

Pecyn Dogfennau Cyhoeddus



- 1 **Bargen Ddinesig Prifddinas-Ranbarth Caerdydd Cyfarfod Cabinet Rhanbarthol**
10.30am-12.30pm Ddydd Iau 14 Medi 2020. Cyfarfod o Bell yn defnyddio Microsoft Teams
<https://www.cardiffcapitalregion.wales/event/regional-cabinet-meeting-20/>



Cardiff Capital Region City Deal Regional Cabinet Meeting

10.30am-12.30pm on Monday 14 September 2020
Remote Meeting using Microsoft Teams: [Link](#)

Agenda

1. Welcome and Apologies
2. Declarations of Interest
3. Minutes of the meeting held on 15 June 2020 Attached
4. 2020/21 Annual Business Plan Quarter 01 Performance Report Attached
Appendix 4 to this report is exempt from publication because it contains information of the kind described in paragraph 16 (information in respect of which a claim to legal professional privilege could be maintained in legal proceedings) of part 4 of Schedule 12A to the Local Government Act 1972.
5. 2020/21 Month 04 Joint Committee Revenue Budget Monitoring Position Attached
6. Homes for all the Region - Update Attached
7. Establishing A CCR Challenge Programme – Re-building Local Wealth Post COVID-19 Attached
8. Review of Regional Business Council & Regional Business Engagement Attached
9. Gateway Review – Complementary Report Attached
10. Reports of the Investment Panel Attached
Appendices 1-5 to this report are exempt from publication because they contain information of the kind described in paragraphs 14 (information relating to the financial or business affairs of any particular person) and 21 (public interest test) of parts 4 and 5 of Schedule 12A to the Local Government Act 1972 and in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
 - a) Recommendation Log and Project Updates
 - b) SOC Outdoor Adventure Tourism

Kellie Beirne
CCR Director
14 September 2020

Bargen Ddinesig Prifddinas-Ranbarth Caerdydd Cyfarfod Cabinet Rhanbarthol

10.30am-12.30pm Ddydd Iau 14 Medi 2020
Cyfarfod o Bell yn defnyddio Microsoft Teams: [Dolen](#)

Agenda

1. Croeso ac Ymddiheuriadau
2. Datgan Buddiannau
3. Cofnodion y cyfarfod a gynhaliwyd ar 18 Mehefin 2020 Atodedig
4. Cynllun Busnes Blynyddol 2020/21 Adroddiad Perfformiad Chwarter 01 Atodedig
Mae Atodiad 4 i'r adroddiad hwn wedi'i eithrio rhag ei gyhoeddi gan ei fod yn cynnwys gwybodaeth o'r fath a ddisgrifir ym mharagraff 16 (gwybodaeth y gellid cynnal baint broffesiynol gyfreithiol mewn perthynas â hi mewn achosion cyfreithiol) rhan 4 Atodlen 12A Deddf Llywodraeth Leol 1972.
5. 2020/21 Sefyllfa Monitro Cyllid Refeniw'r Cydbwyllgor Mis 04 Atodedig
6. Cartrefi i'r holl Ranbarth - Diweddariad Atodedig
7. Sefydlu Rhaglen Her Prifddinas-Ranbarth Caerdydd - Ail-adeiladu Atodedig
Cyfoeth Lleol Ar Ôl COVID-19
8. Adolygiad o'r Cyngor Busnes Rhanbarthol ac Ymgysylltu â Busnesau Rhanbarthol Atodedig
9. Adolygiad Gateway – Adroddiad Cyflenwol Atodedig
10. Adroddiad Panel Buddsoddi P-RC Atodedig
Mae atodiadau 1-5 i'r adroddiad hwn wedi'u heithrio rhag cael eu cyhoeddi oherwydd maent yn cynnwys gwybodaeth o'r fath a ddisgrifir ym mharagraffau 14 (gwybodaeth yn ymwneud â materion ariannol neu fusnes unrhyw berson penodol) a 21 (prawf budd y cyhoedd) o rannau 4 a 5 Atodlen 12A i Ddeddf Llywodraeth Leol 1972 ac o dan holl amgylchiadau'r achos mae budd y cyhoedd o ran cynnal yr eithriad yn gwrthbwysu budd y cyhoedd o ran datgelu'r wybodaeth.
 - a) Cofnodion Argymell a Diweddariad Projectau
 - b) Twristiaeth Antur Awyr Agored AAS

**Kellie Beirne
Cyfarwyddwr P-RC
14 Medi 2020**

**Cardiff Capital Region City Deal
Regional Cabinet Meeting**

10.30am-12.30pm on Monday 15 June 2020
Remote Meeting using Microsoft Teams

Minutes

Present

Leaders and Chief Executives

Cllr Nigel Daniels (<i>until c11:43</i>)	Leader	Blaenau Gwent CBC
Michelle Morris	Managing Director	Blaenau Gwent CBC
Cllr Huw David	Leader	Bridgend CBC
Mark Shephard	Chief Executive	Bridgend CBC
Cllr Philippa Marsden	Leader	Caerphilly CBC
Christina Harray	Chief Executive	Caerphilly CBC
Cllr Huw Thomas, Vice Chair	Leader	Cardiff Council
Jonathan Day for Paul Orders	Economic Development	Cardiff Council
Cllr Kevin O'Neill	Leader	Merthyr Tydfil CBC
Ellis Cooper (<i>from 11:03</i>)	Chief Executive	Merthyr Tydfil CBC
Cllr Peter Fox, Vice Chair	Leader	Monmouthshire CC
Paul Matthews	Chief Executive	Monmouthshire CC
Cllr Jane Mudd	Leader	Newport CC
Beverly Owen (<i>from 11:01</i>)	Interim Chief Executive	Newport CC
Cllr Andrew Morgan (<i>until 11:32</i>)	Leader	Rhondda Cynon Taf CBC
Chris Bradshaw (<i>until 11:56</i>)	Chief Executive	Rhondda Cynon Taf CBC
Cllr Anthony Hunt, Chair	Leader	Torfaen CBC
Alison Ward	Chief Executive	Torfaen CBC
Cllr Neil Moore	Leader	Vale of Glamorgan Council

Officers

Christopher Lee	Section 151 Officer	Accountable Body
Gareth Gates	Accountant	Accountable Body
Anil Hirani	Accountancy Manager	Accountable Body
James Williams	Solicitor	Accountable Body
Alyn Owen	Chief Officer Community Regeneration	Merthyr Tydfil CBC
Marcus Goldsworthy	Head of Regeneration and Planning	Vale of Glamorgan Council
Kellie Beirne	Director	City Deal Office
Rhys Thomas	Chief Operating Officer	City Deal Office
Nicola Somerville	Head of Inclusive Growth & Business Development	City Deal Office
Robert O'Dwyer	Head of Infrastructure	City Deal Office
Hrjinder Singh	Head of Finance, Risk & Assurance	City Deal Office
Suzanne Chesterton	Marketing & Communications Lead	City Deal Office

Nicola Butler	Business Development & Partnership Officer	City Deal Office
Liz Fitzgerald (minutes)	Business Development & Partnership Officer	City Deal Office
Guests/Observers		
Ian Phillips	Audit Lead	Wales Audit Office
Jenna Dillon	Senior Project Delivery Manager – South East Wales	Welsh Government
Apologies		
Paul Orders	Chief Executive	Cardiff Council
Rob Thomas	Chief Executive	Vale of Glamorgan Council

The video recording of the meeting was started.

1. Welcome and Apologies

Cllr Hunt opened the meeting and apologies were noted.

2. Declarations of Interest

- 1) In respect of Item 5, Michelle Morris declared her interest as a member of the CCR Investment Panel.
- 2) In respect of Item 5, Chris Bradshaw declared his interest as a member of the CCR Investment Panel.
- 3) In respect of Item 5, Paul Matthews declared his interest as a member of the CCR Investment Panel.
- 4) In respect of Item 5, Christina HARRY declared her interest as a member of the CCR Investment Panel.
- 5) In respect of Item 5, Kellie Beirne declared her interest in respect of Item 5b as a Board member of Research England.
- 6) In respect of Item 5, Rhys Thomas declared an interest for recommendation 5 (d) specifically as he is an adviser to the Fintech Wales Strategic Board.
- 7) In respect of Item 5a, Beverly Owen declared an interest as a voting Board member of the CSC Foundry Ltd.
- 8) In respect of Item 10, the following members of CCR City Deal staff declared an interest and left the meeting before this item was discussed:
 - (1) Kellie Beirne, Director
 - (2) Rhys Thomas, Chief Operating Officer

- (3) Nicola Somerville, Head of Business Development & Inclusive Growth;
- (4) Hrijinder Singh, Head of Finance, Risk & Assurance;
- (5) Rob O'Dwyer, Head of Infrastructure;
- (6) Suzanne Chesterton, Marketing & Communications Lead;
- (7) Nicola Butler, Business Development & Partnership Officer;
- (8) Elizabeth Fitzgerald, Business Development & Partnership Officer.

3. Minutes of the meeting held on 18 May 2020

The minutes of the meeting held on 18 May were agreed as a true and accurate record as motioned by Cllr Fox and seconded by Cllr Marsden.

4. 2019/20 Draft Statement of Accounts and Draft Annual Governance Statement

- (1) Christopher introduced his report and drew Leaders' attention to the recommendations which reiterated the next steps. Kellie confirmed that preparation of the Annual Governance Statement had involved stakeholders and partners across the region. The scaling up that had taken place over the last year had continued throughout the lockdown period with meetings continuing to take place.
- (2) Cllr Hunt obtained individual votes of acceptance from Leaders in the following order: Cardiff; Vale of Glamorgan; Bridgend; Rhondda Cynon Taf; Merthyr Tydfil; Blaenau Gwent; Monmouthshire; Newport; Caerphilly; Torfaen.
- (3) It was unanimously resolved that the CCR Regional Cabinet:
 - a) noted that, having had an opportunity to review and provide comments, the Draft Statement of Accounts for the year ended 31 March 2020 (attached as Appendix 1) will be:
 - i. signed by the Section 151 Officer;
 - ii. provided to the Wales Audit Office to allow them to commence their audit of the statements;
 - iii. will be made available for public inspection for a period of four weeks when feasible to do so.
 - b) noted that, having had an opportunity to review and provide comments, the Draft Annual Governance Statement (attached as Appendix 2) will be provided to the Wales Audit Office to allow them to commence their audit;
 - c) noted the AGS Action Plan (Appendix 2e), which will progressed during 2020/21, with regular updates reported to Cabinet throughout the year.

Video recording of the meeting was stopped due to discussion of confidential information.

5. Reports of the Investment Panel

a) Recommendation Log and Project Updates

Appendices 1-8 to this report are exempt from publication because they contain information of the kind described in

paragraphs 14 (information relating to the financial or business affairs of any particular person) and 21 (public interest test) of parts 4 and 5 of Schedule 12A to the Local Government Act 1972 and in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

- (1) Rhys introduced the report.
- (2) Leaders discussed funding arrangements and clarification of terminology used in the appendices. It was felt that the CCR should write to the Minister for Economy, Transport and North Wales in respect of exempt Appendix 6 and Rhys confirmed that discussions had already begun and that he would progress this.
- (3) The motion to deal with the recommendations of the report *en bloc* was moved by Cllr Fox and seconded by Cllr Marsden and Cllr David.
- (4) Cllr Hunt obtained individual votes of acceptance from Leaders in the following order: Caerphilly; Newport; Monmouthshire; Blaenau Gwent; Merthyr Tydfil; Rhondda Cynon Taf; Bridgend; Vale of Glamorgan; Cardiff; Torfaen.

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It was unanimously resolved that the CCR Regional Cabinet:

- a) noted the Recommendation Logs from the meetings of Investment Panel on 2 June and 5 June 2020 respectively;
- b) approved the recommendations made by the Investment Panel in respect of SIFT 1As, including the 'Review' status of the Antibacterial Hand Gel proposal, which may progress to the next stage of business case development, following further consideration by Investment Panel at its next meeting;
- c) approved the SOC for the AI/Data company growth and agrees the next step to develop a OBC/FBC at a cost of £40,000 and approves to receive the business case in the autumn;
- d) approved the SOC for the fin tech trade body and agrees the next step to release seed funding of £250,000 to progress the business case, and approves to receive the business case in due course;
- e) noted the draft OBC for the Life Sciences Innovation Park and approves the next steps to finalise the OBC and progressing to develop the FBC at a cost of £120,000, with updates being received in the autumn;
- f) approved the OBC for the CCR Premises fund and agrees the next step to develop an FBC at a cost of £125,000 and approves to receive the FBC in the autumn;
- g) noted the status update on the IIF tracker and the projects and proposals provided in the confidential appendices.

5. b) Support for CS Cluster

This report and all appendices to this report are exempt from publication because they contain information of the kind described in paragraphs 14 (information relating to the financial or business affairs of any particular person) and 21 (public interest test) of parts 4 and 5 of Schedule 12A to the Local Government Act 1972 and in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

- (1) The motion to deal with the recommendations of the exempt report *en bloc* was moved by Cllr Fox and seconded by Cllr Marsden.
- (2) Cllr Hunt obtained individual votes of acceptance from Leaders in the following order: Cardiff; Vale of Glamorgan; Bridgend; Merthyr Tydfil; Blaenau Gwent; Monmouthshire; Newport; Caerphilly; Torfaen; Rhondda Cynon Taf.
- (3) It was unanimously resolved that the CCR Regional Cabinet accepted the recommendations of the exempt report.

Video recording of the meeting was re-started.

6. **Establishing a CCR Challenge Programme – Re-Building Local Wealth Post-COVID**

- (1) Kellie introduced the report and confirmed that the CCR would engage with partners on a challenge-by-challenge basis. It was hoped the programme would bring together the SBRI and InFuSe initiatives in the region.

Cllr Morgan left the meeting at 11:32.

- (2) Kellie confirmed that the CCR hoped to second a Welsh Government SBRI expert to lead the programme and that it was intended to hold workshops over the summer with lead Members. Kellie said that feedback from UK and Welsh Governments in respect of challenge-led processes was that CCR must satisfy itself that requirements of the Green Book Five Case Business model could be met – noting the difference between this programme area and more traditional infrastructure investments, noting in addition, the green book procedures are under review. A further report would be presented at the CCR Regional Cabinet meeting on 14 September.
- (3) Leaders supported the project and were keen to understand how to find solutions to the region's issues whilst ensuring there was no duplication of effort across the UK. Kellie confirmed the funds could only be used where no existing solution is in place.
- (4) The motion to deal with the recommendations of the exempt report *en bloc* was moved by Cllr Fox and seconded by Cllr Marsden.

