The last meeting of the JOSC was due to be held on 20 January 2020, with substantive agenda items as follows:
  - a. Economic Growth Partnership – Initial Industrial and Economic Growth Plan
  - b. Q2 Performance Report
  - c. Minutes of Regional Cabinet – for noting
  - d. Forward Work Programme, Training and Schedule of Meetings.
8. Meeting papers can be accessed here:  
<https://democratic.bridgend.gov.uk/ieListDocuments.aspx?CId=441&MId=3784&Ver=4&LLL=0>
9. The meeting could not be held, as it was inquorate.
10. The next meeting of the JOSC is scheduled for late March/ early April, with the exact date to be confirmed: agenda items are expected to include:
  - a. Q3 Performance Report
  - b. Regional Business Council
  - c. Supporting Enterprise and Business Growth
  - d. State of the region: competitiveness and resilience
  - e. Investment Tracker.

## **Way Forward**

11. During their meeting, Members will have the opportunity to note the update provided re the Joint Overview and Scrutiny Committee Cardiff Capital Region City Deal meeting held on 20 January 2020 and planned for late March/ early April 2020.

## **Legal Implications**

12. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters, there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Scrutiny Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

## **Financial Implications**

13. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters, there are no direct financial implications at this stage in relation to any of the work programme. However, financial implications may arise if and when the matters under review are implemented with or without any modifications. Any report with

recommendations for decision that goes to Cabinet/Council will set out any financial implications arising from those recommendations.

## **RECOMMENDATIONS**

The Committee is recommended to note the update provided on the Joint Overview and Scrutiny Committee for Cardiff Capital Region City Deal meeting on 20 January 2020.

**Davina Fiore**

**Director - Governance and Legal Services**

**6 March 2020**





The £1.3bn Cardiff Capital Region City Deal (CCRCD) is growing, maturing and beginning to scale outcomes - both in terms of its impact as an investment instrument and more importantly, in building a resilient future for the region.

Over the past year, we have laid firm foundations on which to deliver projects that will make South East Wales one of the most investable regions in the UK.

The CCRCD is distinctive in that, unlike growth or devolution deals - there are no prescribed projects. Instead, the last few years have centred around assessing the needs of the region and laying essential foundations for the delivery of projects vital to the future of South East Wales.

As we exit the 'start-up' phase and head into 'scale-up' – we are genuinely open for business – but not in a business-as-usual way. Our work to date has been an investment in maximising the ways in which industry, researchers, government and community partners can deliver.

Now, we look back at the momentous steps that have been taken towards shaping an economy that is genuinely more inclusive and meaningful to all parts of our region and the 1.5m people who live here.

**Andrew Morgan**  
Chair, CCR City Deal Regional Cabinet Committee & Leader of RCTCBC

**"Our work to date has been an investment in maximising the ways in which industry, researchers, government and community partners can deliver."**





# Q1

January to March



CCR-backed semiconductor foundry recruits first staff

Consortium secures R&D seed funding

Industrial & Economic Growth Plan unveiled

Taking the Cardiff Capital Region to 10 Downing Street

£50m Metro Plus plans revealed

MIPIM

Graduate Scheme launches

# Q2

April to June



Visit from Greater Manchester

Newport Wafer Fab completes multi-million-pound refinancing deal

Launch of Investment and Intervention Framework

# Q3

July to September



Business Council hits the road

Digital developments

Strength in Places Wave 2

Progress for Phase 1 of Metro Plus

First cohort of graduates welcomed to new scheme

Support for Bridgend

Strength and learning for the CCR team

First Chief Operating Officer for the CCR

# Q4

October to December



First meeting of the Investment Panel

First projects recommended for next steps

Metro Plus projects get the go-ahead

Graduate programme comes on leaps and bounds

FEBRUARY

## CCR-backed semiconductor foundry recruits first staff

2019 got off to an exciting start as CCR-backed compound semiconductor wafer facility IQE recruited its first staff. In its first intake, 32 highly skilled technicians and engineers began work at the high-tech facility in Newport, a key component of the world's first Compound Semiconductor cluster based in Wales.

The facility was secured by the CCR City Deal's Wider Investment Fund for £38.5 million. To date more than 98% of the roles have been recruited within our very own Cardiff Capital Region, with over 65 full time staff working at the facility.



FEBRUARY

## Consortium secures R&D seed funding

The beginning of Q1 also saw us successfully secure seed funding from the UK Research and Innovation (UKRI) 'Strength in Places Fund' to put together a full business case to build upon and grow the Compound Semiconductor Cluster here in South East Wales.

This submission was created and put forward via a consortium of ourselves, Cardiff University, industrial partners and Welsh Government.

FEBRUARY

## Industrial and Economic Growth Plan unveiled

February saw our Economic Growth Partnership (EGP) unveil our Industrial and Economic Growth Plan for South-East Wales, aimed at improving future productivity and prosperity across the region.

The plan is championing investment in four key areas: housing, transport, digital infrastructure and skills, in order to bring about the desired economic benefits across the region. This collaborative project led by the EGP has since been fully endorsed by leading business organisations such as the South Wales Chamber of Commerce, FSB, IoD and CBI.



MARCH

## Taking the Cardiff Capital Region to 10 Downing Street

Back to the UK, and CCR Director Kellie Beirne took South East Wales to the UK capital as she represented the City Deal at No. 10.

Having been personally invited, the Welsh Affairs committee made it clear that they were impressed by the approach being taken by the CCR.

MARCH

## £50m Metro Plus plans revealed

In March we unveiled our plans for £50 million programme of local transport schemes to support the implementation of the South Wales Metro. In collaboration with Welsh Government and Transport for Wales, Phase 1 of the programme could see each Local Authority within South East Wales receive a £3m share to implement schemes in their area split equally between Welsh Government and the City Deal.

MARCH

## MIPIM

In March we took this plan to the world stage as we showcased to international investors at 'Marche International des Professionals d'Immobilier' (MIPIM), an event which attracted more than 26,000 participants.

The largest property exhibition in the world, the event gave us the chance to showcase our Economic Growth Plan to a crowd that included 5,000 investors, 4,800 developers, and 500 journalists, attracting significant opportunities, as well as developing new high-value connections and networks.

MARCH

## CCR Graduate Scheme launches

To round-off Q1, we launched the Cardiff Capital Region Graduate Scheme, in a bid to enhance productivity, innovation and economic growth among businesses in South East Wales and promote the region as a destination for talented graduates.

Partnering with University of South Wales, Cardiff University, Cardiff Metropolitan University and the Open University in Wales, the one-year pilot scheme is providing targeted support for businesses to assist in creating an initial 50 graduate internships in 2019/2020.



JUNE

## Launch of Investment and Intervention Framework

Perhaps one of the most exciting developments within the entire year was the creation of our Investment and Intervention Framework, which we launched at an event at Cardiff University back in June. The framework focuses on our three priorities; innovation, infrastructure and challenge,

enabling maximum leverage of the £495 million available for investment. Our overarching goal is to improve the Cardiff Capital Region's business environment and the three priorities within the framework are all focused on attracting ambitious, transformative projects.



APRIL

## Visit from Greater Manchester

In to Q2, and the pace certainly didn't lessen. We kicked things off with a visit from our counterparts in the City Deal for Greater Manchester, which was part of the first wave of City Deals to get the go-ahead from central government back in 2012. As a project four years on from where we are now, it was great to host a collaborative idea sharing session and share our progress and plans for the future.

