Cabinet Prifddinas Ranbarth Caerdydd | Cardiff Capital Region Cabinet

28 NOVEMBER 2022

2022-23 ANNUAL BUSINESS PLAN - QUARTER 2 PERFORMANCE REPORT

REPORT OF CARDIFF CAPITAL REGION DIRECTOR

AGENDA ITEM 5

Reason for this Report

1. To inform key stakeholders, principally Regional Cabinet and also Wales and UK Governments, of the Quarter 2 reporting position against the 2022/23 City Deal Business Plan, thus discharging the reporting requirements of the Assurance Framework in relation to performance reporting.

2. To provide regional Cabinet with an update of actual expenditure as at Quarter 2 against the approved Wider Investment Fund budgets as set out in the Annual Business Plan for the financial year 2022/23.

3. To recommend that Regional Cabinet approve the Quarter 2 report, in order for formal submission to government partners.

4. To note the overarching context of the five-year Strategic Business Plan for Cardiff Capital Region City Deal and the priority themes and headings it sets out, through which the performance lens has been created: 1) Building Back Better 2) Becoming a City Region 3) Scaling up delivery of peak WIF programme for City Deal 4) Making the case for levelling up of CCR and 5) Developing industrial-led clusters and innovation-led growth.

Background

5. Regional Cabinet approved its 2022/23 Annual Business Plan at its meeting in January 2022 which included details of the Wider Investment Fund budgets for that year. The report also provided an overview of the key work streams that would need to be progressed during the year in accordance with key priorities agreed with cabinet in November 2021 . The 2022/23 Annual Business Plan sets out the activities, tasks and objectives to be delivered in the period; alongside an assessment of the resources required to deliver.

6. The Annual Business Plan 2022/2023 and the priority action contained within it, form the basis of the Quarterly Performance Monitoring Reports which are issued

to the UK and Welsh Governments as well as provide the basis for ongoing evaluation, impact assessments and wider detailed monitoring work. Alongside this process sits one-to-one sessions with individual Cabinet Members, whole-Cabinet briefings and deep dive assessment work as part of the ongoing Gateway Review process. Against the backdrop of the five strategic priority headings set out in 4. above, in 22/23 the clear priorities for action are against:

- an innovation-led region, fuelled by competitive clusters;
- connected places, in which investment is made into cutting edge physical and digital infrastructure;
- an inclusive approach which will help close the gap in regional economic and social disparities;
- a green and sustainable region which is embracing decarbonisation objectives
- becoming a City Region – shifting from becoming a single funding programme to a corporate legal entity that operates a number of programmes and portfolios
- creating effective and efficient delivery capability.

7. The planning process translates into a comprehensive framework for measuring, monitoring and recording progress. This is important in performance and impact on an ongoing basis. With a new Benefits Realisation Framework to support measurement of Impact Delivery, this also dovetails into work now needed to support the UKG's new approach to Gateway Review, the second stage of which will begin in earnest for CCR, with a new mid-point report to be conducted into progress in and around the summer of 2023. Given the changes this will bring to the process of external evaluation assessment – and the internal capability required to support it - a separate report will be brought on this subject to Regional Cabinet in the near future and as more is learned about future process.

8. This whole approach is maturing all of the time and offers more outcome focussed insights and information regarding CCR's growing output and impact. Whilst the focus is clearly retained on the three primary targets of jobs, growth (GVA) and private leverage – it is supplemented by wider priorities around decarbonisation, sustainable and inclusive growth, benefits for people and places and social value considerations.

<u>Summary of Progress – Quarter 2</u>

9. A summary of progress is outlined below, with detailed information included within key appendices attached to this report. The Performance Report attached at **Appendix 1** details the further progress made on the delivery and mobilisation of our current portfolio along with progress made on other strategic objectives outlined in the 2022/23 Annual Business Plan:

- **£317m** funds committed as at Q2 (30/9/22); **94%** of which will be drawn down by March 2027
- **£8.99m** actual spend in **Q2** with a further **£33m** forecast to be spent as follows; Q**3: £16.15m & Q4: £16.87m.**
- **£8.899m £2m** Apex, **£1.5m Jellagen, £1m** Metro Central, **£1.55m** Metro+, **£0.83m** ULEV, **£0.75m FinTech Wales, £0.5m HDS with the balance comprising incidental revenue spend across the portfolio.**

- **£59m** of funding was approved by **Regional Cabinet in September** to support & grow our Innovation Portfolio.
- Significant points of note within the individual investment portfolios includes:
  - Innovation Investment capital fund and associated investment strategy approved, and planning commenced for November launch event.
  - Economic environment increasing delivery risk on both the Housing Viability Gap fund and Strategic Sites and Premises Fund.
  - Revised forecasts are considered achievable and first HVGF project (Vinegar Hill) is on site and expected to draw down in Q3 alongside the first SS+P project (Rassau). There has been some slippage on projected contract opportunities, but these are expected to be made up in future years. It should be noted however that there is a high level of risk associated with the current pipeline of opportunities within the infrastructure portfolio in particular.
  - **74 jobs** created on the Metro Plus programme, 6 in the Innovation portfolio and 15 via the Graduate Venture Programme this quarter.
  - **£2.6m** Food Sustainability Challenge and a **£750k** Endoscopy Challenge launched to market.
  - New Challenges being developed that play into the cost-of-living crisis and social care arenas
  - **15** Cyber Masters students graduated and **16** new students enrolled.
  - New career accelerator programme launched to augment the Venture proposition.

- **Significant activity in the non-investment activity includes:**
  - Workshop held with **75 + organisations** interested in formulating a **CCR climate coalition**
  - Progress towards developing a joint Statement of Intent and an MoU agreed to formalise the ECO Flex 4 programme within CCR.
  - A **Regional Data Ambition investment request has been formulated** to progress four initial delivery themes; insights, innovation acceleration, talent development and performance.
  - Creation of a draft Regional Cluster Strategy
  - Good progress made with finalising (for Q3 cabinet review) a new, updated Regional Economic and Industrial Plan, Investment Strategy and Funding Strategy to take account of the changing landscape, additional responsibilities and experience to date.

10. In respect of the Metro Central scheme, this has been highlighted as a red risk within previous quarterly reports. Whilst risks remain high in relation to affordability and deliverability – there has been progress in relation to the signing of the legal Co-operation Agreement between Transport for Wales and CCR, in order to support the remaining process of business case development. The agreement was approved by Regional Cabinet in September 2022.

Wider Investment Fund Budget Updates (Current and Future Years)

11. The Wider Investment Fund (WIF) 2022/23 Budgets were approved by Regional Cabinet at its meeting of 31 January 2022 as part of the 2022/23 Annual Business Plan and reflected the indicative spend profiles known at that time. These spend profiles are updated as circumstances within the projects in delivery and those in the pipeline develop throughout the year.

12. Since the approval of the Business Plan, and in order to keep the Partner Authorities updated in terms of Capital Contribution requests, the WIF Financial Model is regularly reviewed and updated. The result of the most recent review is fully set out in Appendix 2.

13. The figures in Appendix 2 deal with the full £495m CCR Wider Investment Fund over its whole 20-year life and reflect assumptions around future spend which are yet to be approved. Similarly, the overall funding model includes return on investments and reinvestment and does not include expenditure against other sources of funding such as the ULEV grant.

14. Therefore, the updates set out in Appendix 2 should be read in this context. Furthermore, Appendix 2 provides details of the Medium-Term Financial Plan and Funding Strategy, an update against the approved Local Authority Affordability Envelope and finally, considerations in respect of the future WIF Funding Strategy.

AGS Action Plan

15. Six of the ten actions relating to the approved 2021/22 AGS Action Plan are complete.

16. The remaining four actions are planned to be delivered through 2022/23, developing on an array of areas which will further enhance the governance around the ways of working at CCR. This includes the development of the KPMG Impact Delivery Framework with a specialist resource having joined the team to manage the delivery. The ongoing development and deployment of implementation of risk management practises. The consideration of the IIF Investment Strategy, and a peer review of internal audit's practises by Monmouthshire County Council is expected in quarter three. Further details are set out in Appendix 4.

Update on CCR Appointments

17. It should also be noted that in line with the Joint Committee Annual Revenue Budget Report of March 2021, it was agreed that a record of appointments made, in relation to the new resourcing structure, would be reported for information. Whilst there were no new appointments made in Q2, there were a number of appointments pending, details of which will be reported as appointments are confirmed. The appointments made to-date bring a strong balance to the team of fresh external perspectives, sectors and backgrounds, as well as career development opportunities for the officers within the 10 CCR Councils.

Fintech Launchpad Submission

18. Again, whilst not occurring in Q2, it remains important to notify Regional Cabinet of developments as they arise.

19. The 'Launchpad programme' is a new Innovate UK innovation cluster development programme. The pioneering initiative is designed to build on local innovation strengths, supporting small and medium enterprises (SMEs) to deliver

jobs, growth, and higher productivity; and to ensure more places in the UK host world-leading and globally connected innovation clusters. Innovate UK have committed to establishing ten Launchpads across the UK and will invest up to £7.5 million into each Launchpad between 2022-2025. In the first phase of the application process - which aims to identify and select business innovation clusters suitable for a Launchpad programme of investment -, Innovate UK have requested local place leadership in any part of the UK to partner with them on the design of a future Launchpad programme of investment for a targeted business innovation cluster.

20. CCR has applied to Innovate UK to establish a **FinTech** Launchpad for Wales. In this initial phase, the application has been led by Cardiff Capital Region (FinTech being one of our five priority clusters) and FinTech Wales, the FinTech network for Wales. Wales has a strong legacy in Financial and Professional Services, particularly in insurance, home to both Admiral and Go Compare. In addition, the Cardiff Capital Region (in particular) is home to a vibrant FinTech start-up community. This growing cluster was noted in the 2020 Kalifa FinTech review as one of the fastest growing, and most exciting, FinTech clusters outside of London. It is clear that Wales has significant potential to be the UK's second largest FinTech cluster; and we believe our outline plan for the FinTech Launchpad - if awarded to Wales - will help deliver this. These plans will become more detailed in the second phase, but fundamentally the aim is to address the needs of both the FinTech start-up community (using tried and tested methods and delivery agents) and to deliver resilience (leading to economic impact). This will support the cluster to fulfil its potential, stay ahead of the other UK and international emerging clusters, and deliver significant economic impact.

21. Cardiff Capital Region will find out on the 5th of December 2022 whether the application has been successful. If successful, this will mean that a 'FinTech Launchpad for Wales's funded by Innovate UK will launch in 2023. Prior to the launch, Innovate UK will work with the local leadership within the FinTech community to ensure that the Launchpad is appropriately designed to best meet the needs and growth potential of the cluster.

22. It should be further noted that whilst the quarterly performance reporting information will be focussed and pertain only to those tasks embodied in the Annual Business Plan – there is a wider programme of activity ongoing which includes:

- Thought leadership, public speaking and policy development in respect of:
    - CCR work with Regional Investment Wales;
    - participation in several Learned Society Wales Network on Innovation Strategies;
    - MIPIM 2022 Sponsor Dinner;
    - National PMO Networking Group;
    - establishment of CCR Climate Coalition;
    - contribution to UK Semiconductor Strategy;
    - sponsorship support for Beyond 2022;
    - sponsorship support for Fintech Wales Awards 2022;
    - contribution to OECD work on Envisioning Wales in 2037;

- Regional Business Council and Western Gateway Networking event in Newport;
- various events with Department for International Trade;
- contribution into Ministerial Roundtable hosted by LSW on National Innovation Strategy for Wales;
- hosting site visits with Launchpad, Falmouth;
- participation in meeting of Welsh City and Growth Deal Implementation Board;
- knowledge transfer meeting with Greater Cambridge Partnership.

- Committee and partnership/ advisory board cycles for:

  - Regional Cabinet;
  - CJC Transition Board;
  - Regional Transport Authority;
  - Programme Board;
  - Regional Economic Growth Partnership;
  - Regional Business Council;
  - CSC Foundry Board;
  - Challenge Fund Board (Advisory and Strategy);
  - Graduate Scheme Strategy Board;
  - Strategic Premises Fund Advisory Board;
  - Valleys Regional Park Executive Board;
  - monthly meetings with LA Economic Development Leads.

Financial Implications

23. This report and its appendices provide an update of progress and expenditure against approvals made by Regional Cabinet in respect of the CCRCD Wider Investment Fund.

24. It is important to note that, depending upon the nature and timing of any in-year project expenditure approvals, the components of the 'funding mix' may vary and subsequently impact upon the funding requirements of the Partner Authorities. The established stakeholder networks will be used to provide updates on this as and when necessary.

25. Regional Cabinet will continue to be provided with regular project performance reports, supplemented by final budget monitoring statements, where matters such as progress against the Project Delivery Pipeline and associated budgets can be assessed and the proposed funding arrangements can be reviewed as appropriate.

Legal Implications

26. The report sets out the Quarter 2 performance and is submitted to Regional Cabinet for consideration pursuant to the reporting requirements within the Cardiff Capital Region City Deal Assurance Framework. There are no other legal implications for this report.

Well-being of Future Generations (Wales) Act 2015

27. In developing the Plan and in considering its endorsement regard should be had, amongst other matters, to:

    (a) the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards;

    (b) 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, and;

    (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 set by each Council and in so doing achieve the national wellbeing goals. The wellbeing duty also requires the Councils to act in accordance with a 'sustainable development principle'. This principle requires the Councils 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 national well-being goals;
    - work in collaboration with others to find shared sustainable solutions;
    - involve people from all sections of the community in the decisions which affect them.

28. 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 as an appendix to this report.

Equality Act 2010

29. 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

30. It is recommended that the Cardiff Capital Region Joint Cabinet:

(1) notes the overall progress at Quarter 2 2022/23 including the budget position reported at Appendix 2;

(2) considers and if deemed acceptable, approves the Quarter 2 performance report and authorises the Director of the Cardiff Capital Region City Deal to formally submit the report, including supporting information, to both UK and Welsh Governments and other stakeholders as required, on behalf of the Regional Cabinet.

