

## **26 MARCH 2018 MEETING**

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### **THE WIDER INVESTMENT FUND ANNUAL BUSINESS PLAN 2018-19**

### **REPORT OF CARDIFF CAPITAL REGION PROGRAMME DIRECTOR**

### **AGENDA ITEM: 4**

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#### **Reason for this Report**

1. For Regional Cabinet to consider the 2018/19 Annual Business Plan in respect of its Wider Investment Fund.
2. To provide Regional Cabinet with details of the proposed 2018/19 Wider Investment Fund budgets, for consideration and approval.

#### **Background**

3. The Joint Working Agreement in relation to the delivery of the Cardiff Capital Region City Deal ('The JWA') anticipates that in respect of each financial year an Annual Business plan will be prepared and considered for approval by the Regional Cabinet. The plan providing, amongst other things, details of the annual spend for approved project(s) to be implemented in the relevant accounting period in relation to the City Deal.
4. This report accordingly considers Regional Cabinet's second annual business plan in respect of its Wider Investment Fund, and follows on from the approval of the 2017/18 inaugural business plan on the 2<sup>nd</sup> May 2017. The Wider Investment Fund totals £495 million and consists of HM Treasury grant funding amounting to £375 million over 20 years and Council Contributions of £120 million.
5. Of relevance to this matter is that the JWA also provides for a JWA Business plan to be prepared, which Business Plan is subject to the approval of each of the Councils comprising the CCRCD (referred to as 'the Reserved Matter'). The JWA Business plan serving to create an overarching five year plan that sets out the Councils' objectives and priorities for delivery of the City Deal. The JWA anticipates, that the Annual

Business plan will reflect those aspects of the overarching JWA Business plan relevant to the financial year in question.

6. In terms of funding that is available to the CCRC Regional Cabinet to commit, it is important to note, and put succinctly, that until such time as the Reserved Matter is discharged, Regional Cabinet is only authorised to commit up to £50 million pounds of HM Treasury funding in respect of 'Initial Project Investments', as set-out section 2.4 of the Joint Working Agreement.
7. At its meeting of the 23<sup>rd</sup> February 2018, Region Cabinet approved its Joint Working Agreement Business Plan. The Business Plan is currently being considered by the ten local authority partners, with the aim of seeking all ten Councils' approval by 31<sup>st</sup> March 2018 which will enable the Council contributions to be accessed in order to replace the HMT revenue contribution allocated to the CSC Foundry project.
8. Therefore, for the reasons outlined above, the 2018/19 Annual Business Plan has been prepared on the basis that the Joint working Agreement Business Plan is approved by all Councils by the 31<sup>st</sup> March 2018. In the event that one or more of the authorities does not approve the JWA Business plan then this matter will be reported back to Regional Cabinet for consideration.

## **Proposal**

9. In 2018/19, and subject to the JWA business plan being approved, the following specific projects will form part of the Annual Business plan:-

Skills for the Future  
Regional Housing Investment Fund  
Digital Strategy  
Metro Central Project

10. Other identified strategic theme projects will also be developed for further consideration, namely:-
  - Strategic Sites & Premises
  - Innovation Fund
11. To assist with the development of the proposals the CCRC has established a Regional Transport Authority sub-committee, the Regional Economic Growth Partnership is now in place so that it may be consulted, as an Advisory Body, along with the Employment & Skills Board and Regional Business Council. Appendix A sets out the proposed meetings of such Groups (to extent scheduled) and City Deal activities planned.
12. A project team is in place to support the projects and Cardiff Council is carrying out the role of Accountable Body for the Joint Committee. The costs associated with these matters are accounted for in Joint Committee Annual Budget, approved by Regional Cabinet on the 15<sup>th</sup> January 2018.

13. Theme Leads will continue to progress their work during 2018/19, building on the work undertaken as part of the Transition Plan during 2017/18. In particular, there will be strong focus to take forward the four projects that have secured an 'In-Principle' approval from Regional Cabinet at its meeting on the 12<sup>th</sup> February 2018 and referenced in the Joint Working Agreement Business Plan (JWA B/Plan).
14. These in-principle projects include:

### **Skills for the Future**

15. A regional programme of interventions to provide school engagement, support for business and a skills investment fund to deliver over 10,000 additional apprenticeships, graduate internships and upskilling employees.
16. An Options Appraisal will be considered by Regional Cabinet in April and a Full Business Case being scheduled to be completed by June. These timescales are aimed at ensuring that an approved project is in place by the beginning of the academic year in September 2018.
17. This is a revenue project that will be funded by HM Treasury Grant and is understood to have a value in the region of £30 million over 10 years.

