Cabinet Prifddinas Ranbarth Caerdydd | Cardiff Capital Region Cabinet

31 JANUARY 2022

JOINT WORKING AGREEMENT – ANNUAL BUSINESS PLAN 2022/23 & CCR'S VISION, MISSION, VALUES AND GOALS

REPORT OF CCR CITY DEAL DIRECTOR AND HEAD OF GOVERNANCE, POLICY AND COMMUNICATIONS

AGENDA ITEM 4

Reason for this Report

1. To set out the proposed CCR City Deal Annual Business Plan for 2022/23 which constitutes Year 2 of the 5-year Strategic Business Plan approved in December 2020. The plan is in adherence with the provisions of the Joint Working Agreement for the Cardiff Capital Region City Deal and whilst detailing some of the complementary work to establish the SEW Corporate Joint Committee (CJC) – is at this time, separate to and independent of initial business planning and implementation for the CJC.

2. To further set out the Annual Business Plan in the context of recent work undertake to refresh the vision, mission, values, and goals of CCR – to ensure establishment and maintenance of a core set of central ideals and guiding principles.

Background

3. The JWA contains a requirement for both the JWA Annual Business Plan and JWA 5-Year Strategic Business Plan to be developed, considered, and approved by Regional Cabinet ahead of the commencement of the new financial year. The JWA 5-year Strategic Business Plan is an overarching one and aims to present an understanding of what is required to achieve long-term aims; distilling this into a 5-year timeframe with high level detail of activities likely to benefit from the Wider Investment Fund (WIF).

4. The JWA 5-year Strategic Business Plan was approved by Regional Cabinet on 7 December 2020. The first Annual Business Plan 2021/22 as an 'instalment' of the 5-year plan was approved as part of the same process.

5. To date, CCR has adopted an informal vision and mission, configured mainly around the Economic and Industrial Growth Plan and Investment Framework. With the 'growing pains' associated with 'start-up' having largely been

experienced and with the initial imminent implementation of the SEW Corporate Joint Committee – the time is right to refresh, re-define and formalise the approach, in line with increasing clarity about future direction and the behaviours, culture and change that needs to be effected.

The JWA 5-year Strategic Business Plan 2021-26

6. The existing JWA 5-year Strategic Business Plan is helpfully, something of a hybrid document. It discharges all of the duties and provisions relating to City Deal and the delivery of the Wider Investment Fund Programme – but also articulates the transition from a standalone City Deal focus – to a wider and more expansive City Region focus. This not only reflects the future policy development landscape in respect of CJCs and the 'lift and shift' ambitions of Regional Cabinet as well as the wider and longer-term economic and societal objectives held for the region. In so doing, it seeks to enable CCR to be prepared in the light of:

    a. The need to grow resilience and in the face of Covid-19, the ability to withstand socio-economic shocks;
    b. The need to loom outward and develop international trade, partnership and research agreements;
    c. The need to double down on R&D investment – public and private – and subscribe to the UK Government R&D Roadmap and 'place-based 'levelling-up' commitments;
    d. The need to develop thinking around infrastructure investment and addressing the issue of sustainable funding for transport schemes;
    e. The need to leverage natural assets and resources and take bold and decisive action as required by the CCR Energy Strategy and climate and nature emergencies;
    f. The need to respond to intractable economic and societal problems through adoption of a mission driven approach - driving new knowledge, leveraging the public sector balance sheet and procuring innovation;
    g. The need to become a 'pioneer' City Region in relation to regional economic governance, shaping and informing a CJC for the CCR; the potential for institutional capacity development through a regional development entity; and, playing a central role in regional public investment; and,
    h. The need to begin developing a 20-year City Region outlook which will integrate all of the above and develop the outlook for strategic regional development in the CCR.

7. The JWA 21-26 Strategic Business Plan reflects comprehensively on progress made to date and builds a bridge between today and 2026 when the second gateway period will conclude. It sets out 5 main priorities to guide progress in the next 5 years and as CCRCD begins the process of becoming a full functioning City Region:

    - Build Back Better – playing our part in economic recovery and building resilience;
    - Becoming a City Region – strengthening regional economic governance;
    - scaling-up and delivering the City Deal 'peak' Wider Investment Fund pipeline and programme;

- making the case for Levelling-up CCR;
- developing the plan for industrial-scale clusters and innovation-led growth.

JWA Annual Business Plan 2022-23

8. The second year's Annual Business Plan has been created as a further appendix to the original Strategic Business Plan. (See Appendix 1.)

9. The WIF Budget Strategy for 22/23 is also set out in the Annual Business Plan document – (See Appendix 1). A summary of the budget can be found below in the Financial Implications section.

10. By way of summary, in accordance with the 'Five for Five' priority set, some of the **key objectives** for next year include:

- creating innovation strategies and action plans for our primary clusters;
- implementing the innovation investment fund;
- facilitating commitment to 3 significant £1m plus challenges;
- delivering Venture business propositions for 2 new skills opportunities;
- investing in 2 new strategic sites and premises opportunities;
- making an investment in a high value energy infrastructure proposition;
- crystalising commitment to a Northern Valleys Transformation Fund;
- implementing the Housing Viability and metro plus projects;
- implementing first stages of the CJC and developing a full transition plan;
- enhancing tools, technology, operating processes, risk management and reporting.

Vision, Mission, Values and Goals

11. Framing the Annual Business Plan in the context of the already established 5-year Strategic Business Plan is important for continuity, consistency and in striving to take an increasingly long-term approach. However, as part of the process of formulating the 2022/23 Business Plan and considering the forthcoming transition to the new SEW Corporate Joint Committee and ambitions to operate one model of integrated model of regional economic governance, the opportunity has been taken to refresh CCR's vision, mission, values, and goals.

12. This helps to ensure a sense of pervasive thinking and establish core principles that run right through CCR's work, practices, behaviours and outcomes. The idiomatic 'golden thread' approach helps ensure CCR can be stay true to its core beliefs and be better held to account in all of its activity from its governance structures right through to investment decisions and outcomes in communities. In this way, CCR's vision and mission; its values and goals, define and establish the behavioural and delivery expectations that must be consistently instilled and upheld in every aspect of the CCR eco-system. They are as follows:

13. **Our Vision:** A proud Cardiff Capital Region where everyone is connected locally and globally enjoying the work, business and life opportunities that make us the place to fulfil potential.

14. **Our Mission:** Through astute investment and targeted interventions, we will create an environment that provides opportunity for each individual - nurturing wellbeing in every community, fuelling ambition in every business, developing talent pipelines, and driving success throughout our economy.

15. **Our Values**

We're Adaptable - We understand that change is a constant.
We Show Integrity- We can be relied upon to do the right thing, not the easy thing.
We're Inclusive - We respect each other and value diversity of opinion.
We Work Collaboratively - We use our skills and experiences to help our colleagues move forward.
We're Ambitious - We strive to be the best we can be.

16. **Our Goals**

- **An Innovation-Led Region, fuelled by Competitive Clusters**
  Developing a strong competitive innovation-led ecosystem, which is built upon investments in our Priority Clusters.

- **Connected Places**
  Investing in cutting-edge Digital and physical infrastructure that enhances our regional connectivity, accessibility, and community cohesion: leveraging our regional data assets for commercial advantage and realising both our human and physical potential.