KB

- (5) Cllr Hunt obtained individual votes of acceptance from Leaders in the following order: Caerphilly; Newport; Monmouthshire; Blaenau Gwent; Merthyr Tydfil; Bridgend; Vale of Glamorgan; Cardiff; Torfaen. Cllr Morgan was not present to vote for Rhondda Cynon Taf.

It was resolved that the CCR Regional Cabinet:

- a) noted and approved the Outline Business Case at Appendix 1 for a Challenge Programme aimed at re-building local wealth post-COVID;
- b) noted and approved the arrangements that will now need to be in place to assist development of a Full Business Case – such as WG-advisory support; necessary procurement arrangements for delivery support; and, holding a workshop to establish key priority themes and topics;
- c) noted that it will receive the Full Business Case in the early autumn of 2020, including implications for the availability of City Deal revenue resources going forward;
- d) noted and approved the delivery arrangements for the InFuSe aspect of the programme in respect of Monmouthshire acting as lead body on behalf of CCR and noting the Full Business Case will be conditional on achieving funding status from WEFO to achieve the external leveraged funds; and,
- e) noted the advice that it must be content that operating a Challenge Fund is within its remit and jurisdiction and endorse the advice set out in this report regarding the different but complementary way in which the process adheres to the Green Book spirit, requirements and principles.

7. CCR Engagement within the Western Gateway Initiative

- (1) Kellie introduced the report which recommended CCR's membership of the Western Gateway partnership. Deloitte had prepared a draft report in terms of potential governance structure although some iteration was needed which was being discussed later that day. Some work on economic analysis was required to be clear of comparative advantages. Kellie advised that she had been made aware that some councils in the West of England area, which was equivalent to the CCR, were also seeking to sign up as single, autonomous organisations. If that happened the CCR would need to reconsider the issues further at the relevant time. Kellie confirmed that there were no financial implications to membership at this time.
- (2) Cllr Thomas welcomed the support from the CCR.
- (3) Leaders discussed membership as both a region and individual organisations and other issues around involvement with the partnership; it was agreed that a regional membership was preferable and that a cautious approach with scope for review should be taken. Cllr Hunt

confirmed he would be happy to follow up any issues or attend meetings in his role as Chair of the CCR Regional Cabinet.

Cllr Daniels began experiencing connectivity issues from c11:43 onwards.

- (4) The motion to deal with the recommendations of the report *en bloc* was moved by Cllr Marsden and seconded by Cllr Fox.
- (5) Cllr Hunt obtained individual votes of acceptance from Leaders in the following order: Cardiff; Vale of Glamorgan; Bridgend; Merthyr Tydfil; Monmouthshire; Newport; Caerphilly; Torfaen. Cllr Morgan and Cllr Daniels were not present to vote for Rhondda Cynon Taf and Blaenau Gwent respectively.

Chris Bradshaw left the meeting at 11:56.

- (6) It was resolved that the CCR Regional Cabinet:
 - a) signalled its intent to engage with the Western Gateway Partnership, as key partners through offering support and participation in terms of officer time and focus in particular, around the themes of internationalisation and innovation;
 - b) embraced inclusion within the partnership at this initial stage with a view to working with partners to formalise roles, remits and the status of Western Gateway in accordance with progress being made on the key steps documented above.

8. Disclosure of Interests – Update Report

- (1) Kellie introduced the report advising that the WAO was seeking comfort from the CCR and Accountable Body, and all partner organisations, to have a robust process in place for managing and disclosing any potential interests. Training had been delivered and briefing sessions had been held with all CCR partnerships. Kellie confirmed that the Joint Working Agreement had been amended to reflect the requirement. An inspected register was now available on the [CCR website](#). Kellie confirmed that the ongoing process would be refreshed and reviewed on an annual basis.
- (2) The motion to deal with the recommendation of the report was moved by Cllr Fox and seconded by Cllr David.
- (3) Cllr Hunt obtained individual votes of acceptance from Leaders in the following order: Caerphilly; Newport; Monmouthshire; Merthyr Tydfil; Bridgend; Vale of Glamorgan; Cardiff; Torfaen. Cllr Morgan and Cllr Daniels were not present to vote for Rhondda Cynon Taf and Blaenau Gwent respectively.
- (4) It was resolved that the CCR Regional Cabinet:
 - a) noted completion of the recommended improvements made by the WAO in respect of Disclosures of Interests.

9. Updated Regional Cabinet Portfolios 2020/2021

- (1) Kellie introduced the report which reflected the recent changes following election of a new Chair and new members of the CCR Regional Cabinet.
- (2) The motion to deal with the recommendation of the report was moved by Cllr Fox and seconded by Cllr Moore.
- (3) Cllr Hunt obtained individual votes of acceptance from Leaders in the following order: Cardiff; Vale of Glamorgan; Bridgend; Merthyr Tydfil; Monmouthshire; Newport; Caerphilly; Torfaen. Cllr Morgan and Cllr Daniels were not present to vote for Rhondda Cynon Taf and Blaenau Gwent respectively.
- (4) It was resolved that the CCR Regional Cabinet:
 - a) noted and endorsed the Lead Cabinet Portfolio holders as set out in this report.

10. CCR City Deal – Future Resourcing Requirements

This report is exempt from publication because it contains such information as described in paragraphs 14 (information relating to the financial or business affairs of any particular person) and 21 (public interest test) of sections 4 and 5 of Schedule 12A to the Local Government Act 1972 and in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

All CCR City Deal staff left the meeting at 12:05 and video recording of the meeting was stopped.

- (1) It was resolved that the CCR Regional Cabinet accepted the recommendations of the exempt report.

Date of next Public Meeting: 10.30am on Monday 14 September

This document is available in Welsh / Mae'r ddogfen hon ar gael yn Gymraeg

**Bargen Ddinesig Prifddinas-Ranbarth Caerdydd
Cyfarfod y Cabinet Rhanbarthol**

10.30am-12.30pm ddydd Llun 15 Mehefin 2020
Cyfarfod o Bell yn defnyddio Microsoft Teams

Cofnodion

Presennol

Arweinwyr a Phrif Weithredwyr

Y Cyngorydd Nigel Daniels (<i>tan tua 11:43</i>)	Arweinydd	CBS Blaenau Gwent
Michelle Morris	Rheolwr Gyfarwyddwr	CBS Blaenau Gwent
Y Cyngorydd Huw David	Arweinydd	CBS Pen-y-bont ar Ogwr
Mark Shephard	Prif Weithredwr	CBS Pen-y-bont ar Ogwr
Y Cyngorydd Philippa Marsden	Arweinydd	CBS Caerffili
Christina Harrhy	Prif Weithredwr	CBS Caerffili
Y Cyngorydd Huw Thomas, Is-gadeirydd	Arweinydd	Cyngor Caerdydd
Jonathan Day ar ran Paul orders	Datblygu Economaidd	Cyngor Caerdydd
Y Cyngorydd Kevin O'Neill	Arweinydd	CBS Merthyr Tudful
Ellis Cooper (<i>o 11:03</i>)	Prif Weithredwr	CBS Merthyr Tudful
Y Cyngorydd Peter Fox, Is-gadeirydd	Arweinydd	Cyngor Sir Fynwy
Paul Matthews	Prif Weithredwr	Cyngor Sir Fynwy
Y Cyngorydd Jane Mudd	Arweinydd	Cyngor Dinas Casnewydd
Beverly Owen (<i>o 11:01</i>)	Prif Weithredwr Dros Dro	Cyngor Dinas Casnewydd
Y Cyngorydd Andrew Morgan (<i>tan 11:32</i>)	Arweinydd	CBS Rhondda Cynon Taf
Chris Bradshaw (<i>tan 11:56</i>)	Prif Weithredwr	CBS Rhondda Cynon Taf
Y Cyngorydd Anthony Hunt, Cadeirydd	Arweinydd	CBS Torfaen
Alison Ward	Prif Weithredwr	CBS Torfaen
Y Cyngorydd Neil Moore	Arweinydd	Cyngor Bro Morgannwg
Swyddogion		
Christopher Lee	Swyddog Adran 151	Corff Atebol
Gareth Gates	Cyfrifydd	Corff Atebol
Anil Hirani	Rheolwr Cyfrifeg	Corff Atebol
James Williams	Cyfreithiwr	Corff Atebol
Alyn Owen	Prif Swyddog Adfywio Cymunedol	CBS Merthyr Tudful
Marcus Goldsworthy	Pennaeth Adfywio a Chynllunio	Cyngor Bro Morgannwg
Kellie Beirne	Cyfarwyddwr	Swyddfa'r Fargen Ddinesig
Rhys Thomas	Prif Swyddog Gweithredol	Swyddfa'r Fargen Ddinesig

Nicola Somerville	Pennaeth Twf Cynhwysol a Datblygu Busnes	Swyddfa'r Fargen Ddinesig
Robert O'Dwyer Hrjinder Singh	Pennaeth Seilwaith Pennaeth Cyllid, Risg a Sicrwydd	Swyddfa'r Fargen Ddinesig Swyddfa'r Fargen Ddinesig
Suzanne Chesterton	Arweinydd Marchnata a Chyfathrebu	Swyddfa'r Fargen Ddinesig
Nicola Butler	Swyddog Datblygu Busnes a Phartneriaethau	Swyddfa'r Fargen Ddinesig
Liz Fitzgerald (cofnodion)	Swyddog Datblygu Busnes a Phartneriaethau	Swyddfa'r Fargen Ddinesig
Gwesteion/Arsylwyr		
Ian Phillips Jenna Dillon	Arweinydd Archwilio Uwch-reolwr Cyflawni Projectau - De-ddwyrain Cymru	Swyddfa Archwilio Cymru Llywodraeth Cymru
Ymddiheuriadau		
Paul Orders Rob Thomas	Prif Weithredwr Prif Weithredwr	Cyngor Caerdydd Cyngor Bro Morgannwg

Dechreuwyd y recordiad fideo o'r cyfarfod.

11. Croeso ac Ymddiheuriadau

Agorodd y Cyngorydd Hunt y cyfarfod a nodwyd yr ymddiheuriadau.

12. Datgan Buddiannau

- 9) Mewn perthynas ag Eitem 5, datganodd Michelle Morris fuddiant fel aelod o Banel Buddsoddi P-RC.
- 10) Mewn perthynas ag Eitem 5, datganodd Chris Bradshaw fuddiant fel aelod o Banel Buddsoddi P-RC.
- 11) Mewn perthynas ag Eitem 5, datganodd Paul Matthews fuddiant fel aelod o Banel Buddsoddi P-RC.
- 12) Mewn perthynas ag Eitem 5, datganodd Christina Harrhy fuddiant fel aelod o Banel Buddsoddi P-RC.
- 13) Mewn perthynas ag Eitem 5, datganodd Kellie Beirne fuddiant parthed Eitem 5b fel aelod o fwrdd Research England.
- 14) Mewn perthynas ag Eitem 5, datganodd Rhys Thomas fuddiant parthed argymhelliad 5 (d) yn benodol gan ei fod yn ymgynghorydd i Fwrdd Strategol Fintech Wales.

- 15) Mewn perthynas ag Eitem 5a, datganodd Beverly Owen fuddiant fel aelod sy'n pleidleisio o Fwrdd CSC Foundry Ltd.
- 16) Mewn perthynas ag Eitem 10, datganodd yr aelodau canlynol o staff Bargen Ddinesig P-RC fuddiant a gadawon nhw'r cyfarfod cyn y cafodd yr eitem hon ei thrafod:
 - (9) Kellie Beirne, Cyfarwyddwr
 - (10) Rhys Thomas, Prif Swyddog Gweithredu
 - (11) Nicola Somerville, Pennaeth Twf Cynhwysol a Datblygu Busnes
 - (12) Hrijinder Singh, Pennaeth Cyllid, Risg a Sicrwydd;
 - (13) Rob O'dwyer, Pennaeth Seilwaith;
 - (14) Suzanne Chesterton, Arweinydd Marchnata a Chyfathrebu;
 - (15) Nicola Butler, Swyddog Datblygu Busnes a Phartneriaethau;
 - (16) Elizabeth Fitzgerald, Swyddog Datblygu Busnes a Phartneriaethau.

13. Cofnodion y cyfarfod a gynhaliwyd ar 18 Mai 2020

Cytunwyd bod cofnodion y cyfarfod a gynhaliwyd ar 18 Mai yn gofnod gwir a chywir fel y'u cynigiwyd gan y Cynghorydd Fox a'u heilio gan y Cynghorydd Marsden.

14. Datganiad Cyfrifon Drafft a Datganiad Llywodraethiant Blynyddol 2019/20

- (4) Cyflwynodd Christopher ei adroddiad a thynnodd sylw Arweinwyr at yr argymhellion a oedd yn ailadrodd y camau nesaf. Cadarnhaodd Kellie fod y gwaith o baratoi'r Datganiad Llywodraethiant Blynyddol wedi cynnwys rhanddeiliaid a phartneriaid ar draws y rhanbarth. Roedd y gwaith ehangu oedd wedi bod yn digwydd dros y flwyddyn ddiwethaf wedi parhau trwy'r cyfnod cloi gyda chyfarfodydd yn parhau i gael eu cynnal.
- (5) Cafodd y Cynghorydd Hunt bleidleisiau unigol gan Arweinwyr eu bod yn derbyn, yn y drefn ganlynol: Caerdydd; Bro Morgannwg; Pen-y-bont ar Ogwr; Rhondda Cynon Taf; Merthyr Tudful; Blaenau Gwent; Sir Fynwy; Casnewydd; Caerffili; Torfaen.
- (6) Penderfynwyd yn unfrydol bod Cabinet Rhanbarthol P-RC:
 - d) ar ôl cael cyfle i adolygu a gwneud sylwadau, yn nodi y byddai'r Datganiad Cyfrifon Drafft ar gyfer y flwyddyn yn gorffen 31 Mawrth 2020 (wedi'i atodi fel Atodiad 1):
 - iv. yn cael ei lofnodi gan Swyddog Adran 151;
 - v. yn cael ei gyflwyno i Swyddfa Archwilio Cymru er mwyn rhoi cyfle iddyn nhw ddechrau ar y gwaith o archwilio'r datganiadau;
 - vi. ar gael i'r cyhoedd edrych arno am bedair wythnos pan fo'n ymarferol gwneud felly;

- e) ar ôl cael cyfle i adolygu a gwneud sylwadau, yn nodi y caiff y Datganiad Llywodraethiant Blynyddol Drafft (wedi'i atodi fel Atodiad 2) ei roi i Swyddfa Archwilio Cymru i roi cyfle iddyn nhw ddechrau ar y gwaith o archwilio;
- f) yn nodi Cynllun Gweithredu'r DLIB (Atodiad 2e), gaiff ei symud ymlaen yn ystod 2020/21, gyda diweddariadau rheolaidd yn cael eu rhoi i'r Cabinet trwy gydol y flwyddyn.