JUNE

## Newport Wafer Fab completes multi-million-pound refinancing deal

As part of our aspiration to create the world's first compound semiconductor cluster, Newport Wafer Fab (NWF), the UK's leading 200mm silicon chip semiconductor processing facility, completed a multi-million pound refinancing deal, involving a restructure of existing Welsh Government loans and a new asset finance facility from HSBC UK.

NWF is a critical component of CS Connected, the world's first compound semiconductor cluster and is supported by investment from the Cardiff Capital Region, organisations such as the South Wales Chamber of Commerce, FSB, IoD and CBI.



JULY

## Business Council hits the road

Throughout July, over 200 businesses came together across four events to hear from the CCR Business Council and learn more about our City Deal. Businesses were able to learn more about the work of the Regional Skills Partnership and its desire to engage employers and stakeholders to identify their current and future needs. The sessions were very useful in ensuring that business needs are surfaced, and that activity is targeted in the right areas, through the role of the Business Council as the ‘voice’ of the region.

JULY

## Digital developments

During Q3, significant decisions were made to adopt an integrated approach across the City Deal and Welsh Government to ensure that the digital infrastructure needs of the region are addressed in the most efficient and effective way. This highly collaborative approach has been fully supported by Welsh Government and the Department for Culture, Media and Sport.

As a result of these meetings, responsibility for progressing the Local Full Fibre Networks (LFFN) programme has been passed to the City Deal office to coordinate on behalf of the region.

AUGUST

## Progress for Phase 1 of Metro Plus

A framework which aims to deliver a coherent approach to improving public transport across the whole South East Wales region was ratified by the Cardiff Capital Region Transport Authority (RTA) in August. The Common Assessment Framework (CAF) will ensure that the 10 proposed Metro Plus Phase 1 schemes are not viewed as individual transport schemes, but rather a programme of enabling infrastructure to stimulate economic growth and regeneration of the region as a whole.

JULY

## Strength in Places Wave 2

In July, we were given the go-ahead to assemble an industry led project team to package together a compelling “Expression of Interest” from the UK Research and Innovation (UKRI) ‘Strength in Places Fund’ for funding in the Medical Devices and Diagnostics sector. With 6% of regional GDP coming from the Life Sciences sector, this is a really significant sector for the Cardiff Capital Region, and gives us the opportunity to demonstrate effective collaboration across industry, academia and local government. Also in July, another first, we successfully submitted our first business case to the UKRI for £43m for the strategic development of the significant CS Connected cluster.



SEPTEMBER

## First cohort of graduates welcomed to new scheme

September saw the first cohort of graduates begin their exciting new roles as part of our graduate scheme pilot and were welcomed to a launch event held at Cardiff University. By supporting businesses with recruitment, human resources and marketing, the CCR Graduate Scheme aims to release untapped graduate recruitment potential and give a platform to employers that struggle to access the graduate market.

SEPTEMBER

## Support for Bridgend

Following the sad announcement that Ford Bridgend plant is to close in 2020 with the resultant loss of 1700 jobs, we prioritised the allocation of £50,000 to support the identification and feasibility assessment of different business options.

With match funding secured by Welsh Government, it is hoped that the funding will help identify opportunities to mitigate and offset the closure of the plant, a significant economic blow to the whole region.

SEPTEMBER

## Strength and learning for the CCR team

The end of Q3 saw expansion within the team, with secondments turning in to permanent roles, and new roles being appointed, to boost our business development, project management and marketing and communications activity.

As part of the team's development, we also took a trip across the Irish Sea to visit the Belfast Region City Deal, the first ever City Deal for Northern Ireland. During a very successful visit, we shared our experiences so far and ideas for future projects.

SEPTEMBER

## First Chief Operating Officer for the CCR

In September we welcomed Rhys Thomas as the CCR's first Chief Operating Officer. Rhys is a member of the Innovation Advisory Council for Wales and a member of the Strategic Advisory Panel for FinTech Wales and is now responsible for providing strategic leadership and oversight of the City Deal Office. Rhys will also oversee the operation of the City Deal investment programme, in line with the agreed strategy, aims and direction.





OCTOBER

## First meeting of the Investment Panel

October saw the first formal meeting of the newly founded Investment Panel. The panel, made up of representatives from the business sector and local authorities within the South Wales region, will review investment proposals that will boost competitiveness and tackle inequalities within the South Wales region. The investment panel represents some of our region's most innovative thinkers as well as the voices of local councils.



OCTOBER

## First projects recommended for next steps

In a momentous step in the development of the Investment and Intervention Framework, authority was given, subsequently ratified by cabinet, to fund the move of two projects into the due diligence stage. The two projects to move forward were the creation of a transport interchange at Cardiff 'Metro Central', as well as the development of a Housing Investment Fund. This fund aims to support the creating of high-quality housing to help meet the new housing requirement of 1500 per annum set by Welsh Government.

NOVEMBER

## Metro Plus projects get the go-ahead

In an exciting development, approval was given for the release of City Deal funding to contribute to the advancement of the first two of ten Metro Plus Phase 1 projects by the Regional Transport Authority (RTA). Metro Plus centres around a diverse range of projects, spanning regeneration, town centres, housing and economic growth, with transport as the central component, and has been developed in collaboration with Transport for Wales and Welsh Government. £225k of funding has been agreed to contribute towards the creation of a transport interchange at Porth, with an additional £85k set aside to assist with the development of an East Cardiff Bus Priority and Cycle Superhighway.



DECEMBER

## Graduate programme comes on leaps and bounds

As we entered the final weeks of 2019, the CCR graduate scheme had advertised 42 placements, received 563 applications, run 8 assessment centres and had an impressive 14 graduates taken on as full-time employees. It has now been recommended to Cabinet that the very successful scheme be extended for a further 12 months and expanded.

We truly believe that within our region lies some of the most talented businesses and individuals that not only Wales, but the world, has to offer. The purpose of the CCRCD is to bring about significant economic growth in the region through investment, upskilling, and improved physical and digital connectivity.

Through some of the proposals that we have seen during the initial stages of the new Investment and Intervention Framework, it is clear just how much appetite is out there for the delivery of truly innovative projects that will benefit the region as a whole. We have also seen some of the region's most talented graduates make their mark and bring an injection of life and creativity into businesses across South East Wales.

We know the importance of keeping our stakeholders up to date, and so this newsletter will be the first of what will be a quarterly update going forward. We have an exciting agenda for 2020/21 and will be providing updates on developments such as:

- Speeding up the throughput of project applications through our Investment and Intervention Framework pipeline, and progressing projects that are approved.
- Creation of a regional investment prospectus.
- The publication of a series of 'state of the nation' reports, focusing on consolidated key facts and figures for the region.
- Updates from our attendance of the eagerly anticipated MIPIM and Wales Week in London events.
- The development of a 'challenge fund' strategy.
- Considering the creation of a co-funded SME investment fund.
- Turning our energy vision into a solid programme of work – we are currently working with Welsh Government to formulate this, and have recently asked the public to come forward via social media with initiatives for us to consider.

As we move in to 2020, our targets remain front and centre: GVA growth, high skills jobs, private leverage and economic inclusion. Now that the groundwork has been laid, we look forward to a period of 'making things happen' and sustained growth and investment for the Cardiff Capital Region and the individuals and businesses that make South East Wales such an exciting place to live and work.