### **Metro Central Project**

18. Regional Cabinet want to enhance the potential benefits of the Metro to the region by introducing a programme of complementary transport investments. The initial focus is the development of a Central Transport Interchange 'Metro Central' with a key element being the modernisation of Cardiff Central Station.
19. This project is capital in nature, with City Deal committing £40m towards the total project cost of £160-180 million in partnership with other public and private sector organisations. A Strategic Outline Case (SOC) is expected to be presented to Regional Cabinet for consideration and approval during 2018/19.
20. This project is being led by Cardiff Council and it is understood that City Deal funding is unlikely to be required during 2018/19.

### **Regional Housing Investment Fund**

21. Work is being undertaken to develop a proposal for establishing a Housing Investment Fund (HIF) to support the housing growth aspiration across the region and across all tenures with a focus on former industrial sites in the Valleys areas to support both economic and social objectives.

22. This project is likely to be predominantly capital in nature and is being led by Rhondda Cynon Taf County Borough Council. A Full Business Case is expected by September 2018 and £100k has been committed from the Wider Investment Fund (WIF) Top Slice budget to support this work.

### **Digital Strategy**

23. The Regional Cabinet aspiration is to make the Cardiff Capital Region a “Smart Region”, allowing our future generations to be fully integrated into a global network.
24. This digital strand is about enabling the future of work to be carried out in all areas of the region by increasing the benefits that digital services bring.
25. Regional Cabinet, by means of a portfolio of digital intervention, seeks to create a digital vision, brand and identity for the region as a ‘smart’ city region able to attract private sector partnership. It would also ensure that digital opportunities are built into other regional schemes and projects.
26. This project will be largely capital in nature but with some revenue elements. It contains 8 component streams and is being led by Torfaen County Borough Council. A full Business Case is planned by September and £130k has also been committed from the WIF Top Slice budget to fund this work.

### 2018/19 Work Plan

27. The project leads will need to engage with Programme Board at an early stage so that consideration can be given to agreeing the overall approach and timescales that will be adopted for the business case development process. In addition, this will allow the approved development funding to be broken down into the agreed business case stages and the appropriate level of resources allocated between each phase of the business case development cycle.
28. As the 2018/19 Work Plan is developed and agreed in respect of the projects listed above, plus the wider work of Theme Leads, it will be reported back to Regional Cabinet through the established performance reporting mechanisms.

### Budgets and Funding Strategy

29. Regional Cabinet will be aware that it made a number of decisions during 2017/18, which has resulted in commitments against the Wider Investment Fund in 2018/19 and beyond. The 2018/19 indicative programme of expenditure as detailed within the JWA Business Plan is shown in Table 1 below, along with the proposed funding priority

Table 1: 2018/19 Indicative Programme of Expenditure & Funding

	£'000
<b>Indicative Programme Expenditure</b>	
Wider Investment Fund Top Slice	742.5
Approved Projects	13,840.0
Future Revenue Projects	1,000.0
Future Capital Projects	4,015.0
<b>Total Investment</b>	<b>19,597.5</b>
<b>Funded by</b>	
HMT Contribution (Revenue)	-1,892.5
HMT Contribution (Capital)	0.0
<b>Total HMT Contribution</b>	<b>-1,892.5</b>
Council Contribution	-17,705.0
Temp Borrowing 'Cost of Carry'	0
<b>Total Funding</b>	<b>-19,597.5</b>

30. The Wider Investment Fund Top-Slice revenue budget has been set at £742,500 and supports the work of the Regional Bodies. In addition, the budget includes amounts in respect of Programme Development & Support. Details of the proposed 2018/19 budgets are shown in Table 2 below.

Table 2: 2018/19 Wider Investment Fund Top-Slice Budget

	£
<b>Regional Bodies:</b>	
Regional Transport Authority	52,193
Regional Skills Board	102,193
Economic Growth Partnership	70,000
Regional Business Council	50,000
<b>Programme Development &amp; Support:</b>	
Digital Strategy Project	130,000
Housing Investment Fund Project	100,000
Budget available for Future Projects	238,114
<b>Total</b>	<b>742,500</b>

31. Regional Cabinet has approved 'In-Principle' commitments in respect of a number of projects during the year. These projects are in the process of developing their business cases for consideration by Programme Board and approval by Regional Cabinet in-line with the Assurance Framework Assessment. Whilst details of the proposed work plans for these projects is outlined earlier in this report, the financial commitments identified will be met from the Programme Development & Support budget.

32. Regional Cabinet, at its meeting 12<sup>th</sup> February 2018, delegated authority to the Joint Committee's Section 151 Officer (in consultation) to establish and operate an Earmarked Reserve in respect of the Programme Development & Support budget.
33. The purpose of the reserve is to provide additional resources, in-year to supplement the annual budget set-up to support investment proposals and undertaking the necessary due diligence work. Current projections anticipate that an Earmarked Reserve in the region of £500,000 will be available to support the Programme Development & Support budget in 2018/19.
34. The 2018/19 Annual Business Plan will also need to meet the Year 2 costs of the approved Compound Semi-Conductor Foundry Site. These are budgeted at a cost of £13.84 million and consist of both the project related expenditure and the Special Purpose Vehicle's (SPV) second year project delivery and implementation budget. Any slippage against the 2017/18 budgets will need to be rolled forward and added to the sums outlined in Table 3 below.