Ataliwyd recordio'r cyfarfod er mwyn trafod gwybodaeth gyfrinachol.

15. Adroddiadau'r Panel Buddsoddi

c) Diweddariadau ar Broiectau a'r Log Argymhellion

Mae atodiadau 1-8 i'r adroddiad hwn wedi'u heithrio rhag cael eu cyhoeddi oherwydd eu bod yn cynnwys y fath wybodaeth a ddisgrifir ym mharagraffau 14 (gwybodaeth sy'n ymwneud â materion ariannol neu fusnes unrhyw berson penodol) a 21 (prawf budd y cyhoedd) o rannau 4 a 5 Atodlen 12A i Ddeddf Llywodraeth Leol 1972 ac o dan holl amgylchiadau'r achos, mae budd y cyhoedd o ran cynnal yr eithriad yn gwrthbwysu budd y cyhoedd o ran datgelu'r wybodaeth.

- (5) Cyflwynodd Rhys yr adroddiad.
- (6) Trafododd yr arweinwyr y trefniadau ariannu ac eglurhad o'r derminoleg a ddefnyddir yn yr Atodiadau. Teimlwyd y dylai P-RC ysgrifennu at Weinidog yr Economi, Trafnidiaeth a Gogledd Cymru mewn perthynas ag Atodiad 6 a eithriwyd, a chadarnhaodd Rhys fod trafodaethau eisoes wedi dechrau ac y byddai'n symud hyn yn ei flaen.
- (7) Cynigiwyd y cynnig i ymdrin ag argymhellion yr adroddiad *en bloc* gan y Cynghorydd Fox a'i eilio gan y Cynghorydd Marsden a'r Cynghorydd David.
- (8) Cafodd y Cynghorydd Hunt bleidleisiau unigol gan Arweinwyr eu bod yn derbyn, yn y drefn ganlynol: Caerffili; Casnewydd; Sir Fynwy; Blaenau Gwent; Merthyr Tudful; Rhondda Cynon Taf; Pen-y-bont ar Ogwr; Bro Morgannwg; Caerdydd; Torfaen

RT

Penderfynwyd yn unfrydol bod Cabinet Rhanbarthol P-RC:

- h) nodi'r Logiau Argymhellion o gyfarfodydd y Panel Buddsoddi ar 2 Mehefin a 5 Mehefin 2020 yn y drefn honno;
- i) cymeradwyo'r argymhellion a wnaed gan y Panel Buddsoddi mewn perthynas â'r SIFT 1As, gan gynnwys statws 'Adolygu'r cynnig Gel Llaw Gwrthfacterol, a all symud ymlaen i gam nesaf y gwaith o ddatblygu achos busnes, yn dilyn ystyriaeth bellach gan y Panel Buddsoddi yn ei gyfarfod nesaf;
- j) cymeradwyo'r AAS ar gyfer twf y cwmni data/AI a chytuno ar y cam nesaf i ddatblygu ABA/ABLI ar gost o £40,000 ac yn cymeradwyo derbyn yr achos busnes yn yr hydref;

- k) cymeradwyo'r AAS ar gyfer y corff masnach 'fin tech' a chytuno ar y cam nesaf i ryddhau cyllid sbarduno o £250,000 i symud yr achos busnes yn ei flaen, ac yn cymeradwyo derbyn yr achos busnes maes o law;
- l) nodi'r ABA drafft ar gyfer y Parc Arloesedd Gwyddorau Bywyd ac yn cymeradwyo'r camau nesaf ar gyfer cwblhau'r ABA a symud ymlaen i ddatblygu'r ABLI ar gost o £120,000, gyda'r diweddariadau'n cael eu derbyn yn yr hydref;
- m) cymeradwyo'r ABA ar gyfer Cronfa Eiddo P-RC ac yn cytuno ar y cam nesaf i ddatblygu ABLI am gost o £125,000 ac yn cymeradwyo derbyn yr ABLI yn yr hydref;
- n) nodi'r diweddariad statws ar y traciwr IIF a'r projectau a'r cynigion a ddarparwyd yn yr atodiadau cyfrinachol.

5. d) Cymorth ar gyfer Clwstwr LIC

Mae'r adroddiad hwn a'r holl atodiadau wedi'u heithrio rhag cael eu cyhoeddi oherwydd eu bod yn cynnwys y fath wybodaeth a ddisgrifir ym mharagraffau 14 (gwybodaeth sy'n ymwneud â materion ariannol neu fusnes unrhyw berson penodol) a 21 (prawf budd y cyhoedd) o rannau 4 a 5 Atodlen 12A i Ddeddf Llywodraeth Leol 1972 ac o dan holl amgylchiadau'r achos, mae budd y cyhoedd o ran cynnal yr eithriad yn gwrthbwysu budd y cyhoedd o ran datgelu'r wybodaeth.

- (4) Cynigiwyd y cynnig i ymdrin ag argymhellion yr adroddiad a eithriwyd *en bloc* gan y Cynghorydd Fox a'i eilio gan y Cynghorydd Marsden.
- (5) Cafodd y Cynghorydd Hunt bleidleisiau unigol gan Arweinwyr eu bod yn derbyn, yn y drefn ganlynol: Caerdydd; Bro Morgannwg; Pen-y-bont ar Ogwr; Merthyr Tudful; Blaenau Gwent; Sir Fynwy; Casnewydd; Caerffili, Torfaen; Rhondda Cynon Taf.
- (6) Penderfynwyd yn unfrydol bod Cabinet Rhanbarthol P-RC yn derbyn yr argymhellion yn yr adroddiad a eithriwyd.

Ail-ddechreuwyd y recordiad fideo o'r cyfarfod.

16. Sefydlu Rhaglen Her P-RC - Ail-adeiladu Cyfoeth Lleol ar ôl-COVID

- (6) Cyflwynodd Kellie'r adroddiad a chadarnhaodd y byddai P-RC yn ymgysylltu â phartneriaid ar sail heriau unigol. Y gobaith oedd y byddai'r rhaglen yn dwyn ynghyd fentrau ymchwil busnesau bach a mentrau InFuSe yn y rhanbarth.

Gadawodd y Cynghorydd Morgan y cyfarfod am 11:32.

- (7) Cadarnhaodd Kellie fod P-RC yn gobeithio rhyddhau arbenigwr Menter Ymchwil Busnesau Bach Llywodraeth Cymru i arwain y rhaglen ac mai'r bwriad oedd cynnal gweithdai dros yr haf gydag Aelodau arweiniol. Dywedodd Kellie mai'r adborth gan Lywodraethau Cymru a'r DU mewn

perthynas â phrosesau a arweinir gan heriau oedd bod yn rhaid i P-RC fod yn hapus y gellid bodloni gofynion Model Busnes Pum Achos y Llyfr Gwyrdd – gan nodi'r gwahaniaeth rhwng y maes rhaglen hwn a buddsoddiadau seilwaith mwy traddodiadol, gan nodi hefyd bod gweithdrefnau'r llyfr gwyrdd yn cael eu hadolygu. Byddai adroddiad pellach yn cael ei gyflwyno yng nghyfarfod Cabinet Rhanbarthol P-RC ar 14 Medi.

- (8) Roedd yr Arweinwyr yn cefnogi'r project ac yn awyddus i ddeall sut i ddod o hyd i atebion i faterion y rhanbarth tra'n sicrhau nad oedd unrhyw ddyblygu o ran ymdrech ar draws y DU. Cadarnhaodd Kellie mai dim ond pan nad oes ateb ar gael y gellid defnyddio'r arian.
- (9) Cynigiwyd y cynnig i ymdrin ag argymhellion yr adroddiad a eithriwyd *en bloc* gan y Cynghorydd Fox a'i eilio gan y Cynghorydd Marsden.
- (10) Cafodd y Cynghorydd Hunt bleidleisiau unigol gan Arweinwyr eu bod yn derbyn, yn y drefn ganlynol: Caerffili, Casnewydd, Sir Fynwy, Blaenau Gwent, Merthyr Tudful, Pen-y-bont ar Ogwr, Bro Morgannwg, Caerdydd, Torfaen. Nid oedd y Cynghorydd Morgan yn bresennol i bleidleisio ar ran Rhondda Cynon Taf.

Penderfynwyd bod Cabinet Rhanbarthol P-RC:

- f) yn nodi a chymeradwyo'r Achos Busnes Amlinellol yn Atodiad 1 ar gyfer Rhaglen Her sydd â'r nod o ail-adeiladu cyfoeth lleol ar ôl COVID;
- g) yn nodi a chymeradwyo'r trefniadau y bydd angen iddynt bellach fod ar waith i helpu i ddatblygu Achos Busnes Llawn – fel cymorth cynghori gan Lywodraeth Cymru; trefniadau caffael angenrheidiol ar gyfer cynorthwyo gyda chyflawni; a chynnal gweithdy i sefydlu themâu a phynciau blaenoriaeth allweddol;
- h) yn nodi y bydd yn derbyn yr Achos Busnes Llawn yn gynnar yn yr hydref yn 2020, gan gynnwys y goblygiadau ar gyfer argaeledd adnoddau refeniw y Fargen Ddinesig yn y dyfodol;
- i) yn nodi a chymeradwyo'r trefniadau cyflawni ar gyfer agwedd InFuSe y rhaglen mewn perthynas â Sir Fynwy yn gweithredu fel corff arweiniol ar ran P-RC ac yn nodi y bydd yr Achos Busnes Llawn yn amodol ar sicrhau statws cyllid gan WEFO er mwyn cyflawni'r cronfeydd allanol a ysgogwyd; ac,
- j) yn nodi'r cyngor bod yn rhaid iddo fod yn fodlon bod gweithredu Cronfa Her o fewn ei gylch gwaith a'i awdurdodaeth ac yn cymeradwyo'r cyngor a nodir yn yr adroddiad hwn ynghylch y ffordd wahanol, ond ategol, y mae'r broses yn cadw at ysbryd, gofynion ac egwyddorion y Llyfr Gwyrdd.

17. Ymgysylltiad P-RC â Menter Porth y Gorllewin

- (7) Cyflwynodd Kellie yr adroddiad a argymhellodd aelodaeth P-RC o Bartneriaeth Porth y Gorllewin. Roedd Deloitte wedi paratoi adroddiad drafft o ran strwythur llywodraethu posibl, er bod angen rhywfaint o ailadrodd a oedd yn cael ei drafod yn ddiweddarach y diwrnod hwnnw. Roedd angen rhywfaint o waith ar ddadansoddi economaidd er mwyn deall manteision cymharol.
- Dywedodd Kellie ei bod wedi cael gwybod bod rhai cynghorau yng ngorllewin Lloegr, a oedd yn cyfateb i'r P-RC, hefyd yn ceisio cofrestru fel sefydliadau unigol, ymreolaethol. Pe digwyddai hynny byddai angen i'r P-RC ailystyried y materion ymhellach ar yr adeg berthnasol. Cadarnhaodd Kellie nad oedd unrhyw oblygiadau ariannol i aelodaeth ar hyn o bryd.
- (8) Croesawodd y Cynghorydd Thomas y gefnogaeth gan y P-RC.
- (9) Trafododd yr Arweinwyr aelodaeth fel rhanbarth a sefydliadau unigol yn ogystal â materion eraill ynghylch ymwneud â'r bartneriaeth; cytunwyd bod aelodaeth ranbarthol yn well ac y dylid gwneud felly mewn ffordd bwyllgor gyda modd i adolygu. Cadarnhaodd y Cynghorydd Hunt y byddai'n fodlon cael y diweddaraf ar unrhyw faterion neu fynychu cyfarfodydd yn ei rôl fel Cadeirydd Cabinet Rhanbarthol P-RC.

Dechreuodd y Cynghorydd Daniels gael problemau o ran cysylltedd o tua 11:43 ymlaen.

- (10) Cynigiwyd y cynnig i ymdrin ag argymhellion yr adroddiad *en bloc* gan y Cynghorydd Marsden a'i eilio gan y Cynghorydd Fox.
- (11) Cafodd y Cynghorydd Hunt bleidleisiau unigol gan Arweinwyr eu bod yn derbyn, yn y drefn ganlynol: Caerdydd; Bro Morgannwg, Pen-y-bont ar Ogwr; Merthyr Tudful; Sir Fynwy; Casnewydd; Caerffili; Torfaen. Nid oedd y Cynghorydd Morgan na'r Cynghorydd Daniels yn bresennol i bleidleisio ar ran Rhondda Cynon Taf a Blaenau Gwent, yn y drefn honno.

Gadawodd Chris Bradshaw y cyfarfod am 11:56.

- (12) Penderfynwyd bod Cabinet Rhanbarthol P-RC:

- c) yn nodi ei fwriad i ymgysylltu â Phartneriaeth Porth y Gorllewin fel partneriaid allweddol drwy gynnig cymorth a chyfranogiad o ran amser a ffocws swyddogion yn benodol, ar themâu rhyngwladoli ac arloesi;
- d) yn croesawu bod yn rhan o'r bartneriaeth ar y cam cychwynnol hwn gyda'r nod o weithio gyda phartneriaid i ffurfioli swyddogaethau, cylchoedd gwaith a statws Porth y Gorllewin yn unol â'r cynnydd sy'n cael ei wneud ar y camau allweddol a nodwyd uchod.