**Kellie Beirne**  
Director, Cardiff Capital Region City Deal

**"As we move in to 2020, our targets remain front and centre: GVA growth, high skills jobs, private leverage and economic inclusion."**



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The £1.3bn Cardiff Capital Region City Deal (CCRCD) is growing, maturing and beginning to scale outcomes - both in terms of its impact as an investment instrument and more importantly, in building a resilient future for the region. The CCRCD is distinctive in that unlike growth or devolution deals – there are no prescribed projects. Instead, the last few years have been characterised by laying essential foundations in terms of a credible evidence base; developing an industry-led growth plan; establishing an ‘evergreen’ investment framework and mobilising the wider resources, assets and local and global partners, to create the conditions for sustainable delivery and success.

All this means that as we exit the ‘start-up’ phase and head into ‘scale-up’ – we are genuinely open for business – but not in a business-as-usual way. Our work to date has been an investment in maximising the ways in which industry, researchers, government and community partners can deliver. This has been embedded in an approach that feels right and authentic for our region. We are committed to shaping an economy that is genuinely more inclusive and meaningful to all parts of our region and the 1.5m people who live here.

Our targets remain front and centre: GVA growth, high skills jobs, private leverage and economic inclusion and, now we have a framework that makes sense of sectoral priorities and has proper regard to place, we are positioned to ramp up delivery right across the Cardiff Capital Region (CCR).

This pivotal Investment and Intervention Framework, was launched in June 2019, in close collaboration with our Regional Economic Growth Partnership. This signalled a workable framework to guide investment, apply criteria and assess the quality, scope and impact of the schemes we want to support. With an infrastructure, innovation and challenge fund now all in operation, we have created a system-wide approach. With our commitment to strengthening priority sector ‘clusters’, this year has seen CCR directly involved in and

supporting more proposals to UK Research and Innovation (UKRI) than before. Key to this has been a sense of focus, mobilising wider resources and putting ‘money in’ before ‘money out’ to build competitiveness and confidence.

Both of which are needed in greater supply than ever before. Post-cessation of EU funds, there is little doubt that CCR will be required to compete for not just UKRI investment; but potentially, successor EU funds. With the prospect of a stronger connection between CCR and the SW of England through the Great Western Gateway, there are opportunities to build scale around the prospects that will best serve the CCR economy and community. There is a real opportunity for this to be reinforced and supported through new statutory joint committees and reporting set to be enabled by WG which will cement accountability and good governance.

The Business Plan for 2020/2021 doesn’t thus just come at a time of political change and economic flux – but in the year leading up to our first Gateway Review. We hope that our thoughtful approach to laying the foundations for delivery of the right outcomes – and not just the easy ones – will be recognised. As political leaders of 10 local authority areas, we stand firm as a network and stand together as trusted partners with a commitment to the future of the Cardiff Capital Region.

**Andrew Morgan**  
Chair, CCR City Deal Joint Cabinet  
Committee and Leader RCTCBC



## Market and Policy Context

This business plan marks the fourth Annual Business Plan of the Regional Cabinet, in respect of the activities it will progress through the Wider Investment Fund (WIF) – the last Plan being approved in February 2019. The WIF totals £495m and consists of HMT grant funding in the order of £375m over 20 years and Council contributions of over £120m. The Annual Business Plan must be prepared in the context of the overarching five-year Joint Working Agreement Business Plan, which was approved by Regional Cabinet in February 2018 and all ten Councils in and around March 2018.

As the fourth iteration of the Annual Business Plan, the format and structure is in keeping with the evolution of the City Deal programme and its priorities and critical success factors. This takes into account, the evidence base and better data; the context of the regional Economic and Industrial Growth Plan, the Investment and Intervention Framework, the City Deal office team and resources and the emergent policy agenda.

## Our Challenges

The challenges to which City Deal must respond are well documented and understood. In brief they include:

- Low levels of competitiveness and productivity
- Low levels of R&D investment and intensity
- High growth and competitiveness areas cheek by jowl with some of the most deprived and impoverished places in the UK
- Dependency mind-set has limited choices and eroded self-esteem

## Our Policy Backdrop

With deadlock over exiting the EU, cessation of EU funds and establishment of a successor fund (Shared Prosperity), the focus on maintaining the Union and now upon us, a General Election – there are multiple complex factors shaping the macro-domestic policy agenda.

At a Wales-level, devolution offers opportunities and presents challenges – all of which have to be managed amidst a turbulent backdrop. The EU-exit impasse and continued fiscal and economic uncertainty looks set to be a continuing feature. Added to this, is the new tax-raising power regime introduced in Wales. Whilst this almost certainly brings opportunity, it brings challenges too. Like City Deal, it is predicated on GVA growth at a time when well-being and GVA alternatives are being supported and promoted.

The mood music is further influenced by public service reform via proposed new Statutory Joint Committees, national frameworks and regional delivery; assessments of the quality of economic governance (The Organisation for Economic Co-operation and Development {OECD}) and the more recent emergence of a UK Government-led venture ‘The Great Western Gateway’.

Our role is to continue to deliver in the midst of trying to making sense of this ever-complex and dynamic environment.

The growing governance and political maturity of CCR offers something of a buffer to this external change. That is not to say its heads down – heads are up, informing, shaping and engaging – but also staying focussed on core priorities and aims. It could be easy to become distracted. It is harder but necessary to lock-in, finish what has been started and stay true to the commitments made. CCR continues to show ambition and whilst it has to have regard to risk and issues – it will not be paralysed by them.

Ensuring no-one gets left behind – across the ten local bodies that enact and deliver this City Deal and in the ten communities that are represented in this programme – continues to inspire our strong sense of shared purpose

## Economic Inclusion by Design – Not Default

We continue to design and iterate aspects of our operating model. This is in response to the significant shifts, changes and disruption seen both locally and in the world around. From huge shifts in domestic and global politics with Brexit, global trade wars and a turbulent global political backdrop – the operating environment is complex and working effectively within it, requires the ability to respond to tough challenges. Overall, the region in 2018/19 has seen some of the highest levels of relative GVA growth in the UK. However parts of the region remain stubbornly low in competitiveness with the UK Competitiveness Index showing Blaenau Gwent and Merthyr remaining at the bottom.

It is for this reason, the approach taken through the Regional Economic and Industrial Plan and the Investment and Intervention framework, is focussed on what we will do – but perhaps most importantly – where we will do it. Sustainable, inclusive and distributed growth is a key aim, ensuring we make sincere attempts to share and spread prosperity.

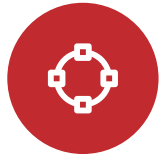
The introduction of a challenge fund, to drive experimentation, R&D and to ensure better answers are informed by better questions is key to this. Compatible with the ‘economic contract’ introduced in the Economic Action Plan by WG and the four grand challenges of the UK Industrial Strategy (Clean Growth, Future of Mobility, Ageing Society and AI and Data) – CCR could play a pioneering role in shaping and solving the big industrial and societal challenges of the day.



**Building Clusters and Eco-Systems**

The ‘Priority Sectors’ work and the Industrial Growth Plan has informed a focus not just on the key sectors present in the CCR, but on the opportunity to develop the ‘eco-system’ environment in which companies, firms, the research base and entrepreneurs can connect, inter-act and spur each other on.