Table 3: Approved Projects Budget

	<b>£'000</b>
CSC Foundry Site Funding	13,690.00
CSC Project Delivery and Implementation	150.00
<b>Total</b>	<b>13,840.00</b>

35. The business plan has allocated indicative sums in respect of future revenue and capital projects which meet the requirements of the Assurance Framework and are approved by Regional Cabinet during 2018/19. An indicative budget of £1.000 million has been included in respect of new revenue projects and a further £4.015 million in respect of spend on new capital projects.
36. The sums allocated represent the amounts available to be spent in 2018/19, with future year budget allocations being updated accordingly to reflect each project's overall spend profile. The latter will be considered as part of the approval process for each project. 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.

WIF Funding Strategy

37. The total expenditure for the 2018/19 Annual Business Plan is £19,597,500. It is proposed that this level of expenditure is funded as follows:
  - a. Draw down of HM Treasury Revenue Grant - £1,892,500
  - b. Draw down of Council Contributions - £17,705,000

38. However, 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 progress against delivery plans and budgets can be assessed and changes to proposed funding arrangements can be considered, if appropriate.
39. At its meeting of the 15<sup>th</sup> January 2018, Regional Cabinet made a decision to preserve the HM Treasury revenue funding. This amounts to £30 million over the first three years of the fund to 31<sup>st</sup> March 2019. Therefore, whilst the indicative sum included within the Annual Business Plan for new revenue projects is £1 million, Regional Cabinet will 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.

#### Timeframes for Approval

40. The JWA sets out time limits for preparing and approving the Annual Business Plan. Given that the JWA Business plan required completion before the detail of the Annual Business Plan could be formulated, it has not been possible to comply with the time limits. Accordingly, Regional Cabinet is asked to waive the time limits in respect of the 2018/19 Annual Business Plan. The detailed work plan referred to earlier in this report, will assist in ensuring that time limits for the 2019/20 plan are met.

#### **Financial Implications**

41. This report seeks approval of the 2018/19 Annual Business Plan as set-out and which details the current position in respect of approvals to-date, in-principle commitments and sums available for future revenue and capital projects.
42. In-line with the Assurance Framework, all investment proposals will be subject to business case development and approval. The business case will provide detailed information on matters such as; expenditure profile (and whether it is revenue and/or capital in nature), and the proposed funding streams. The business case will also need to be clear on the proposed delivery mechanism and how risks will be allocated and managed.
43. The Joint Working Agreement (JWA) defines the Affordability Envelope as:  
*“the overall costs and investment by each Council pursuant to their proportion of the Councils' Contribution under this Agreement over the evaluation period, which shall not exceed in aggregate £210,800,000 (two hundred and ten million eight hundred thousand pounds) and shall include, without limitation, all interest, inflation and UK Government cost to carry and shall be updated and will be reflected within the terms of the JWA Business Plan (as part of its approval by the Councils) to include, amongst other matters, the annual spend profile for each Council”*

44. The approved affordability envelope has been set at £210.8 million and is based on the indicative modelling that was undertaken in January 2017 and informed the reports approved by each constituent council in January/February 2017.
45. The JWA Business Plan acknowledges that the affordability implications arising from the 'whole life cost' of the Wider Investment Fund will change over time, as investment decisions are made. The affordability model has been updated to reflect the changes made since the Joint Working Agreement was approved by councils in January/February 2017.
46. The changes include the assumption that the 'Reserved Matter' is discharged by the 31<sup>st</sup> March 2018, thereby allowing a 'switch' of funding for the capital element of the Compound Semi-Conductor project. This is designed to preserve HM Treasury Contribution revenue grant to meet the cost of future revenue based projects that may come forward.
47. The 2018/19 indicative council contributions and potential revenue implications for each partnering authority are set-out in Table 4 below.

Table 4: 2018/19 Indicative Council Contributions and Revenue Implications

Local Authority Partner	%	Capital Contribution £m	Indicative Revenue Implications £'000
Blaenau Gwent	4.6%	0.82	43.2
Bridgend	9.4%	1.67	88.2
Caerphilly	12.0%	2.12	111.9
Cardiff	23.7%	4.20	221.8
Merthyr Tydfil	3.9%	0.70	36.8
Monmouthshire	6.1%	1.09	57.4
Newport	9.8%	1.74	91.8
Rhondda Cynon Taff	15.8%	2.79	147.4
Torfaen	6.1%	1.08	57.0
Vale of Glamorgan	8.5%	1.50	79.2
<b>Total</b>	<b>100.0%</b>	<b>17.71</b>	<b>934.7</b>

48. Regional Cabinet will receive regular revenue and capital monitoring reports throughout the year advising on matters such as: Approved Budget, Actual Position To-Date, Commitments and Projected Out-turn. These reports will be supplemented by the appropriate Project Performance Reports, advising on all aspects of the Wider Investment Fund.
49. HM Treasury funding is paid to the Accountable Body on behalf of the ten Cardiff Capital Region City Deal (CCRCD) constituent councils. The funding must be used solely to support the objectives of CCRCD through the implementation of projects and schemes agreed by the Regional Cabinet and in accordance with arrangements set out in its Joint Working Agreement, Wider Investment Fund, Assurance Framework, and the JWA Business Plan.