- **An Inclusive Approach**
  To promote, practice and invest in targeted means of closing the economic and social disparities between our places: forging proud and resilient communities with a more distinctive regional identity and sense of belonging, enabling us to fulfil our potential through a changing 21st century.

- **A Green Sustainable Region**
  Investing in, and promoting companies, technologies and community initiatives that are embracing the decarbonization agenda, building upon our unique natural energy generating assets and using the strength of our existing manufacturing base as a springboard for accelerating progress toward a 2050 Net Zero ambition.

- **Becoming A City Region**
  Strengthening regional economic Governance through the implementation building upon current practices, partnerships, governance frameworks and investment strategies, implementing a more effective operating model for CCR and enabling a move from a single City Deal funding programme to the capability and remit to fund and run multiple programmes.

- **Creating an Effective, Efficient Delivery Capability**
  Strengthening internal capability through enhanced performance, impact, and risk monitoring, revisiting our core operating processes to ensure that they are

fit for purpose and fully documented, and a refresh and revision of our strategic Investment and Intervention framework and Industrial Growth Plans.

Reasons for Recommendations

17. The reasons for this report are:

- the requirement for Cabinet to approve the Annual Business Plan prior to year-end;
- the need to set out the strategy and approach for continuation of CCR City Deal delivery, up until the point of anticipated Lift and Shift into the proposed new CJC, whilst also drawing synergies with the processes for developing the initial CJC 'bare minimum' operation model;
- the need to establish high level WIF budget priorities for the forthcoming year;
- to set out and instil the refreshed vision, mission, values and goals for CCR.

Financial Implications

18. This report seeks approval of the 2022/23 Annual Business Plan and sets out the Wider Investment Fund and Investment Strategy, including background to the sources of funding for City Deal from local authority partners as well as Welsh Government and HMT Grant totalling £495 million.

19. The Annual Business Plan outlines the current position in respect of project approvals to-date, in-principle commitments and sums available for future revenue and capital projects as these are brought forward for consideration and approval.

20. Therefore, the Annual Business Plan can only provide an indication of the financial implications arising from the Wider Investment Fund at this time. The actual approvals outlined above have been supplemented by an indicative programme of investment along with a range of other financial and technical assumptions, details of which are set out further below.

21. In line with the Assurance Framework, all investment proposals will need to be subject to business case development and approval, providing detailed information on matters such as; expenditure profile (and whether it is revenue and/or capital in nature), and the proposed funding streams, proposed delivery mechanisms and how risks will be allocated and managed. It is important that the provisions of the IIF are followed, as this is a key requirement of the City Deal Funding Terms & Conditions. This sets out that business cases will be developed in line with HM Treasury Green Book (5 Case Model), although, clauses 3.5 (Appraisal Framework) and 3.7 (Business Case Development), make an important reference the concept of 'proportionality'. It needs to be recognised that expenditure may be undertaken on due diligence in respect of development of proposals and business cases, which do not result in a recommendation to progress. Such costs will need to be managed within existing resources.

Affordability Envelope

22. 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"*

23. The approved affordability envelope was based on indicative modelling that was undertaken in January 2017 and informed the reports approved by each of the City Deal partnering Councils in January/February 2017 and has been set at £210.8 million. The JWA 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. Agreeing any increase to the affordability envelope is a matter reserved to each Council

Updated Affordability Envelope

24. The affordability model has been updated to reflect the changes made since the Joint Working Agreement was approved by Councils in January/February 2017. The updated modelling suggests that the 'whole-life cost' of the Wider Investment Fund to the constituent Councils remains within the approved envelope of £210.8m, including any headroom with the agreed initial implications for each partnering authority is show in the table below:

Affordability Envelope / Partner Contributions

Local Authority Partner	%	£m
Blaenau Gwent	4.6%	9.7
Bridgend	9.4%	19.9
Caerphilly	12.0%	25.2
Cardiff	23.7%	50.0
Merthyr Tydfil	3.9%	8.3
Monmouthshire	6.1%	12.9
Newport	9.8%	20.7
Rhondda Cynon Taff	15.8%	33.3
Torfaen	6.1%	12.9
Vale of Glamorgan	8.5%	17.9
Total	**100%**	**210.8**

Technical Assumptions

25. As outlined earlier, the updated affordability envelope is based on an indicative programme of investment along with a range of other financial and technical assumptions which include:

    - **Indicative investment profile spend:** based on actual approvals to-date plus the typical spend profile of City Deals, results in the following cumulative profile; Years 1-5 = £46 million, Years 1-10 = £358 million and Years 1-20 = £495m. Inflation is excluded i.e. all figures are stated in nominal terms and therefore inflation will need to be met from within the overall £495m sum;

    - **Repayment period:** CCRCD Local Authority Partnership capital contributions totalling £120 million are assumed to be borrowed by individual authorities and repaid over 25 years. How each local authority pays for its share of £120 million in accordance with the JWA is subject to its own policy for funding capital expenditure commitments including its approach to making provision for Prudent Minimum Revenue Provision (MRP) reflecting the economic life of assets created where relevant;

    - **Interest Rate:** an average rate of 2.8% has been assumed, lower than the 3% assumed in the original affordability envelope calculation as a result of recent reductions in the level of interest rates. This provides some headroom and mitigation for risks in the financial model and also allows for any increases in rates over the life of the model;

    - **Funding Drawdown priority:** all revenue expenditure is funded exclusively from HMT revenue grant. Capital expenditure is now assumed to be first met from HMT capital grant 'in-hand', then from drawdown of the £120 million committed by the Local Authorities, with the balance being funded by Local Authority borrowing in advance of receipt of future capital grant (Cost of Carry). Opportunities to defer the timing of any call on Local Authority funds in the short term by utilising any temporary cash balances held by CCRCD will be considered where deemed achievable.

26. A number of mitigations will continue to be considered in order to mitigate any risk to the Affordability Envelope. Such actions include ensuring security for investments deemed to be evergreen where feasible to do so and continued review of assumptions such as the interest rate assumed for modelling purposes.

WIF External Audit / Monitoring and Reporting

27. 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.

HMT Contribution – Funding Terms & Conditions

28. HMT grant 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.

Assurance Framework

29. As projects are presented for approval, it is important that the requirements of the Wider Investment Fund Assurance Framework are complied with as this is a key requirement of HM Treasury funding terms and conditions, as set out by Welsh Government.

Gateway Reviews

30. A second outcome-based Gateway Review of CCRCD led by HM Treasury will be undertaken in 2025/26. Funding for 2026/27 and beyond is conditional on CCRCD successfully passing this Gateway Review, whilst any unspent funding up to this point may be subject to repayment if the Gateway Review is not passed.

31. It has been confirmed that in any year, where funds have been committed and/or there is a clear intention to spend, carry forward of funding to future years will be permitted. Carry forward in respect of the final year (2025/26), will also be permitted providing that the Gateway Review is passed

Legal Implications

32. The legal implications surrounding the requirements set out in the JWA are set out in the body of the report.

33. All future investment proposals taken in implementation of this ABP will need to be subject to a full business case that complies with the requirements of HM Treasury Green Book.