18. Datgelu Buddiannau – Adroddiad Diweddarau

- (5) Cyflwynodd Kellie yr adroddiad gan ddweud bod Swyddfa Archwilio

Cymru yn awyddus i P-RC a'r Corff Atebol a'r holl sefydliadau partner, roi proses gadarn ar waith ar gyfer rheoli a datgelu unrhyw fuddiannau posibl. Roedd hyfforddiant wedi'i roi ac roedd sesiynau briffio wedi'u cynnal gyda holl bartneriaethau P-RC. Cadarnhaodd Kellie fod y Cytundeb Cydweithio wedi'i ddiwygio i adlewyrchu'r gofyniad. Roedd cofrestr a archwiliwyd bellach ar gael ar [wefan P-RC](#). Cadarnhaodd Kellie y byddai'r broses barhaus yn cael ei hadnewyddu a'i hadolygu bob blwyddyn.

- (6) Cafodd y cynnig i fynd i'r afael ag argymhellion yr adroddiad ei gyflwyno gan y Cynghorydd Fox a'i eilio gan y Cynghorydd David.
- (7) Cafodd y Cynghorydd Hunt bleidleisiau unigol gan Arweinwyr eu bod yn derbyn, yn y drefn ganlynol: Caerffili; Casnewydd; Sir Fynwy; Merthyr Tudful; Pen-y-bont ar Ogwr; Bro Morgannwg; Caerdydd; Torfaen. Nid oedd y Cynghorydd Morgan na'r Cynghorydd Daniels yn bresennol i bleidleisio ar ran Rhondda Cynon Taf a Blaenau Gwent, yn y drefn honno.
- (8) Penderfynwyd bod Cabinet Rhanbarthol P-RC:
 - b) yn nodi bod y gwelliannau a argymhellwyd gan Swyddfa Archwilio Cymru o ran Buddiannau a Ddatgelir wedi'u cwblhau.

19. Portffolios Diwygiedig y Cabinet Rhanbarthol 2020/2021

- (5) Cyflwynodd Kellie yr adroddiad a oedd yn adlewyrchu'r newidiadau diweddar yn dilyn ethol Cadeirydd newydd ac aelodau newydd Cabinet rhanbarthol P-RC.
- (6) Cafodd y cynnig i fynd i'r afael ag argymhellion yr adroddiad ei gyflwyno gan y Cynghorydd Fox a'i eilio gan y Cynghorydd Moore.
- (7) Cafodd y Cynghorydd Hunt bleidleisiau unigol gan Arweinwyr eu bod yn derbyn, yn y drefn ganlynol: Caerdydd; Bro Morgannwg, Pen-y-bont ar Ogwr; Merthyr Tudful; Sir Fynwy; Casnewydd; Caerffili; Torfaen. Nid oedd y Cynghorydd Morgan na'r Cynghorydd Daniels yn bresennol i bleidleisio ar ran Rhondda Cynon Taf a Blaenau Gwent, yn y drefn honno.
- (8) Penderfynwyd bod Cabinet Rhanbarthol P-RC:
 - b) yn nodi a chymeradwyo Prif Ddeiliaid Portffolio'r Cabinet fel y nodir yn yr adroddiad hwn.

20. Bargen Ddinesig P-RC - Gofyniadau Cyrchu Adnoddau yn y Dyfodol

Mae'r adroddiad hwn wedi'i eithrio rhag cael ei gyhoeddi oherwydd ei fod yn cynnwys y fath wybodaeth a ddisgrifir ym mharagraffau 14 (gwybodaeth sy'n ymwneud â materion ariannol neu fusnes unrhyw berson penodol) a 21 (prawf budd y cyhoedd) o rannau 4 a 5 Atodlen 12A i Ddeddf Llywodraeth Leol 1972 a dan holl amgylchiadau'r achos,

mae budd y cyhoedd o ran cynnal yr eithriad yn gwrthbwysu budd y cyhoedd o ran datgelu'r wybodaeth.

Gadawodd holl staff Bargen Ddinesig P-RC y cyfarfod am 12:05 ac ataliwyd y recordiad fideo o'r cyfarfod.

- (2) Penderfynwyd bod Cabinet Rhanbarthol P-RC yn derbyn yr argymhellion yn yr adroddiad a eithriwyd.

Dyddiad y Cyfarfod Cyhoeddus nesaf: 10.30am ddydd Llun 14 Medi

This document is available in English / Mae'r ddogfen hon ar gael yn Saesneg

14 SEPTEMBER 2020

2020-21 ANNUAL BUSINESS PLAN - QUARTER 1 PERFORMANCE REPORT

REPORT OF CARDIFF CAPITAL REGION DIRECTOR

AGENDA ITEM 4

Appendix 4 to this report is exempt from publication because it contains information of the kind described in paragraph 16 (information in respect of which a claim to legal professional privilege could be maintained in legal proceedings) of part 4 of Schedule 12A to the Local Government Act 1972

Reason for this Report

1. To inform key stakeholders, principally, Regional Cabinet and also Wales and UK Governments of the Quarter 1 reporting position against the 2020/21 City Deal Business Plan, thus discharging the reporting requirements of the Assurance Framework and providing a comprehensive overview of progress.
2. To provide regional Cabinet with an update of actual expenditure as at Quarter 1 against the approved Wider Investment Fund budgets as set out in the Annual Business Plan for the financial year 2020/21
3. To recommend that Regional Cabinet approve the Quarter 1 report, in order for formal submission to government partners.
4. To note the format of the report corresponds with the four priority headings of the 20/21 Annual Business Plan – ‘Ready to Scale: Delivery Pipeline’; ‘Gateway Ready – telling the story’; ‘Influence and Engage’; and, ‘Beyond City Deal to Building a City Region’. The principle of a ‘balanced scorecard’ approach to performance reporting will be further reinforced through this period of reporting.

Background

5. Regional Cabinet approved its 2020/21 Annual Business Plan at its meeting on the 19th December 2019, 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, derived directly from the Cabinet Planning Away Day in October 2019. This consolidated Annual Business Plan sets out the activities, tasks and objectives to be delivered in 2020/21; alongside an assessment of the resources required to deliver.

6. The Annual Business Plan for 2020/21 and the priority action contained within it, now forms the basis of the Quarterly Performance Monitoring Reports which are issued to the UK and Welsh Governments. Ongoing changes have been made to the structure, format and shape of the report in order to situate priorities in the context of the targets City Deal must deliver against; reduce extraneous information volume; provide a high-level account of strategy and direction; alongside measures of Finance, Risk and Assurance; and, set out performance against the key priority areas referred to as CCR's 'Rooftop Objectives':
- **1. Ready to Scale:** Delivery Pipeline (leveraging the capacity and resources in place to scale-up delivery against the Investment and Intervention Framework)
 - **2. Gateway Ready:** Telling the Story (ensuring all preparations are made ahead of the SQW Final Report and commencement of Gateway #1)
 - **3. Influence and Engage:** Leveraging New Potential (relationships and engagements that add value to the City Deal)
 - **4. Beyond City Deal:** Building the Future of the Region (shifting focus from CCR City Deal, to developing the Cardiff Capital Region)
7. It should be noted that the quarterly performance reports continue to adopt the 'balanced scorecard' principles and as such, headline information, data and outputs are captured for the purposes of these reports. However, it should be noted, that underpinning this, are a further set of arrangements that provide detailed 'deep dives' into the performance of projects, programmes and key activities. The information is captured as part individual Highlight Reports with an Executive Summary, Progress To-Date, RAG ratings, Issues Logs, Risks and Financial Performance all being reported. Project officers are available to discuss Highlight Reports with Regional Cabinet Portfolio Leads to assess overall progress, performance and accountability.

Summary of Progress – Quarter 1

8. A summary of progress is outlined below, with detailed information included within key appendices attached to this report. The Balanced Scorecard attached at Appendix 1 details strong performance at Quarter 1 in relation to 2020/21 Annual Business Plan Objectives. A number of activities have been completed in the first quarter of the year, many ahead of their allocated target dates.
9. However, City Deal Office recognises that effective performance management cannot be fully achieved through the delivery of 'static targets' alone. City Deal operates in a 'dynamic environment', which provides both challenges and opportunities, which are picked-up and managed through the Investment & Intervention Framework process, as and when these present themselves.
10. AGS Action Plan – 3 of the 15 Actions are complete at Quarter 1, with good progress being made in respect of the remaining 12 Actions. At this time, the remaining Actions are anticipated to be completed in-line with their target dates.

Key Appendices

Appendix 1: Balanced Scorecard – Qtr 1 Rooftop Objectives against Annual Business Plan 2020/21

- Appendix 2: WIF Budget Position – Qtr 1
- Appendix 3: Logic Models – Qtr 1 Progress for ‘live’ projects (1. CSC Foundry, 2. Graduate Programme, 3. Housing Viability Gap Fund, 4. Metro Central, 5. Metro Plus, 6. Plasma Technology Med-tech Project)
- Appendix 4: An updated version of the Investment ‘Current Status’ Tracker Document
- Appendix 5a: Communications Activity – Qtr 1 Update
- Appendix 5b: CCR Magazine & Engagement – Qtr 1 Update
- Appendix 6: Annual Governance Statement (AGS) Action Plan – Qtr 1 Update
- Appendix 7: Well-being of Future Generations Assessment
11. 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, in particular as a result of the disruption arising from the Covid-19 Pandemic. This is summarised as follows:
- Since the beginning of lockdown CCR has maintained a strong business continuity focus, with:
 - 7 remote meetings of Investment Panel
 - 4 formal meetings of Regional Cabinet + AGM
 - 6 informal Regional Cabinet briefings
 - 2 RTA meetings
 - 3 REGP meetings
 - 1 Programme Board meeting
 - 1 CSC Foundry Board meeting
 - Bi-weekly calls with LA Economic Development Leads
 - In addition, CCR has undertaken a comprehensive Business Survey which has resulted in the co-production of the ‘Covid-19 & beyond – priority-set’ which is now an Addendum to the both the Industrial Growth Plan and IIF;
 - CCR has also responded to consultation, calls for evidence and inquiries on:
 - Regional Investment Wales – Welsh Government
 - Burns Commission – M4 around Newport
 - Shared Prosperity Fund – Welsh Affairs Select Committee
 - Wales Economy and Covid-19 – Welsh Affairs Select Committee
 - The REGP has developed a strategic partnership with Global Welsh focussed upon Global City Hubs, MyMentoring and the SME Performance and Research Programme;
 - Participated in and contributed to: Regional Investment Wales seminar, Can Do Toolkit seminar, Ministerial Advisory Groups, IWA Policy Forum, NESTA Challenges Roundtable and BEIS task groups;

- Secured £1.3M funding for ULEV projects via the RTA;
- Secured £25.6M from UKRI with a further investment leverage of £18M = £44M via the Strength in Places Fund for CS Connected.

Financial Implications

12. Regional Cabinet approved its 2020/21 Annual Business Plan and its associated budgets at its meeting of 19th December 2019. Appendix 2 provides an update as at Quarter 1 and shows that all currently projected expenditure is able to be met by available resources.
13. Special attention should be given to Paragraph 9 of Appendix 2 which highlights that the approved Wider Investment Fund 'Top-Slice' may need to be re-profiled to reflect the current increase in pipeline and project expenditure. This will be further explored in future reports to Regional Cabinet throughout the financial year as projections crystallise into expenditure.
14. 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.
15. Regional Cabinet will be provided with regular project performance reports, supplemented by the 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

16. The report sets out the Quarter 1 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

17. 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 CCRC) 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.

18. Regional Cabinet must be satisfied that the proposed decision accords with the principles above. To assist Regional Cabinet to consider the duties under the Act in respect of the decision sought, an assessment has been undertaken, which is attached at appendix 7.

RECOMMENDATIONS

- 19. It is recommended that the Cardiff Capital Region Joint Cabinet:
 - a) notes the overall progress at Quarter 1 2020/21 including the budget position reported at Appendix 2;
 - b) considers and if deemed acceptable, approves the Quarter 1 performance report and authorise 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
14 September 2020

Appendices

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Appendix 1	Balanced Scorecard – Qtr 1 Rooftop Objectives Updates against Annual Business Plan 2020/21
Appendix 2	WIF Budget Position – Qtr 1 Update
Appendix 3	Logic Models – Qtr 1 Progress Updates for ‘live’ projects
EXEMPT Appendix 4	Investment ‘Current Status’ Tracker Document
Appendix 5a	Communications – Qtr 1 Update
Appendix 5b	CCR Magazine – Qtr 1 Update
Appendix 6	Annual Governance Statement (AGS) Action Plan – Qtr 1 Update
Appendix 7	Well-being of Future Generations Assessment

1. Ready to Scale (Delivery Pipeline)

- 1.1 – Improve quality deal flow through ensuring investor readiness
- 1.2 – Accelerate pipeline decision making throughout
- 1.3 – Expedite delivery of approved projects
- 1.4 – Provide expert implementation resource to facilitate effective delivery
- 1.5 – Introduce and implement a test, evaluate and iterate methodology
- 1.6 – Provide Eco-system support for priority clusters

Quarter 1 Update

1.1 Improve quality deal flow through ensuring investor readiness

Quantity of projects since June 2019 is good. Investor readiness a lot effort from CDO and groups, but lack of a formal programme is hampering progress i.e. this resulting heavy time commitment from CDO officers in a busy period. Quality of deal flow is improving this evidence through a reduction in failure demand, but those being received, having a greater chance being approved to the next stage. Current deal flow has good strategic alignment, but further work needed to improve on commercial aspects of proposals received.

1.2 Accelerate pipeline decision making throughout

Proportionate approach to Business Case Development is still in relative infancy, but indications to-date suggest this is working well by achieve an appropriate balance between speed and robustness. However, this will need to be reviewed as part of 1.4 below.

Subject to passing the Gateway review, JWA will be updated and part of the update will need to consider how best to structure the exiting advisory bodies and partnerships to assist decision making.

1.3 Expedite delivery of approved projects

The appropriateness of expediting project delivery will need to be considered on a case by case basis. 2020/21 sees an additional 4 projects in delivery, building on the CSC Foundry that was approved in 2017. The introduction of project and programme level Highlight Reports (and their regular review and challenge), will be key to give confidence on project progress and delivery. Where this is deemed to be behind schedule, this reporting mechanism will set-out corrective and associated timescales.