50. The requirements of the Wider Investment Fund Assurance Framework must be followed with detailed consideration given to the process for developing projects throughout the year. Section 3.7 (Business Case Development) of the Assurance Framework states:

*All Candidate Scheme Sponsors will be required to produce a business case in line with HM Treasury's Green Book using the Five Case Model – starting with an initial proposal (Strategic Outline Case) onto an Outline Business Case ("OBC") and finally a Full Business Case ("FBC").*

*The Business Case at each stage of development must evidence that:*

- *the scheme is supported by a compelling case for change – the strategic case;*
- *the scheme represents best public value – the economic case;*
- *the scheme is commercially viable – the commercial case;*
- *the scheme is affordable – the financial case;*
- *the scheme is achievable – the management case.*

*As the business case develops from initial proposal to outline and finally full case the level of detail and the completeness of the 5 cases will develop, however, each stage of the business case must provide a compelling case for the scheme before it will be supported by the Regional Cabinet to progress to the next stage.*

*Due to the potential variation in size and complexity of proposed schemes the time given to scheme sponsors to develop the various stages of the business case will be provided on a scheme by scheme basis.*

*As indicated previously, the appraisal process will apply the principle of proportionality which may result in the OBC and FBC stages being combined depending on the level and quality of information provided and the complexity of the scheme.*

51. Further financial advice will be provided throughout the year as regular Project Update reports are brought back to Regional Cabinet for detailed consideration and approval.

### **Legal Implications**

52. Clause 7.3 of the Joint Working Agreement ('JWA') provides that the Programme Director shall procure a draft Annual Business Plan for consideration and, if deemed suitable, approval by the Joint Cabinet. The Annual Business Plan is defined as meaning the plan in relation to the annual spend for approved projects to be implemented in the accounting period to which the report relates.
53. The JWA provides timescales in which the annual business plan should be prepared and the periods of notice to be given to the parties. In this case, because of time constraints, it is proposed to waive the timing and notice requirements set out in clause 7.3. The waiver of requirements

required by the JWA, in effect, amount to an amendment of the terms of the JWA. The waiver is not a deemed a substantive amendment to the terms and conditions of the JWA and the amendment can be agreed by the Joint Committee, within the scope of its delegated powers. The delegation to the Joint Cabinet including the authority to make amendments to the terms of the JWA, which are not substantive. That said however, Members need to be satisfied that they have had appropriate time to consider the content of the Annual Business Plan and are content with the same. In this case, it is understood that there has been no consultation with stakeholders as regards the proposed Annual Business Plan, which may be a point of criticism that such stakeholders may raise.

54. In preparing the Annual Business Plan regard should be had, amongst other matters to:
- (i) the Council's duties under The Well-being of Future Generations (Wales) Act 2015 and;
  - (ii) Public sector duties under the Equalities Act 2010 (including specific Welsh public sector duties). Pursuant to these legal duties, Councils must in making decisions 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. Protected characteristics are: a. Age; b. Gender reassignment; c. Sex; d. Race – including ethnic or national origin, colour or nationality; e. Disability; f. Pregnancy and maternity; g. Marriage and civil partnership; h. Sexual orientation; i. Religion or belief – including lack of belief.
55. As and when any individual project proposals are developed legal advice should be sought.

### **Equalities Impact Statement**

56. The Wellbeing & Equalities Assessments prepared for the JWA Strategic Business Plan is attached as Appendix 2 which also apply to this 1 year Business Plan period.

### **RECOMMENDATIONS**

It is recommended that the Cardiff Capital Region Joint Cabinet:

- a) Waive the time limits prescribed in clause 7.3 of the Joint Working Agreement in relation to the preparation and circulation of the draft Annual Business plan for 2018/19
- b) Approve this Annual Business Plan 2018/19 with the calendar of meetings attached as Appendix 1, subject to all ten Councils comprising the Cardiff Capital Region City Deal approving the Joint working Agreement Business plan on or before 31.3.18.
- c) Approve the 2018/19 Wider Investment Fund budget as set out in this report.

- d) To note that if financial commitments made exceed the available monies received in 2018-19 this will result in committing future annual budgets of the Regional Cabinet;
- e) Agree in principle to the use, if required, of delivery vehicles to implement approved projects, (for example only a lead authority; special purpose vehicle; a community interest company), subject to approval by Regional Cabinet of the requisite full project business case an actual delivery vehicle proposed.