Kellie Beirne
Director, Cardiff Capital Region
28 November 2022

Appendices
Appendix 1 Q2 Performance Report 2022-2023
Appendix 2 Wider Investment Fund Budget Updates (Current & Future Years)
Appendix 3 Communications Report
Appendix 4 Annual Governance Statement (AGS) Action Plan
Appendix 5 Well-being of Future Generations Assessment

Appendix 1

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Cardiff Capital Region City Deal

Q2 22/23 Performance Report

Contents

1. Executive Summary
2. Finance and Expenditure
3. 22/23 Spend Projections by Quarter
4. Outcomes and Impact - Overall View
5. Q3 Milestones
6. Innovation Portfolio 22/23 View and Q2 Update
7. Infrastructure Portfolio View and Q2 Update
8. Challenge Portfolio View and Q2 update
9. Skills Portfolio View and Q2 update
10. Portfolio Risk Overview
11. Other Strategic Objectives Q2 Progress Update

1. Executive Summary

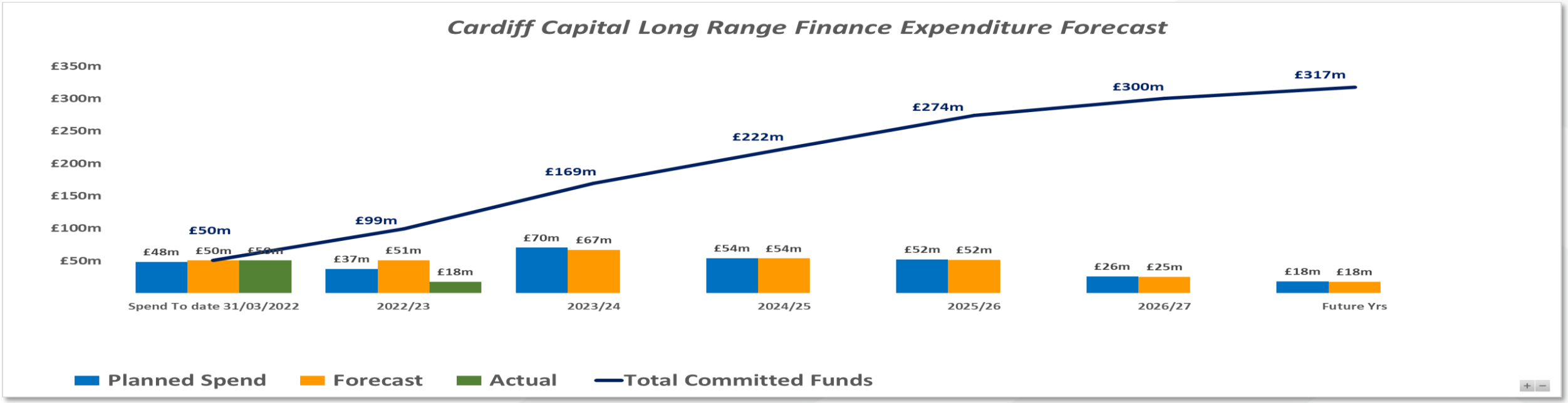
- **£317m** funds committed as at Q2 (30/9/22); **94%** of which will be drawn down by March 2027
- **65%** of committed portfolio funds are funded by UKG and **35%** by LA capital.
- **£8.99m** actual spend in **Q2**, following **£8.6m** in **Q1** with a further **£33m** forecast to be spent as follows; **Q3: £16.15m & Q4: £16.87m.**
- **£59m** of funding was approved by **Regional Cabinet in September** to support & grow our Innovation Portfolio.
- Significant points of note within the individual investment portfolios includes:
  - £50m Innovation Investment capital fund and associated investment strategy approved and planning commenced for **November launch event.**
  - Economic environment increasing delivery risk on both the Housing Viability Gap fund and Strategic Sites and Premises Fund. Revised forecasts are considered achievable and 1st HVGF project (Vinegar Hill) is on site and expected to draw down in Q3 alongside the first SS+P project (Rassau) but high level of risk associated with the current pipeline of opportunities.
  - **74 jobs** created on the Metro Plus programme and **5** in the Innovation portfolio.
  - **£2.6m** Food Sustainability Challenge and a **£750k** Endoscopy Challenge launched to market.
  - **15** Venture graduates appointed, **15** cyber Masters students graduated and **16** new students enrolled.
  - New career accelerator programme launched to augment the Venture proposition.

2. Executive Summary (Continued)

- Direct Impacts generated by current portfolio are predominantly realised in subsequent years. Considerable indirect impact being seen across the region as our intervention activity helps and supports cluster economic development.
- **CCR Investment Pipeline continues to outperform in 22/23**
  - **10** new expressions of interest were recorded, **4** were signposted to alternative funds (Internal CCR Funds or External WG Funding), **1** declined, **1** merged with existing EOI, **4** were progressed to be appraised and reviewed at investment panel
- **Significant activity in the non-investment activity includes:**
  - Workshop held with **75 + organisations** interested in formulating a **CCR climate coalition**
  - A joint Statement of Intent and an MoU agreed to formalise the ECO Flex 4 programme within CCR.
  - A **Regional Data Ambition investment request has been formulated** to progress four initial delivery themes; insights, innovation acceleration, talent development and performance.
  - Good progress made with finalising (for Q3 cabinet review) a new, updated **Regional Economic and Industrial Plan, Investment Strategy and Funding Strategy.**
  - Mobilisation of our **Unleash 2023 Business Conference** scheduled to take place at the ICC in April 2023.

2. Finance & Expenditure – Overall Programme

CCR Programme	22/23 Planned Spend	22/23 Actual Spend To Date	22/23 Forecast Spend	Committed Funds
	£37m	£18m	£51m	£317m



CCR Programme Narrative

- ✓ ***£317m*** *portfolio commitments as at 30/9/22.* ***£59m uplift on last quarter comprising*** *£50m Innovation Investment Fund, £4m Yoello, £3m Apex and £2m Jellagen. 94% of this is expected to be drawdown by March 2027 .*
- ✓ ***£8.99m*** *actual spend for Q2 representing* ***£2m*** *Apex,* ***£1.5m Jellagen, £1m*** *Metro Central,* ***£2.38m*** *Metro+ and ULEV,* ***£0.75m FinTech Wales, £0.5m HDS with the balance comprising incidental revenue spend across the portfolio.***
- ✓ ***Predicted outturn for 2022/23 is now £51m - £10m*** *higher than the* ***£41m*** *forecast submitted as at June 2022.* ***£8.5m*** *of that represents anticipated spend on investments approved this quarter (IIF Jellagen, Apex and Yoello with the additional £1.5m representing the net of small positive and negative variances to the previous quarters forecast.*
- ✓ *This significant acceleration of spend is currently forecast to be maintained throughout the forthcoming 3 years whilst simultaneously accelerating pipeline development to enable further deployment of the WIF. As at 30/09/22 we have over £200m of potential pipeline opportunities It should ne noted however that forecasts on the Infrastructure portfolio, most notably Strategic Sites and Premises and Housing Viability Gap Fund are* ***subject to heightened risk due to the economic environment.***

3. 22/23 Spend Projections by Quarter

Investment	Q1 Actual	Q2 Actual	Q3 Forecast	Q4 Forecast	Total 22/23 Forecast
Challenge	**£0.14m**	**£0.21m**	£0.75m	£0.67m	**£1.77m**
Aberthaw	**£0.06m**	**£0.15m**	£0.21m	£8.64m	**£9.06m**
HVGF	**£0.12m**	**£0.13m**	£2.41m	£1.03m	**£3.69m**
Metro Central	**£0.01m**	**£1.02m**	£0.02m	£0.53m	**£1.58m**
Strategic Sites & Premises		**£0.03m**	£5.70m	£0.40m	**£6.13m**
Zipworld					
Metro Plus (inc ULEV)	**£8.10m**	**£2.39m**	£3.10m	£1.13m	**£14.72m**
Creo Plasma Product					
CS Connected				£0.41m	**£0.41m**
CSC Foundry					
Cyber Innovation Hub			£0.32m	£0.33m	**£0.65m**
FinTech Wales	**£0.05m**	**£0.75m**		£0.01m	**£0.81m**
HDS Pharmatelligence		**£0.51m**	£0.50m	£0.24m	**£1.25m**
Media Cymru	**£0.02m**	**£0.07m**	£0.20m	£0.28m	**£0.57m**
Apex		**£2.02m**	£0.01m		**£2.03m**
Jellagen		**£1.50m**	£0.09m	£0.01m	**£1.60m**
Yoello			£2.00m		**£2.00m**
Innovation Investment Fund	**£0.02m**	**£0.04m**	£0.41m	£3.03m	**£3.50m**
CCR Graduate Scheme (Venture)	**£0.10m**	**£0.13m**	£0.14m	£0.12m	**£0.49m**
Cyber Masters		**£0.02m**	£0.26m		**£0.28m**
Shared Apprenticeship		**£0.02m**	£0.03m	£0.04m	**£0.09m**
Grand Total	**£8.62m**	**£8.99m**	**£16.15m**	**£16.87m**	**£50.63m**

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Outcomes & Impact

4a. CCR Impact

Context

The impact we are seeking to create through our investment and intervention activity extends beyond the specific metrics (Jobs / GVA / Leverage) attributable to our Wif Investment portfolio.

Whilst these are critical deliverables, it should be noted that the jobs we seek to create through our investment activity are ***high value jobs,*** jobs that pay above average salaries in **sustainable long term industries** such as Compound Semi conductors where the average salaries and long term prospects are significantly higher than in mainstream sectors and where for every single direct role created 0.5 role is created in the wider ecosystem.

Our focus on Priority clusters and facilitating activity that will contribute to wider CCR goals around increasing connectivity, competitiveness, sustainability and inclusivity means that the investments and interventions we undertake are designed to nurture, celebrate, catalyse, and champion initiative that will help CCR businesses and communities proper and grow, help CCR attract inward investment through programmes like SIPF plus private sector and help CCR develop clusters of global repute through supporting and working with organisations at the heart of the sectors. For example to see the impact delivered by

- ✓ the CSC sector catalysed by CCR's flagship investment in The Foundry see attached report. CSconnected Annual Report - Cardiff University Business School
- ✓ the Fintech sector assisted by CCR's support for Fintech Wales see attached FinTech Wales Annual Report (Business Plan (A4))

Accordingly, our approach supports investments in companies that in their own right do not always achieve significant uplift in the key metrics BUT their products or services are capable of catalysing significant ecosystem development and private sector leverage. This is most notable in our innovation portfolio. By contrast, our infrastructure portfolio is more about the provision of services that generate employment opportunities.

4b. Investment Programme Position as at 30/9/2022

	Actual Commitments and Spend £m		Actual Outcomes / Benefits			
Programmes	Committed Project Funding Revenue & Capital £m	Actual Drawdown Revenue & Capital £m	Jobs As at 31/3/22	Jobs Q1&2 22/23 * see note	Direct Leverage as at 31/3/22	Direct Leverage Q1 &2 22/23 * see note
Innovation	£121m	£47m	1,081	13	£67m	£3.2m
Infrastructure	£184m	£18.5m	110	74	£9m	£22m
Challenge	£10m	£1.5m	18	0	0	0
Skills	2.7m	£1m	114	33	£3m	£1m
Totals	£317m	£68m	1,323	120	£79m	£26.2m

- NB: Direct Jobs and leverage for 22/23 are all back ended and linked to the big infrastructure programmes on strategic sites and Housing Viability – both of which have been adversely impacted by the economic crisis.
- NB: Economist now on board to refine and align our benefit reporting to the National Evaluation Framework.

4c. CCR Impact Cont'd

Q2 Direct Investment Impact Highlights

Infrastructure

- **74 Jobs Attributed to Metro+ Programme** *(mix direct, indirect & safeguard)*
  - *28 Pontypool & New Inn*
  - *7 Porth Interchange*
  - *5 Cardiff East Bus Priority*
  - *8 Abertillery Transport Hub*
  - *28 ULEV Jobs*
- **£22m Public Match Funding Achieved** *(Combination Of LTF & LA)*

Innovation

- **Jellagen £3.23m Combined Private Sector Leverage & Match Achieved**
- **Apex Engineering – 1 new job**
- **Cyber Innovation Hub - 4 New Jobs**

Challenge

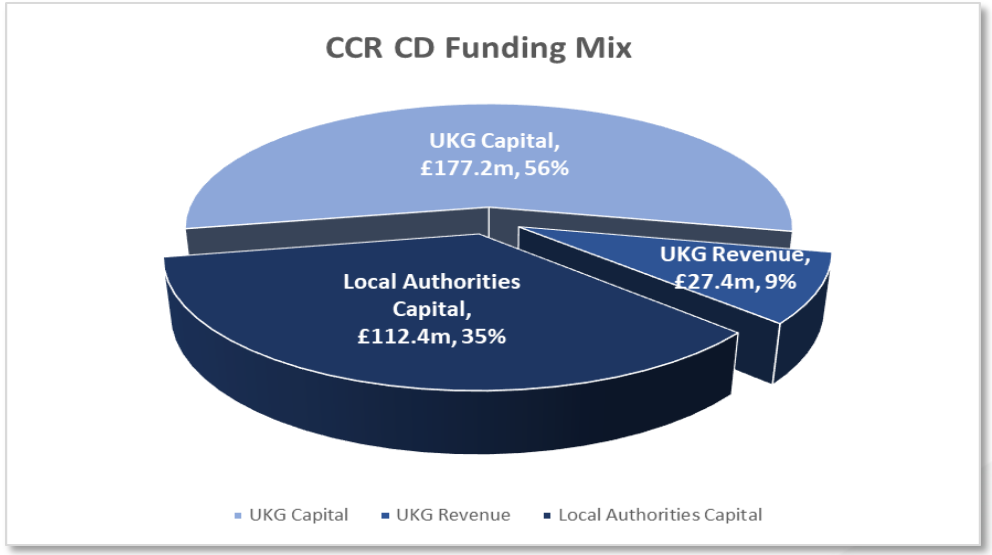
- **83 Business Actively Engaged In Challenges to Date**
- **8 New Collaborations With Companies to Date**