1.4 Provide expert implementation resource to facilitate effective delivery

Plans are in development to ensure that the effective monitoring and review of delivery is in place within the core CDO team. Highlight reporting will identify whether delivery is effective or not. Strengthening the capacity/capability of CDO team will be used to address any concerns highlighted. The core team is supplemented with specialist capability as required, through the use of strategic procurements that are in place.

1.5 Introduce and implement a test, evaluate and iterate methodology

A full review of the Investment & Intervention Framework is planned will take place during Qtr 3. This will seek to test, evaluate and iterate the existing methodology and recommend improvements where deemed necessary.

1.6 Provide Eco-system support for priority clusters

In progress. To-date Strength in Places (compound semi-conductor) and seed investment into Fintech Wales. Ongoing discussions to submit full proposals for Wave 2 SIP (Creative and Cyber clusters).

2. Gateway Ready Evaluating Progress

2.1 - Produce a robust self-evaluation progress and activity to date

2.2 - Progress the creation of an in-house data and intelligence hub

2.3 - Conduct a Partnership fitness check

2.4 - Conduct a self-assessment of governance practices and procedures

2.5 - Review team capability and capacity to ensure fit for purpose

Quarter 1 Update

2.1 - Produce a robust self-evaluation progress and activity to date

A full 'Complementary Report' has now been prepared and formatted. To be considered by Cabinet on 14 September ahead of submission to SQW for the purposes of formulating the Final Report

- In addition, a status update report has been prepared and circulated to all 10 LAs for the purposes of bringing whole Councils up-to-date
- A new process is in place for capturing all of the data and updates regarding the Investment Framework and Project Pipeline
- New 'highlight' reports are in place for all investment programmes and priority and policy initiatives

2.2 - Progress the creation of an in-house data and intelligence hub

Cardiff University has been commissioned via the School of Economic Geography to provide data and intelligence services – building on Competitive, Connected and Resilient and previous 'Priority Sector Analysis' and individual economic project appraisals.

- This will, feed into a new sub-group convened under the REGP and chaired by Rothschild economist, Kevin Gardiner

- The object of this to continue to ensure programmes and initiatives are underpinned by a robust evidence base and CCR maintains its role and profile as a thought-leader

2.3 - Conduct a Partnership fitness check

A Full independent review of the Regional Business Council has been commissioned and undertaken, this will:

- Report to Cabinet in September 2020 with clear recommendations for re-purposing
- In addition to this, a fitness check has simultaneously been carried out for the REGP and RTA
- In October 2020, the Investment Framework will have live for one year and at that point, a review and lessons learned exercise with follow-up actions, will be undertaken.

2.4 - Conduct a self-assessment of governance practices and procedures

Significant time and effort has been invested in developing the 2019/20 Annual Governance Statement. This includes a comprehensive review of all governance processes and structures (including the above) and sets out the transition that is underway from Start-up to Scale-up, highlighting the different actions and processes now required. The AGS will be received by Cabinet on 14 September 2020.

2.5 - Review team capability and capacity to ensure fit for purpose

The SQW/ National Evaluation Panel 'one year out' report was presented to Cabinet in May 2020. This highlighted risks around staffing structures and capacity going forward. In June 2020, the Accountable Body reported to cabinet with a recommendation to make 7 'core' members of the team permanent. Further work is now underway, to build upon this and ensure the right capability is in place for the next stage of the journey.

3. Influence and Engage Leverage New Potential

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

Quarter 1 Update

3.1 "Tell the story" Research and develop fresh new communications content

- We have achieved the following in this quarter:
- Produced, distributed and promoted:
 - ✓ 17 thought leadership articles
 - ✓ 18 industry features covering fintech, medtech, manufacturing and automotive

Appendix 1

Business Plan 2020/21 - Operational Activity

- ✓ 7 Press releases to all media
- ✓ 5 graduate profiling articles
- ✓ 5 podcasts including 3 Business Wales podcasts and 2 of 6 of the CCR “Lockdown to Delivery” series

Resulting in an aggregate **85,700 plus individual engagements through Business News Wales (58,000 in last quarter) and a > £3m circulation coverage on certain press releases, most notably the appt. of Cllr Hunt and the 10 post Covid-19 priorities releases.**

For full details of the articles see our Q1 publications curation:

<https://www.cardiffcapitalregion.wales/wp-content/uploads/2020/08/ccr-magazine-april-to-june-final-double-spread.pdf>

- The impact of all this activity on our own channels has resulted in a:
 - ✓ 70% uplift in new web site visitors
 - ✓ 147% uplift in news page consumption
 - ✓ 140% uplift in twitter engagement and gained 90 new followers
 - ✓ 76% uplift in Linked In followers
 - ✓ 98 new Facebook followers.

In addition we have:

- ✓ Produced a summer newsletter
- ✓ Created a bespoke graduate B2B recruitment campaign with dedicated landing pages and bespoke collateral for each of the technology/manufacturing and Life sciences sector- launched in July.

For full details on all the KPI's please see:

[..\..\7 City Deal Office\Marketing\CCR Communications Report April to June 2020 KPI's Final.pptx](#)

3.2 Produce an Investment and Opportunity Prospectus

- ✓ In the first part of this year a full (and first) **regional** prospectus was prepared for attendance at Mipim but unfortunately due to Covid-19 it was never used. It will be picked up and updated/refreshed in advance of attendance at next year's event.

See attached for the draft produced for this year:

[\\Filestore1.cardiff.gov.uk\pgaprogrammes\City Deal PMO\7 City Deal Office\Marketing\MIPIM Cardiff Capital Region Investment Prospectus March 2020.pdf](#)

- ✓ Subsequent to the forthcoming update to the regional MPIM prospectus, we will use all the relevant content to create a more generic CCR regional prospectus that can be used outside of MIPIM.

- ✓ With regard to MIPIM 2021, Conversations are at an early stage with partners being canvassed to assess their intentions re returning. Dialogue is also taking place with other regions with regard to the types of packages they are offering (virtual versus physical) and the extent to which they are preparing for the event itself being virtual.

3.3 UKRI and other investment

- ✓ Secured a UKRI Strength in Places funding award for CS Connected which will contribute £25.4m toward the £43.7m project costs with the remaining c£18M secured from partners
- ✓ Leverage - in terms of general investment for our current approved projects (£101.5m as at July) we have generated approx. £1.5bn leverage. We have a further £120m plus of projects in the immediate pipeline with similar forecast levels of leverage.
- ✓ Secured £5M DCMS grant for RCC
- ✓ Submitted a bid to DCMS for 5G Create
- ✓ Part of consortium successfully securing seed funding of £50,000 for Clwstr (Creative Industries) under Wave 2 of the Strength in Places Fund
- ✓ Secured £1.3M OLEV investment from WG
- ✓ Secured phase 2 of LTF monies for Metro Plus

3.4 – Introduce targeted business development activity

- ✓ Comprehensive Independent review of the Regional Business Council has taken place, with a set of clear recommendations for Regional Cabinet to Consider.
- ✓ Broader engagement with Local Authority & Welsh Government Leads as a result of Covid Activity.
- ✓ Targeted marketing campaign across Fintech / Med Tech and Technology for the Graduate Scheme.

3.5 International Outlook

Western Gateway

- ✓ We have 'signed up' as partners to emergent Western Gateway with an expressed intent to lead on innovation and internationalism
- ✓ This gives us the potential to explore key cross-border challenges – connectivity, transport, R&D spend, business clusters & internationalisation and will facilitate much greater further opportunities for FDI.

Global Welsh

We have further developed the relationship with GW agreeing 3 primary activities:

- ✓ Provision of free Diaspora mentoring services for SME's and Businesses using our CCR graduate scheme
- ✓ Participation in a research programme with a bespoke CCR Cohort to assess the value add of mentoring services for businesses
- ✓ Set up of two city hubs Dublin and USA to further market CCR investment opportunities to encourage Diaspora Direct Investment

4. Beyond City Deal – Building the Region

- 4.1 – Develop a one region ethos and approach
- 4.2 – Support and inform development of a Statutory Joint Committee for economy
- 4.3 – Develop support for fiscal levers
- 4.4 – Co-develop a Climate Vision and Mission statement

Quarter 1 Update

4.1 – Develop a one region ethos and approach

4.2 – Support and inform development of a Statutory Joint Committee for economy

Work is underway to transition brands and marketing to a 'one CCR' platform. The wider thrust of actions around this concerns:

- Response from CCR to Regional Investment Wales consultation proposals
- Briefing paper for Cabinet on the alignment of RIW, Shared Prosperity Funds Transition Arrangements and CJC work
- The efforts to develop initiatives outside of CCRC – Strategic Development plan, Valleys Regional Park, Regional Skills Partnership and leveraging new investment through UKRI programmes
- Early development thought has also been given to development of institutional capability for the region and this is now grounded in the conclusions and next steps of the Complementary Report

4.3 – Develop support for fiscal levers

Discussions are underway with OSSW team regarding giving interpretation to the freedoms and flexibilities set out in the City Deal Heads of Terms – regarding NNDR and other incentives as required. Contact has also been made with UK-wide City Deals to explore the basis of their own freedoms. Brief developed to commission work via Wales Fiscal Analysis Centre on NNDR

4.4 – Co-develop a Climate Vision and Mission statement

For 18 months CCR has worked with WGES to develop a mission, vision and strategy. The former has been agreed by Cabinet with the strategy due for completion with approvals before November 2020. In addition to this, energy submissions continue to be made into the Investment Framework with explorations underway regarding Challenge Fund potential. In relation to the LWB CF it is highly likely that rapid decarbonisation will be one of the challenge themes.

Additionally, work continues on clean energy provision to strategic sites with WGES support for a large-scale feasibility study at Imperial Park Newport.

2020/21 Wider Investment Fund Budget: Quarter 1 Update

- The Wider Investment Fund (WIF) 2020/21 Budgets were approved, as part of the 2020/21 Annual Business Plan, by Regional Cabinet at its meeting of 19th December 2019, and included a programme of activity as detailed in Table 1 below, along with the proposed funding priority.

Table 1: 2020/21 Approved WIF Expenditure & Funding (and Medium Term Overview)

	2020/21 £'000	Medium Term Overview		
		2021/22 £'000	2022/23 £'000	2023/24 £'000
<u>Indicative Programme Expenditure</u>				
Wider Investment Fund Top-Slice	743	743	743	1,485
Approved Projects - Revenue	0	0	0	0
Approved Projects - Capital	0	0	0	0
Revenue Resources Available	2,296	1,000	1,000	1,226
Capital Resources Available	57,435	42,964	45,663	63,878
Revenue to Support Capital Projects	0	0	0	4,323
Total Resources	62,016	44,707	47,406	70,912
<u>Funded by</u>				
HMT Contribution (Revenue)	(2,599)	(1,743)	(1,743)	(7,034)
HMT Contribution (Capital)	0	(22,000)	(22,000)	(22,000)
Total HMT Contribution	(2,599)	(23,743)	(23,743)	(29,034)
LA Contribution (£120M)	(15,491)	(7,964)	(7,964)	(11,466)
LA Funding 'Cost of Carry'	(42,126)	(1,854)	(4,553)	(4,689)
CSC Loan Funding Repayment	(1,800)	(11,146)	(11,146)	(25,723)
Total Funding	(62,016)	(44,707)	(47,406)	(70,912)

- Since budget approval, a number of projects have been approved, both fully and in principle. An update of expenditure against the approved budgets is shown in Table 2 below.

Table 2: 2020/21 Indicative Programme of Expenditure & Funding

	Budget £'000	Q1 Actuals £'000	2020/21 Outturn £'000	Variance £'000
Indicative Programme Expenditure				
Contribution to Joint Committee Revenue Budget	151	0	151	0
Regional Economic Growth Partnership Support	16	0	16	0
MIPIM Costs	70	0	70	0
Regional Business Council	24	0	24	0
Project Development & Support	481	335	1,062	581
Sub Total	743	335	1,324	581
Approved Projects - Revenue	161	43	197	36
Approved Projects - Capital	1,382	0	0.0	(1,382)
Future Revenue Projects	2,296	3,202	4,734	2,438
Future Capital Projects	57,435	0	5,185	(52,250)
Sub Total	61,273	3,246	10,116	(51,158)
Total Expenditure	62,016	3,581	11,439	(50,577)

3. Review of the current pipeline of projects and an analysis of the likely timescales of expenditure indicates that the level of Local Authority capital funding (£57,435,000) included in the Annual Business Plan (both from the £120m allocation and 'Cost of Carry') is significantly lower level than anticipated in 2020/21. Expenditure at this level can be managed within existing funds held by City Deal, so no call on Local Authorities is likely during 2020/21, but will be subject to the timing of expenditure and any new approvals agreed by Cabinet during the remainder of the year.