**Sheila Davies**  
**Cardiff Capital Region Programme Director**  
**20 March 2018**

*The following Appendices are attached:-*

**Appendix 1:** Calendar of Meetings  
**Appendix 2:** Wellbeing & Equalities Assessments

Background papers:

- Cardiff Capital Region City Deal Joint Working Agreement dated 1.3.17
- CCRCR Report Joint working Agreement Business Plan 23.2.18

# April 2018

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
2 Easter Monday	3	4	5	6
9 Regional Cabinet Briefing	10	11	12	13 Programme Board
16	17	18 Economic Growth Partnership	19	20
23 Regional Cabinet	24	25	26 Shadow Employment & Skills Partnership	27
30				

# May 2018

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
	1	2	3	4
7 Bank Holiday	8	9	10	11 Programme Board
14	15	16 Economic Growth Partnership	17	18
21 Regional Cabinet (AGM)	22	23	24 Shadow Employment & Skills Partnership	25
28 Bank Holiday	29	30	31	

# June 2018

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
				1
4 Regional Cabinet	5	6	7	8
11	12	13	14	15 Programme Board
18	19	20	21	22
25 Regional Cabinet Briefing	26	27	28	29

**CARDIFF CAPITAL REGION CITY DEAL**  
**WELL-BEING & EQUALITIES ASSESSMENT**

**Description of Proposal:** Cardiff Capital Region City Deal – Strategic Business Plan for the Wider Investment Fund

**Section 1)** Complete the table below to assess how well you have applied the 5 ways of working to act in accordance with the sustainable development principle.

<b>Long-term</b>	<p>How does your proposal balance short-term need with the need to safeguard the ability to meet long term needs by planning for the future?</p> <p>The Strategic Business Plan states:  <i>“The City Deal is a long-term programme and no one can, with confidence, predict what changes will occur over the next 20 years.</i>  <i>When considering the current pace of innovation in areas such as artificial intelligence, drones, driverless vehicles, 3-D printing, robotics, and automation, the future infrastructure and skills needs of the region is changing radically.</i>  <i>We must therefore ensure our policies, plans and programmes are flexible and sufficiently dynamic to not only cope with change but to act as a catalyst to drive positive change in the region.”</i></p> <p>The Plan also states:  <i>“Our Regional Strategic Objectives also reflect the need to focus on improving the quality of life of people and communities now and in the future and ensure our approach and actions are responsible and meet our current needs without compromising the quality of life of future generations.”</i></p> <p>This demonstrates that the Regional Cabinet are mindful of their responsibilities and that they will regularly undertake reviews to ensure they are achieving the correct balance in the short, medium and long-term.</p>
<b>Integration</b>	<p>How does your proposal demonstrate an integrated approach to considering economic, social, environmental &amp; cultural outcomes together?</p> <p>The Strategic Business Plan states:  <i>“We have identified four Strategic Themes where we feel we can make the biggest difference and a real improvement to the wellbeing of people in the region and in so doing support our regional objectives, wellbeing goals and the twin goals, in the Welsh Government’s ‘Prosperity for All: economic action plan’, of growing the economy and reducing inequality.</i>  <i>City Deal Strategic Themes:</i></p>

	<ul style="list-style-type: none"> <li>❖ <b>Skills &amp; Employment;</b></li> <li>❖ <b>Innovation;</b></li> <li>❖ <b>Connecting the Region; and</b></li> <li>❖ <b>Regeneration and Infrastructure.</b></li> </ul> <p><i>Identifying these themes provides a structure and method of developing proposals and schemes. However, the themes are indivisible, and all proposals will be expected to be cross-cutting and contribute, to differing degrees, to our objectives and the well-being goals.”</i></p> <p>In addition, when appraising schemes within the City Deal the Strategic Plan states:</p> <p><i>“All proposed schemes will be required to follow the same appraisal process as detailed in the Assurance Framework. Schemes will be assessed on their potential to contribute to our high-level aims and strategic objectives; demonstrate value for money, use of the five ways of working and how they contribute to the well-being goals.”</i></p> <p>Both these statements demonstrate how the Regional Cabinet are taking an integrated approach when developing and assessing proposals and schemes.</p>
<p><b>Involvement</b></p>	<p>How does your proposal involve those stakeholders, who you are seeking to support, and those with an interest in promoting and supporting economic, social, environmental and cultural well-being in the region, whilst ensuring engagement reflects the diversity of the region?</p> <p>The Strategic Business Plan has been prepared using the research and recommendations of the Growth and Competitiveness Commission, as required by the Assurance Framework para 3.1. The Growth and Competitiveness Commission was established as an Independent Commission by the Regional Cabinet specifically to undertake research and extensive consultation on the City Deal, and from this work provide advice and recommendations to the Regional Cabinet.</p> <p>In addition, the Regional Cabinet will be submitting the Strategic Business Plan to each of the regions ten constituent authorities’ councils for approval.</p> <p>This means that up to 536 local councillors, all of whom have been elected by and represent their diverse communities, will determine whether to adopt this Business Plan.</p>
<p><b>Collaboration</b></p>	<p>How does your proposal involve working together with partners (internal and external) to deliver well-being objectives?</p> <p>The City Deal is a collaboration of the ten local authorities of south east Wales.</p> <p>In defining the Regional Cabinets ‘Vision’ there is a statement related to collaboration – <i>“To make the most of the opportunities our combined size gives us, we must all work together – public sector, private sector, education establishments and our communities – for the benefit of all.”</i></p>