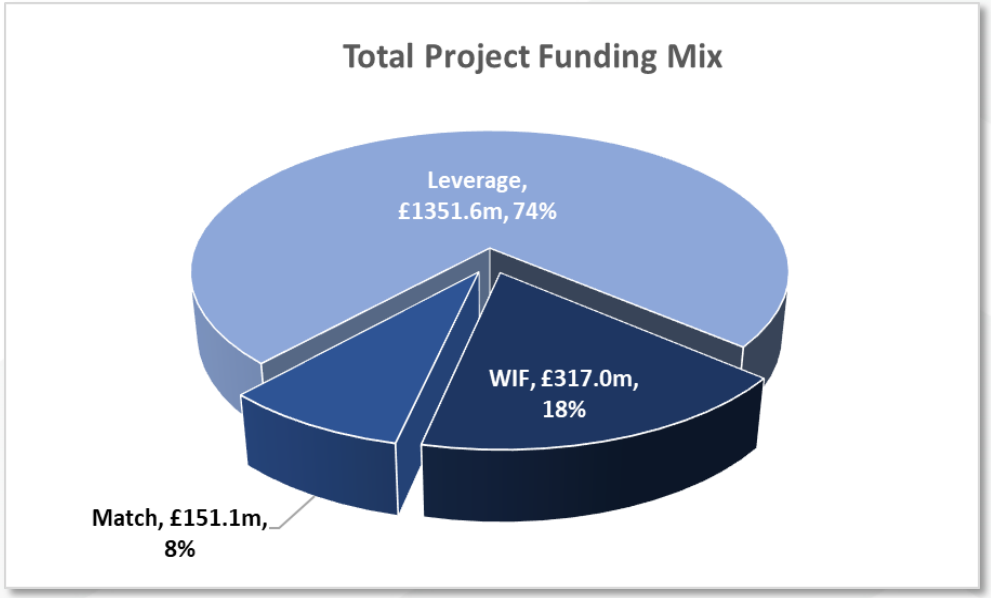
Skills

- **15 Graduates Placed With Local Businesses**
- **New Career Accelerator Programme launched by CCR**
  - *The Venture summer cohort generated over 805 graduate applications for 40+ roles - ranging from data and software, to planning and customer service - and introduced a ground-breaking Career Accelerator Programme in partnership with USW and Open University Cymru.*
- **16 Cyber Master Students Enrolled During Sept**

4d. Impact cont'd

CCR CD Funding Mix and Wider Leverage Estimate





CCR WIF Funding Mix

- **£177.2m** of the £325m UKG capital funds have been committed at the end of Q2; **£112.4m** of the £120m Local Authorities capital funding; and **£27.4m** of the £50m UKG revenue funding (a further £17m revenue funding has been earmarked for Programme Development & Support costs over the programme period).
- The mix of capital funding is dependent upon the drawdown profile agreed for the UKG funds; if more UKG capital funds could be drawn-down sooner then they would be prioritised, saving LA monies for later projects.

Total Project Funding Mix

- Based on the current committed projects totalling **£317m** CCR WIF funding, public sector match should be **£151m** and private sector match/leverage should be **£1,351.6m**, giving a total estimated investment project value of **£1.82b**.
- ***Please note that the match figures do not include leverage unlocked on Metro Central wider site development, which could potentially be a minimum of £500m, or leverage unlocked in the CSconnected cluster industry partners, which could be a minimum of £200m.***

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Q3 Milestones

5. Q3 2022/2023 Milestones

Investment	Milestone	Commentary
Metro Central	Single option design concluded – November Public consultation - December	
Challenge Fund	Award Endoscopy Challenge Contract – November	
Media Cymru	Launch of Media Cymru at Beyond 22 conference. 4 work packages launched – Innovation spaces, screen workforce survey, BBC content innovation fund and Innovation pipeline	Visit scheduled for December 8 for Deputy SoS to visit the Media Cymru team.
CIH	Grant Agreements signed (CCR/ Cardiff Uni) Establish Digital Twin Facility – October	
Innovation Investment Fund	Official Launch of Innovation Investment Capital fund - November	Launch event including up to 200 potential business applicants, advisors and key stakeholders to be held at the Principality Stadium.
Strategic Sites & Premise	Expected **Signing Rassau Ind Est** Agreement / contract November	1st contract or the SS+P fund expected to conclude in November. Further work underway to surface new opportunities to continue to build the pipeline given the financial pressures imposed by the economic environment.
HVGF	First contract expected to pay out (Vinegar Hill) Second site (gasworks) to commence construction	
Metro Plus & ULEV	**Barry Docks -** Award contract and commence works. **Porthcawl Interchange** – Commence Tender Process SoS visit to Pontypool scheduled for December 8	Visit scheduled for December 8 for Deputy SoS to visit Pontypool New Inn
Cyber Masters	Cohort 2 commences with 16 new students enrolled Programme submitted to Fintech Awards Wales – Best Educational Programme	Following a successful 1st year programme in which all students graduated , year 2 expected to commence with a new cohort of 16 students.
Fintech Wales	Application submitted to Innovate UK to create a Fintech launch pad for Wales	Announcement expected in December.
Aberthaw	Complete NRW Permit Transfer and Site Purchase (Dec) Appoint Site Team (2 operational managers)	Key dependency on critical path is for Natural Resource Wales to transfer permits to CCR
Yoello	Complete Mobilisation & Make £2m Investment in Q3	

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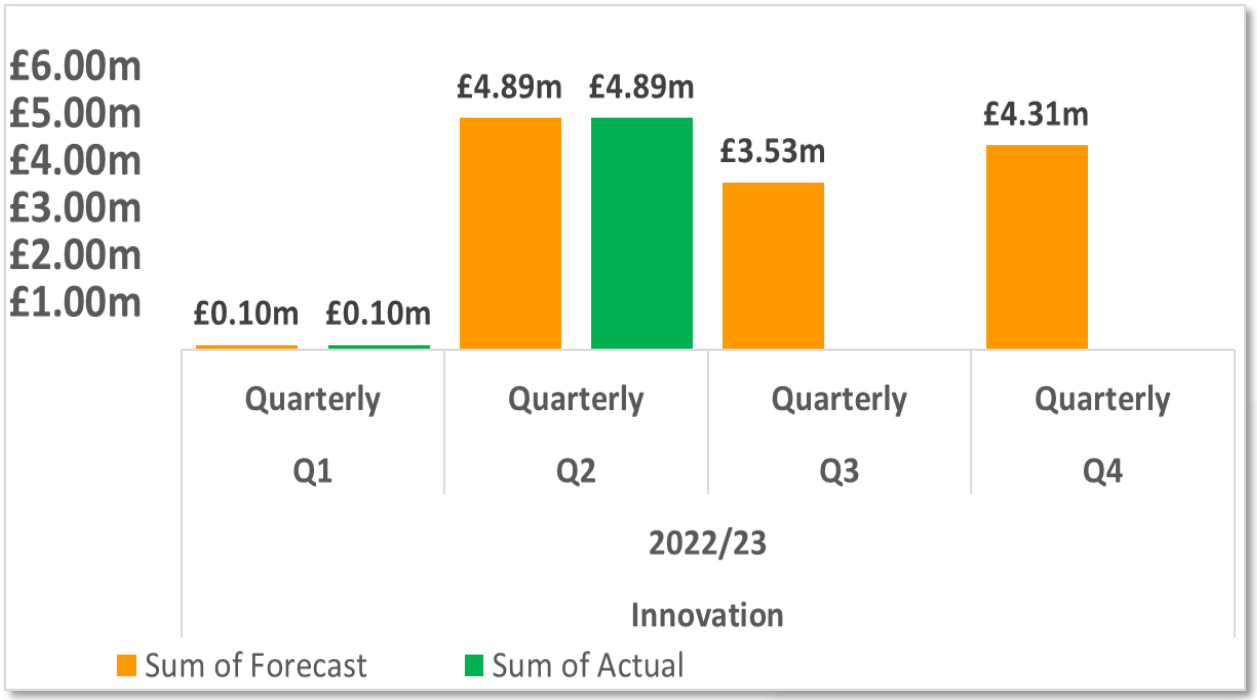
Portfolio 22/23 View & Q2 Update

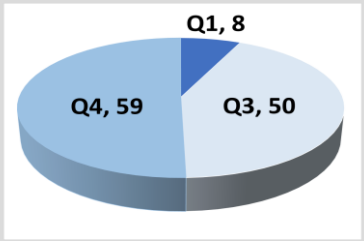
6. Innovation Portfolio – 22/23 Overview

Innovation

22/23 Planned Spend	22/23 Actual Spend To Date	22/23 Forecast	Committed Funds
£2.7m	£5m	£12.8m	£121m

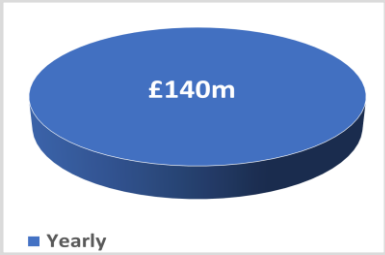


22/23 Jobs Target



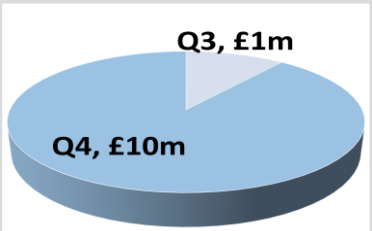
11 Jobs crystallised to date. 82 of the 117 relate to Mediacymrus and CIH – both of which are not scheduled to launch until Q3. Of the remaining jobs the 15 for HDS are expected for the 2nd half of the year along with the 20 for Creo and the remaining 8 for FinTech Wales.

22/23 GVA Target



GVA will be considered on an annual basis only not quarterly. Info on the wider impact of the CS sector (the£140m GVA relates entirely to that sector - can be found here: published by the Welsh Economy Research Unit

22/23 Leverage Target



£3.23m leverage actual on Jellagen against a plan of zero. The plan targets relate to CIH, Media Cymru and FTW – all of which comes on stream in the 3rd and 4th quarters of this year.

Portfolio Highlights

- ✓ **£59m** increase in committed funds over last quarter due to regional cabinet approval in Q2 of **Innovation Investment Fund (IIF) £50m, Apex £3m, Jellagen £2m and Yoello £4m,** Overall this will increase committed funds within this portfolio to **£121m.**
- ✓ Q2 Actual spend comprises **£1.5m Jellagen, £2m Apex, £0.5m HDS, £0.75m Fintech Wales**
- ✓ Q3 forecast is expected to draw down **£3.5m** including; **Yoello £2m, CIH £0.32m**, **HDS £0.5m**, **Innovation Investment Fund £0.4m**
- ✓ 5 new roles created this quarter with above average salaries. (4 CIH, 1 Apex)
- ✓ Recruitment of additional roles into the Innovation and Clusters team has progressed well, with new cluster manager appointments expected to commence in Q3.
- ✓ Considerable time spent **mobilising the IIF and preparing for launch** – an investment which is expected to have a significant impact on economic growth within the region.

6. Innovation Portfolio Q2 Update

APS = Approved Project Spend
STD = Spend to Date
AF= Annual Forecast

O = Operational Risk
F = Financial Risk
R = Reputational Risk

Investment	APS	Spend 30/06/22 (incl Q1)	Q2 Actuals	22/23 Remaining	Total revised outturn 22/23	Commentary	O	F	R
CSC Foundry	£38.5m *Loan*	£37.12m	NA	NA	NA	• Nothing to note this quarter			
CSconnected	£3.3m *Grant*	£0.17m	NA	£0.41m	£0.41m	• Work undertaken this quarter to work through a revised proposal with regard to how t deploy the £3.3m commitment into supply chain and skills provision as opposed to front of house facilities as originally intended. This change control request is expected to go to cabinet in Q3. • On a wider front, CSconnected welcomed Siemens' new Power Electronics Innovation Hub with the CSA Catapult to work on initiatives with other UK partners to address the skills gaps in power electronics. KLA announced plans to build a new R&D and manufacturing facility in Newport that will include offices, cleanrooms, storage and support facilities and accommodate up to 750 employees. • These announcements mark a key milestone in the expansion of the compound semiconductor cluster in Wales, UK and demonstrate the strength of high levels of IP, know-how and expertise in the region.			
Cyber Innovation Hub	£7.26m *Grant*	£0m	NA	£0.65m	£0.65m	• Legal and financial contracts were concluded in July. Grant agreement have now been signed between Cardiff Uni and CCR and mobilisation of premises and resources is underway at both Sbarc and Tramshed. • New Head of Operations appointed and work is underway exploring first set of products and challenges. • Digital Twin Facility expected to be delivered in Q3			
Creo Medical	£2.1m *Loan*	£2.1m	NA	NA	NA	• Assessment underway to review investment made with Creo Medical and future relationship • Meeting planned in November with Creo, the objective is to obtain an overview of the company performance and growth following CCR investment, and how this has contributed to CCR leverage and GVA targets to meet, and support the wider economy in Wales			
HDS (Pharmatelligence)	£4m Equity-*Loan*	£2.08m	£0.51m	£0.74m	NA	• Further to the approval of an additional loan facility in June, an initial £0.5m was drawn down in Q2. • This additional facility will enable HDS continue its growth trajectory.			
Fintech Wales	£2.1m *Grant*	£0.30m	£0.75m	£0.01m	£0.81m	• £0.75m of the grant was drawn down in Q2,- enabling FTW to scale up capability wise to continue the development of the cluster. • In July the FTW flagship Accelerator Programme - The Foundry- opened for Season 3 . Offers were subsequently made to Trashed seven start-ups from across the UK: The Foundry has since been awarded 'Best Accelerator / Incubator' at the FinTech Awards Wales in October.			