Well-being of Future Generations (Wales) Act 2015

34. In considering its endorsement of this report the Regional Cabinet must have regard to, amongst other matters:

    (a) the obligations set out in the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards.

    (b) the public sector duties under the Equality Act 2010 (including specific Welsh public sector duties). Pursuant to these legal duties, when making decisions, public bodies must 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, which are set out in section 4 of the Equality Act 2010.

(c) the Well-being of Future Generations (Wales) Act 2015. The Well-being of Future Generations (Wales) Act 2015 ('the Act') is about improving the social, economic, environmental and cultural well-being of Wales. 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. In discharging their respective duties under the Act, each public body listed in the Act (which includes the Councils comprising the CCRCD) must set and published wellbeing objectives. These objectives will show how each public body will work to achieve the vision for Wales set out in the national wellbeing goals. When exercising its functions, the Regional Cabinet should consider how the proposed decision will contribute towards meeting the wellbeing objectives and in so doing achieve the national well-being goals.

35. The well-being duty also requires the CCRCD to act in accordance with a 'sustainable development principle'. This principle requires CCRCD 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 Regional Cabinet must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, Regional Cabinet must:

- look to the long term;
- focus on prevention by understanding the root causes of problems;
- deliver an integrated approach to achieving the 7 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.

36. Regional Cabinet must be satisfied that the proposed decision accords with the principles above. To assist Regional Cabinet to consider the duties under the Act in respect of the decision sought, an assessment has been undertaken, which is attached at Appendix 2.

Equality Act 2010

37. In considering this matter, regard should be had, amongst other matters, to the Councils' duties under the Equality Act 2010. Pursuant to these legal duties the Regional Cabinet 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:

- 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

38. Regional Cabinet is asked to:

(1) note and approve the proposed Annual Business Plan for 2022/23;

(2) note that the proposed Annual Business Plan for 2022/23, forms part of the 21-26 JWA Strategic Business Plan approved December 2020;

(3) approve the submission of the document as required to UK and Welsh Governments.

Kellie Beirne and Suzanne Chesterton
Director and Head of Governance, Policy and Communications
Cardiff Capital Region
31 January 2022

Appendices
Appendix 1 JWA Annual Business Plan 2022-23
Appendix 2 Well-being of Future Generations Assessment

Prifddinas Ranbarth Caerdydd | Cardiff Capital Region

Annual Business Plan 2022-2023

Contents

- CCR Vision, Mission and Values
- Strategic Goals
- Approach to KPI’s
- Annual Business Plan 2022-2023
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  - Milestone Plan by Quarter
- WIF Budgets and Funding Strategy

Our Vision

A proud Cardiff Capital Region where everyone is connected locally and globally enjoying the work, business and life opportunities that make us the place to fulfil potential.

Our Mission

Through astute investment and targeted interventions, we will create an environment that provides opportunity for each individual - nurturing wellbeing in every community, fuelling ambition in every business, developing talent pipelines, and driving success throughout our economy.

Our Values

We're Adaptable

We understand that change is a constant. We embrace the challenges we meet and maintain our effectiveness at all times. We have an agile mindset and view setbacks as learning opportunities, striving to create an environment where we 'learn by doing', seeking to continuously improve our working practices - and ourselves.

We Show Integrity

We can be relied upon to do the right thing, not the easy thing. We challenge conventional wisdom, speak out when things don't feel right - or when we spot behaviours that are at odds with our core beliefs. We keep our promises and can be trusted to consistently deliver the commitments we make on time, every time.

We're Inclusive

We respect each other and value diversity of opinion. We take the time to ensure everyone feels seen and heard. We value the input of our partnerships and advisory bodies - and ensure that we leverage their collective genius.

We Work Collaboratively

We use our skills and experiences to help our colleagues move forward. We listen, we share information freely and we keep everyone informed. We never pass on an opportunity to help a colleague - recognizing that our collective impact is greater than our individual impact.

We're Ambitious

We strive to be the best we can be. We are leaders in our fields, opinion formers and influencers - challenging conventional thinking, innovating continually, having the courage of our convictions, and believing passionately in the pursuit of excellence.

Our 2022- 2027 Goals

1. An innovation-led region, fuelled by Competitive Clusters

Developing a strongly COMPETITIVE innovation-led ecosystem, which is built upon investments in our PRIORITY CLUSTERS.

Successful outcomes in a 3–5-year horizon will include:

- For each of Fintech, Creative and Compound Semi-Conductors:
  - Lead organisations in place for each sector
  - CCR-led cluster growth strategies documented, agreed, and deployed
  - Tailored accelerator/incubator programmes created to support businesses start up and scale up
  - A series of sector specific skills and talent programmes initiated
  - A healthy pipeline of quality business propositions into the Innovation Investment fund
  - Mechanisms in place to support the commercialization of R+D, in collaboration with local FE and HEI
- An ambitious Innovation Strategy for the region which brings together our approach to clusters, our aims for increasing the innovation capacity in the region, and a clear plan to bring public sector, research-led and business-led innovation together for the benefit of the region / to address key regional challenges and disparities.

2. Connected Places

Investing in cutting-edge DIGITAL AND PHYSICAL INFRASTRUCTURE that enhances our regional CONNECTIVITY, accessibility, and community cohesion: leveraging our regional data assets for commercial advantage and realising both our human and physical potential.

Successful outcomes in a **3–5-year** time horizon will include:

- Full electrification of the South Wales Core Valley lines, new stations, and new rolling stock
- The completion of the supporting Metro Plus and Metro Central programmes of work
- An on-street EV Charging infrastructure delivering a measurable and increased transition to Electric Vehicles
- Tangible shift in modal usage from 80:10:10 Car/ Public / Active to 60:20:20 as a result of the above interventions.
- Increase in Pan Regional Digital connectivity with broadband speeds at least the equivalent of the UK average in EACH of the 10 local authorities.
- A fully integrated Regional Strategic Transport Plan and Strategic Land Use Plan.

3. An Inclusive Approach

To promote, practice and invest in targeted means of **CLOSING THE ECONOMIC AND SOCIAL DISPARITIES** between our places: forging proud and **RESILIENT** communities with a more distinctive regional identity and sense of belonging, enabling us to fulfil our potential through a changing 21st century.