In addition, the Strategic Business Plan states:  
*“We are working closely with the Welsh Government and National Government, who are both signatories to the City Deal. We have also been instrumental in establishing stakeholder groups including the Cardiff Capital Region:*

- ❖ *Skills and Employment Board - representing a wide range of stakeholders, including businesses, higher and further education, local authorities and Welsh Government;*
- ❖ *Regional Business Council – providing a strong business voice;*
- ❖ *Economic Growth Partnership – bringing together partners to consider and advise on a sustainable economic growth strategy and investment decisions.*

*We are actively working with the Valleys Taskforce to ensure our aims, objectives and interventions not only align but also complement each other, taking advantage of their engagement processes, to maximise benefits to the region as a whole. We are developing an effective working relationship with the Office of the Future Generations Commissioner for Wales to ensure that opportunities to support the well-being goals are highlighted.”*

This statement only identifies a few of the organisations we work with and demonstrates that the Regional Cabinet is committed to collaboration and as the City Deal progresses and schemes are developed it is anticipated that more stakeholders will form part of our inclusive collaboration approach.

<b>Prevention</b>	How does your proposal put resources into preventing problems occurring or getting worse?
	<p>The Cardiff Capital Region is widely recognised as a region with major strengths, an attractive environment, a strong heritage, a growing economy and emerging opportunities.</p> <p>However, it is also a region where there are concentrations of poverty and where not all have access to the opportunities available. Improving accessibility to opportunities and increasing labour market participation is critical to support an improved quality of life for all the regions residents.</p> <p>By investing resources in promoting skills; employment opportunity; job quality, security and progression the Regional Cabinet aim to promote more inclusive growth within the region.</p>

**Section 2):** Assess how well your proposal will result in multiple benefits for our communities and contribute to the national well-being goals.

Description of the Well-being goals	How will your proposal deliver benefits to our communities under the national well-being goals?	Is there anyway to maximise the benefits or minimise any negative impacts to our communities (and contribute to the national well-being goals)?

**A prosperous Wales:**

An innovative, productive and low carbon society which recognises the limits of the global environment and therefore uses resources efficiently and proportionately (including acting on climate change); and which develops a skilled and well-educated population in an economy which generates wealth and provides employment opportunities, allowing people to take advantage of the wealth generated through securing decent work.

The Regional Cabinets Vision and Regional Strategic Objectives set out their aspirations and with their high-level aims, to create 25,000 new jobs and leverage £4bn private sector investment, establish the economic outcomes they are seeking to achieve when considering use of the City Deal Wider Investment Fund.

The Regional Strategic Objectives also reflect the need to focus on improving the quality of life of people and communities now and in the future and ensure the Regional Cabinets approach and actions are responsible and meet the regions current needs without compromising the quality of life of future generations.

The Strategic Objectives, as detailed in the Strategic Business, are:

**1. Prosperity and Opportunity - Building the capacity of individuals, households, public sector and businesses to meet challenges and grasp opportunity creating a more productive economy**

The quality of the economic environment of the region will play a crucial role in creating jobs by improving business performance, enhancing opportunity and encouraging innovation. We will nurture the economic environment by:

- providing the right infrastructure including connectivity by means of good transport links and highspeed broadband;
- encouraging a culture of innovation and entrepreneurship by providing the right skills, opportunities and support to engender a confidence to be creative;
- ensuring that the city-regions labour market is equipped with the skills that businesses need;
- improving public sector efficiency and effectiveness by new ways of working;

In accordance with the Assurance Framework all proposed schemes will demonstrate their potential outputs and outcomes via a 5 Case Business Model, in accordance with HM Treasury Green Book, a tool for scoping and planning a proposal and documenting the expected outcomes.

In addition, for Cardiff Capital Region schemes, the business case will also have to demonstrate the use of the five well-being ways of working and how it supports the wellbeing goals and the twin goals in the Welsh Government’s ‘Prosperity for All: economic action plan’ of growing the economy and reducing inequality<sup>1</sup>.

Any report to the Regional Cabinet seeking approval for a proposal will be require to be accompanied by a City Deal Well-being and Equalities Assessment.