6. Innovation Portfolio Q2 Update

APS = Approved Project Spend
STD = Spend to Date
AF= Annual Forecast

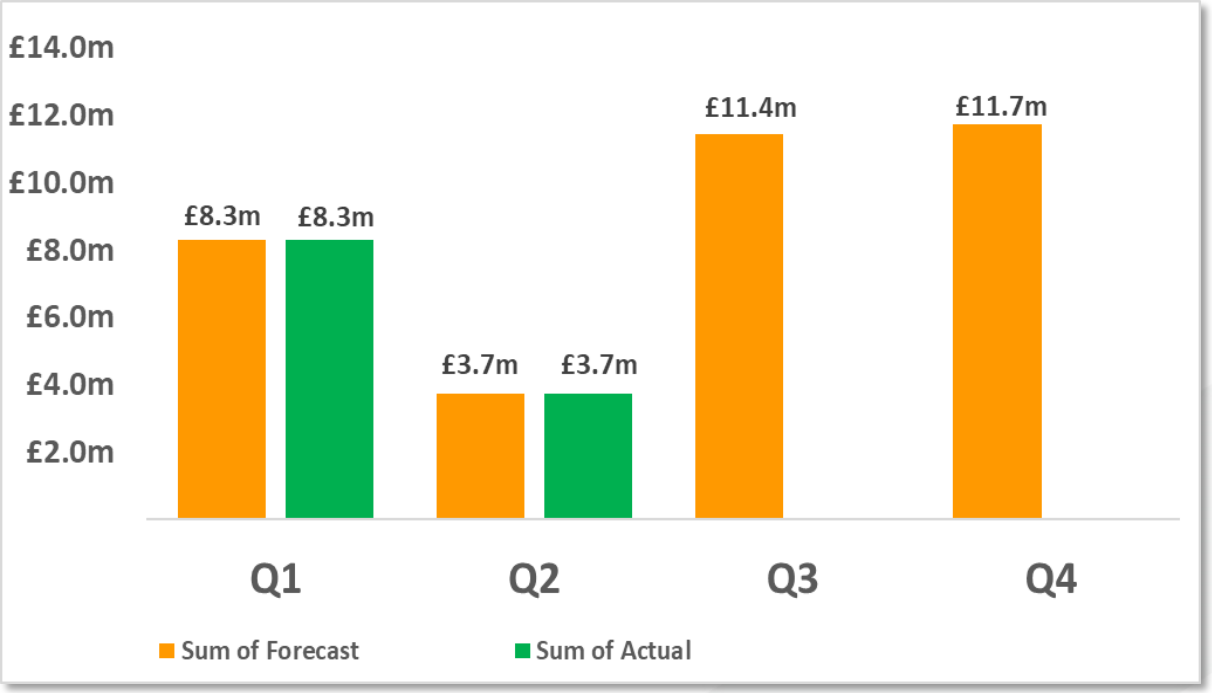
O = Operational Risk
F = Financial Risk
R = Reputational Risk

Investment	APS	Spend 30/06/22 (incl Q1)	Q2 Actuals	22/23 Remaining	Total revised outturn 22/23	Commentary	O	F	R
Media.Cymru	£3m *Grant*	£0.06m	£0.07m	£0.48m	£0.57m	• Final preparation were completed during Q2 ahead of the unveiling of the Media Cymru launch which took place in October at the Beyond 22 conference.			
Innovation Investment Fund	£50m *Equity*	£0.27m	£0.04m	£3.44m	£3.5m	• Investment fully approved in the September Regional Cabinet. • Significant work undertaken in Q2 on firming up the investment strategy and commencing the planning around launching the fund to market. • During Q3 PWC , building on the launch event on Nov 15 will be building and developing the IIF pipeline. With an expectation that £3m will be deployed by the end of March 2023.			
Apex	£3m *Loan*	£0m	£2.02m	£0.01m	£2.03m	• A significant £2m investment in a region of CCR which has historically sat at the bottom of the UK productivity index. • This investment in additive manufacturing technology has huge potential for attracting downstream inward investment across several sectors and is likely to have a transformative impact on the local areas.			
Yoello	£4m *Loan*	£0m	NA	£2m	£2.0m	• Legal & Contracts concluding in Oct, Loan to be drawdown in Q3			
Jellagen	£2m *Loan*	£0m	£1.5m	£0.1m	£1.6	• Legal, & Contracts were concluded in Q2, and load paid to Jellagen , Thai Union & Pierre Antione de Selancy will contribute combined £2m Leverage as result of CCR £2m investment			
Total	**£121m**	**£42.10m**	**£4.89m**	**£7.84m**	**£12.82m**	Q1 actual £0.09, Q2 actual £4.89m, Q3/4 £7.84m = £12.82 revised annual outturn			

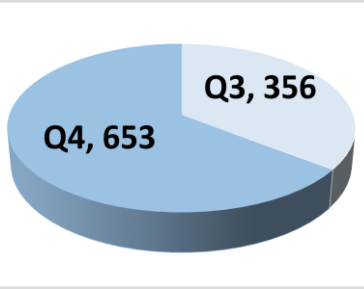
7. Infrastructure Portfolio – 22/23 Overview

Infrastructure

22/23 Plan	22/23 Actual Spend To Date	22/23 Forecast	Committed Funds
£32M	£12.0m	£35M	£184M

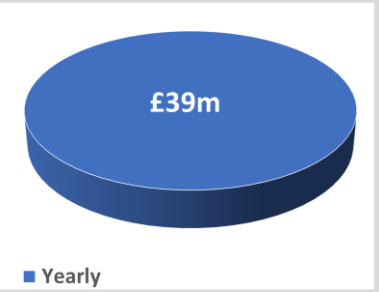


22/23 Jobs Target



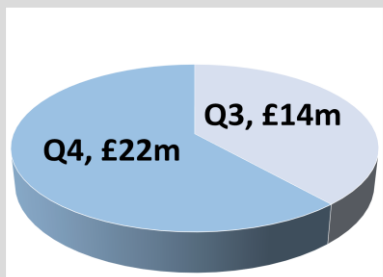
74 jobs realised to date on Metro Plus ahead of plan. Other targets linked to the profiling of spend and construction on HVGF, SS+P and the remainder of MP jobs all of which are due to commence in subsequent quarters.

22/23 GVA Target



GVA will be calculated at the year end. The target is split over SS+P (£31m and HVGF £8m)

22/23 Leverage Target



The leverage targets are all related to the delivery of the SS+P, MP and HVGF schemes with further inward investment likely off the back of Zip World's continued success. This will be reviewed at the half year point.

Portfolio Highlights

- ✓ No additional commitments this quarter on Infrastructure. Of the ***£184m*** **committed funds to date -** ***50%*** **is grant,** ***20% is purchase and 30% is repayable***.
- ✓ The ***£3.7 actual spend this quarter*** comprises ***£2.38m for Metro Plus and ULEV , £1m Metro Central and £0.83m*** and small amounts of operational spend on the other schemes.
- ✓ The ***£23.17m*** forecast spend for the second half of 22/23 consists primarily of **£8.85*m for Aberthaw*** in Q4 for purchase completion and ancillary costs, ***£6.10m*** **for Strategic Sites** and Premises in Q3 and Q4, ***£3.44m for the Housing Viability Gap Fund*** and potentially *a further* ***£4.23 on Metro Plus/ULEV***.
- ✓ ***74 Jobs*** **were added this quarter by** ***Metro+ programme*** *out of the total plan for the year of 167.*

7. Infrastructure Portfolio Q2 Update

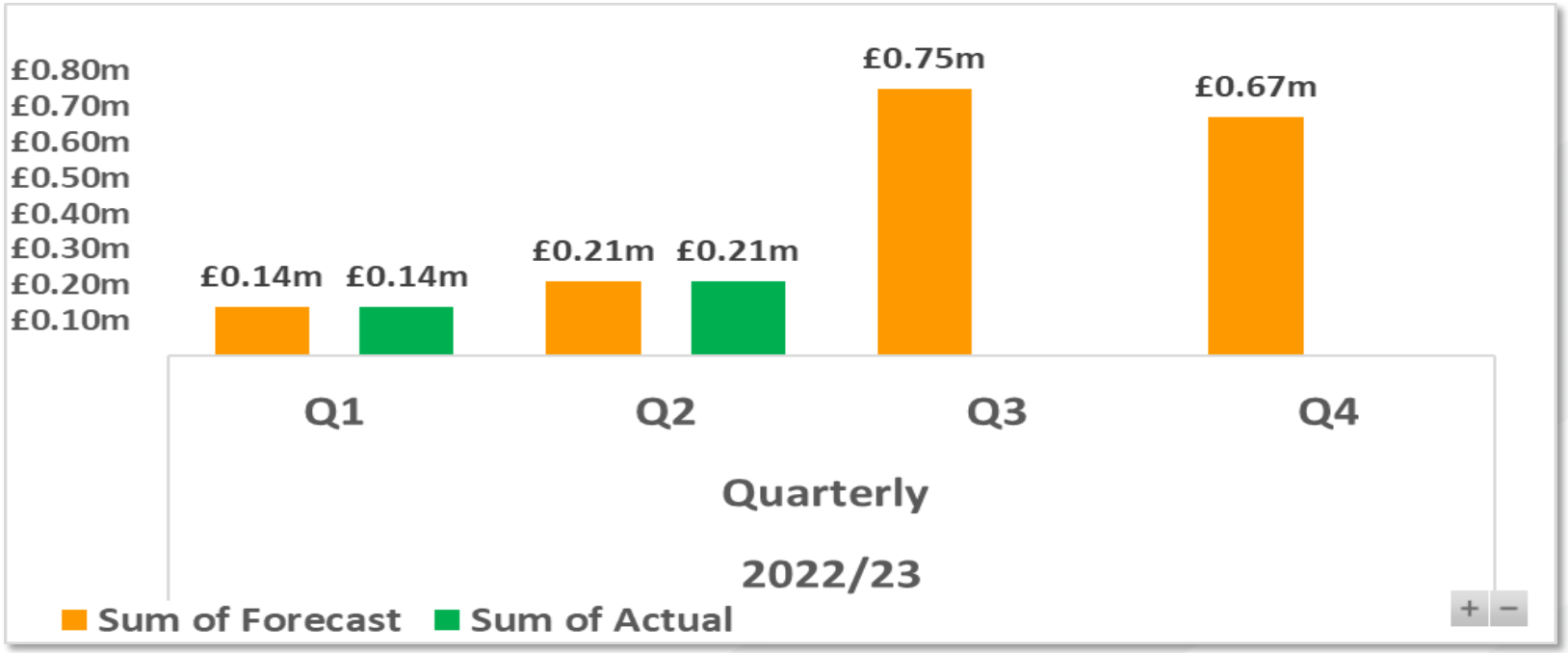
APS = Approved Project Spend
STD = Spend to Date
AF= Annual Forecast

O = Operational Risk
F = Financial Risk
R = Reputational Risk

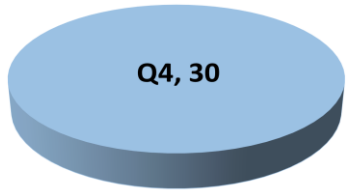
Investment	APS	Total STD 30/06/22 Incl Q1	Q2 Actuals	22/23 Remaining	Forecast outturn 22/23	Commentary	O	F	R
Aberthaw	**£38.46m** *Purchase*	£1.15m	£0.15m	£8.85m	£9.06m	Demolition Tender process has commenced. Masterplan Team has been appointed. NRW permit transfer process (now underway). CCR Energy Ltd (operationally being established).			
HVGF	**£32.68m** *Grant*	£1.46m	£0.13m	£3.44m	£3.69m	Good progress has been made this quarter with 6 of the 11 schemes in contract or in the process of contracts completing (Ashvale, Ewenny Rd, Windsor Colliery, Vinegar Hill, Old Town Dock and Ringland Masterplan). - One scheme is already on site and gearing up for Q3 drawdown (Vinegar Hill). However the forecasts remain at risk due to the heightened economic pressures.			
Metro+ (incl Ulev)	**£18m** **Grant**	£8.1m	£2.39m	£4.23m	£14.72m	Metro+ - 4s scheme actively under constructions (Cardiff, Porth, Seven Junction Tunnel, PontyPool and on plan to complete by March 2023 Metro+ Barry Docks Plan due to start on site Nov 22. Also expected to complete by March 2023 – hence uplift in forecast from last quarter. ULEV continues to make solid progress installing Public EVCPs, First public charger went live in Blaenau Gwent.			
Metro Central	**£39.9m** ***Grant***	£1.22m	£1.02m	£0.55m	£1.58m	Position has improved from Q1. Focus is now very much on • Reaching agreement on a single design option. • Updating project objectives for sign off by all stakeholders • Conducting Risk Reviews • Planning to commence public engagement on the design option selected – scheduled for December.			
Strategic Sites & Premises	**£50.30m** ***Loan***	£0.012m	£0.03m	£6.10m	£6.13m	Challenging period continues for SPF with external pressures having the potential to negatively impact the fund and pipeline of opportunities. Cost inflation, high lending costs and cost of energy are all effecting the viability of potential investments. CCR and fund advisors CBRE are continuing to network and promote the fund to identify new opportunities. Rassau remains on schedule to contract in Q3.			
Zip World	**£4.46m** ***Loan***	£2.72m	£0.0m	£0.0m	£0.0m	. A review will take place early 2023 to determine how ZipWorld intend to proceed in 23/24.			
Total	**£184.31m**	**£14.78m**	**£3.72m**	**£23.17m**	**£35.17m**	Made up of £8.28m Q1, £3.72m Q2, £23.17m Q3/4 = £35.17m expected outturn for 22/23.			

8. Challenge Portfolio – 22/23 Overview

Challenge	22/23 Plan	22/23 Actual Spend To Date	22/23 Forecast	Committed Funds
	£1.80m	£0.35m	£1.77m	£10.0m



22/23 Jobs Target



The 30 jobs envisaged in the 22/23 plan relate to the potential outcome of the commercialisation of the challenge solutions in progress. Thus there are no actuals to report for Q1 or Q2

22/23 Leverage Target

The £6m leverage target relates to ESF funding of Infuse which is running in parallel with the CF. Those monies have been received. Further leverage potential will emerge as the challenges crystallise into solutions that can be commercialised.