Successful outcomes within a 3-to-5-year period will include:

- Effective and equitable deployment of a number of viability gap funds to catalyse the commercial development of domestic housing and industrial premises to 'level-up' accessibility and affordability across the region
- Measurable increase in affordable housing/ industrial premises north of the M4 as a direct outcome of our interventions
- Redistribution of job creation - good jobs closer to 'home' through better connected supply chains, business relocations and more agile/hybrid working enabled by better fibre provision.
- 15 successful challenges completed that; are measurably solving known societal and community programmes, have stimulated a substantial number of Welsh/CCR applications and have resulted in solutions being adopted / deployed within the region.
- A suite of skills intervention programmes available that have tangibly increased; the number of people in skilled employment, the number of people with level 4 and above qualifications and provided a steady inflow of talent into our priority sectors.
- Plans in place for uplifting the zero qualification school leaver statistics
- Increase in number of graduates remaining in the CCR

4. A Green Sustainable Region

Investing in, and promoting companies, technologies and community initiatives that are embracing the decarbonization agenda, building upon our unique natural energy generating assets and using the strength of our existing manufacturing base as a springboard for accelerating progress toward a **2050 NET ZERO ambition.**

Successful outcomes within a 3-to-5-year period will include:

- A flagship, cornerstone investment identified and agreed in each of our 4 Energy Strategy workstreams- Transport Decarbonization, Domestic Retrofits, Industrial Decarbonization and Renewables.
- Collaborations between academia, industry, and local government in a number of joint initiatives and pilot programmes that have resulted in commercialized opportunities.
- A steady pipeline of quality propositions for investments consideration that will make a tangible difference to advancing the decarbonisation targets

5. Becoming A City Region

Strengthening regional economic Governance through the implementation building upon current practices, partnerships, governance frameworks and investment strategies, implementing a more effective operating model for CCR and enabling a move from a single City Deal funding programme to the capability and remit to **fund and run multiple programmes.**

Successful outcomes within a 3–5-year period will be defined post implementation. For the initial period 2022-23 they will include:

- Effective set up of the minimalistic CJC operating model approved by Regional Cabinet in December 2021. This will include:
  - Establishing a base set of Standing Orders
  - Approving the 2022-23 budget and business plan
  - Establishing interim staffing arrangements
  - Establishing initial operating and support arrangements
  - Establishing early arrangements for new statutory sub-committees
- Commencement of initial planning work on a Strategic Development Plan and a Strategic Transport Plan
- An agreed Transition Plan to commence the process of 'lifting and shifting' the City Deal Funding Agreement into the new CJC
- Effective relationships in place with institutions such as the UK Infrastructure Bank and the new UK Trade hub in Wales for downstream exploration of trade and investment opportunities
- An agreed final version of the Regional Economic Framework with Welsh Government.

6. Creating an Effective, Efficient Delivery Capability

Strengthening internal capability through enhanced performance, impact, and risk monitoring, revisiting our core operating processes to ensure that they are fit for purpose and fully documented, and a refresh and revision of our strategic Investment and Intervention framework and Industrial Growth Plans. In addition, enhanced tools for data sharing, data insight, document management and business relationship management will be considered.

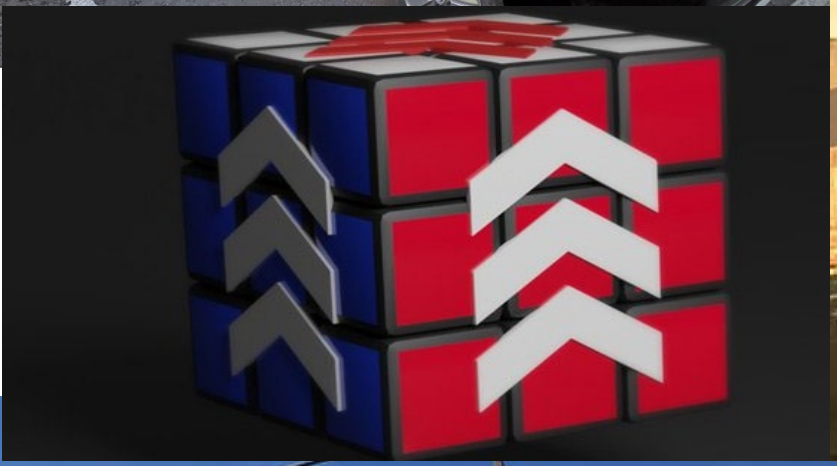
Successful outcomes for the 22/23 FY will include:

- An updated set of Strategic publications
- An Operating manual complete with processes, templates, and control frameworks
- An enhanced performance management and risk framework that is firmly embedded into bau practices
- A communications plan that continues to broadcast the progress being made pan region, gives comfort to shareholders that we are creating impact
- New tools and technology in place to support ambitions with data, document sharing and contact management

Overarching KPI's for portfolio monitoring

This is work in Progress.

- Through the Economic Intelligence and Policy sub-group of the REGP, work is underway to scope data and evidence requirements to underpin CCR's operations, projects, and investments. This will help identify and assess economic opportunities in a prospective sense as well as help monitor and evaluate the impact of investments in a retrospective sense.
- During the 2022/23 FY the aim will be to scope and develop a business case for a Regional Economic Data Observatory, for which external funds and partnership opportunities will be developed. This will be central to formulating the baseline assessments for development of a core set of KPIs through which to measure the programme-level outcomes of the CCR City Deal. This will help establish a robust framework for evaluating progress against a core set of indicators.
- For the 2022 /23 annual period a framework and methodology will be developed that will facilitate enhanced performance monitoring against the 3 core City Deal targets of Jobs, Leverage and GVA. A set of complimentary indicators will also be agreed to facilitate illustration of the wider impact of City Deal investments and interventions.
- it should be noted that not all the tools and techniques for consistently evaluating outcomes and impacts are in place. However, this is a key enabling objective for 22/23 and whilst it will take time for processes to be coordinated and one consistent framework to be established, we are confident that we will be able to put in place a robust set of targets and an enhanced performance management framework before the start of the 22/23 FY.



Annual Business Plan 2022-2023

Annual Business Plan Strategic Goals				
An Innovation-led Region, Fuelled by Competitive Clusters	**An Inclusive Approach**	**Connected Places**	**A Green, Sustainable Region**	**Becoming A City Region**
2022-2023 CORE OBJECTIVES				
Produce **Innovation and Cluster Strategies a**nd commence implementation by Q4 2022-23	Facilitate the commitment to 3 significant £1m+ **Innovation Challenges** / Missions launching in FY 22-23	Crystalise the CCR commitment to the development of a Northern **Valleys Transformation Fund.**	**Develop the planning, partnerships, and tools to enable an infrastructure for the creation and delivery of CCR energy and decarbonisation interventions**	Create a unique **brand identity and name** for the CCR CJC and disseminate the vision, values, mission, and goals to promote our distinctive approach.
Create an **action and delivery plans** for each of Creative, Cyber, Compound Semi-Conductors, Fintech and MedTech by Q4 2022-23	Establish a **Challenge Strategy** with a 5-year plan for CCR Challenges and Mission Roadmap which integrates with Innovation and Clusters Strategy.	Support the scale up aspirations of new and existing businesses through the provision of funding to enable the development of at least 2 **new strategic sites and premises propositions**	**Deliver a domestic retrofit programme for the region's existing housing stock to improve energy efficiency and deliver cost reduction.**	**Implement first stages** of the process of setting up the new Corporate Entity including the immediate duties associated with the transfer of responsibilities for RTP, LDP and Economic wellbeing.
Establish **benchmarks** and **critical success factors (CSFs),** through an innovation & cluster evaluation methodology by Q4 2022.	Refine the **current Venture Graduate** proposition and build the Venture skills collateral	Instigate a **digital 'call to the market'** predicated on needs requirements and aspirations of the region to deliver cutting-edge digital infrastructure that enhances our connectivity and accessibility"	**Create a CCR Green Energy Fund to help facilitate the region to generate 50% of its total energy consumption from regional renewable sources by 2035**	**Update transition plan** to ensure CJC entity is ready to absorb the transition of the city deal arrangements.
Establish the approach and key activities **to embed innovation** across the region by Q4 2022-2.	Develop a new **Venture business proposition for 2 new skills opportunities.**	Commence the implementation of the shortlisted **Housing Viability Gap** projects to unlock allocated residential sites.	**Support the ambition to generate sufficient clean energy capacity to meet our net zero ambitions through investment in a key strategic site.**	
	Review pilot phases of Cyber Masters and co-funded Innovate UK schemes and agree a way forward.	Deliver the **Metro Plus programme** and expand the roll out of the Regional **ULEV Programme.**		
	Devise and implement an approach to cluster related **skills and talent mapping/** plans	Create a commercial proposition and Full Business Case for **Metro Central**.		
	Develop an **inward investment framewor**k to set out our approach to facilitating inward FDI.			