**Key Principles**



**Cohesion**  
Policy collaboration and delivery partnerships ensuring that there is cumulative impact to the range of investments and interventions delivered by the City Deal.



**Economic Inclusion**  
Creating opportunity for all and to distribute the dividends of increased prosperity fairly to encourage and enable participation in the economic life of the region.



**Leverage**  
Maximise the City Deal investments by attracting co-investors with complementary funding and resources.



**Scale**  
Limited number of significant interventions, rather than a disparate range of loosely connected small-scale activities.



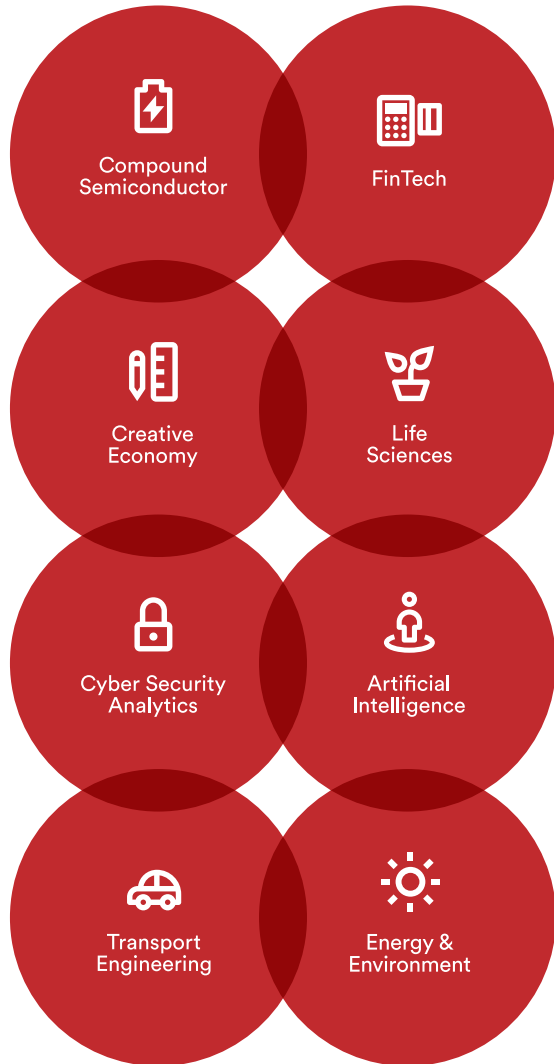
**Ecosystem Development**  
Supporting the development of a strong economic and innovation ecosystem to deliver the plan and develop clusters of excellence within our region.



**Return on Investment**  
Demonstrable impact and benefit will be expected from all investments and interventions.



### Priority Sectors



### Investment and Intervention Framework

Having this clarity of purpose and focus is critical to the way in which the Investment Framework, assesses, evaluates, prioritises and operates. The Investment Panel has been established as an advisory board to provide further assurance and safeguards for Regional Cabinet – the ultimate decision-makers in the process.

The Investment and Intervention Framework was established to close the gap in the Assurance Framework and provide a tool-kit through which to guide operation of the Wider Investment Fund.

In brief, it provides the core mechanism through which CCR will do its business and achieve its targets, preventing speculative and misaligned 'applications' and giving confidence that operations are strategic, independent and evidence-based.

Without such an approach it is impossible to 'size the wider pot' and think beyond the £495m Wider Investment Fund and build a growing portfolio approach.



**Investment Guidelines**

Investment Priority	CCR Targets	ROI	Audience	% Investment (Indicative)	Indicative Range	Investment	Leverage
 <p><b>Innovation</b> Unique IP/Market Leadership</p>	Jobs, growth and investment leverage	Direct	<ul style="list-style-type: none"> <li>— Private sector led</li> <li>— R&amp;D Organisations</li> <li>— HE</li> <li>— FDI</li> </ul>	10-30%	£15-£50m	Repayable Instruments	<div style="background-color: #e67e22; color: white; padding: 10px; text-align: center;">Leverage</div> <div style="background-color: #f39c12; color: black; padding: 10px; text-align: center; margin-top: 10px;"> <b>Enhance Productivity and Economic Inclusion</b> </div> <div style="background-color: #f39c12; color: black; padding: 10px; text-align: center; margin-top: 10px;"> <b>Reduce Economic Growth Inhibitors</b> </div> <div style="background-color: #f39c12; color: black; padding: 10px; text-align: center; margin-top: 10px;"> <b>Address Industrial Challenges and Place Based Disparities</b> </div>
 <p><b>Infrastructure</b> Foundations to enable private sector success and Civic Benefit</p>	Leverage, jobs and indirect growth, address economic disparities	Indirect	<ul style="list-style-type: none"> <li>— Public Sector led</li> <li>— Public-private schemes</li> <li>— FE &amp; HE (skills)</li> </ul>	10-50%	£10-£50m	Repayable through fiscal levers, income streams, gain share, other socio-economic benefits	
 <p><b>Challenge</b> Competitive, aligned to CCR Priorities</p>	New market creation, shaping places, IP Commercialisation, Addressing identified regional challenges and priorities	Enhanced	<ul style="list-style-type: none"> <li>— Innovation intensive businesses</li> <li>— HE/FE</li> <li>— Social Enterprise</li> <li>— Foundational Economy</li> </ul>	10-50%	£2-£10m	Repayable and/or risk investment returns	

### Self-assessment Against a 10-Point Plan

In 2019/20, a 10-point plan was set out to evolve CCR City Deal. A full self-assessment and report on progress against these aims and objectives, corresponding with the goals and targets set out in the 2019/20 Business Plan is appended. In brief however, key areas of success against the ten priorities can be summarised as follows:



## 1

### A focus on data and evidence (sectors and place) guiding direction & decision-making:

- 3 main reports commissioned, received & published – Priority Sectors (Connected), State of Region (Competitive) and Economic Inclusion (Resilient)
- Data dashboard in development
- Adopted National Evaluation Framework, developed and agreed locality evaluation framework and received first Baseline Report
- 2 KESS PhD studentships in data science and analysis secured
- LEV, EV, Taxi and on-site renewables studies for Metro Plus

## 2

### A regional Industrial Plan. Setting out competitive strengths and strategic interfaces:

- Business-led Regional Economic & Industrial Growth Plan
- Launched locally, nationally & internationally
- Endorsed by Cabinet, CBI, IoD, FSB and Chambers
- Embeds sectors, clusters and place

## 3

### Delivery Pipeline and Investment framework – quality deal-flow:

- Development of Investment and Intervention Framework
- Establishment of three funds – Innovation, infrastructure and challenge
- Evergreen, co-investment and leverage
- Establishment of Investment Panel
- Common Assessment Framework

4

### Good governance – building a network & using skills and assets in the right places:

- Regional Skills Partnership hosted by Newport for region
- Second business plan produced by Regional Business Council
- Delegation provision to Regional Transport Authority for Metro Plus
- Performance reporting, business planning and logics model for Gateway Review aligned
- WAO 2019/2020 governance report 'good'
- Investment Panel, Programme Board and Regional Investment board synced

5

### Building a new Office of the City Deal:

- Created City Deal office
- New structure proposed agreed and funded
- External secondment opportunities – CS Connected and Innovate UK
- Website updates
- Re-located in Tredomen – branded and clear identity