Portfolio Highlights

- ✓ £210k expenditure in Q2 is in line with plan and relates to operational revenue spend in accordance with our Cardiff University co-operation agreement, Forecast expenditure for the rest of 22/23 will include £1.42m in Q2 and Q3.
- ✓ **£2.6m Food Challenge launched**
- ✓ EV Fleet Challenges – construction work started on-site for the Merthyr EV infrastructure project (£600k)
- ✓ Challenge Fund Community of Practice launched.
- ✓ **£750k Cardiff & Vale Health Board Endoscopy Challenge launched**

8. Challenge Portfolio Q2 Update

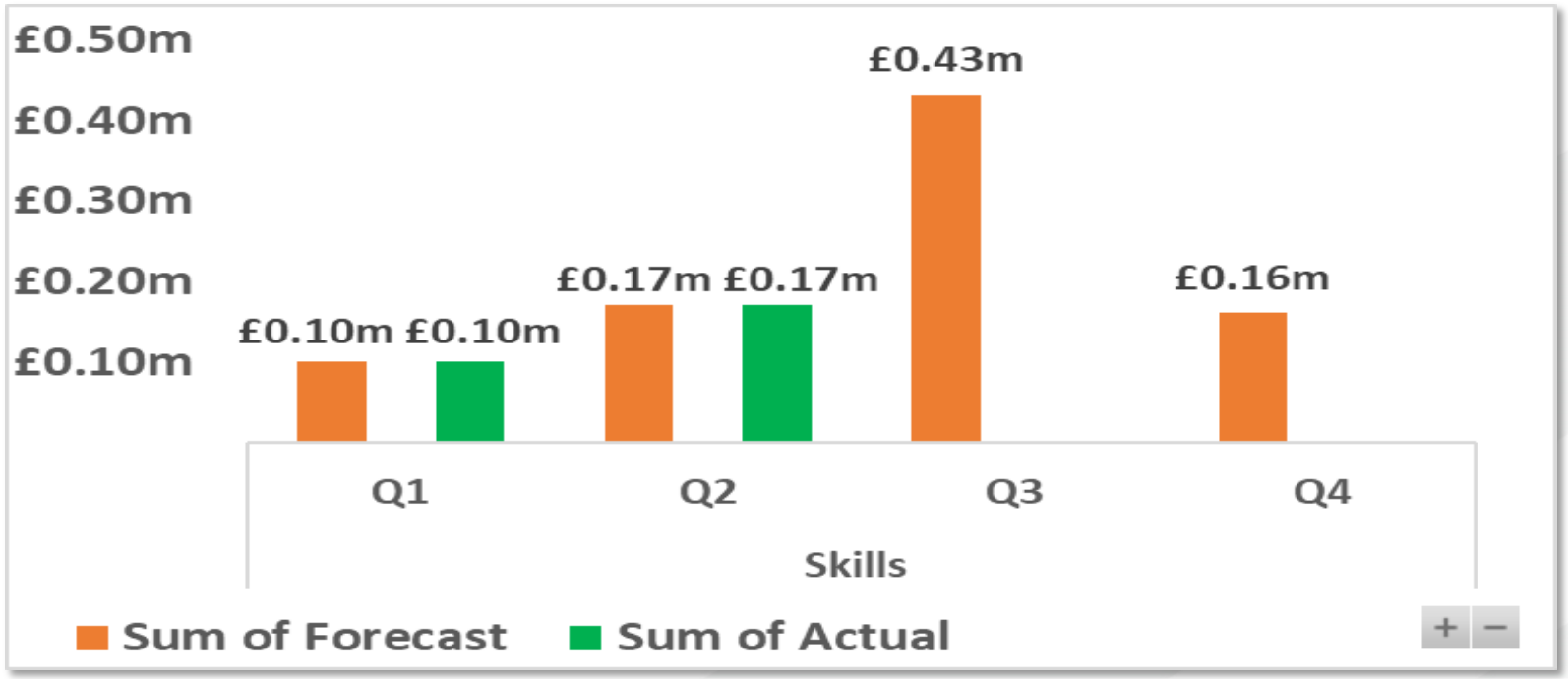
APS = Approved Project Spend
STD = Spend to Date
AF= Annual Forecast

O = Operational Risk
F = Financial Risk
R = Reputational Risk

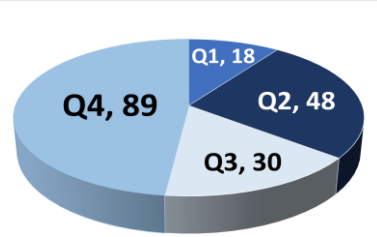
Investment	APS	Total spend as at 30/06/22 incl Q1	Q2 Actuals	Remaining 22/23 forecast	Expected outturn 22/23	Commentary	O	F	R
CCR Challenge Fund	**£10m** *Grant*	**£1.27m**	**£0.21m**	**£1.42m**	**£1.77m**	A busy quarter which included the following: ▪ The launch the **£2.6m Food Challenge**, via the Simply Do platform. ▪ Organisation of a test and challenge workshop held by Steer consultancy for local authority senior leaders and key stakeholders to further **shape the future Challenge Strategy.** ▪ Construction work started on-site for the **£600k EV (electric vehicle) infrastructure challenge** in Merthyr Tydfil. ▪ Launch of the **Challenge Fund Community of Practice**, with a successful inaugural event held at the Spark. ▪ Launch of the **£750k Cardiff & Vale Health Board Endoscopy Challenge**. ▪ Development of several exciting new challenges, including challenges relating to the **Cost-of-Living Crisis** and **Social Care**.			
Total	**£10m**	**£1.27m**	**£0.21m**	**£1.42m**	**£1.77m**	Q1 0.14 +Q2 0.21 + Q3/Q4 £1.42m = £1.77m expected outturn for 22/23.			

9. Skills Portfolio – 22/23 Overview

Skills	22/23 Plan	22/23 Actual Spend To Date	22/23 Forecast	Committed Funds
	£0.85m	£0.27m	£0.86m	£2.7m



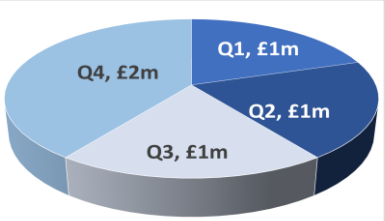
22/23 Jobs Target



15 jobs in Q2.

Expectation is momentum will continue due to the work invested into professionalising the graduate programme.

22/23 Leverage Target



Leverage actuals for are **£500k** for the graduate scheme and **80K** for PWC's contribution to Cyber Masters. This is below the £1m target simply due to the annual target apportionment plus the decision to pause the shared apprentice scheme. It is anticipated we will make this up throughout subsequent quarters.

Portfolio Highlights

- ✓ *Attracted **802 graduate applications** for **49** advertised Venture jobs.*
- ✓ *Offered **permanent roles to 15 graduates** during this quarter, across a range of CCR businesses including Lovell, Monmouthshire Council, UK Analytics and the Vale of Glamorgan.*
- ✓ ***Launched our Accelerator Programme, comprising Masterclasses** that include the key skill areas of Critical Thinking, Agile Project Management, Cyber Essentials and Working with Data.*
- ✓ *1st Cyber Masters programme concluded with **all 15 students graduating.***
- ✓ ***16 new students enrolled for 22/23** cyber masters programme*
- ✓ *The actuals to date and increased forecast spend for 22/23 reflects the increased operational cost of professionalising the graduate proposition. The uplift in Q3 reflects the annual payment to Cardiff Uni of £225k for the 22/23 new Cyber Masters course as well as the graduate ops costs.*

9. Skills Portfolio Q2 Update

APS = Approved Project Spend
STD = Spend to Date
AF= Annual Forecast

O = Operational Risk
F = Financial Risk
R = Reputational Risk

Investment	APS	Spend 30/06/22 incl Q1	Q2 Actuals	22/23 Remaining	Revised outturn 22/23	Commentary	O	F	R
Graduate Scheme	**£1.54m** *Grant*	**£0.64m**	**£0.13m**	**£0.26m**	**0.49m**	The last quarter saw the Venture team ▪ Introduce our new automated hiring platform - **Loxo** – to reduce shortlisting timescales from 8 to 3 weeks. ▪ Attract **802 graduate** applications for Venture jobs. Offer permanent roles to 15 graduates during the quarter, across a range of CCR businesses including **Lovell**, **Monmouthshire Council, UK Analytics** and the **Vale of Glamorgan**. ▪ Welcome our new cohort of Venture graduates at an induction event. ▪ Launch our new **Career Accelerator Programme**, comprising Masterclasses that include the key skill areas of Critical Thinking, Agile Project Management, Cyber Essentials. and Working with Data, delivered by the **University of South Wales** - and a range of Microcredentials and job specific online learning courses, delivered by the **Open University.** Graduates can benefit from intensive learning in areas such as climate change & sustainability, leadership and management, and Cyber (leading to Cisco accreditation). ▪ Engaged with **67 new and existing businesses**, spanning a wide variety of sectors that include cyber, technology, financial services, construction, and the public sector.			
Cyber Masters	**£0.7m** *Grant*	**£0.18m**	**£0.02m**	**£0.26m**	**£0.28m**	• 1st intake on the pilot scheme concluded in September with all ***15 students graduating.*** Course work has completed and dissertations in progress. • **16 Cyber Master Students** September enrolment 2022-23, inline with expected forecast			
Shared Apprenticeship	**£0.5m** *Grant*	**£0m**	**£0.02m**	**£0.07m**	**£0.25m**	Change Control will be re-submitted to Regional Cabinet in due course outlining how the funding for this investment is being re-purposed.			
Total	**£2.74m**	**£0.82m**	**£0.17m**	**£0.59m**	**£0.86m**	**Q1 £0.10m + Q2 £0.17m + Q3/Q4 £0.59m = 0.86m**			

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Risk

10a. Risk Assessment – Infrastructure Investments

Investment	Nature of Potential Impact	2022-23 Impact
Housing Viability Gap Fund	**Economic** 1. Residential input cost inflation in the construction sector continues to grow c. double CPI (c. 17%) 2. Possibility of slowdown in value growth 3. LA budget cuts lead to resource shortages in key departments 4. Housing values forecast to decrease in recession	1. Demand for new, net zero housing reduces 2. Redundancies in key areas following LA budget cuts could impact prioritisation and delivery timelines
Sites and Premises Fund	**Economic** 1. Non-residential input cost inflation in the construction sector forecast at c. 15% 2. Increased costs of debt linked to interest rate rises 3. Lack of confidence with developers in future demand for office accommodation due to increasingly flexible working practices	1. Volatility in the short to medium term, with downward pressure on values across the majority of real estate sectors could slow pipeline 2. CCR is unable to agree loan terms and conditions with borrowers, impacting investments against funds 3. Contractor costs impact economic viability of current projects 4. Additional resourcing requirements within CCR
Metro Central	**Economic** 1. Possible withdrawal of DFT funding 2. Significant financial pressure on budget (budget is £113m; Cost Plan Options range from £150m to £330m)	1. Availability of public funding is limited, and private funding effected by hesitant environment 2. Current minimum budget option is unaffordable 3. Additional CCR resourcing required to appraise alternative funding options

10b. Risk Assessment – Infrastructure Investments Cont'd

Investment	Nature of Potential Impact	2022-23 Impact
Metro Plus	**Economic** 1. Non-residential input cost inflation in the construction sector forecast at c. 15% 2. LA budget cuts lead to resource shortages in key departments	1. Further resourcing pressure on CCR to ensure continuity of programme 2. Possibility of programme extension request 3. Loss of knowledge, skills and talent within LA teams responsible for delivery due to redundancies
Aberthaw	**Legislative, Economic** 1. Updates to TAN15 – parts of the site are in the high risk area 2. Energy shortages – National Grid has predicted blackouts for 2023 3. Currently limited private sector funding opportunities	1. New constraints on areas of site restrict developable land on site, increasing planned costs to equip with flood defences 2. The site must remain lit for the safety of Cardiff Airport – generators may need to be used, increasing costs 3. More hesitant investment environment may affect CCR's ability to engage partners and investors
ECO Flex 4	**Economic, Sociological** 1. Changes to the freeze on energy cap which will end April 2023 2. Managing zero carbon ambitions alongside increase in cost of living	1. Possibility of having to pause or pivot current net-zero ambitions 2. Increase in energy costs cause reduced take up of retrofit measures
Energy Strategy for CCR	**Environmental, Technological** 1. Exploration of the use of hydrogen is increasingly a UKG policy priority 2. Agility of decarbonisation pathway through CCR's Energy Vision 3. Fluctuations in the prioritisation of the decarbonisation policy for homes and commercial premises	1. Increase in resourcing to ensure engagement, review and research carried out as required 2. Current skills gaps mean there are existing shortages in Engineering, Procurement and Construction contractors 3. Wider impact across CCR's portfolio as Energy requires innovation, skills and challenge to meet overall targets

10c. Risk Assessment – Innovation Investments

Investment	Nature of Potential Impact	2022-23 Impact
Innovation Investment Capital	**Economic** 1. Forecast decline in UK business investment in a long, shallow recession 2. Start-up and innovation ecosystem impacted by lack of public and private sector finance to grow new companies 3. New business survival rates impacted by energy costs, inflation, and other aspects	Minimal impact as the fund is unlikely to see a significant number of investments in-year
Current Investment Portfolio: Jellagen, Yoello, Creo, Apex, Health Data Sciences	**Economic** 1. Rising supply chain costs and impacts leading to a more difficult than forecasted operating environment 2. Rising energy and infrastructure costs lead to businesses not being sustainable 3. Wider economic downturn of long, shallow recession leads to restricted sales and/ or less market opportunity 4. Cost of borrowing leads to unsustainable debt position 5. Forecast decline in UK business investment in a long, shallow recession	Currently no anticipated in-year impact as reported from investments

10d. Risk Assessment – Innovation Investments Cont'd

Investment	Nature of Potential Impact	2022-23 Impact
Cyber Innovation Hub	**Economic** 1. Forecast decline in UK business investment 2. Start-up and innovation ecosystem impacted by lack of public and private sector finance to grow new companies 3. New business survival rates impacted by energy costs, inflation, and other aspects	Currently no anticipated in-year impact as reported from investments
Cluster Development	**Political, Economic** 1. Potential emergence of Investment Zones 2. Investment Zones will provide a variety of tax, regulatory innovations and flexibilities, and planning simplifications 3. 38 MCAs and UTLAs in England could potentially set up Investment Zones	1. Investment Zone bids confirmed for Gloucestershire County Council and West of England Combined authority – propositions/ approaches to be revealed. 2. Limited or no impact in-year as the proposition is explored.