Annual Business Plan Strategic Goals			
Enabling Effective Delivery			
2022-2023 SUPPORT OBJECTIVES			
Strategic Publications Update Economic and Industrial Growth plan to reflect current economic environment and refresh / re-align our investment strategy/ IIF framework documentation	**Tools and Technology** Enable improved document accessibility, security, and data sharing. Capture and make accessible team business engagement and business development activities Develop an effective data insight and research capability.	**Performance/ Impact/ Portfolio Monitoring** Create and deploy benefit / impact realisation frameworks (templates and processes) for tracking and reporting investment performance	**People Management** Enhance People management capability within and across the team to accommodate additional CJC responsibilities and enable delivery of the business plan.
Communications Create and deliver a Communications and Marketing Plan that is fully aligned to the desired business plan outcomes	**Processes** Produce an operating manual and SOPs for the end-to-end investment processes and funds to ensure that businesses practices and procedures are accessible, efficient, compliant, and adequately controlled.	**Risk** Implement / embed the Risk Framework into BAU processes and procedures	**Finance** Agree requirements for enhanced Finance support for; monitoring and reporting at investment and portfolio level and improve granularity and frequency of budget info dissemination

2022-2023 MILESTONE PLAN

Goal One: An Innovation-led Region, Fuelled by Competitive Clusters **Cabinet Lead: RJ**	**Milestone(s) Per Quarter**			
	Q1	**Q2**	**Q3**	**Q4**
Objective One: Produce **Innovation and Cluster Strategies** and commence Implementation by Q4 2022/2023. **Resp JW/ CM.**	(1) Cluster and Innovation Strategy Published	(1) Innovation Investment Fund launched.	(1) Operational Plan approved, and funding secured.	TBD
Objective Two: Create **action and delivery plans** for each of Creative, Cyber, Compound Semi-Conductors, FinTech and MedTech by Q4 2022/2023. **Resp JW/CM**	(1) FinTech and CSconnected strategies approved. (2) Creative & Cyber working groups established	(1) FinTech and established CS Connected action plan approved. (2) Creative Industries and MedTech Strategies approved. (3) Cyber Innovation Hub launched (pending FBC)	(1) Cyber strategy approved (2) Creative action plan approved (3) Resources identified and business cases produced, where appropriate	(1) Funding to deliver strategies in 2023 & beyond secured (2) Cyber action plan approved
Objective Three: Establish **benchmarks and critical success factors (CSFs)**, through an innovation & cluster evaluation methodology by Q4 2022-23. **Resp JW/ CM.**		(1) Knowledge Transfer Partnership (KTP) and Regional (2) Data Observatory (RDO) defined, and roadmap agreed	(1) KTP & RDO funding secured, and operating model agreed	(1) KTP and RDO organisation formed (2) Benchmark and CSF initial proposals in development
Objective Four: Establish the approach and key activities to embed innovation across the region by Q4 2022-2. **Resp JW/ CM.**		(1) Innovation Commons defined. (2) Cross-cluster Leadership Group formed.	(1) Focus on international regions for collaboration defined. (2) MoU for activities agreed. (3) Communications plan agreed.	(1) Run Co-Innovate. (2) Shared resource working commenced.

Goal two: An Inclusive Approach **Cabinet Leads PM/ JM/ LM/ AM**	**Milestone(s) Per Quarter**			
	Q1	**Q2**	**Q3**	**Q4**
Objective One: Facilitate the commitment to 3 significant £1m+ **Innovation Challenges** / Missions launching in FY 22-23. **Resp GB**	(1) 1 x New challenges launched (2) Challenge contracts in place (3) Implement Events and Comms plan in support of launches	(1) 2nd new challenge launched in alignment with Innovation & (2) Clusters Strategy (3) Challenge contract in place.	(1) 3rd new challenge launched in alignment with Innovation & Clusters Strategy (2) Challenge contract in place	(1) Commission independent evaluation of challenge fund
Objective Two: Establish a **Challenge Strategy** with a 5-year plan for CCR Challenges and Mission Roadmap which integrates with Innovation and Clusters Strategy. **Resp GB**.	(1) External consultant commissioned to undertake options appraisal.	(1) Research findings report published. (2) Options appraisal conducted.	(1) Recommended approach to cabinet.	
Objective Three: Develop **an inward investment framework** to set out our approach to facilitating inward FDI. **Resp NS.**	(1) Events researched and recommended (2) Relationships established with key organisations – DIT /Infrastructure bank. (3) Partnership approach to attendance agreed.	(1) Generic 'why CCR' Collateral produced. (2) Event specific materials produced	(1) Ongoing programme of event attendance and relevant collateral implemented	(1) Ongoing programme of event attendance and relevant collateral implemented

Objective Four: Refine the **current Venture Graduate** proposition and build the Venture skills collateral. **Resp NS.**	(1) Venture skills content strategy program implementation commenced. (2) Engagement and advertising plans for 2022/3 cohorts documented and agreed.	(1) 1 new feature or service for Venture (2) Graduate employer proposition implemented.	(1) Quarterly release programme implemented (Further new feature rolled out each quarter).	(1) Quarterly skills release implemented
Objective Five: Review pilot phases of Cyber Masters and co-funded Innovate UK schemes and agree way forwards. **Resp NS**.	(1) Pilot phases reviewed. (2) Decisions reached re future direction. (3) FBC finalised (if to go ahead)	(1) Delivery agreements with partners concluded. (2) Monitoring arrangements established	TBC	TBC
Objective Six: Develop a Venture business proposition for 2 new skills opportunities. **Resp NS**.	(1) 2-year shared apprenticeship scheme mobilised.		(1) 2nd outline proposal agreed with stakeholders	(1) Business case produced for 2nd proposition (e.g., Skills bootcamp/ thematic academies)
Objective Seven: Devise and implement an approach to cluster related **skills and talent mapping**/plans. **Resp NS.**	(1) Talent mapping objectives, scope and methodology agreed. (2) Tools / skills for undertaking skills mapping procured. (3) Cluster priorities agreed for profiling.	(1) Talent maps created. (2) Analysis undertaken, gaps identified, and forward plan created. (3) Dissemination approach and format agreed.	(1) Talent map action plans detailed /activity mobilized.	TBC
Objective Eight: Crystalise the CCR commitment to the development of a **Northern Valleys Transformation Fund**. **Resp RT/ NS.**	(1) Business Case to Cabinet	(1) Team structures and funds mobilised / deployed.	TBC	TBC