6

### Influence & Leverage:

- UKRI board relationships and representation
- Partnership with Global Welsh
- Input to Wales Office in London – branding and identity
- Wales in London Week and Network
- Great Western Gateway participation
- Ser Cymru and Royal Society brought to Wales
- Knowledge networks with UK regions
- Contributions to networks, groups, conferences, panels and events

7

### Develop industrial and local leadership:

- REGP leadership of evidence base, Industrial Plan and Investment Framework
- Business engagement improvement with sectors and clusters and SIF sectoral bids
- Business events and workshops
- Social media strategy and sentiment improvement

8

### Develop the challenge, investment and mission focus:

- Development of a Challenge Fund
- First challenge prize in development
- SBRI/ Govtech
- Submission to WEFO P5 – challenge fund
- Faraday, Energy Revolution and support for Bridgend



9

**Strategy for Internalisation:**

- Contributions to WG International Strategy
- Sponsorship and participation in Wales in London Week
- Participation at MIPIM 2019
- Co-developed and delivered sessions with Dept. for International Trade
- Participation in Vanguard and Manumix
- CS Connected US, British American project & Xiamen and Singapore

10

**Building a City Region:**

- Governance maturity – SDP, skills and Valleys Regional Park
- High volume of external investment submissions
- Investor relationships building and growing
- Early work commenced on fiscal levers



### CSC Foundry

Investment into our new compound semi-conductor foundry in Newport is going well. The facility is now in production with qualifications for new customers underway and the UK Government backed Catapult Centre has moved in and is open for business. Financial drawdown on the CSC Foundry programme now stands at £33m of the total project investment of £37.9m. To date 65 new jobs have been created at IQE with a further 545 existing positions safeguarded at IQE and NWF as a result of the project. A total of 259 indirect jobs have been created off the back of the foundry through local supply chain and household effects, with particular impacts in the construction and higher education sectors and the catapult, along with the creation of a further 8 apprenticeship opportunities.

Advanced electronics will be one of the most important features of global economies going forward in the region and we are pleased to see our regional cluster developing apace, with a further 697 jobs indirectly supported to date within the semiconductor sector in SE Wales since the commencement of the Foundry.

As of Oct 2019 it is estimated that IQE supports direct and indirectly around £22m of Welsh GVA and with much of this supported in the Cardiff City Region. Over the same period the wider semiconductor cluster has estimated to support direct and indirectly around £158m of GVA. The commercial fundamentals of the sector are strong and we are fortunate to have so many good companies in this area with the potential for further job creation and enhanced GVA support for the region.

### Metro Plus

Metro Plus has an approved Strategic Outline Case (SOC) and schemes are now moving towards final stages of WelTAG with delegations for funding approvals to the Regional Transport Authority. The Common Assessment Framework has been approved

and the first schemes came forward for early funding approvals in November 2019 (Cardiff, RCT and Monmouthshire). It must be borne in mind however, that given the co-fund is Local Transport Funds – which are annualised and thus, time limited – priority will clearly be given to utilising this up-front to ensure maximisation of available resources.

### LEV Strategy, Taxi Strategy and Infrastructure Charging Models

Informing and shaping the above, reports commissioned on LEV Strategy, Taxi Strategy and Infrastructure Charging Models are complete. The Taxi Strategy was approved by the RTA in November. Discussions are taking place with Transport for Wales and the UK Government's Electric Vehicle Infrastructure Investment Fund (managed by Zouk Capital) regarding development of a regional gain-share model. The Energy Savings Trust has further allocated £80k to CCR to support energy systems modelling work which is currently underway to underpin the development of a Clean Growth Challenge.

### Graduate Scheme

The one year prototype on the Graduate Scheme is underway with 42 placements being advertised on behalf of local businesses across the region to date. The anticipated take up of graduate employment by April 2020 is 50. Against a revenue outlay of £175k the private sector leverage achieved to date is £1.4m. This equates to £8 private sector leverage for every CCR £1 invested.

### Local Full Fibre Network

A Local Full Fibre Network submission to the Department of Digital Culture, Media and Sport (DCMS) to the value of c£7m has been secured on a CCR-wide basis

### Cardiff Metro Central Interchange

The c£200m Cardiff Metro Central Interchange project is underway linked to the comprehensive redevelopment of Central Square and the Southside Quay area of the City. In principle Outline Business Case (OBC) approvals were given by Department for Transport in September 2019, enabling City Deal to release further feasibility funds to support full business case development.

### CS Connected

A c£45m final business plan submission was made by CCR consortium as a seed-corn fund recipient to UKRI's Strength in Places Fund for the build-out of the CSC Cluster through CS Connected.





### Diagnostics and Devices Cluster

Similarly, Expressions of Interest have been made by CCR industry-led consortium (led by Creo Medical and Cardiff University) for a medical Diagnostics and Devices Cluster (£40m) to Strength in Places fund with further submissions supported by CCR on Creative Cluster (£20m) and Cyber (£30m) – hence covering a number of priority sectors.

### Welsh European Funding Office (WEFO) Building Institutional Capacity Bid

A £8m bid to WEFO's Building Institutional Capacity has been submitted by CCR, Cardiff University and Nesta to support innovative future service delivery in public services (InFuSe).

In relation to the Investment Framework Delivery Pipeline, the current status as at December 2019 is as follows:

Informal Engagement	Project Pipeline		28 known projects covering a range of areas across the investment priorities
	Sift Questionnaire		15 sift questionnaires received and are at stage 1a or 1b: FTTP Project - 300k premises, Public Services Testbed, Centre for Neurology, FTTP projects x2, Life Sciences Park, Aquaculture services, Tidal energy project, U220 project, Moving Forward project, 5G Testbed, AI and Data Science Centre, CS campus & CS Connected, SME Competitiveness & Co-fund
Formal Engagement	CCR Cabinet Notification		
	Investment Officer & Investment Panel Review		3 projects currently in this phase: Metro Central, Core Valley Lines fibre project, and Strength in Places - CS Connected
	CCR Cabinet (Proceed/Reject)		
	Due Diligence		4 projects currently in this phase: Housing Catalyst Fund, Metro Plus (+ EV renewables), CCR Graduate Placement Scheme, and LFFN DCMS scheme
	Investment Panel		
	Regional Economic Growth Partnership		
	CCR Cabinet		
	Legal Completion		1 project currently in this phase: CSC Foundry





Our focus for 2020 is on realising the potential of the pipeline. We have 4 areas of focus:

1. Progressing funded projects in delivery

CSC Foundry	£37.9m	(£412m inc. £375m of private sector leverage)
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2. Progressing projects from Strategic Outline Case approved by Cabinet to Legal Completion

Project	CCR Investment	Total Project Investment/ Value
Housing Catalyst Fund	£15-30m	£30-60m
Metro Plus	£15m	£50m
Graduate Scheme	£175,000	£1.65m
Cardiff Metro Central	£40m	£200m
Core Valley Lines Fibre	£3.5m	£7m
Strength in Places for CS Connected	£3.5m	£45m
	<b>Total £77.2 - 92.2m</b>	<b>Total £333.65 - 333.65m</b>

3. Reviewing the 15 Sift Questionnaires and commencing the Investment Framework process as appropriate. However given the criteria imposed by the framework and the requirement to ensure we invest in the right projects, the ones that have the best chance of meeting the city deal requirements, we anticipate that many will not make the cut. (NB the indicative combined range of project values at this stage of the pipeline is c.£550m to £600m).