10e. Risk Assessment – Skills Investments

Investment	Nature of Potential Impact	2022-23 Impact
Venture Graduate	**Economic** 1. Economic uncertainty and impact of the recession on employment opportunities 2. Regional businesses are impacted by inflationary pressures, interest rates and market instability	**No anticipated in-year impact**
Skills Academies and wider skills initiatives (SPF-funded)	**Political, economic** 1. Impact of the Tertiary Education and Research (Wales) Act 2. LA budget constraints and uncertainty in UKG funding for skills 3. Potential large-scale redundancy of public sector workers (particularly LA) across the region	No anticipated in-year impact

10f. Risk Assessment – Challenge Investments

Investment	Nature of Potential Impact	2022-23 Impact
Challenge Fund Delivery	**Political, Economic** 1. Financial pressures on LAs to prioritise core service delivery 2. LA budget cuts lead to resource shortages in key departments	1. Limited delivery on current draw-down forecast and further negative impacts on outputs due to fast-tracking projects and short-term resourcing issues 2. Delayed delivery of innovation Challenges, possibility of failure in making new commitments 3. Assess impact in possibility in change of CCR priorities, funding reduction or programme withdrawal
Challenge Fund Responders	**Economic, Legislative** 1. Challenging economic environment for companies in and beyond region (Challenge responders) 2. UK Gov budgets are cut across departments 3. 2023 Procurement reform legislation	1. Change in suitability, viability and resilience of Challenger responder companies 2. Further limitations on Challenge fund delivery which could place additional burden on CCR's own resources

10g. Macro Risk Assessment

Risk	Nature of potential impact	Likelihood/Impact		Mitigation
The hangover effects of the pandemic coupled with heightened geo-political tensions emerging from invasion of Ukraine, is impacting global economy, financial systems and energy security	• Increased inflationary pressures impacting costs of pricing and materials in construction sector, delaying or disrupting capital projects • Increased pricing of commodities – gas, oil and silicon chips could have a direct impact on certain projects, costs and performance of key sectors • Increased risks around energy supply and capability, to potentially impact delivery of the Energy Strategy	High	High	• Ongoing economic analysis • Individual project plans and issue and risk monitoring • CCR making direct investments in securing domestic energy supply
Transition to CJC 'lift & shift' is delayed due to outstanding technical issues, requiring a twin-tracked approach to separately operating CJC and CCRCD	• Twin-track approach necessitates inefficient operation of 2 separate joint committee governance and delivery structures • Disjointed approach to 'regionalism' which does not maximise alignments and leverage opportunities	Medium	Medium	• Ongoing support to WG to resolve technical issues • Ongoing dialogue with UKG re: CCRCD funding agreement • 'minimalistic' operating structure in place as interim measure
The fast-growing nature of the programme requires a more rapid scaling up in terms of quality delivery resources in order to hit targets and realise objectives	• Insufficient delivery capability and capacity delays or fails to maximise benefits & impact • Re-integrating largely 'new' team & partnerships around a new base & HQ will be critical to embodying vision, mission and value and delivering impact	Medium	Medium	• £500k of additional resources approved by Cabinet for 2022/23 • Interim specialist appointments made to fill immediate capability gaps
Distinctiveness of CCRCD and investment approach risks being diluted and misunderstood without ongoing articulation	• Adverse impact on potential for region-building. Comparisons with growth deals could pose risks to distinctive WIF (ROI, leverage, co-investment & maximising resources of others). • Potential adverse impact on partners across public-private-community-HE who contribute pro-bono & on high levels of local political ownership	Low	High	• Re-articulation of core operating principles and enhanced investment strategy • Benefits realisation framework established
Insufficient co-ordination and alignment of submissions to LUF/SPF could exacerbate local socio-economic disparities – not address them	• Some of the evidence to date shows a patchwork quilt effect of provision and services • Inability to demonstrate strategic fit	Medium	Medium	• Recognition of need for optimisation and leverage via light touch co-ordination • Regional co-ordination around local investment plans

Prifddinas Ranbarth Caerdydd | Cardiff Capital Region

Annual Business Plan 2022/23

Q2 July to September Strategic Objectives Update

11A. Goal - An innovation led region fuelled by competitive clusters

Q 2 Target Milestones	Status	Comments
1. Alignment and finalisation of REIP and Cluster Strategy	In-progress	1. As CCR approach the finalisation of the REIP and Cluster Strategy, an REGP sub-group is to be formed to provide insight and recommendations given the change in external economic risk factors. The main focus of the sub-group will be to mitigate any potential impact on the pipeline and leverage new opportunities, with both documents to be updated to reflect any changes. The final versions of the REIP & Cluster Strategy will be presented to Regional Cabinet for approval in January 2023. 2. After holding small working groups to define the scope of potential data initiatives, four delivery themes have since been identified; insights, innovation acceleration, talent development and performance. The initial £100k internal investment request will be submitted to Regional Cabinet on 27 November. Further investment requests and business cases will be developed to appropriately fund initiatives identified during the discovery phase. 3. The Innovation and Clusters team have begun the recruitment process for Cluster Development Managers and interviews were conducted in October 2022, with appointments anticipated for November 2022. The new roles will be key in improving resourcing and capabilities within the team, implementing the forthcoming strategy and furthering monitoring & evaluation process enhancements.
2. Regional Data Ambition investment request	Completed	
3. Commencement of recruitment process for Cluster Development Managers	In-progress	

11B. Goal – A Green Sustainable Region

Q2 Target Milestones	Status	Anticipated Timeline
Energy Planning Technical Advisor and Lead Consultant for the delivery of a 2 year Local Area Energy Planning Programme appointed	Completed	1. Energy Catapult appointed 2. Local Partnership advisor appointed. 3. LA working group assembled and work underway 4. Resource commissioned to undertake CDP. Work underway with completion scheduled for Sept 2022.
Domestic Retrofit Agree a Joint Statement of Intent and an MoU to formalise the ECO Flex 4 programme within CCR.	In-Progress	1. Joint Statement of Intent agreed at Working Group session in September 2022 2. MoU to be agreed with both energy suppliers. 3. Works to begin in early 2023.
Climate Adaptation Lead Consultant for the delivery introductory Climate Adaptation workshops and the production of a regional risk register appointed.	Completed	1. Local Partnerships appointed to deliver the project. 2. Interactive Webinar to be held in December 2022 where LP will delve into the meaning of ‘adaptation’ and what climate risk means for the region. 3. People and Place Workshops to take place in early 2023 to focus on the hyper local effects of Climate Change. 4. Followed by a production of a Risk Register and Report.
Climate Coalition Host workshop with organisations from across varying sectors, industries and corners of the region.	Completed	1. Workshop held with 75+ organisations with an interest in the Climate Coalition. 2. Develop a Terms of Reference which will be shared with interested organisations. 3. Host a Steering Group with those who wish to take a proactive role in the formation of the Climate Coalition. 4. Circulate the ToR with interested organisations and host inaugural in-person Climate Coalition session in early 2023.

Wider Investment Fund Budget Updates (Current & Future Years)

1. The Wider Investment Fund (WIF) 2022/23 Budgets were approved by Regional Cabinet at its meeting of 31 January 2022 as part of the 2022/23 Annual Business Plan which included the programme of activity detailed in Table 1 below, along with the proposed funding priority.

Table 1: Approved Annual Business Plan 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)**

2. The budgets allocated via the Annual Business Plans reflect an indicative spend profile which is updated regularly as circumstances within the projects in delivery and those in the pipeline develop.

3. Since the approval of the Business Plan, and in order to keep the Partner Authorities updated in terms of Capital Contribution requests, the WIF Financial Model is regularly reviewed and updated. The result of the most recent review undertaken is set out in table 2 below.

Table 2: Wider Investment Fund Update: Quarter 2 2022/23

	Annual Business Plan 2022/23 £'000	Update as at Quarter 2 2022/23 £'000	Change 2022/23 £'000	Indicative Future Years 2023/24 £'000	Indicative Future Years 2024/25 £'000	Indicative Future Years 2025/26 £'000	Indicative Future Years 2026/27 £'000	Indicative Future Years 2028-2036 £'000	Programme Total £'000
Indicative Programme Expenditure									
Wider Investment Fund Top Slice	2,225.3	2,108.0	(117.3)	2,093.2	2,073.0	2,050.3	1,000.0	4,000.0	15,607.1
Approved Projects - Revenue	2,244.0	5,440.4	3,196.4	4,814.7	2,659.7	1,395.1	3,073.5	512.4	24,730.0
Future Revenue Projects	2,000.0	0.0	(2,000.0)	1,207.9	1,207.9	1,207.9	1,207.9	4,831.4	9,662.8
Sub Total Revenue	**6,469.3**	**7,548.4**	**1,079.1**	**8,115.8**	**5,940.5**	**4,653.3**	**5,281.4**	**9,343.8**	**50,000.0**
Approved Projects - Capital	19,011.8	41,100.0	22,088.2	52,529.6	49,821.1	34,601.7	7,161.6	(98,345.9)	129,682.4
Future Capital Projects	20,800.0	0.0	(20,800.0)	470.0	27,110.0	32,300.0	56,600.0	198,837.6	315,317.6
Sub Total Capital	**39,811.8**	**41,100.0**	**1,288.2**	**52,999.6**	**76,931.1**	**66,901.7**	**63,761.6**	**100,491.7**	**445,000.0**
Total Investment	**46,281.1**	**48,648.5**	**2,367.4**	**61,115.4**	**82,871.6**	**71,554.9**	**69,043.0**	**109,835.5**	**495,000.0**
Funded by									
HMT Contribution (Revenue)	(6,469.3)	(7,548.4)	(1,079.1)	(8,115.8)	(5,940.5)	(4,653.3)	(5,281.4)	(9,343.8)	(50,000.0)
HMT Contribution (Capital)	(36,600.0)	(39,704.0)	(3,104.0)	(27,000.0)	(34,500.0)	(34,500.0)	(37,000.0)	(148,000.0)	(325,000.0)
Total HMT Contribution	**(43,069.3)**	**(47,252.4)**	**(4,183.1)**	**(35,115.8)**	**(40,440.5)**	**(39,153.3)**	**(42,281.4)**	**(157,343.8)**	**(375,000.0)**
Council Contribution	(3,211.8)	(1,396.0)	1,815.8	(25,999.6)	(42,431.1)	(11,654.9)	0.0	0.0	(120,000.0)
Temp Borrowing 'Cost of Carry'	0.0	0.0	0.0	0.0	0.0	(20,746.8)	(26,761.6)	47,508.4	0.0
Total Funding	**(46,281.1)**	**(48,648.4)**	**(2,367.3)**	**(61,115.4)**	**(82,871.6)**	**(71,555.0)**	**(69,043.0)**	**(109,835.4)**	**(495,000.0)**

Wider Investment Fund Commitments to Date

4. The figures in this Appendix deal with the full £495m CCR Wider Investment Fund over its whole 20-year life and reflect assumptions around future spend which is yet to be approved. Similarly, the overall funding model includes return on investments and reinvestment and does not include expenditure against other sources of funding such as the ULEV grant.

5. Additionally, Appendix 1 of this report focuses on detailed updates for the projects currently in delivery.

6. Since the approval of the Annual Business Plan in January 2022, the following project approvals have been made by Regional Cabinet.

    - Aberthaw Project £38.4m
    - Cyber Innovation Hub £7.3m
    - Cyber Masters Extension £0.5m
    - FinTech Wales £4.1m
    - Human Data Sciences Loan £2.0m
    - Metro Plus Additional Allocation £2.0m
    - Jellagen Investment £2.2m
    - Innovation Investment Fund £50.4m
    - Apex Investment / Loan £3.0m
    - Yoello Investment £4.4m

    The Quarter 2 Update set out in Table 2 above reflects projected costs of these additional approvals along with any revisions to cost projections for existing projects.

Medium Term Financial Plan and Funding Strategy

7. As set out in both the 5-year JWA and 2022/23 Annual Business Plans, Regional Cabinet have approved indicative expenditure and funding profiles for the Wider Investment Fund for the medium to long term.

8. Depending upon the nature, value, and timing of in-year project expenditure, the components of the 'funding mix' may vary and subsequently impact upon the funding requirements of the Partner Authorities. The established stakeholder networks will be used to provide updates on this as and when necessary.

Local Authority Affordability Envelope

9. At the outset of the City Deal, the 10 Local Authorities agreed to an overall affordability envelope of £210.8m. This reflected assumptions around the cost of providing the LAs £120m contribution along with the costs projected to be incurred in borrowing to fund City Deal projects in advance of the receipt of HMT Capital Grant Funding ('Cost of Carry').

10. This calculation is updated with each iteration of the overall programme funding model and currently indicates that, as a result of expenditure being undertaken later than expected, returns on investment and the acceleration of HMT Capital Grant Funding between years 8-15, the overall affordability envelope now stands

at £170.9m. It should be noted that any changes to the timeline of expenditure and the funding sources and mix would cause this figure to fluctuate in future.

Future Funding Strategy

11. The original affordability envelope and the current model are predicated on the principle that recycled funds (loan repayments, interest, and equity returns) are re-utilised in-year, thereby reducing the funding requirement from either the HMT Capital Funding, the £120m LA Contribution, or LA Cost of Carry.