Objective Nine: Support the scale up aspirations of new and existing businesses through the provision of funding to enable the development of at least 2 **new strategic sites and premises** propositions. **Resp RoD.**	(1) Set up Governance structure.	(1) Contract signed for investment No 2.	(1) Drawdown of funding for 1st Investment (Brew House) circa £6M of the total.	(1) Contracts signed for investment No 3. (2) Investment Strategy for 22/23 onwards agreed.
Objective Ten: Commence the implementation of the shortlisted **Housing Viability Gap** projects to unlock allocated residential sites. **Resp RoD/ LC**.	(1) Review assumptions and develop profile for Tranche 1 schemes (2) Completion of further due diligence of Tranche 2 schemes	(1) Contracts with LAs for Tranche 2 schemes established and signed (where applicable)	(1) Capital Expenditure Drawdown. (2) Review assumptions and develop profile for Tranche 2 schemes	(1) Capital Expenditure Drawdown

Goal three: Connected Places **Cabinet Leads HD/ AM**	**Milestone(s) Per Quarter**			
	Q1	**Q2**	**Q3**	**Q4**
Objective One: Deliver the **Metro Plus programme** and expand the roll out of the Regional **ULEV Programme**. **Resp RoD/ CC.**	(1) On site delivery on 4 Phase schemes commenced (2) Phase 2 schemes progressed through WelTAG process. (3) Charging infrastructure delivery programme progressed. (4) Taxi & PHV trial progressed (5) Car club pilot commenced (6) Next steps for public sector fleet challenge agreed	(1) On site delivery on final 2 Phase 1 schemes commenced. (2) Future direction for school bus strategy agreed.		(1) 6 phases 1 Metro Plus programmes delivered (2) 22/23 action and funding plans prepared.
Objective Two: Create a commercial proposition and Full Business Case for **Metro Central**. **Resp RoD / CC.**	(1) GRIP Stage 2: Options Development and Feasibility completed and endorsed by the Metro Central Partnership.		(1) GRIP Stage 3: Single option selection completed.	(1) GRIP Stage 4: Single Option Development commenced
Objective Three: Instigate a **digital 'call to the market'** predicated on needs requirements and aspirations of the region to deliver cutting-edge digital infrastructure that enhances our connectivity and accessibility". **Resp RoD/ LC.**	(1) Call to market for proposal issued		(1) Various delivery partner procurement processes commenced.	(1) Procurement concluded and various partners to deliver a range of solutions appointed.

Goal Four: A Green, Sustainable Region **Cabinet Leads HD/ AM/ NM**	**Milestone(s) Per Quarter**			
	Q1	**Q2**	**Q3**	**Q4**
Objective One: Develop the planning, partnerships, and tools to enable an infrastructure for the creation and delivery of CCR energy and decarbonisation interventions. **Resp RoD.**	(1) Technical Advisor and Lead Consultant for the delivery of a 2-year Local Area Energy Planning Programme appointed (2) CCR Climate Coalition launched to establish a shared vision for decarbonisation and facilitate increased collaboration and sharing of best practice (3) Energy Strategy baseline data updated	(1) Environmental impact data via the Carbon Disclosure Programme disclosed. (2) Work with the Regional Skills Partnership, FE Colleges, and Industry to understand the skills gap within the energy sector commenced.	(1) Business Case for the establishment of a Regional Energy Agency for the delivery of CCR energy and decarbonisation interventions approved.	(1) CCR Energy Investment Prospectus completed
Objective Two: Deliver a domestic retrofit programme for the region's existing housing stock to improve energy efficiency and deliver cost reduction. **Resp RoD.**	(1) CCR Joint Flexible Eligibility Statement of Intent for delivery of the ECO Flex Programme agreed and approved. (2) Energy company partner/s for the delivery of the ECO Flex Programme procured and appointed. (3) Partner to undertake data gathering and surveying of existing stock to identify suitable target homes procured.	(1) Regional delivery vehicle for delivery of ECO Flex and wider domestic retrofit programme established	(1) Rollout of ECO Flex domestic retrofit improvements commenced,	(1) Review of funding opportunities to contribute to the wider domestic retrofit programme beyond ECO Flex undertaken.

Objective Three: Create a CCR Green Energy Fund to help facilitate the region to generate 50% of its total energy consumption from regional renewable sources by 2035. **Resp RoD / RT**	(1) Pipeline of possible future Local Authority energy generation projects developed (2) Complete Strategic Business Case for the establishment of a CCR Green Energy Fund	(1) Outline Business Case for development of CCR Green Energy Fund completed	(1) FBC for CCR Green Energy Fund approved (2) Fund Manager appointed	(1) CCR Green Energy Fund launched
Objective Four: Support the ambition to generate sufficient clean energy capacity to meet our net zero ambitions through investment in a key strategic site. **Resp RoD/ RT**	(1) CCR/SPV Entity Delivery Team appointed. (2) Permit Transfer application Approved (3) Initial Joint venture Agreed. (4) Purchase contract completed	(1) Planning application approved. (2) Demolition and Asbestos strip contract commenced		(1) Solar farm contract commenced

Goal Five: Becoming a City Region **Cabinet Lead AH**	**Milestone(s) Per Quarter**			
	Q1	**Q2**	**Q3**	**Q4**
Objective One: Create a unique **brand identity and name for the CCR CJC** and disseminate the vision, values, mission, and goals to promote our distinctive approach. **Resp SC/KB**	(1) CCR strategic plan published. (2) Naming options for CJC entity for the entity identified. (3) Name agreed by all stakeholders	(1) Review of any necessary collateral changes to accommodate new name agreed. (2) Implementation plan aligned with indicative dates and updated transition plan.		

Objective Two: Implement first stages of the process of setting up the new Corporate Entity including the immediate duties associated with the transfer of responsibilities for RTP, LDP and Economic wellbeing. **Resp HS/ KB**	(1) All CJC bare minimum financial and regulatory requirements in place. (2) FY 21/22 accounts prepared. (3) Assessment of new regulations undertaken (Tranche 3)	(1) CJC Governance meeting convened. (2) Assessment of new CJC regulations undertaken (Tranche 4).	(1) Planning approach to SDP and RTP agreed	(1) Governance meeting convened
Objective Three: Update transition plan to ensure CJC entity is ready to absorb the transition of the city deal arrangements. **Resp HS/KB**	(1) Regular updates with WG to keep abreast of progress of the taxation issued through HM Treasury held. (2) Indicative dates for resolution established	(1) Transition milestone plan updated to reflect revised lift and shift effective date. (2) Transition Board resurrected to act as lift and shift steering group. (3) Identify and commence recruitment of any key new CJC roles	(1) Budgets prepared for 23/24 (2) Business Plan prepared for 23/24	(1) Budgets approved. (2) Business strategy and Plan for an integrated approach agreed. (3) CJC support requirements and approach agreed for bedding in period.

Goal 6 - Enabling Effective Delivery Milestones

Strategic Publications	Milestone(s) Per Quarter			
	Q1	Q2	Q3	Q4
Objective: Update Economic and Industrial Growth plan to reflect current economic environment and refresh / re-align our Investment strategy/ IIF framework documentation. **Resp RT (with support from KB/CM**).	(1) 1st Draft revisions documented	(1) Revised documents approved by cabinet (2) Funding allocations agreed	(1) Impact on current plans assessed (2) Changes deployed into BAU.	