In this way the Regional Cabinet will ensure that any interventions and/or investments will aim to maximise its positive impact on communities and the well-being goals.

<sup>1</sup> Written statement by Ken Skates, Cabinet Secretary for Economy and Transport on 11<sup>th</sup> December 2017.

- supporting all businesses to become more productive, from small retail to large advanced manufacturers;
- enhancing the business climate for emerging sectors, enterprises and innovation that can spawn new sources of jobs and incomes into the longer-term future, including creating business clusters where firms can network, share skills and spur each other to higher levels of performance;
- encourage and promote research and development and entrepreneurial enterprise.

**2. Inclusion and Equality - A vibrant and sustainable economy which contributes to the well-being and quality of life of people and communities now and in the future**

A vibrant and inclusive economy supports a mix of economic activities and promotes economic security and resilience. We will promote:

- access to employment and economic opportunities;
- participation in the labour market for all members of society;
- access to a range of housing, including affordable;
- access to education and training, to develop skills;
- access to social and recreational opportunities.

**3. Identity, Culture, Community and Sustainability - Forging a clear identity and strong reputation as a City-Region for trade, innovation, and quality of life**

For our region to gain attention and respect and effectively compete and attract businesses, tourists, investors, students, entrepreneurs, international sporting and cultural events it requires a clear, credible, appealing and distinctive identity. To promote this identity and reputation we will:

- ensure our urban centres are vibrant and vital with unique identities which all of the regions residents can use and be proud of;

- respect, protect and support our rural and natural environment and use it to promote economic and social outcomes;
- develop and promote our world-class cultural and recreational opportunities utilising the regions natural beauty and historic areas;
- provide a quality environment across the whole region including existing and new development that attracts businesses and talented people;
- demonstrate our commitment to a sustainable future and acknowledge our global responsibilities; and
- work with political and commercial partners, at a national, regional and local level to coordinate the promotion of the region.

Using these Strategic Objectives will assist the Regional Cabinet in supporting the well-being goal of ‘a prosperous Wales’.

**A resilient Wales:**

A nation which maintains and enhances a biodiverse natural environment with healthy functioning ecosystems that support social, economic and ecological resilience and the capacity to adapt to change (for example climate change).

The Regional Cabinet, as decision makers, will need to consider existing and future demands which will include new forms of sustainable energy generation, housing, new infrastructure, and facilities which will generate job opportunities such as strategic sites.

In response to these pressures the Regional Cabinet will, seek appropriate advice, and work in a way that ensures efficient and effective solutions that not only maintain the environment but where ever possible enhance it and make it more resilient, supporting economic growth with responsible environmental management.

This is referenced in “**Strategic Objective 3** – *respect, protect and support our rural and natural environment and use it to promote economic and social outcomes*”.

See the way of working detailed above and how this approach by the Regional Cabinet will seek to support the regions communities and the well-being goals.

	<p>The City Deal has an economic focus, it is therefore, by using the natural environment to support economic and social outcomes and making the region more attractive to investors, that the Regional Cabinet can justify investing City Deal funds to enhance and maintain the regions environment.</p> <p>Therefore, using the Strategic Objectives, detailed above, will assist the Regional Cabinet in supporting the well-being goal of ‘a resilient Wales’.</p>	
<p><b>A healthier Wales:</b> A society in which people’s physical and mental well-being is maximised and in which choice and behaviours that benefit future health are understood.</p>	<p>There is a clear evidence base that shows that for the majority of people being in good secure work is better for their health than being out of work. Employment has social, psychological, and financial benefits that improve health.</p> <p>The Regional Cabinet’s aims, as detailed in the Strategic Business Plan, and Strategic Objectives, to create additional good quality jobs and support people to up skill to fill those roles will assist in supporting the well-being goal of ‘a healthier Wales’.</p>	<p>See the way of working detailed above and how this approach by the Regional Cabinet will seek to support the regions communities and the well-being goals.</p>
<p><b>A more equal Wales:</b> A society that enables people to fulfil their potential no matter what their background or circumstances (including their socio economic background and circumstances).</p>	<p>The Strategic Objective ‘<b>Inclusion and Equality</b>’ detailed in the Strategic Business Plan states:</p> <p><b>Inclusion and Equality - A vibrant and sustainable economy which contributes to the well-being and quality of life of people and communities now and in the future</b></p> <p>A vibrant and inclusive economy supports a mix of economic activities and promotes economic security and resilience. We will promote:</p> <ul style="list-style-type: none"> <li>➤ access to employment and economic opportunities;</li> <li>➤ participation in the labour market for all members of society;</li> <li>➤ access to a range of housing, including affordable;</li> <li>➤ access to education and training, to develop skills;</li> <li>➤ access to social and recreational opportunities.</li> </ul>	<p>See the way of working detailed above and how this approach by the Regional Cabinet will seek to support the regions communities and the well-being goals.</p>