12. The City Deal Office and the Accountable Body agreed that in-year returns would be carried forward on CCR's Balance Sheet in 2021/22 as a reserve to fund future expenditure. As there was no call on LA funds in 2021/22 this did not impact the value of any drawdowns required. Discussions with regard to the future CCRCD Funding Strategy are underway and any outcomes from this will be brought to Regional Cabinet for consideration and approval at future meetings.

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Communications Summary Report

July to September 2022

1. Executive Summary

In this quarter we have produced, published and distributed:

- ✓ 6 bi-weekly Skills and Talent Round Ups
- ✓ 6 bi-weekly Innovation, Inclusivity, Connectivity and Sustainability regional round ups.
- ✓ 7 Feature Articles (corporate profiling/ sector specific features and thought leadership)
- ✓ 5 Press Releases
- ✓ 90 + social media posts across all channels

We have also:

- ➢ Mobilised the creation and production of the first Annual Report for CCR (to be published November)
- ➢ Mobilised activity on Unleash - sponsorship packages to be marketed Q3
- ➢ Commenced work on the IIF collateral (new website/ brochure and event planning)
- ➢ Curated and published Q2's thematic content on Innovation in Action and Inclusivity in Action in one integrated publication.
- ➢ Created and distributed a comprehensive quarterly City Deal Newsletter covering a broad spectrum of our own activity and updates
- ➢ Produced a third edition of CCR Venture News – a series of Round-Ups and news bulletins on all things Skills and Talent across SE Wales.
- ➢ Produced significant amounts of Venture collateral to professionalise approach
- ➢ Further increased our LinkedIn followers (our primary social channel) by 291 (15%) % from 1992 end of June to 2283 at the end of September and gained 26 new twitter followers.

July to September Newsletter Produced and Issued

- A summary of progress and performance and the key activities undertaken throughout the third quarter of 2022.

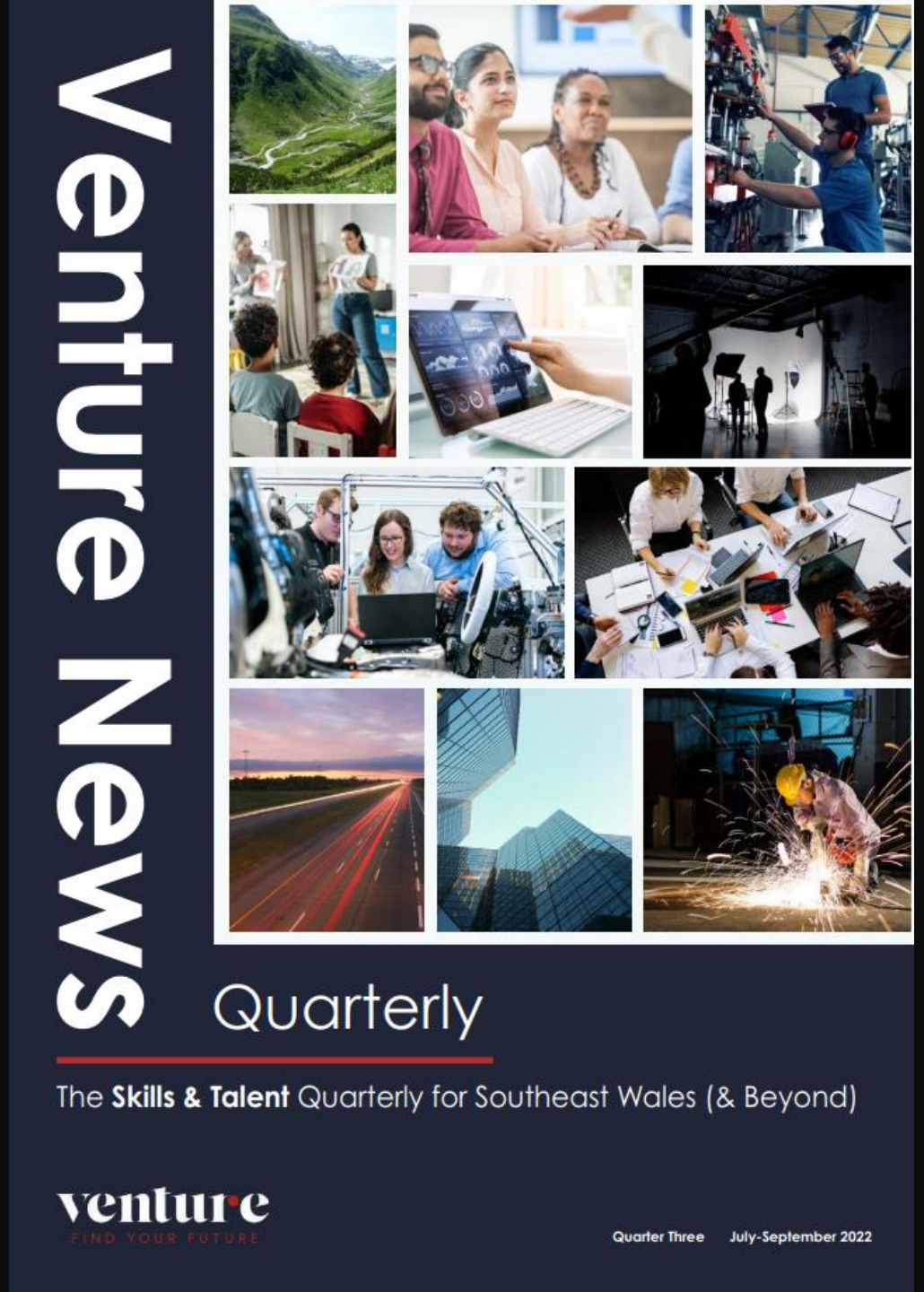
- *See attached link to download the report:*

July to September Content Curation Produced

- All our Q3 2022 articles in features in one publication.

- *See attached link to download the publication:*

- curated-content-final-1.pdf (cardiffcapitalregion.wales)

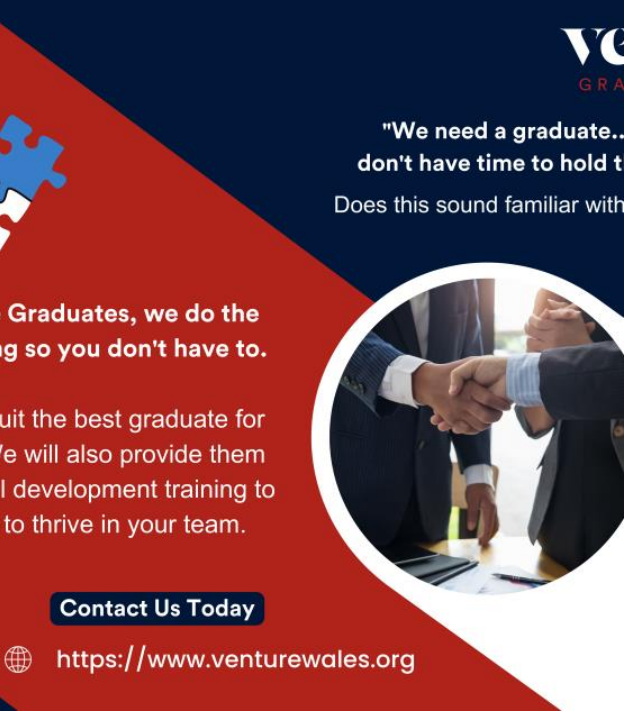


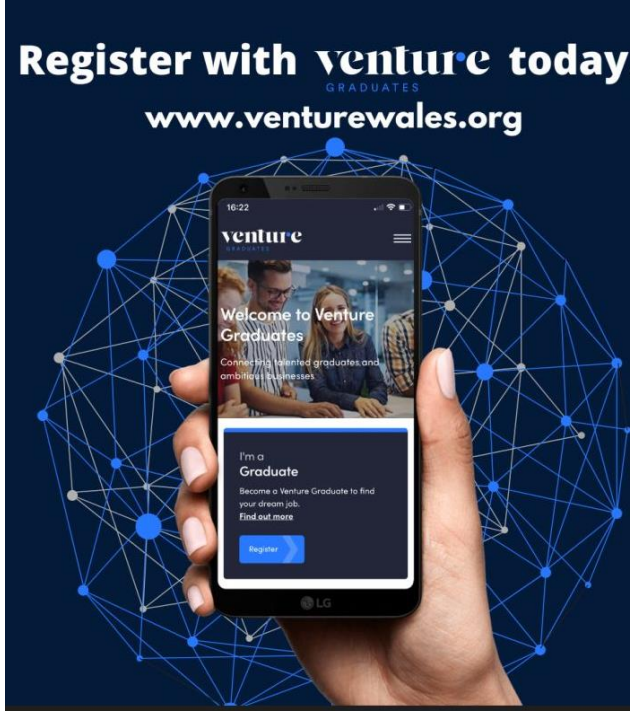
July to September
Venture Skills and Talent Curation Produced and Issued

- A summary of the pioneering skills programmes and inspired talent investments in the Cardiff Capital Region from the third quarter of 2022.

- *See attached link to download the report*

- venture-news-quarterly-q3.pdf (cardiffcapitalregion.wales)





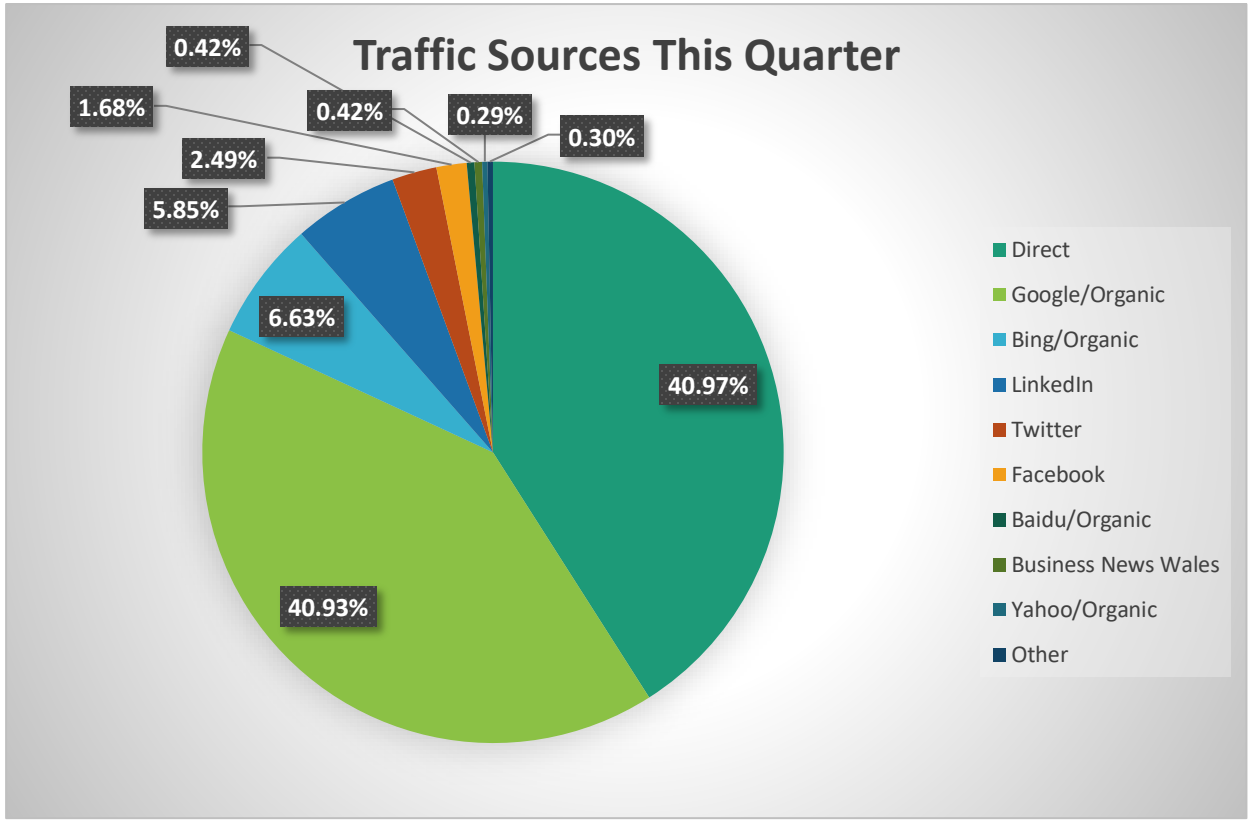
Venture

- Wide range of collateral produced for Venture including:
- A business engagement pack
- Top tips programme for interviewees
- Career accelerator launch pack plus web content (see link below)

Career Accelerator Programme - Venture (venturewales.org)

CCR Website

Significant traffic to our website this quarter with over 7600 visitors to our news section, over 4000 to the about CCR section and 2900 to our project hub.



Popular Pages This Quarter		
Page	Views	% change from last quarter
Home	3700	-26%
About	1580	-2%
Latest News	1497	+15%
Meet the Office Team	1181	+4%
The City Deal	1030	+7%

Popular Content This Quarter		
Content Sections	Views	% change from last quarter
News and Events	7605	-5%
Home	3700	-26%
About CCR	4307	+3%
Project Hub	2902	+4%
The City Deal	2483	+5%

CCR Website

Popular Projects This Quarter	
Page Title	**Views**
Challenge Fund	315
Pontypool New Inn Park & Ride	238
CCR Graduate Scheme	185
Metro Central	156
The Foundry	124
Sites and Premises Fund	123
Homes for the region	92
Barry Docks Interchange	75
Pharmatelligence	65
CSConnected	62

Popular News This Quarter	
Page Title	**Views**
CCR appoints PwC to run its innovation investment fund	344
CCR announces major conference to act as launchpad for innovation collaboration and new jobs	305
Aberthaw transformation	189
CCR joins sbarcspark family	138
The latest in skills talent across southeast wales 17	97
The latest in skills talent across southeast wales 18	88
The latest in skills talent across southeast wales 16	80
The latest in skills talent across southeast wales 19	66
Our region in action the latest in innovation sustainability inclusion and connectivity 8	62
Our region in action the latest in innovation sustainability inclusion and connectivity 7	61

Popular Downloads This Quarter	
Page Title	**Views**
notice-of-the-commencement-of-the-period-for-the-exercise-of-public-rights-2021-22.docx	29
5yr-business-plan-2021-26-final-pdf.pdf	26
ccr-newsletter-q1-spring-2022-1.pdf	22
cardiff-capital-region-city-deal-joint-committee-draft-unaudited-statement-of-accounts-2021-22.pdf	19
ccr-reimagining-our-region-final.pdf	18
ccr-curated-content-jan-to-march-2022.pdf	16
ccr-industrial-and-economic-growth-plan-english.pdf	15
ccr-strategic-business-plan.pdf	13
ccr_mar-2021-investment-prospectus.pdf	13
ccr-business-plan-2020-21-con-1-3.pdf	11

- News items on the Innovation Investment Capital fund and appt of PWC was the most popular news item.
- This was followed by news about the CCR Unleash conference in April 2023.