Communications	Milestone(s) Per Quarter			
	Q1	Q2	Q3	Q4
Objective: Create and deliver a Communications and Marketing Plan that is fully aligned to the desired business plan outcomes. **Resp SC.**	(1) Stakeholder engagement / info matrix created (2) Tailored communication packs templated / agreed with stakeholders (3) 1st annual report for 21/22 produced (4) Content strategy and plan agreed for 22/23 in line with business plan milestones. (5) Digital call to market supported.	(1) New bespoke Performance packs issued for Q1 results. (2) Annual report approved and issued. (3) Content strategy deployed. (4) Approach to creating Sector specific prospectuses agreed.	(1) Content strategy deployed. (2) Prospectus creation commenced.	(1) Content strategy deployed.

Tools and Technology	**Milestone(s) Per Quarter**			
	Q1	**Q2**	**Q3**	**Q4**
Objective: Enable improved document accessibility, security, and data sharing. **Resp GB.**	(1) Problem statement articulated and agreed.	(1) Scope and TOR documented and agreed. (2) Requirements spec agreed. (3) Solutions identified.	(1) Solution agreed (tender issued if relevant)	(1) Solution purchased and implemented
Objective: Capture and make accessible team business engagement and business development activities. **Resp NS.**	(1) Problem statement articulated and agreed	(1) Scope and TOR documented and agreed. (2) Requirements spec agreed (3) Solutions identified	(1) Solution agreed (tender issued if relevant)	(1) Solution purchased and implemented
Objective: Develop an effective data insight and research capability. **Resp CM (with support from Econ Intel Unit / RT/KB).**	(1) Data & insight requirements aligned with the Regional Data Observatory development.	(1) Resourcing options and funding agreed	(1) Procurement of solutions where required	

Processes	**Milestone(s) Per Quarter**			
	Q1	**Q2**	**Q3**	**Q4**
Objective: Produce an operating manual and SOPs for the end-to-end investment processes and funds to ensure that businesses practices and procedures are accessible, efficient, compliant, and adequately controlled. **Resp SC (with support from RT/HS).**	(1) Formal sign off new operating manual. (2) Briefing / training sessions for team in new procedures. (3) Governance approach to ensuring adherence agreed.	(1) Requirements (RFP) documented for automation tools	(1) Issue tender/ RFP	

Financial	**Milestone(s) Per Quarter**			
	Q1	**Q2**	**Q3**	**Q4**
Objective: Agree requirements for Finance support for; monitoring and reporting at investment and portfolio level and improve granularity and frequency of budget info dissemination. **Resp HS/ GG.**	**(1)** Dissemination of budget information to budget holders in a consistent format for review and comment in good time ahead of budget meetings (2) Review adequacy of Finance capacity and formulate plan to address any gaps identified	**(1)** Build on Qtr. 1. milestones and challenge accuracy of forecasting and overall quality of financial information used for decision making at project and programme levels (2) Mobilise plan to address gaps identified	(1) Seek feedback from Stakeholders on quality, accuracy and timeliness of financial information prepared and reported (2) Implement plan to address gaps identified	**(1)** Implement action plan to address feedback received from stakeholders.

Performance / Impact / Portfolio Monitoring	**Milestone(s) Per Quarter**			
	Q1	**Q2**	**Q3**	**Q4**
Objective: Create and deploy benefit / impact realisation frameworks (templates and processes) for tracking and reporting investment performance. **Resp HS with support from SC/GG**.	(1) Forecasting methodology agreed (2) Frameworks updated (3) Revised reporting templates / dashboards deployed (4) Internal performance challenge / review meetings commenced (5) Deep dive programme produced (6) Independent evaluation services researched (7) Independent evaluation services commissioned	(1) Further embed dashboards into bau. (2) 1st Deep dive undertaken. (3) Feedback obtained on reporting and actioned accordingly.	(1) Deep Dive Undertaken	(1) Deep Dive Undertaken

Risk	**Milestone(s) Per Quarter**			
	Q1	**Q2**	**Q3**	**Q4**
Objective: Implement / embed the Risk Framework into BAU processes and procedures. **Resp HS/ RT**	(1) Operationalise risk assessment practices at x3 levels of organisation to embed end to end consistent risk management.	(1) Operationalise risk escalation processes and risk governance practices organisation wide	(1) Consider appropriateness of carrying out an independent assessment of risk compliance and culture	(2) Implement Action Plan arising from independent assessment (3) Consider appropriateness of carrying out an independent assessment of risk compliance and culture

People Management	**Milestone(s) Per Quarter**			
	Q1	**Q2**	**Q3**	**Q4**
Objective: Enhance People management capability within and across the team to accommodate additional CJC responsibilities and enable delivery of the business plan. **Resp KB.**	(1) Approach to objectives and pdp's for 22/23 agreed (2) Individuals' objectives and pdp's agreed. (3) Approach to team working / office days agreed (hybrid).	(1) HR specialist for the team appointed	(1) OD exercise completed to ensure alignment with additional CJC responsibilities. (2) New roles identified. (3 Forward resource planner created.	TBC

WIF Strategy for 2022/23

2022/23 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 2022/23 and beyond. Table 1 outlines the proposed 2022/23 budget and to assist with medium planning, the indicative budgets to financial year 2026/27 are also set out, along with the proposed funding strategy over this period.

Table 1: Proposed 2022/23 Wider Investment Fund Budget and Indicative Budgets to 2026/27

	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000
Indicative Programme Expenditure					
Wider Investment Fund Top Slice	2,225.3	2,206.7	2,185.8	2,209.6	1,000.0
Approved Projects - Revenue	2,244.0	1,527.8	142.4	(2,029.9)	75.0
Future Revenue Projects	2,000.0	4,196.3	4,085.3	3,692.3	3,508.3
Sub Total Revenue	**6,469.3**	**7,930.8**	**6,413.5**	**3,871.9**	**4,583.3**
Approved Projects - Capital	19,011.8	49,391.8	15,857.5	6,828.7	(5,284.2)
Future Capital Projects	20,800.0	29,052.1	58,491.7	77,763.3	47,763.3
Sub Total Capital	**39,811.8**	**78,443.9**	**74,349.2**	**84,592.0**	**42,479.1**
Total Investment	**46,281.1**	**86,374.6**	**80,762.7**	**88,463.9**	**47,062.3**
Funded by					
HMT Contribution (Revenue)	(6,469.3)	(7,930.8)	(6,413.5)	(3,871.9)	(4,583.3)
HMT Contribution (Capital)	(36,600.0)	(27,000.0)	(34,500.0)	(34,500.0)	(37,000.0)
Total HMT Contribution	**(43,069.3)**	**(34,930.8)**	**(40,913.5)**	**(38,371.9)**	**(41,583.3)**
Council Contribution	(3,211.8)	(51,443.9)	(25,739.9)	0.0	0.0
Temp Borrowing 'Cost of Carry'	0.0	0.0	(14,109.1)	(50,092.0)	(5,479.0)
Total Partner Authority Contributions	**(3,211.8)**	**(51,443.9)**	**(39,849.0)**	**(50,092.0)**	**(5,479.0)**
Total Funding	**(46,281.1)**	**(86,374.7)**	**(80,762.6)**	**(88,463.9)**	**(47,062.3)**

Note: Approved Expenditure is shown net of any returns on investments made.