4. Working with the 28 projects in the top of the pipeline and bringing forward 3-6 for formal consideration.

From the National Evaluation Framework, CCR working with SQW, has agreed and approved a Local Evaluation Framework and from this, the first Baseline Report was received and endorsed by Regional Cabinet in June 2019. The report establishes a contextual economic forecast and, that the CSC project will be the core focus of the deep-dive impact work to inform the ‘One Year Report’ prepared by SQW in the year leading up to Gateway Review. It further presented evidence and early views around capacity development and partnerships.

**Key messages in respect of the CSC project stated:**

- The project is well underway, albeit spend to date is lower than projected – but this is starting to change
- The project is bigger than the Foundry and is about the potential for the Cluster
- Job creation is underway and targets are catching up with new roles being created
- Clarification is needed on jobs safeguarded

**In terms of capacity building and partnerships, stakeholder feedback key messages included:**

- General view that CCR City Deal and the Wider Investment Fund HAS had a positive impact on local economic development capacity
- Design of the Wider Investment Fund is important in driving demand, better evidence and decision making
- Scope exists for further engagement - particularly with businesses. Engagement with civic society is also referenced
- There is a sense the story is positive but it not widely promoted
- It remains *‘early days for the Wider Investment Fund: partnership and capacity has grown as a result, but as one consultee pointed out, the Compound Semiconductor project is just the first investment in what will need to develop as a wider transformational programme’.*

The work to inform the one-year out report was due to start in December 2019, which signals the ‘cut-off point’ for evidence and information. However SQW has brought this forward and work commenced in September 2019.

Whilst the CSC Project is the substantive project in delivery, key messages must now be reinforced around the fit for future framework City Deal has in place in order to scale-up growth and development of the programme. In addition, key points and issues about the process have been fed through to the UK Government’s Local Evaluation Steering Group. These include the importance of recognising the need to build strong foundations for

delivery, prioritising the right and not – random – projects; the importance of money-in, leverage and money out – as opposed to ‘spend’ assessments and risk profiling expenditure to place a focus on drawing down co-invested funds – which are often time limited – ahead of City Deal investment. In the CCR context, the significance attached to financial ROI and a revolving fund has also been reinforced given it enables scale, deeper impact and reinvestment.

To inform the ‘what to expect’ from Gateway 1 approach, visits have also been made to City Deals currently going through the Gateway process – Greater Cambridgeshire Partnership and Glasgow City Deal.



In October 2019, Regional Cabinet held a planning and development day. The purpose of this was to reflect, take stock and prepare and plan for the next year and the medium-term.

**There are a set of emerging clear principles which overarch the objectives, issues and priorities set out below, by Regional Cabinet:**

- From start-up to scale-up – we have laid strong foundations and targeted delivery of the Investment Framework pipeline is the clear priority
- We will be Gateway Ready and will tell our story in compelling and evidence-rich ways
- We will influence and engage to leverage further opportunity, investment potential and partnerships
- From City Deal to City Region. We will begin to shift our efforts and commitments beyond a funding programme to building the future of the region

**The key issues, challenges and objectives were considered and prioritised:**

- The backdrop of emergent regional development structures and the priority that should continue to be afforded to good governance around ‘one member, one vote’;
- Recognition of the strong foundations built by City Deal, stable and maturing political leadership and making progress with influencing bodies such as Innovate UK in proactively seeking new investment;
- Potential for cohesion and strengthening the regional framework built by City Deal through a new statutory Joint Committee for the Economy (post April 2021), through which to drive wider investment, policy and local priorities;
- Opportunity to co-deliver the Shared Prosperity Fund through such mechanisms with Welsh Government and to broaden the scope, remit and influence of bodies such as the Regional Economic Growth Partnership;
- In the light of Climate Crisis declarations – to prepare a comprehensive plan, vision and mission for energy and clean-growth;
- Ensuring wider CCR partnerships are fit for future purpose in this context and ahead of Gateway 1, reviewing and assessing their impact;
- Reinforcing the ‘no-one gets left behind’ principle and the importance of City Deal being for all ten areas;
- Importance of ensuring City Deal isn’t just doing ‘more of the same’ – but demonstrating how it is uniquely placed to solve problems the market won’t;
- Addressing the current gap around public engagement and doing more to involve and engage communities at a grass roots level;
- The need for a comprehensive communications plan that addresses both internal and external issues with a regular newsletter;
- Planning ahead – taking longer-term view and beginning to establish plans and infrastructure proposals for the future – now. This will be especially important for sustainable transport;
- The need to complete the ‘trilogy’ of the Industrial Growth Plan, Investment Framework and Investment and Opportunity Prospectus, through establishing the latter. This will help bring together the work on digital, housing, sites and premises and skills. It will also help drive focus on under-utilised assets such as the HoV Road;
- Maintaining and strengthening the focus on inclusive growth and economic inclusion as a core aspect of both narrative and delivery – showing through doing a commitment to sharing and spreading prosperity. Driving productivity in the foundational economy is key to this and development of alternative GVA metrics;
- Developing our approach to priority sectors and clusters – as the basis from which to drive the longer-term strategic approach – and building upon the good work done on CS Connected and Medical Devices and Diagnostics and building the skills work around this;
- Bringing to life the ‘challenge fund’ with thematic calls and priorities and in particular, reinforcing the focus on SME growth;
- The need for synergies across programmes – in particular public investment funds that operate in the region – Valleys Task Force, Development Bank Wales funds & Tech Valleys are key examples which underline the need for better co-ordination; and,
- Ensuring programme impact is in line with the Investment Framework and has regard to place and local priorities – this will help ‘build in’ equality and recognise the limit and constraints of agglomeration in our region.

In 2020/21, the WIF will support, directly and indirectly, the following areas of activity:

## Connected. Competitive. Resilient.

**To grow a competitive, connected and resilient economy and establish CCR as a place where prosperity is shared and wealth and wellbeing are compatible goals**

**As measured by core City Deal Requirements:**  
5% GVA Growth · Leverage of £4bn · 25,000 new high skill jobs

**Additional Requirements:**  
Demonstrate inclusion and contribute to inclusive economic growth

### Rooftop Objectives and Key Results 2020/21

- 1 Leveraging the foundational capacity and resources in place to optimise pipeline throughout & delivery
- 2 Gateway ready - Telling the story
- 3 Influence and engage to leverage new partnership & investment opportunity
- 4 Beyond City Deal - Building the future of the region

**Ready to Scale  
Delivery Pipeline**

- Improve quality deal-flow through ensuring investor readiness
- Accelerate pipeline decision making and throughput
- Expedite delivery of approved projects
- Provide expert implementation resource to facilitate effective delivery
- Introduce an implement a test, evaluate & iterate methodology
- Provide Eco-system support for priority clusters

**Gateway Ready  
Evaluating Progress**

- Produce a robust self-evaluation of progress and activity to date
- Progress the creation of an In-house data and intelligence hub
- Conduct a Partnership fitness check
- Conduct a self-assessment of governance practices and procedures
- Review team capability & capacity to ensure fit for purpose

**Influence and Engage  
Leverage New Potential**

- Tell the story - Research and develop fresh new communications content
- Produce an Investment & opportunity Prospectus
- Endeavour to secure more UKRI & external investment into the region
- Introduce targeted business development activity
- Consider an international outlook

**Beyond City Deal  
Building the Region**

- Develop a one region ethos and approach
- Introduce a Statutory Joint Committee for economy
- Develop a suite of fiscal levers
- Co-develop a Climate Vision and Mission statement

## 2020/21 Annual Business Plan - Budgets and Funding Strategy

Regional Cabinet have made a number of decisions to date, which have resulted in commitments against the Wider Investment Fund (WIF) in 2020/21 and beyond. Table 1 outlines the proposed 2020/21 budget and to assist with medium planning, the indicative budgets to financial year 2023/24 are also set-out, along with the proposed funding strategy over this period.