CCR LINKEDIN

	July	Aug	Sept
Followers	2089 ↑	2190 ↑	2283 ↑
Posts	32 ↓	32	27 ↓
Impressions (views)	15894 ↑	20453 ↑	10889 ↓
Clicks	464 ↓	1771 ↑	1263 ↓
Reactions	379 ↑	414 ↑	153 ↓
Shares	48 ↑	54 ↑	30 ↓

Commentary

- LinkedIn continued to be the highest referral source for users heading to our website via LinkedIn.
- The best performing posts for this period are illustrated on slide 11.
-

3. CCR TWITTER @CCRCityDeal

	July	August	September
Followers	3488 ↑	3499 ↑	3500 ↑
Tweets	18 ↓	16 ↓	23 ↑
Engagements	251 ↓	379 ↑	285 ↓
Likes	29 ↓	84 ↑	56 ↓
Retweets	22 ↓	35 ↑	30 ↓
Link clicks	84 ↓	146 ↑	76 ↓

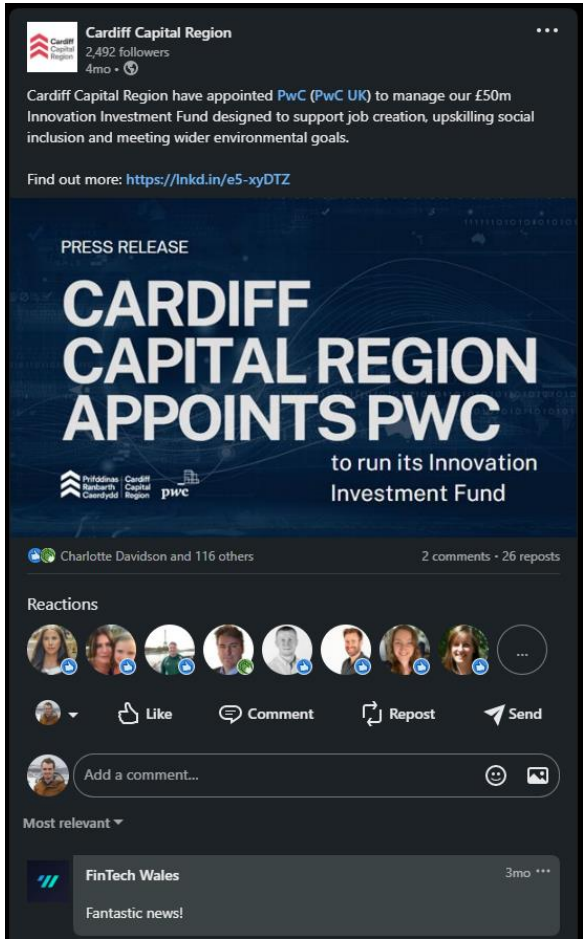
Commentary

- This quarter saw a steady increase as we released more content and began engaging more with our audience on our City Deal Twitter channel.
- We gained 26 new followers
- The best performing tweets for this period are illustrated on slides 12 and 13

Social Media Top Performing Posts – LinkedIn

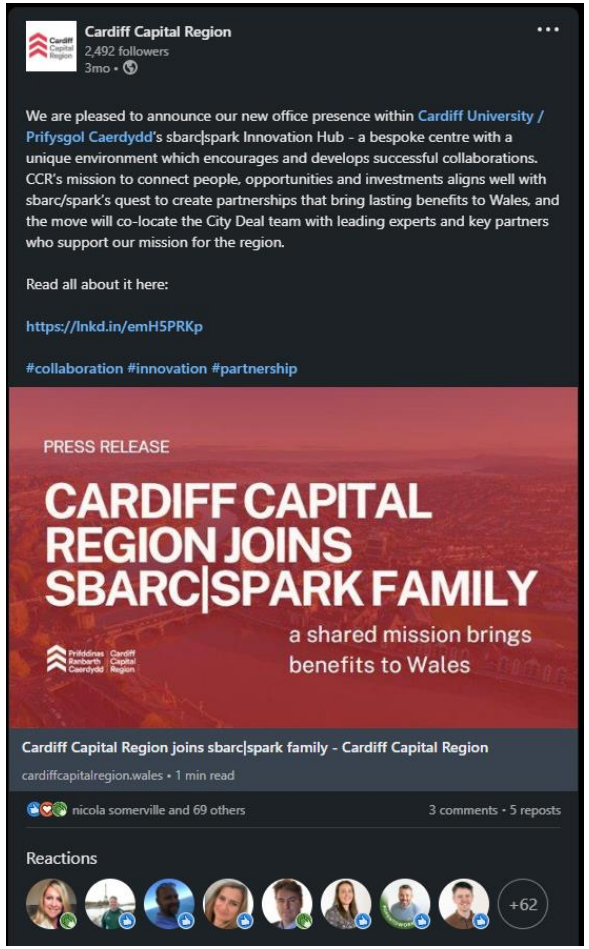
April

3,748 impressions



May

2,554 impressions



June

1,187 impressions

Social Media Top Performing Posts – Twitter @CCRCityDeal

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July

CCRCityDeal @ccrcitydeal
Cardiff Capital Region have appointed **@PwC_Wales** to manage our £50m Innovation Investment Fund designed to support job creation, upskilling social inclusion and meeting wider environmental goals.

Find out more:
https://www.cardiffcapitalregion.wales/news-events/latest-news/press-release-cardiff-capital-region-appoints-pwc-to-run-its-innovation-investment-fund/ …
pic.twitter.com/RjdlclYYrx

Impressions	1,676
Total engagements	74
Detail expands	23
Link clicks	18
Likes	13
Retweets	11
Profile clicks	7
Media engagements	2

August

CCRCityDeal @ccrcitydeal
We are delighted to announce that our first EV public use charging point has gone live today in Blaenau Gwent. No 1 of 146 units that are being installed by **@ConnectedKerb** between now and October.

Watch this space as we follow the roll out across the Cardiff Capital Region.
pic.twitter.com/7YR3ktFyND

Impressions	1,609
Total engagements	73
Detail expands	24
Likes	18
Media engagements	11
Profile clicks	11
Retweets	7
Replies	2

September

CCRCityDeal @ccrcitydeal
Applications are now open for the £2.6m **#sustainable #food** challenge

The challenge aims to improve local food production and supply, which will provide positive economic, social, and environmental impacts to the region.

Find out more here:
https://www.cardiffcapitalregion.wales/news-events/latest-news/2-6-million-sustainable-food-challenge-to-improve-local-food-production-and-supply/ …

@CCRChallenge pic.twitter.com/TIYCysLpZs

Impressions	2,043
Total engagements	68
Likes	20
Detail expands	17
Retweets	16
Link clicks	12
Profile clicks	3

Quarter 2 Update: AGS Action Plan 2021/22

Action No.	Assurance Statement	Suggested Action	Update/Action Plan Completed	Target Date
1	We ensure: • Compliance with relevant laws and regulations; • compliance with internal policies and procedures; • that expenditure is lawful. (Statement 2)	1. Further strengthen governance arrangement with the addition of the Corporate Governance Manager Role.	**Complete.** The Corporate Governance Manager role was appointed in April 2022.	Q1
2	We are committed to openness and acting in the public interest. (Statement 3)	2. To enact public live streamed meetings as and when. In person meetings to resume in-line with guidance/regulations issued. Hybrid solutions will be considered as an interim measure.	**Complete.** CCR continues to investigate venues equipped to broadcast hybrid live streaming of public meetings. In the meantime, all public meetings are recorded via Microsoft Teams functionality and uploaded to the website the same day. The arrangements will continue to be reviewed in line with the latest guidance/regulations issued.	As soon as possible with given guidelines
3 & 4	We have mechanisms in place to review the effectiveness of the decision-making framework, including delegation arrangements, decision-making in partnerships, information provided to	3. Endorsement will be sought to implement in full the new Investment & Intervention Framework operating protocols and full roll out subsequently undertaken throughout 22/23.	**Complete.** Following the internal review of the IIF, we've updated and improved the robustness of the process and have rolled out as outlined previously to Regional Cabinet.	Q4

Action No.	Assurance Statement	Suggested Action	Update/Action Plan Completed	Target Date
	decision makers and robustness of data quality. (Statement 7)	4. Implement training of the Investment and Intervention Framework to the team and undertake a 6-month review of the impact of the framework.	**Complete.** During Q1 CCR employees attended a one day briefing session which provided an overview of E2E processes, where to locate the Operating Manual, and how to access agreed templates.	Q2
5 & 6	We measure the performance of services and related projects and ensure that they are delivered in accordance with defined outcomes and that they represent the best use of resources and value for money. (Statement 8)	5. Produce and put forward an updated IIF Investment Strategy.	**Ongoing.** IIF Investment Strategy on the agenda for the Regional Cabinet to consider at their January 2023 meeting.	Q2
		6. Ensure work undertaken with KPMG of Impact Delivery Framework is transitioned into an operational approach and bed-in practises for further review.	**Ongoing.** A resource was identified and has joined CCR on a part time deployment in November 2022 to help us further embed our impact framework and ensure we have a local framework that aligns with the National Evaluation Framework. We will also be looking to further consider social value measures, including Equality, Diversity & Inclusion (EDI) and Environmental, Social & Governance (ESG) factors to enable us to report a more holistic suite of impact measures and attribution mechanisms.	Q3

Action No.	Assurance Statement	Suggested Action	Update/Action Plan Completed	Target Date
7	Our financial management arrangements conform to all relevant legislative and best practice requirements. (Statement 10)	7. Undertaking the actions from the Financial Management Code Review.	**Complete.** CJC Bare Minimum Model now in place and operating. Transition Plan to be reinstated once outstanding Technical Issues have been addressed, which will assess next steps and associated timescales in respect of 'Lift & Shift' model, which in turn will assess any requirements in respect of the FM Code.	Q2
8	We provide relevant induction training and have mechanisms in place to identify the development needs of members and senior officers in relation to their strategic roles, supported by appropriate training. (Statement 13) We have an effective scrutiny function in place. (Statement 16)	8. Induction of new members to take place in June 2022.	**Complete.** Induction pack prepared for and issued to new cabinet members and new local authority councillors in July 2022. It is also suitable to be used for all new officers as well. Follow up sessions offered and still in the process of being taken up. In addition, CCR is supporting RCT to help support the creation of an appropriate and effective scrutiny agenda for the CCRCD Programme.	Q1
9	We have mechanisms to review the effectiveness of our framework for identifying and managing risks and performance and for demonstrating clear accountability. (Statement 14)	9. Further embed Enterprise Risk Management policy into CCR practice to identify, monitor, manage, and escalate risks in live projects and programmes	**Ongoing.** Phases 1 & 2 to embed the approved Enterprise Risk Management policy into CCR practice have been completed. Work ongoing to design and embed Phase 3, which will work alongside the new IIF operating protocols and ensure that risks are reviewed, updated and where appropriate escalated in a timely manner.	Q4

Action No.	Assurance Statement	Suggested Action	Update/Action Plan Completed	Target Date
10	Our internal audit assurance arrangements conform to Public Sector Internal Audit Standards and relevant best practice. (Statement 17)	10. External peer review to be undertaken, to be led by Monmouthshire County Council.	**Ongoing.** Planned peer review coordinated by Cardiff Council internal audit and due to commence in Q3	Q4

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

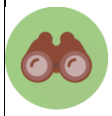
Name of the Officer completing the evaluation: **Kellie Beirne** **Phone no:** 07826 919286 **E-mail:** kellie.beirne@cardiff.gov.uk	**Please give a brief description of the aims of the proposal** Quarterly performance reporting
Proposal: Q2 2022-23 Performance Reporting	**Date Future Generations Evaluation form completed:** 28 November 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 seeks to track performance towards CCR targets and objectives	Ongoing refinement and targeting of baseline – data, evidence, assessments and benefit realization
A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)	Discrete objectives feature as part of this work around reporting in energy strategy and responsible investing	ESG framework, risks focused on ED&I and Carbon Disclosure Project.
A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood	N/A	N/a
A Wales of cohesive communities Communities are attractive, viable, safe and well connected	This is part of the societal aims articulated through responsible investing and the revised principles of the investment strategy	

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

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

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 Balancing short term need with long term and planning for the future	The performance framework is quarterly but is against both the annual and five-year strategic business plans. In addition, we have recently updated our Vision, Mission and Values which is detailed in the 2022/23 Annual Business Plan.	
Working together with other partners to deliver objectives	The performance framework draws on myriad partnership contributions.	
Involving those with an interest and seeking their views	Engagement with multiple stakeholders spanning various different panels, stakeholder groups and advisory boards has informed this process.	

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?
Putting resources into preventing problems occurring or getting worse	The purpose of the performance framework and its continual evolution is to contribute to future proofing the CCR operating environment	
Considering impact on all wellbeing goals together and on other bodies	Having an overview of all areas of performance enables wellbeing goals and objectives to be considered in the round.	

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

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

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

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

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

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

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

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

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

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

The impacts of this proposal will be evaluated on:	**Q3 2022/23**