In-Year Approvals and Expenditure

4. Table 3 further analyses and supplements the approved Budgets with additional approvals which have been made by Regional Cabinet since the approval of the 2020/21 Annual Business Plan, reflecting that while there has been acceleration of activity that the City Deal is now experiencing, this remains below the level anticipated.
5. It also reflects the intention set out in the Investment and Intervention Framework and Toolkit Report approved by Regional Cabinet at its meeting of 10th June 2019, to group expenditure into the three categories of:
- WIF Top-Slice
 - In-Principle Projects
 - Approved Projects

Table 3: 2020/21 Total WIF Budget Monitoring Position, including In Year Approvals

	2020/21 Budget (Inc. In Year Approvals) £	2020/21 Expenditure to Date £	2020/21 Outturn £	2020/21 Outturn Variance £
Project Development & Support (WIF Top-Slice)				
Contribution to Joint Committee Revenue Budget	151,166	0	151,166	0
Regional Economic Growth Partnership Support	16,000	0	16,000	0
MIPIM Costs	70,000	0	70,000	0
Regional Business Council	24,100	0	24,100	0
Premises Fund OBC	45,000	10,908	45,000	0
Premises Fund FBC	125,000	0	125,000	0
Plasma Product Loan	0	35,527	35,527	35,527
Pharmatelligence AI/Data Project OBC/FBC	40,000	7,440	40,000	0
FinTech Seed Funding	250,000	0	250,000	0
MedTech Life Sciences Park	150,000	69,982	150,000	0
CS Connected	210,000	26,558	210,000	0
Supporting Local Sustainable Growth - Bridgend	50,000	0	0	(50,000)
Digital - Fibre to the Premises Due Diligence / SOC	35,000	840	840	(34,160)
Digital - 5G SOC	150,000	127,800	150,000	0
Other	0	55,892	55,892	55,892
Sub Total	1,316,266	334,947	1,323,525	7,260
In-Principle Project				
Metro Central	1,913,000	1,086,000	1,913,000	0
Sub Total	1,913,000	1,086,000	1,913,000	0
Approved Project				
Plasma Product Loan	2,055,000	2,055,000	2,055,000	0
CSC Foundry - Revenue	50,000	1,620	50,000	0
CSC Foundry - Capital	1,381,641	0	0	(1,381,641)
Extension of Graduate Scheme	328,503	43,312	196,884	(131,618)
Metro Plus	5,185,000	0	5,185,000	0
Housing Investment Fund - Revenue	715,646	59,773	715,646	0
Sub Total	9,715,790	2,159,705	8,202,530	(1,513,259)
Total	12,945,056	3,580,652	11,439,055	(1,506,000)

6. At Quarter 1, the majority of approvals are in line to be spent by the end of the Financial Year with the exceptions of:

- Plasma Product Loan Due Diligence Costs of £35,527 which were not included in the Cabinet approval but became necessary

- The funding of £50,000 awarded to Bridgend County Borough Council to bring forward Local Sustainable Growth Plans, which is now expected to not be required until 2021/22
 - £34,160 of costs allocated for due diligence and preparation of a Strategic Outline Case for the Fibre to the Premises project which have been delayed because of the impact of Covid-19
 - Other Project Development and Support costs of £55,892
 - The final payment of the CSC Foundry Ltd loan of £1,381,641, which is not expected to be drawn down in 2020/21
 - An underspend of £131,618 against the profiled 2020/21 budget for the Graduate Scheme, which has also been delayed by Covid-19 with this underspend now expected to be carried forward to fund increased activity in future years
7. Updates on 'Live' projects are included in Appendix 3 of the Annual Business Plan – Quarter 1 Performance Report.

Funding Strategy

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.
9. It must also be noted that the original intention for the Top-Slice was that it would be allocated evenly across the 20 year term of the City Deal. The approvals which have been made by Regional Cabinet, along with the other requirements from the Top-Slice as set out above, mean that this straight line profile may need to be adjusted as a result of the increased activity currently underway.
10. The Accountable Body is currently working with the City Deal Office and the Investment Panel to establish the effects of the current level of activity upon the Financial Model approved by the Authorities in the JWA 5 Year Business Plan with future resources being re-profiled in order to manage the overall envelope. Updates in this regard will be made to Regional Cabinet as part of future reports.

Quarter 1 Detailed Work Programme Update

Logic model title	Compound Semiconductor Cluster		
Logic model type	Hybrid 4A: Sites and premises for enterprise and innovation and 4C: Science & R&D capacity		
Interventions / projects covered by logic model	Compound Semiconductor Project		
Theory of change			
<p>Investment Fund monies will be used to support the development of a compound semiconductor cluster in South Wales, centred on the former LG site between Cardiff and Newport. Monies will be used specifically to redevelop the facility to modern standards, including a clean room facility for the production of compound semiconductors, which is anticipated to leverage substantial private investment, by a single tenant (IQE), of £375m to kit out the factory. A Special Purpose Vehicle (SPV) has been set up as the site owner, and it will receive rental income for up to 11 years until IQE exercise an option to acquire the site. Through this arrangement, the expectation is that the Investment Fund monies would be repaid.</p> <p>It is expected that the facility, and IQE's location in South Wales, will act as anchor in the region for high end compound semiconductor production. The investment is expected to complement other investments in the compound semiconductor sector locally, including ERDF funding for Cardiff University's Institute for Compound Semiconductors. The long-term intention is to create a cluster at the forefront of R&D in this technology area, and at the forefront of production of compound semiconductors, although this would rely on non-Investment Fund activities (unless additional Investment Fund monies are committed to other projects to develop the cluster).</p> <p>Key assumptions underlying the ToC: site's tenant could not have found alternative space locally, and would have moved production overseas without the intervention; retention and expansion of firm's production in Wales results in jobs safeguarded and created as expected; the modernised factory and clean room facility is attractive as a property resulting in enhanced value; the development of this facility and its primary lessee is an essential component in the development of the cluster resulting, alongside other interventions, in helping current semiconductor firms in south Wales to move up the value chain, and attracting other new companies and activities.</p> <p>Other factors: complementary activities, e.g. of Cardiff University and the Compound Semiconductor Applications Catapult; market demand for compound semiconductors and the continuing growth of the sector; and development of the necessary skills.</p>			
Inputs	Activities	Outputs	Outcomes

<p><u>Investment Fund inputs</u></p> <ul style="list-style-type: none"> £38.5m <p><u>Other inputs (including staffing and in-kind)</u></p> <ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Construction activities in relation to development of a clean room facility for the production of compound semiconductors at the former LG site between Cardiff and Newport Establishment of a Special Purpose Vehicle for the site 	<ul style="list-style-type: none"> Ha land acquired (LS) Ha land assembled for commercial development Commercial floor space developed (5,900 sq. m) Construction years of employment No. of learners enrolling/ completing course (i.e. apprentices in construction) (LT) Direct creation of new jobs at the site (501 - achieved over time) [70 direct jobs created to date] Safeguarding jobs (156 at head lessee company, 390 jobs at wafer fabrication plant) Indirect and Induced jobs (1088 - achieved over time) [259 indirect and induced jobs created to date] Apprenticeships [8 new apprenticeship opportunities created to date] 	<p>Theme-specific outcomes</p> <ul style="list-style-type: none"> Private sector leverage up to the value of £375m for kit out of the facility (LS) Secure a £50m investment from the Compound Semiconductor Catapult (LS) Increase in premises with access to connectivity infrastructure (one) – <i>Celtic Way, Newport has since seen improved road infrastructure and fibre connectivity</i> Positive property market sentiment survey Uplifted commercial sale value (£6m) Land value uplift Floor space occupied by firms at the facility Growth in employment of business located in the facility by number of employees Growth in turnover of business located in the facility Improved business survival rate of business located in the facility Increased expenditure on business R&D (tenant + subsequently in wider sector) Increase in exports (tenant + subsequently in wider sector) New/improved processes adopted (tenant + subsequently in wider sector) New/improved products entering the market (tenant + subsequently in wider sector) Intellectual Property (IP) registered (e.g. patents) within the cluster Improved attractiveness as a location for inward investment <p>Broader outcomes</p> <ul style="list-style-type: none"> Return on investment up to the value of £33,108,000 (LS) <i>[anticipated that tenant will exercise option to purchase ahead of year 6 with full return of investment resulting]</i> A total of 259 indirect jobs have been created off the back of the foundry through local supply chain and household effects, with particular impacts in the construction and higher education sectors and the catapult, along with the creation of a further 8 apprenticeship opportunities. A further 697 jobs indirectly supported to date within the semiconductor sector in SE Wales since the commencement of the Foundry. Enhancement of local innovation ecosystems Increase in the number of businesses that are innovation active (i.e. in the wider compound semi-conductor sector)
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- As of December 2019 it is estimated that IQE supports direct and indirectly around £22m of Welsh GVA and with much of this supported in the Cardiff City Region. Over the same period the wider semiconductor cluster has estimated to support direct and indirectly around £158m of GVA. The commercial fundamentals of the sector are strong and we are fortunate to have so many good companies in this area with the potential for further job creation and enhanced GVA support for the region.
- The UK Government has awarded £25.4m in funding towards a £43.7M CSConnected project within the Compound Semiconductor Cluster. The project is based around integrating research excellence from the region's universities with the region's unique supply chains in advanced semiconductor manufacturing.
- CS Connected has attracted Cluster related projects to the value of £124M with a further £56M of projects in the pipeline.
- Key CS Connected opportunities comprise
 - Power Electronics for the Future of Transportation
 - Renewable Energy Generation and Conversion
 - Resilient High-Speed Data Communications for the 21st Century

Expected timescales for inputs / activities / delivery of outputs and outcomes

<p><u>Investment Fund inputs</u></p> <ul style="list-style-type: none"> • 2017-18 <p><u>Other inputs (including staffing and in-kind)</u></p> <ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • 2017-18 	<ul style="list-style-type: none"> • Achieved on completion of the project and tenant moving into the facility. • Project delivery, including site occupation, phased so outputs achieved incrementally over time 	<ul style="list-style-type: none"> • Impacts to be realised over time. Some will be realised on or soon after completion of the project e.g. investment leveraged, improved attractiveness of the site, development of floor space. • Others will be realised as the principal beneficiary develops its business • Yet others will take longer, e.g. development of the ecosystem and outcomes relating to the wider sector.
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Relationship to other interventions

Other Investment Fund logic models:

- Unknown at this stage – further interventions (and logic models) to be confirmed

Detailed Work Programme Update

Logic model title	Cardiff Capital Region Graduate Scheme		
Logic model type	Theme 2 People – 2C: Employment Support		
Interventions / projects covered by logic model	Cardiff Capital Region Graduate Scheme		
<p>Theory of change</p> <p>Investment funds will be used to create and develop the CCR Graduate scheme which will prioritise and develop skills development and leadership in the CCR region. The scheme is about focusing on a forward looking take on future skills and how this could be aligned to core City Deal strategy and priorities. The target is to place 500 graduates by the end of March 2024 which would equate approximately to some £13m in private leverage and for every CCR £1 invested, would unlock c£8.45 in private finance.</p> <p>As part of the Future Ready Skills Framework, the vision was to progress and scale up the Graduate Scheme after a successful one year pilot. The objective of the scheme was to reverse the 'brain-drain' with around 35% of all graduates leaving the region to seek employment opportunities elsewhere each year. The scheme will look at working with a focus on seizing near-term opportunities to meet skills demands and help businesses' encourage graduates to stay and work in the area , offering graduate level roles. This in addition, will help develop the synergies and connections across the Partnership and City Deal region working together to create a more intelligent labour market with wider opportunities available and linking to the CCR Economic and Industrial Growth Plan.</p> <p>The pilot was approved by Cabinet in December 2018 for one-year running April 2019-April 2020. The scheme went live as planned on 1 April 2019. A review of progress went to cabinet in December 2019 with a proposal to extend the pilot into a continuation period to fully build upon and optimise progress made, following that meeting the scheme was developed into a four year business case until March 2024.</p> <p>The scheme works with businesses that historically, have had little or no engagement with the graduate market with a focus initially on SMEs but also prioritising growth sectors. The aim being to create wider opportunities in the labour market, contributing to business growth and resilience within the area.</p> <p>The scheme operates through a collaboration spanning the four universities in South Wales as well as business groups and trade bodies.</p> <p>A key assisting role will be played by the Regional Business Council and / or alternative business support structures. This also touches upon the arrangements for monitoring and evaluation and reporting into Regional Cabinet and sharing information and data with the Regional Skills Partnership, Investment Panel and Regional Economic Growth Partnership.</p> <p>Plans are being made to integrate and extend the existing remit to incorporate and integrate new proposals that come forward through the Future Ready Skills Framework, such as schools programmes, shared apprenticeships and learner pathways. Developing new ways of working, targeted at supporting skills ventures should create a better enabling environment for schemes of this kind.</p>			
Inputs	Activities	Outputs	Outcomes

<ul style="list-style-type: none"> • December 2018 - Original funding for the graduate scheme pilot approved £175,000 (spent £141,000) • Recruitment for 2 Graduate Development Officers • December 2019 – Pilot scheme extended by 1 year with a request for a project scale up • March 2020 – four year project plan agreed - £1.397m • Total expenditure £1,538,475m 	<ol style="list-style-type: none"> 1. Development and creation of Graduate Scheme website (December 2018 – March 2019) 2. Development and creation of marketing materials. (Specific focus on priority sectors in the region in response to Covid-19 – manufacturing and medical devices) 3. Partnering with 4 local HEIs in the CCR 3a. Identifying areas of development that could benefit from student/graduate input 4. Partnership with the 10 local authorities in the CCR 5. Researching other business networking opportunities in the CCR 6. Meeting with businesses to discuss needs and identify role 7. Creation and development of assessment centre format Marketing and promotion of roles (via 4 universities and other platforms) 8. Planning and development of welcomes induction events 9. Creation and development of relevant professional qualification for the graduates 10. Research and development of additional development opportunities for graduates whilst on the scheme 11. Recruitment of 1st cohort of graduates (September 2019) 12. Development and creation of employer and graduate evaluation survey 	<ol style="list-style-type: none"> 1. Launch of website – April 2019 2. Graduate Scheme related branding, graphics and materials and adoption of a communications plan 3. Meetings with HEIs Careers representatives 3a. 3 x work experience placements offered with partner HEIs (focussed on research, data analytics and marketing) 4. Engagement with LA Economic Development/Business Engagement teams to access businesses in their LA 5. Identified other organisations in the region with links to businesses 6. Completing role description alongside the business. Providing a tailored and flexible approach to businesses based on their size and how involved they wish to be in the process. 7. Initial shortlisting of applications. Invite and delivery of 9 assessment centres, shortlisted candidates referred to employers for interview 8. First induction (September 2019, December 2019) 9. ILM qualification delivered by the USW 10. Delivery of workshop to graduates with Office Well-being of Future Generations 11. 11 graduates in appointed in cohort 1 	<ol style="list-style-type: none"> 1. 1000 monthly visitors to the website on average. 600+ role applications received through the website 2. 700+ of graduates registered on the website, 220 + businesses engaged through circulation of promotional materials 3. 5 careers fairs and events attended at HEIs to engage with students and graduates. Communication, engagement and awareness of the CCR as a region for graduates to launch their careers 3a. Upskilling of current students through taking place in the work experience placements 4. 50+ business engagement and networking events attended in the CCR. (PR with local authorities). Followed up with meetings and calls. 5. Improved and developed relationships with business support and representative organisations (i.e. South Wales Chamber of Commerce). Increased awareness of the GS amongst businesses in the region. 6. Role becomes live on the website (59 roles advertised in 2019-2020) 7. 28 graduates appointed by employers to date 8. Employer and graduates feel part of formal process. Press release to highlight the induction and showcase the CCR Graduate Scheme across the region. Employer and graduate case studies produced for the website. 9. Appointed graduates undertaken the qualification. Offer of additional career development programme for graduates who have already completed the ILM. 10. Raising awareness of issues facing the CCR to the graduates as part of Well-being for Future Generations Act. 11. 87.50% of Cohort 1 Employers have offered or are looking to offer their Graduate further employment. Some employers have recruited for additional roles through the Graduate Scheme. 12. Feedback gathered (87.50% of Employers said that their Graduate was extremely, or very,
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13. Recruitment of 2nd cohort of graduates (January 2020)
14. Recruitment of 3rd cohort of graduates (April 2020)
15. Research and exploring consultancies and organisations to assist with strategic development and upscaling of the development Graduate Scheme