Table 1: Proposed 2020/21 Wider Investment Fund Budget and Indicative Budgets to 2023/24

Indicative Programme Expenditure	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
Wider Investment Fund Top Slice	742.5	742.5	742.5	1,485.0
Approved Projects - Revenue*	161.0	0.0	0.0	0.0
Approved Projects - Capital	1,381.6	0.0	0.0	0.0
Future Revenue Projects	2295.5	1,000.0	1,000.0	1,226.1
Future Capital Projects	57,435.0	42,964.0	45,663.0	63,878.0
Revenue to Support Capital Projects	0.0	0.0	0.0	4,323.1
<b>Total Investment</b>	<b>62,015.6</b>	<b>44,706.5</b>	<b>47,405.5</b>	<b>70,912.2</b>
<b>Funded by:</b>				
HMT Contribution (Revenue)	(2599.0)	(1,742.5)	(1,742.5)	(7,034.2)
HMT Contribution (Capital)	(0.0)	(22,000.0)	(22,000.0)	(22,000.0)
<b>Total HMT Contribution</b>	<b>(2599.0)</b>	<b>(23,742.5)</b>	<b>(23,742.5)</b>	<b>(29,034.2)</b>
Council Contribution	(15,490.9)	(7,963.7)	(7,963.7)	(11,466.0)
CSC Loan Funding Repayment	(1,800.0)	(1,854.0)	(4,553.0)	(4,689.0)
Temp Borrowing 'Cost of Carry'	(42,125.8)	(11,146.3)	(11,146.3)	(25,723.0)
<b>Total Funding</b>	<b>(62,015.0)</b>	<b>(44,706.5)</b>	<b>(47,405.5)</b>	<b>(70,912.2)</b>

\*NB: assumes approval of extension to the Graduate Scheme.



### WIF Top-Slice Budget

Regional 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 equates to an annual budget of £742,500, the details of which are outlined in Table 2.

**Table 2: Proposed 2020/21 WIF Top-Slice Budget**

	£
Contribution to Joint Committee Revenue Budget	151,166
Regional Economic Growth Partnership Support	16,000
MIPIM Costs	70,000
Regional Business Council	24,100
Project Pipeline Support	481,234
<b>Total</b>	<b>742,500</b>

Regional Cabinet has approved 'In-Principle' commitments in respect of a number of projects to date. These projects are in the process of developing their business cases for in-line with the Investment and Intervention Framework (IIF). The financial commitments associated with this work will be largely met from the budget outlined above.

Regional Cabinet, at its meeting 12th February 2018, delegated authority to the

Joint Committee's Section 151 Officer (in consultation) to establish an appropriate mechanism for managing Programme Development & Support resources (both on annual and cumulative basis) within the 3% cap previously agreed.

The purpose of this mechanism is to provide additional resources in-year to supplement the annual £742,500 budget, where required. Current projections indicate that cumulative resources amounting to £1.522 million will be available to support the Programme Development & Support budget at the beginning of 2020/21.

### Approved Projects

The 2020/21 Annual Business Plan will also need to meet the Year 3 costs of the approved Compound Semi-Conductor Foundry Site which have been slipped forward from the previous year. These are budgeted at a cost of £1.382 million and consist of project delivery and implementation costs. In addition, the 'Approved Projects' budget line also includes revenue expenditure in respect of the extension of the Graduate Pilot Scheme, which is the subject of a separate report to Regional Cabinet at its meeting of the 19th December 2019.

**Table 3: 2020/21 Budget - Approved Projects**

	£'000
Graduate Pilot Scheme (Revenue)	161.0
CSC Foundry Site Funding (Capital)	1,381.6
<b>Total</b>	<b>1542.6</b>

### Future Revenue and Capital Projects – Indicative Allocations

The Annual Business Plan also includes indicative allocations in respect of future revenue and capital projects which may come forward during the year. However, approval against these allocations is subject to meeting the requirements of the IIF.

An indicative budget of £1.856 million has been included in respect of new revenue expenditure, whilst the capital allocation amounts to £57.435 million.

At its meeting of the 15th January 2018, Regional Cabinet made a decision to preserve the HM Treasury revenue funding. This amounts to £40 million over the first four years of the fund to 31st March 2020. Therefore, whilst the indicative sum included within the Annual Business Plan for new revenue projects is just under £2 million, Regional Cabinet have the ability to increase this sum (if required), by approving further HM Treasury grant funding during the year, providing always that funding terms and conditions are met.

### **Affordability Envelope and WIF Funding Strategy**

The sums allocated represent the amounts available to be spent in 2020/21, with future year budget allocations being updated accordingly to reflect each new approval's 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.

The total expenditure for the 2020/21 Annual Business Plan is £62,015 million. It is proposed that this level of expenditure is funded as follows:

- Draw down of HM Treasury Revenue Grant - £2.599 million
- CSC Loan Repayment - £1.800 million
- Draw down of Council Contributions - £15.491 million (as per the funding ratio)
- Temporary Borrowing – 'Cost of Carry' - £42.126 million

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 outlined above. Regional Cabinet 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.



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**CYNGOR CAERDYDD  
CARDIFF COUNCIL**

**ECONOMY & CULTURE SCRUTINY COMMITTEE**

**12 MARCH 2020**

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**FORWARD WORK PLAN: APRIL – JULY 2020**

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**Purpose of Report**

1. This report provides Members with an opportunity to discuss an indicative Committee Forward Work Plan April - July 2020.

**Background**

2. As part of the Council's response to the Wales Audit Office report '*Overview and Scrutiny - Fit for the Future?*' (July 2018), the Head of Democratic Services has introduced publication of the Committee's "Forward Work Plan" (FWP) on the Council's internet site. These have been published, consecutively, since October 2018 up to April 2020.
3. The next published FWP will cover the period April - July 2020. At this meeting, Members are asked to consider the information set out in **Appendix A** and agree for this to be published.

**Way Forward**

4. During their meeting, Members will have the opportunity to reflect on and discuss the information provided in **Appendix A** and agree any amendments.

**Legal Implications**

5. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters, there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications. Any report

with recommendations for decision that goes to Cabinet/Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Scrutiny Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

### **Financial Implications**

6. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters, there are no direct financial implications at this stage in relation to any of the work programme. However, financial implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any financial implications arising from those recommendations.

### **RECOMMENDATION**

The Committee is recommended to consider the updated Committee Forward Work Plan attached at **Appendix A**, agree any amendments required and approve for publication on the Council's internet.

**Davina Fiore**

**Director - Governance and Legal Services**

**6 March 2020**

# ECONOMY & CULTURE SCRUTINY COMMITTEE – DRAFT FORWARD WORK PROGRAMME

April – July 2020

Please note this is a DRAFT programme, subject to change.

