



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.

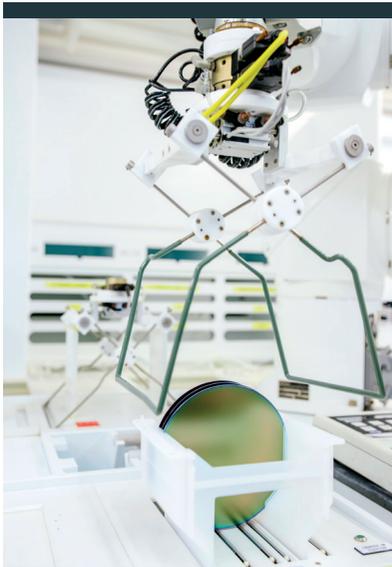
**Andrew Morgan**  
Chair, CCR City Deal Regional Cabinet Committee & Leader of RCTCBC

**"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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