12. Evaluation surveys distributed to cohort 1
13. 9 graduates appointed in cohort 2
14. 8 graduates appointed in cohort 3
15. Appoint Gradcore to undertake report and evaluation of the Graduate Scheme

valuable and beneficial to their organisation., 100% of Graduates would recommend the CCR Graduate Scheme to other students and graduates)

13. Planned evaluation for cohort 2 - August 2020 (delayed due to Covid-19)
14. Monitoring of employers and graduates for cohort 3.
15. Recommendations and amendments to the Graduate Scheme by Gradcore (first report expected end of June 2020). Adapting the recruitment process to be delivered remotely in response to covid-19

Expected timescales for inputs / activities / delivery of outputs and outcomes

- Page 41
- December 2018 - Original funding for the graduate scheme pilot approved £175,000 (spent £141,000)
 - Recruitment for 2 Graduate Development Officers March/April 2019
 - December 2019 – Pilot scheme extended by 1 year with a request for a project scale up
 - March 2020 – four year project plan agreed - £1.397m
 - Total expenditure £1.538m

- 2019-2020

- 2019-2020
- 28 graduates appointed by end of one year pilot – evaluation sent

Further outcomes to be realised over time:

- Feedback from cohort 2 and cohort 3 employers and graduates
- Impacts to be realised over time in terms of effect on businesses in the CCR
- The long term outcomes of the Gradcore evaluation (between June 2020 – May 2021) which will impact our strategy and engagement going forward
- Impact of the Future Ready Skills Framework:
 - Focus on priority growth sectors and specific local authorities; to develop more integrated learner pathways; to provide a blueprint for future shared apprenticeships schemes that could be consolidated within the model and for more attention to paid to digital and data platforms;
 - A greater role to be played by Regional Business Council, Regional Skills Partnership, Investment Panel, Regional Economic Growth Partnership
- GVA and Leverage

- 500 graduates to be employed over the course of the Future Ready Skills Framework

Relationship to other interventions

Other Investment Fund logic models:

Detailed Work Programme Update

Logic model title	Housing Viability Gap Fund		
Logic model type	Theme 3: Infrastructure		
Interventions / projects covered by logic model	3A: Site remediation & preparation, incl. flood defence		
<p>Theory of change</p> <p>The CCR Housing Fund will provide targeted investment to overcome evidenced market failures in the housing delivery market in South East Wales.</p> <p>The Viability-Gap Fund seeks to address development sites of between 40 and 350 units that are unable to come forward due to high infrastructure or remediation costs. A £35m fund Has been approved to target and address known viability-gaps at key sites within the region and which could:</p> <ul style="list-style-type: none"> • Unlock up to 2800 homes in the region over the next 10 years, • Leverage gross private investment in housing of £490m, at a ratio of 14:1 per CCR £ invested • Support £870m of total economic activity, spread across the region • Deliver 16% more homes in areas of low economic inclusivity than would be delivered in the market-led alternative • Boost accessibility to employment opportunities for workers throughout the region, and consequentially deliver productivity-enhancing labour market effects to employers. <p>The Viability-Gap Fund will optimise economic returns by investing in the most strategically located sites which maximise value for money. It will ensure inclusive economic returns by ensuring that development outcomes are spread throughout the geography.</p> <p>Wherever possible, the fund will seek to enable financial return to the Cardiff Capital Region in order that funding can be recycled and further investments made. Analysis of potential eligible sites throughout the region has been undertaken by Local Authorities themselves as part of the data-gathering exercise to inform the OBC, and cross-checked as part of a further site-specific deep dive exercise has been undertaken to test and inform the FBC conclusions. Importantly, the analysis corroborated the findings from the LA data gathering exercise.</p> <p>The fund is complementary and non-overlapping with either market provision of finance to the housing delivery sector, or funding programmes currently being run or in development by either Development Bank of Wales, Welsh Government or any other commercial organisation operating in these markets.</p> <p>Cardiff Capital Region has procured the services of specialist advisors to support the mobilisation, setting-up and management of the fund, and to help ensure benefits realisation. Support from an experienced built-environment consultancy will coordinate operation of the Viability-Gap fund and advise optimised value for money solutions for CCR investments.</p> <p>The Fund will be formally launched in the Summer of 2020 and is anticipated to have a 4 year lifecycle from launch to the final units being delivered on the approved sites. In addition to the £35M Fund (Capital funding), Revenue funding of £1.5M has been approved, in total, over the 4 year period.</p>			
Inputs	Activities	Outputs	Outcomes

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<p><u>Investment Fund Inputs</u></p> <p>1. £30M CCR Capital Funding 2. £5M Welsh Government Capital Funding 3. £1.5M CCR Revenue Funding (Includes £500k support fund)</p> <p><u>Other Inputs(including staffing and in-kind)</u></p> <p>1. The 10 CCR partnering LAs will need to 'match fund' the £500k support fund being made available by CCR 2. The 10 CCR partnering authorities will need to make available staff and other resources to complete the Application Form and oversee the delivery of their schemes, where viability gap funding is awarded 3. Resources committed by key stakeholders e.g. Developers, Landowners, House builders etc.</p>	<p>1. Business Case Development (Research, SOC, OBC & FBC)</p> <p>2. Procurement of the Technical Advisor Panel.</p> <p>3. Fund launch, call for sites and supporting workshops.</p> <p>4. Site prioritisation exercise, approval and completion of legal agreements.</p> <p>5. Scheme delivery including housing units.</p> <p>6. Scheme Monitoring, Review & Reporting including Benefits Realisation</p>	<p>1. Delivery of Housing Scheme across the Region on sites that may otherwise lay undeveloped.</p> <p>2. Delivery of up to 2,800 housing units in-line with current Building Control Regulations.</p> <p>3. Construction phase related employment/jobs.</p> <p>4. Construction related apprenticeships.</p> <p>5. There will be a number of indirect outputs related to large scale housing development e.g. those related to s106 contributions.</p>	<p>1. Land Value Uplift</p> <p>2. Increase in Gross Economic Output of up to £870M</p> <p>3. Private Sector Leverage of up to £490M.</p> <p>4. Productivity uplift from connectivity benefits</p> <p>5. Up to 16% more homes delivered that may not have otherwise come forward, improving the overall supply and quality of homes in the region.</p> <p>6. Inclusivity benefits</p>
Expected timescales for inputs / activities / delivery of outputs and outcomes			
<p><u>Investment Fund Inputs</u></p> <p>Minimum period of 4 years (2020-21 to 2024-25)</p> <p><u>Other Inputs(including staffing and in-kind)</u></p>	<p>1. Business Case Development (Research, SOC, OBC & FBC) 2019-20: Complete</p> <p>2. Procurement of the Technical Advisor Panel. 2020-21: Complete</p>	<p>Will be achieved as schemes are signed-off (legal agreements reached) and move into delivery phase (2022-23 to 2023-24).</p>	<p>1. Impacts will be realised over time. Some will be realised on or soon after completion of the project e.g. investment leveraged, improved attractiveness of the sites, wider scheme development etc.</p>

Minimum period of 4 years
(2020-21 to 2024-25)

3. Fund launch, call for sites and
supporting workshops.
2020-21: June to Dec 2020

4. Site prioritisation exercise, approval
and completion of legal agreements.
2020-21 to 2022-23

5. Scheme delivery including housing
units.
2022-23 to 2023-24

6. Scheme Monitoring, Review &
Reporting including Benefits Realisation

2021-22 to 2023-24

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Relationship to other interventions

Other Investment Fund logic models:

1. Further interventions (and logic models) to be confirmed, but likely to be Skills, Transport (Connectivity), Digital etc.
2. Possibly energy and carbon reduction related interventions.

Detailed Work Programme Update

Logic model title	Metro Central		
Logic model type			
Interventions / projects covered by logic model	Transport Interchange		
<p>Theory of change</p> <p>Metro Central is a critical component of the overall South Wales Metro programme. Its capacity determines the overall capability and resilience of the network, and is also the sole connection between the Great Western Mainline and the Core Valley Lines. As such, the ability of the station to deal with increased patronage is fundamental to the future success of city-region infrastructure, and its ability to achieve dispersed and inclusive growth across the CCR . Cardiff Central is of critical importance to the regional transport network. It is the only interchange station between the Core Valley Lines (CVL) and the UK intercity mainline. The station handles around 13 million entries and exits per year, almost six times as much as Cardiff Queen Street which is the second most used railway station in Wales. Recent growth in passenger use has led to the station regularly operating at capacity, or close to capacity. During major event days capacity is regularly exceeded, requiring restrictions to enable the station to operate safely. Passenger numbers are predicted to continue to grow into the next decade and beyond. By 2023 growth is expected to reach 22 million entries and exits, rising to 32 million by 2043. It is predicted that the station will exceed capacity on a daily basis by the mid-2020s, resulting in restrictions becoming a much more regular feature. This will effectively restrict growth of the Metro network and hold back the economic potential of the Cardiff Capital Region. An increase to the capacity of the station for trains and passengers is required to support the future growth and sustainability of the Core Valley Lines, and to ensure full realisation of the potential for economic growth across the region.</p> <p>Historically, the expansion of Cardiff city centre has been constrained by the main east-west railway line. In recent years, significant progress has been made to assemble a series of regeneration projects, through public private partnership and concerted land assembly initiatives that have the potential to penetrate the main railway line and mobilise the expansion of Cardiff city centre towards Cardiff Bay. The regional reach of Metro Central is potentially greater than any other regional project given its position at the heart of the Metro development and the quantum of jobs it can provide for the city-region. This is also backed up by current evidence that shows that commuters using Cardiff Central are four times as likely to live outside the boundaries of Cardiff as within them. Furthermore, the premise of Metro Central is also to drive regional business growth through improved connectivity with the national rail infrastructure. As the sole connection between the Core Valley lines and the national rail network, Metro Central would therefore act as one of the city-region’s key means of connectivity with the rest of the UK.</p> <p>The development of the programme-level full business case will include further detailed consideration of:</p> <ul style="list-style-type: none"> • Total number of jobs created, focussing on indirect and induced. • Increase in GVA associated with the development. • Total private sector leverage • The basis on which investment is made. 			
Inputs	Activities	Outputs	Outcomes

Investment Fund inputs

- £40m

Other inputs (including staffing and in-kind)

- Core City Deal staff actively assisting in shaping and developing the project

The fundamental elements of the project to be invested by the CCR remain on core infrastructure facilities that will drive regional benefits – not on public realm and environmental enhancements in the immediate locality. The investment includes:-

- Alternatives entrance/gateline locations
- Platform 0
- Vertical transportation (VT) alternatives
- North-South unpaid alternatives
- Commercial opportunities
- Roof enclosure
- Back of House /Servicing
- Intermodal links
- Public realm/landscape

• Total estimated cost is £185m, comprising:-
£30m contribution towards the new bus interchange;

£155m contribution for improvements to Central Train Station.

• Funding is split across:

- Bus Interchange (WG £30m)
- Central Train station (£155m split across)
 - o City Deal (up to £40m) - repositioning of north concourse; weather protection; remodelling of internal stairways.
 - o Dft (£58.3m) - Platform 0 and other rail infrastructure related work; new barriers; improvements to platform areas; commissioning of second tunnel.
 - o WG (£15m) - Improvements to north-south connectivity and Metro integration
 - o Private sector (c£40m) - new concourse buildings and car parking.

The fundamental elements of the project to be invested by the CCR remain on core infrastructure facilities that will drive regional benefits – not on public realm and environmental enhancements in the immediate locality. The investment includes:-

- Alternatives entrance / gateline locations
- Platform 0
- Vertical transportation (VT) alternatives
- North-South unpaid alternatives
- Commercial opportunities
- Roof enclosure
- Back of House /Servicing
- Intermodal links
- Public realm/landscape

Theme-specific outcomes

Estimated overall regeneration potential of these key regeneration projects has the capacity to deliver circa 5,000,000 ft2 of commercial development, comprising:

- Central Square (1,000,000 ft2)
- Central Quay (1,000,000 ft2)
- Dumballs Road (1,000,000 ft2)
- Callaghan Square (1,000,000 ft2)
- Capital Quarter (500,000 ft2)
- St David's Square (500,000 ft2)

£40m of City Deal funding to support the redevelopment of Cardiff Central Station on the basis that match funding would be forthcoming from the UK Government, Welsh Government and the private sector circa £145m.

(£15k Active Travel study paid for by TfW to date – potential 500 additional cycle spaces from TfW franchise agreement)

Broader outcomes

In total, this amount of commercial development space has the potential to convert into more than 30,000 jobs over the next 10 – 15 years, leveraging in excess of £2bn of Gross Development Value, and over £1bn of GVA.

(Given the location of the development, as well as recent employment trends, the majority of jobs created within the Core Employment Zone would be taken up by residents across the city-region.

Furthermore, the sizable private sector investment and employment contributions leveraged from the development would make a considerable contribution to the overall jobs and GVA objectives of the City Deal, which in turn places less pressure on other projects to contribute towards these objectives.)