Table 2: Proposed 2022/23 Wider Investment Fund Revenue Budget

	£'000
Top-Slice Expenditure	2,225.3
Housing Viability Gap Fund	686.6
Graduate Scheme	372.8
Creo Loan Return	(50.5)
Challenge Fund	600.0
Premises Fund	100.0
Zip World	10.0
Cyber Masters	225.0
Energy Strategy	300.0
Future Revenue Schemes	2,000.0
Total	**6,469.3**

Table 3: Proposed 2022/23 Wider Investment Fund Capital Budget

	£
CSC Foundry Funding Return	(3,628.2)
Housing Viability Gap Fund	7,474.3
Housing Viability Gap Fund WG Grant	(1,500.0)
Premises Fund	7,500.0
Zip World	700.0
Zip World Return	(675.7)
Metro Plus	7,112.0
Metro Central	500.0
Challenge fund	1,204.3
CSConnected	325.0
Future Capital Schemes	20,800.0
Total	**39,811.8**

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'.

Approved Projects

The 2022/23 Annual Business Plan will also need to meet the revenue and capital costs of approved projects as well as indicative allocations in respect of future projects which may come forward during the year, subject to meeting the requirements of the Investment & Intervention Framework.

Affordability Envelope and WIF Funding Strategy

The sums allocated represent the amounts available to be spent in 2022/23, 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 2022/23 Annual Business Plan is £46.281 Million. It is proposed that this level of expenditure is funded as follows:

- Draw down of HM Treasury Revenue Grant: £6.469 Million
- Draw down of HM Treasury Capital Grant: £36.600 Million
- Draw down of Council Contributions: £3.212 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 progress against delivery plans and budgets can be assessed and the proposed funding arrangements can be reviewed as appropriate.

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

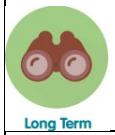
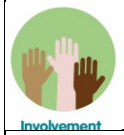
Name of the Officer completing the evaluation: Kellie Beirne **Phone no:** 07826 919286 **E-mail:** kellie.beirne@cardiff.gov.uk	**Please give a brief description of the aims of the proposal:** To set out the goals and objectives for the 2022-2023 12 month period. The document is the second annual plan instalment to the JWA 21-26 strategic Business plan agreed in December 2020.
Proposal: JWA Annual Business Plan 2022-2023	**Date Future Generations Evaluation form completed:** 31 January 2022

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

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs	The report and appendix sets out a progressive planned approach for driving prosperity within the region over the next five years. It is based on the 5 priority themes identified in the 21-26 JWA Plan and a set of goals that are focused on our ambitions to create a truly Connected, Competitive, Resilient, Inclusive and Sustainable Region - balancing the need to provide for wealth and well-being in so doing.	Further work is being undertaken to ensure that the outputs of our investments generate the right balance of impacts across the region, driving a healthy balance between economic, social, ESG and ethical considerations.
A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)	A green and sustainable region is one of the key goals with a series of objectives dedicated to this ambition.	Collaborative working across local and national government to ensure unified activity and focus on delivering the right outcomes.

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
A healthier Wales People's physical and mental well-being is maximized and health impacts are understood	Inclusion is a core theme of the plan as is and balancing a focus on levelling up the region with other regions in the UK to ensure CCR accesses all of the opportunities available to it – thus supporting not just sectors and industries but communities and people.	ESG and equality and diversity focus to ensure emphasis on societal and community needs.
A Wales of cohesive communities Communities are attractive, viable, safe and well connected	Enabling Cohesive, inclusive communities are central to our planning goals with a dedicated section that describes the wip around housing viability, transport- in particular metro plus, and the new strategic sites and premises fund – all of which will contribute toward community viability.	Consideration of a specific Valleys Transformation Fund will further assist with this goal.
A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental well-being	The document looks outward and focuses on the FDI and international opportunities.	Further work has been done with bodies such as Universities Wales and SIACW to consider impact of UK working outside of Horizon Europe.
A Wales of vibrant culture and thriving Welsh language Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation	The document represents the strategic approach to developing the economy of the region – foundational and tradeable and projects a distinctively Welsh approach to doing so.	
A more equal Wales People can fulfil their potential no matter what their background or circumstances	The approach focuses on economic inclusion, levelling-up and a mission-driven approach capable of not just tackling economic problems – but societal ones too.	

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

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 Balancing short term need with long term and planning for the future	The Plan is both a five year one, and an annual one balancing the need to look ahead whilst setting out what the first 12 months of activity looks like.	This will be continually built upon and reinforced through the development and publication of concurrent Annual Business Plans which reflect back to the more medium-term ambition.
Working together with other partners to deliver objectives	All partnerships and groups are reflected in the plan setting out contributions required and fit.	Reinforcing shared purpose through distillation into annual business plans.
 Involving those with an interest and seeking their views	The plan is backed by a wider comms plan.	More thought needs to be given to how this work engages communities and citizens. The challenge fund will go some way to addressing this and opportunities will be developed
Putting resources into preventing problems occurring or getting worse	The mission-driven/ challenge-led approach embedded will be a key means of experimenting in the prevention space	
Considering impact on all well-being goals together and on other bodies	The plan seeks to balance BBB with a focus on governance changes, clusters-development and 'levelling-up' all whilst delivering the existing City Deal programme. In this way, priorities that technically sit outside City Deal are integrated and connected in order to allow for smart objective setting and the achievement of higher level policy goals.	This can be further reinforced in the CJC setting and when Cabinet and partners have access to greater freedoms and flexibilities.

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

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Age	Not relevant in this context since the plan, approach and ways of working apply to all prospective interests and stakeholders	Not relevant in this context since the plan, approach and ways of working apply to all prospective interests and stakeholders	Not relevant in this context since the plan, approach and ways of working apply to all prospective interests and stakeholders
Disability	As above	As above	As above
Gender reassignment	As above	As above	As above
Marriage or civil partnership	As above	As above	As above
Pregnancy or maternity	As above	As above	As above
Race	As above	As above	As above
Religion or Belief	As above	As above	As above
Sex	As above	As above	As above
Sexual Orientation	As above	As above	As above
Welsh Language	As above	As above	As above

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

	Describe any positive impacts your proposal has on safeguarding and corporate parenting	Describe any negative impacts your proposal has on safeguarding and corporate parenting	What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?

Safeguarding	Not directly relevant –however, building the future economy should have a profoundly positive impact on ability to safeguard the future of our residents		
Corporate Parenting	Not directly relevant – however, building strength in the economy should create opportunities for all of the young people entrusted in our care and makes a direct contribution to well-being.		

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

- Policy and data insights
- COVID-19 priority-set
- Levelling up UK frameworks – R&D Roadmap
- Industrial and Economic Growth Plan
- Challenge fund for LWB
- Government documents

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

As above, the main implications will be in the delivery of this work.

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

The impacts of this proposal will be evaluated on:	Quarterly via the IIF reports to Cabinet and quarterly performance