Contact Officer - Angela Holt, Principal Scrutiny Officer - [AHolt@cardiff.gov.uk](mailto:AHolt@cardiff.gov.uk)

Meeting Date	Type of Scrutiny	Title and Description of Report	Invitees & Consultees
April 2020		No meeting scheduled	
7 May 2020	Pre Decision Scrutiny	<b>Chapter Arts Centre</b> To carry out pre-decision scrutiny of a report to Cabinet on proposals for the development of Chapter Arts Centre.	Cllr Goodway Neil Hanratty
7 May 2020	Pre Decision Scrutiny	<b>Playing Pitch Strategy</b> To carry out pre-decision scrutiny of a report to Cabinet.	Cllr Bradbury Neil Hanratty
7 May 2020	Pre Decision Scrutiny	<b>Indoor Arena</b> To carry out pre-decision scrutiny of the report to Cabinet to agree the next steps in the process to deliver an Indoor Arena in Cardiff.	Cllr Goodway Neil Hanratty
7 May 2020	Pre Decision Scrutiny	<b>Llanrumney Development – Next Stages</b> To carry out pre-decision scrutiny of a report to Cabinet on the next stages for the implementation of the development strategy.	Cllr Goodway Neil Hanratty
7 May 2020	Policy Development	<b>Cardiff Bus</b> To carry out policy development scrutiny of proposals for the Cardiff Bus Station, including operating model and governance arrangements.  Members have requested this be undertaken this municipal year.	Cllr Thomas, Cllr Wild & Cllr Goodway Andrew Gregory, Paul Carter & Neil Hanratty Transport for Wales Bus and Coach Operators Bus Users' representative groups

7 May 2020	Monitoring	<b>Progress Update re Cabinet Response – Innovation &amp; Workshops Inquiry</b> To receive report on progress with implementing agreed recommendations from Committee’s Inquiry.	Cllr Goodway Neil Hanratty
7 May 2020	Monitoring	<b>Annual Report</b>	
11 June 2020	Pre Decision Scrutiny	<b>Norwegian Church</b> To carry out pre-decision scrutiny of a report to Cabinet to agree the next steps for securing a partner to invest and operate the Norwegian Church.	Cllr Goodway Neil Hanratty
11 June 2020	Pre Decision Scrutiny	<b>Canal Quarter</b> To carry out pre-decision scrutiny of a report to Cabinet on a new masterplan for the future development of the Capital Quarter area within the city centre to attract investment and expand the city-centre’s commercial offer.	Cllr Goodway Neil Hanratty
11 June 2020	Policy Development	<b>Metro Central</b> To carry out policy development scrutiny of the Metro Central proposals.	Cllr Goodway Neil Hanratty
11 June 2020	Policy Review & Monitoring	<b>Parks</b> To carry out pre-decision scrutiny of report to Cabinet and receive progress report on implementation of agreed recommendations from Committee’s Inquiry.	Cllr Bradbury Neil Hanratty
11 June 2020	Policy Review	<b>Allotments</b> To carry out policy review re Allotments; scope to be confirmed	Cllr Bradbury Neil Hanratty

9 July 2020	<b>Policy Review</b>	<b>Business Support &amp; Development</b> To carry out policy review scrutiny of existing arrangements for business support and development.	<b>Cllr Goodway Neil Hanratty</b>
9 July 2020	<b>Monitoring</b>	<b>Leisure Management GLL</b> To carry out monitoring scrutiny of the client/ contractor management re Better GLL.	<b>Cllr Bradbury Neil Hanratty</b>
9 July 2020	<b>Policy Review</b>	<b>City Centre &amp; Cardiff Bay Links</b> To carry out policy review scrutiny of transport links between city centre and Cardiff Bay and impact re economy of Cardiff.	<b>Cllr Goodway Neil Hanratty</b>
9 July 2020	<b>Policy Development</b>	<b>City Centre &amp; Cardiff Bay Development Strategy</b> To carry out policy development scrutiny of work re development strategy for city centre and Cardiff Bay – interfaces with above item re transport links.	<b>Cllr Goodway Neil Hanratty</b>

#### Other Items Expressed Interest In but not yet scheduled

<b>Pre Decision Scrutiny</b>	<b>City Hall</b>
<b>Pre Decision Scrutiny</b>	<b>St David's Hall</b>
<b>Pre Decision Scrutiny</b>	<b>Canal Park – Sports Facilities Investment</b>
<b>Pre Decision Scrutiny</b>	<b>Canal Park – Land</b>
<b>Pre Decision Scrutiny</b>	<b>Sport &amp; Physical Activity Strategy</b>
<b>Pre Decision Scrutiny</b>	<b>Forest Farm Partnership</b>
<b>Pre Decision Scrutiny</b>	<b>Major Events Strategy</b>
<b>Pre Decision Scrutiny</b>	<b>Tourism Strategy</b>
<b>Policy Development</b>	<b>Adult Community Learning</b>
<b>Monitoring</b>	<b>WAO Review of Leisure</b>
<b>Monitoring</b>	<b>Directorate Delivery Plans</b>
<b>Policy Development</b>	<b>Community Sport</b> Proposed Task Group Inquiry, once Tourism Inquiry completed

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**CYNGOR CAERDYDD  
CARDIFF COUNCIL****ECONOMY & CULTURE SCRUTINY COMMITTEE****12 MARCH 2020**

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**CORRESPONDENCE REPORT**

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**Background**

1. Following most Committee meetings, the Chair writes a letter to the relevant Cabinet Member or officer, summing up the Committee's comments and recommendations regarding the issues considered.
2. At the Committee meeting on 16 January 2020, Members received a report detailing the correspondence sent and received up to that meeting. Correspondence was sent following that meeting and the Committee meeting on 18 February 2020 and the current position is set out below:
  - i. *No Response Required* – from Councillor Goodway and Councillor Merry to the Chair's letter regarding Cardiff Commitment update received at Committee on 16 January 2020;
  - ii. *Response Received* – from Councillor Bradbury to the Chair's letter regarding the Cardiff Harbour Authority Review, considered at Committee on 16 January 2020;
  - iii. *Confidential Response Received* – from Councillor Goodway to the Chair's confidential letter regarding the report to Cabinet on the Town Centre Loan re Coal Exchange, considered at Committee on 16 January 2020;
  - iv. *No Response Required* – from Councillor Thorne to the Chair's letter regarding the report to Cabinet on Hub & Library Strategy, considered at Committee on 18 February 2020;
  - v. *Response Received* – from Councillor Weaver to the Chair's letter regarding the reports to Cabinet on Corporate Plan and Budgetary Proposals, considered at Committee on 18 February 2020.

3. Copies of the public Chair's letters and responses received can be found on the Council's website page for the relevant Committee meeting, with a hyperlink provided at the top of the page, entitled '*correspondence following the committee meeting*'. Copies of confidential letters have been shared with Committee Members, on a confidential basis.

### **Way Forward**

4. During their meeting, Members will have the opportunity to reflect on the correspondence update.

### **Legal Implications**

5. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters, there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Scrutiny Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

### **Financial Implications**

6. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters, there are no direct financial implications at this stage. However, financial implications may arise if and

when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any financial implications arising from those recommendations.

## **RECOMMENDATIONS**

The Committee is recommended to reflect on the update on committee correspondence.

**Davina Fiore**

**Director - Governance and Legal Services**

**6 March 2020**

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