	<p>Using this Strategic Objective will assist the Regional Cabinet in supporting the well-being goal of 'a more equal Wales'.</p>	
<p><b>A Wales of cohesive communities:</b> Attractive, viable, safe and well-connected communities</p>	<p>The details in the Strategic Objectives related to connectivity, transport and digital; vibrant and vital economy and urban centres; and affordable housing will all contribute to support this goal.</p> <p>Therefore, using the Strategic Objectives, detailed above, will assist the Regional Cabinet in supporting the well-being goal of 'a Wales of cohesive communities'.</p>	<p>See the way of working detailed above and how this approach by the Regional Cabinet will seek to support the regions communities and the well-being goals.</p>
<p><b>A Wales of vibrant culture and thriving Welsh language:</b> A society that promotes and protects culture, heritage and the Welsh language, and which encourages people to participate in the arts, and sports and recreation.</p>	<p>The Strategic Objective '<b>Identity, Culture, Community and Sustainability</b>' specifically refers to the development and promotion of the regions world-class cultural and recreational opportunities exploiting the regions natural beauty and historic areas.</p> <p>Therefore, using the Strategic Objectives, detailed above, will assist the Regional Cabinet in supporting the well-being goal of 'a Wales of vibrant culture and thriving Welsh language'.</p> <p>Regard will be had to the Welsh Language Measure 2011 and consultation and communication will have regard to the Welsh Language.</p>	<p>See the way of working detailed above and how this approach by the Regional Cabinet will seek to support the regions communities and the well-being goals.</p>
<p><b>A globally responsible Wales:</b> A nation which, when doing anything to improve the economic, social, environmental and cultural well-being of Wales, takes account of whether doing such a thing may make a positive contribution to global well-being.</p>	<p>The Strategic Business Plan states that the City Deal is intended to deliver sustainable economic development and growth. The Plan also refers to our role on the international and national stage forging a clear identity and strong reputation.</p> <p>This is referenced in "<b>Strategic Objective 3</b> – <i>demonstrate our commitment to a sustainable future and acknowledge our global responsibility</i>".</p> <p>The Regional Cabinet understand that sustainability goes beyond the region and must be considered in a national, international and global context. In making decisions the Regional Cabinets responsibility extends far wider than the</p>	<p>See the way of working detailed above and how this approach by the Regional Cabinet will seek to support the regions communities and the well-being goals.</p>

region, and to achieve the aim of a positive national and international reputation, they will consider the full range of potential implications and consequences.

**Section 3) Will your proposal affect people or groups of people with protected characteristics? Explain what will be done to maximise any positive impacts or minimise any negative impacts.**

<b>Protected characteristics</b>	<b>Will your proposal have any positive impacts on those with a protected characteristic?</b>	<b>Will your proposal have any negative impact on those with a protected characteristic?</b>	<b>Is there any way to maximise any positive impacts or minimise any negative impacts?</b>
Age	The Regional Cabinet is developing and implementing a City Deal which will benefit the region through the creation of more and better jobs, more housing, improved communication and improved skills. This will provide economic growth and infrastructure improvements that will benefit all including those defined as having protected characteristics.	It is considered that there are no adverse impacts on those with a protected characteristic, indeed the vision and strategic objectives defined in the Strategic Business Plan will assist in supporting these groups as part of the regions communities.	<p>In accordance with the Assurance Framework all proposed schemes will demonstrate their potential outputs and outcomes via a 5 Case Business Model, in accordance with HM Treasury Green Book, a tool for scoping and planning a proposal and documenting the expected outcomes.</p> <p>In addition, for Cardiff Capital Region schemes, the business case will also have to demonstrate the use of the five well-being ways of working and how it supports the wellbeing goals and the twin goals in the Welsh Government's 'Prosperity for All: economic action plan' of growing the economy and reducing inequality.</p> <p>Any report to the Regional Cabinet seeking approval for a proposal will be require to be accompanied by a City Deal Well-being and Equalities Assessment.</p> <p>In this way the Regional Cabinet will ensure that any interventions and/or investments will aim to provide a positive impact on communities and the well-being goals, this will include those who are defined as having protected characteristics.</p>
Disability	As above	As above	As above
Gender	As above	As above	As above

Gender reassignment	As above	As above	As above
Marriage and civil partnership	As above	As above	As above
Pregnancy and maternity	As above	As above	As above
Race	As above	As above	As above
Religion or Belief	As above	As above	As above
Sexual orientation	As above	As above	As above

**Section 4) Identify who is responsible for the proposal and how and when decisions will be made**

The Regional Cabinet, is a Joint Committee of the ten south east Wales authorities, having delegated powers related to the City Deal and Wider Investment Fund, subject to all ten Councils having decisions making powers on reserved matters within the Joint Working Agreement (JWA).

**Officer responsible for completing this form:**

**Date form completed:**

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