(The strategic objectives identified within the OBC for the programme include:-

- O1 Implement measures to alleviate crowding and congestion routinely experienced within the railway station, and to accommodate the region's event demand.
- O2 Develop an enhanced, multi-modal interchange capable of functioning as the Capital Region's principal transport hub and the key station on the South Wales Metro network.
- O3 Deliver an interchange that provides for the future generations of the Capital Region and Wales, by delivering sufficient capacity to accommodate long-term passenger growth.
- O4 Enhance the connectedness and quality of access to Cardiff Central Enterprise Zone in a timely manner to ensure key development opportunities are realized
- O5 Deliver qualitative enhancements that improve the passenger experience and create an interchange fit for the Welsh Capital and the Capital Region
- O6 Contribute towards improved air quality and help people live low carbon lifestyles by encouraging increased public transport usage and less private car transport.)

Expected timescales for inputs / activities / delivery of outputs and outcomes

<p><u>Investment Fund inputs</u></p> <ul style="list-style-type: none"> • 2019-20 • 2020-21 <p><u>Other inputs (including staffing and in-kind)</u></p> <ul style="list-style-type: none"> • CCR staff input into development of PFBC and partners in governance of project 	<ul style="list-style-type: none"> • Weston Williamson Report on developing architectural landscape for options • PBFC currently being developed 	<ul style="list-style-type: none"> • Report completed and forms part of the PFBC options of the project. • Project PFBC ongoing until Autumn 2021
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Relationship to other interventions

Other Investment Fund logic models:

- Unknown at this stage – further interventions (and logic models) to be confirmed

Other non-Investment Fund activities:

The Full Business Case will also look at the additional return on the proposed up to £40m City Deal investment in relation to core aspects of the programme as a whole as well as a full economic impact assessment. This will be based partly on the consideration of how the development of Central Station can unlock further employment growth, the proportion of the additional employment growth that will be taken by rail commuters, and the proportion of those workers who will work across the Cardiff Capital Region. Currently modelled data suggests that the majority of rail commuters into Cardiff City Centre come from outside Cardiff (circa four out of five rail commuters).

The project is also expected to exceed expected impact (in comparison with other nation schemes) as there is significant undeveloped brownfield land in the vicinity. In addition, analysis by Centre for Cities has shown that, compared with high performing cities in the UK, Cardiff is particularly underserved in terms of commercial property. To that end there is both the land supply and demand for investment in commercial property that will deliver the necessary economic impacts and returns for the Metro Central project.

The up to £40m in principle commitment has also subsequently supported the promotion of the Central Quay development that was outlined in the 15 January 2018 report. The development formed part of the Department for International Trade's *Wales Investment Opportunities* portfolio. This portfolio was launched in MIPIM in March 2018, and continued to be promoted by the Department for International Trade.

The prospectus outlined the key elements of the masterplan of Central Quay as being:

- Offices – between 6 and 12 storeys – 110,000 m²
- Residential – up to 1,000 apartments in blocks ranging from 4 to 24 storeys
- Hotel – 200 beds – 6,000 m²
- University campus – 21,000 m² in 2 blocks
- Student accommodation – 2 towers of 20 and 23 storeys, 24,000 m²
- Multi-storey car park – 695 spaces
- Leisure – brewery visitor centre food & beverage outlets, retail and public realm

To maximise the impact of the Metro Central, Cardiff Council will also dedicate its economic development team to supporting investment in and around Central Square, in line with both its economic strategy, the Cardiff Capital Region Industrial and Economic Plan and the commitments included in the January 2018 Cardiff Capital Region report .

Detailed Work Programme Update

Logic model title	Metro Plus (Phase 1)
Logic model type	
Interventions / projects covered by logic model	Bus priority within Cardiff; Bus priority between Cardiff & Newport; Transport Interchanges at Porth / Barry Docks / Caerphilly / Abertillery; Park & Ride at Severn Tunnel Junction / Pontypool & New Inn / Pyle / Pentrebach

Theory of change

The Cardiff Capital Region City Deal in collaboration with Welsh Government and Transport for Wales identified a package of schemes to a value of c£50M that will enhance, extend, add value and future proof commitments to the south east Wales Metro. The package has been developed on the basis that both the Welsh Government and City Deal will commit, subject to full business case, a contribution of £15m each for scheme delivery. Additional funding will be secured from a number of sources, including; developer contributions, third party and private sector funding, other government grants and the councils' own capital programmes.

The individual schemes include Transit Orientated Developments (interchanges of the future based around a range of uses beyond transport), enhanced park and ride facilities that promote interchange and integration for all modes, and new and extended Metro networks that allow the wider community to access sustainable opportunities to travel for work, education, retail or leisure purposes.

This package of Metro+ schemes will be future proofed by the inclusion of the latest technological advances in vehicle charging for bus, taxis, car clubs and cycles, including energy generation where possible.

The programme comprises the following projects:

Abertillery Interchange / Caerphilly Interchange / Porth Interchange / Barry Docks Interchange / Pyle Interchange / Pentrebach Station and Park and Ride / Severn Tunnel Junction Park & Ride / Pontypool and New Inn Station Park and Ride / Newport to Cardiff Bus Priority / East Cardiff Bus Priority

The collective benefits of a Metro Plus RTA Programme are greater than if implemented as individual schemes. All of the transport interventions included within the programme will support, promote and enhance sustainable travel, thus contributing to the development of a sustainable economy. Sustainable travel will also promote long term well-being and the quality of life of people and communities. The programme will facilitate improved access to employment and therefore new economic opportunities.

All of the transport interventions within the programme are public transport based, thus will provide enhanced and new employment access opportunities, particularly for those sectors of society without a private car (helping address deprivation where caused by a lack of access to transport). Improving access for those sectors of society without a private car, demonstrates the programmes ability to contribute towards permitting participation in the labour market for all members of society. The programme will also support a more productive economy through an increase in access to the South Wales transport network. This will allow for individual households, public sector and business to grasp new opportunities, from the improved access provided by new and improved transport options.

All of the transport improvements contained within the programme will improve access throughout the south east Wales region. This will help increase the skills base of the labour market, through providing means of access to new educational, employment, healthcare and training opportunities. New and enhanced public transport provision will also improve access to education and training, healthcare and social and recreational opportunities, all of which will promote inclusion and equality across south east Wales.

Through a programme of measures that support the Metro, south east Wales will become a region that is easy to navigate by seamless passenger transport. The Metro Plus RTA Programme will provide new and enhanced public transport facilities, which will feed into the wider network of South Wales Metro improvements. This will collectively contribute to forging a clear identity and strong reputation as a City-Region that has a good quality of life, with an interconnected high quality transport network.

All of the schemes within this Programme will help to ensure that urban centres are vibrant and vital with unique identities which all of the regions residents can use and be proud of. In particular Caerphilly Interchange, Porth Interchange, Barry Docks Interchange and Merthyr Bus Station will link to wider town centre regeneration schemes, to create a sense of place and identity. These key interchanges (along with the other transport improvements within the programme) will deliver people into key urban centres making them vibrant places, with transport facilities often providing the hub around which the urban centre operates and develops.

Many interventions within the programme will help to respect, project and support the rural and natural environment to promote economic and social outcomes through provision of improved sustainable transport facilities and improved transport access into and out of rural communities. For example, Severn Tunnel Junction improvements will improve access for communities within rural Monmouthshire. In relation to this, the Programme will have a beneficial impact on developing and promoting world- class cultural and recreational opportunities through opening up access to areas of natural beauty and historic importance, thus promoting tourism within the South Wales region.

By implementing a programme of transport measures which connect into the wider Metro network, the region as a whole becomes easier to travel around thus promoting the South Wales area as a whole offering.

Inputs	Activities	Outputs	Outcomes
<p><u>Investment Fund inputs</u></p> <ul style="list-style-type: none"> £15m <p><u>Other inputs (including staffing and in-kind)</u></p> <p>Core City Deal staff actively assisting in shaping and developing the project</p>	<p>The fundamental elements of the project to be invested by the CCR remain on core infrastructure facilities that will drive regional benefits. The investment includes:-</p> <p>Abertillery Interchange – public transport link from Abertillery to Ebbw Vale Railway</p> <p>Caerphilly Interchange – provision of a new transport interchange for Caerphilly, on the site of the current bus and rail stations. High quality passenger facilities to be provided including electronic information, EV charging for buses and a larger park and ride facility – to include wider business and green technology hub opportunities.</p> <p>Porth Interchange – Transport Hub and a regenerated “Station Quarter”, including a seven bay bus interchange, taxi rank and cycle racks, with direct access to the rail station platforms and the Park and Ride, which has been further extended as part of the project - Electric charging points will be included.</p> <p>Barry Docks Interchange – bus and rail interchange at Barry Docks – key location in relation to Cardiff Wales</p>	<p>Key outputs of the Metro Plus RTA Programme:</p> <ul style="list-style-type: none"> Number of interchanges improved = 9 Approximate KM’s of passenger transport network improved or provided = 32 km (Newport to Cardiff 26km and Abertillery Spur 6km) Number of new park and ride spaces provided is estimated to be 453, but will increase following development of the individual schemes <p>The outputs of the following TRI bids which would be supported by the Metro Plus RTA include</p> <ul style="list-style-type: none"> 393 gross jobs to be created; 260 construction sector jobs to be created; and 47 traineeships. 	<p>Improved access to the rail stations and bus services and improved infrastructure at the interchanges and park and ride sites will encourage greater use of public transport. The schemes will provide improved accessibility to employment opportunities, education facilities and health services through the interchange of bus and rail. The aims of the schemes seek to ensure a positive impact on organisations and individuals who have protected characteristics.</p> <p>The schemes will encourage car users to use public transport and therefore reduce congestion on the highway network and improve the efficiency of public transport journey times along the strategic transport corridors.</p> <p>This will have a positive impact on local air quality, biodiversity, heritage and noise.</p> <p>The provision of EV Charging at park and ride sites will allow those without off-street parking provision to consider changing to EVs.</p> <p>Landscape and townscape will also be positively impacted through the regeneration of unoccupied land for the park and rides.</p> <p>Many of the schemes are currently within the top 25% and 50% most deprived areas in Wales (WIMD 2014), and between 35-45% of households in these areas have access to a vehicle (2011 Census). Therefore by improving accessibility to public transport,</p>

Airport. Interchange to include 4- 5 bus bays, have provision for taxis and extend the existing Park and Ride site (currently at capacity) as the new rail partnership includes line frequency enhancement. Electric charging points will be included.

Pyle Interchange - Park and Ride facility as part of the development of an integrated transport hub that serves the local community of Pyle and the nearby settlements of Porthcawl, Kenfig Hill, Cefn Cribwr and Cornelly. The existing 23-space car park at Pyle is currently at capacity and a minimum of 75 additional spaces are being considered. Bus interchange at Porthcawl to be included within the project including appropriate Active Travel connections. EV charging points, and the provision of additional cycle parking facilities to be included.

Pentrebach Station and Park and Ride – the focus at Pentrebach is the regeneration of a significant brownfield site (Hoovers) that has been largely vacant for 10 years. The South Wales Metro, with high frequency light rail connections, will be the catalyst for the development of a sustainable, mixed use, neighbourhood with new businesses, homes, shops and parkland, the Taff & Trevithick trails and on the doorstep of Merthyr Tydfil Town Centre. Redevelopment of the area has the potential to maximise opportunities provided from planned transport infrastructure investment (increases in service capacity, Pentrebach station and park and ride improvements and a potential future new metro station) and to support 440 homes and employment land. Electric charging points will be included within any future proposal implemented.

residents of these areas and beyond will benefit from its connectivity to services.

The park and ride sites will complement the anticipated frequency enhancements to the core valley lines that are being delivered as part of the Metro.

By providing park and ride on strategic locations, it will aid in unlocking other brownfield sites for housing, commercial and mixed use development.

The schemes will reduce the level of traffic on the strategic highway network, which will have a positive impact on public transport journey time and reliability, as well as reducing the potential for accidents.

The bus corridor improvements will allow for easier, faster and more efficient movement of buses into Cardiff and around the City Centre and will enable regional routes to operate more effectively.

Severn Tunnel Junction Park & Ride

- an additional 150-200 space park & ride facility on the south side of Severn Tunnel Junction station. There is currently a substantial shortfall of spaces, which creates problems within the existing car park and nearby streets. The scheme will enable reconfiguration of the existing (north-side) station car park including more than 40 additional bike & ride spaces, safer walking & cycling access, revamped bus-rail interchange, EV charging spaces and potentially an improved station building (with ticket office, café, shop, WC).

Pontypool and New Inn Station Park and Ride

– the enhancements at Pontypool and New Inn Rail Station include a new Park and Ride (200 spaces) which will be accessed from the A4042 trunk road, DDA compliant platform access and improved station facilities including cycling facilities. The station is an interchange point with passengers from the 'Eastern Valley' including Blaenavon, Abersychan, Pontypool, New Inn, and also for Usk and the West of Monmouthshire. This station will support the nearby Mamhilad development with a current allocation of 1,800 dwellings. EV charging spaces provided within the new P&R.

Newport to Cardiff Bus Priority - the Newport to Cardiff Bus Corridor links a number of significant trip attractors - Cardiff City Centre, the St Mellons Business park, Cleppa Park/IQE Semiconductor plant, the Office of National Statistics and Patent Office, the Royal Gwent Hospital, Newport City Centre and the Wales International Conference Centre. Services on this corridor suffer from extended journey times (current schedules indicating a time of circa 1

hour to undertake the 15-mile journey), with operators confirming services are subject to considerable journey time variability. Initial work is ongoing on an improvement package that includes high-quality roadside infrastructure to promote and facilitate increased bus use. The scheme will also provide the foundation for a Park and Ride facility to be developed on the eastern side of Newport, where EV charging could figure prominently.

East Cardiff Bus Priority – this project incorporates a series of sustainable and active travel packages that will enable improved bus connections in Cardiff City Centre, improved active travel infrastructure and pedestrian safety improvements. The infrastructure improvements will benefit local and regional transport through providing improved sustainable connections to key transport hubs, employment zones and visitor destinations. Improvements include new bus priority measures to connect local and regional buses through the east and south of the city, installation of Central Cycle Superhighway that will connect and link all 4 cycle superhighways to the city centre, 20mph Zone and traffic calming measures, air quality Improvements, cycle parking and Next Bike, and EV charging points.

Expected timescales for inputs / activities / delivery of outputs and outcomes

Delivery between
2020/23

Relationship to other interventions

Metro

Metro Central

Detailed Work Programme Update

Logic model title	Creo Medical: COVID-19 Cool Plasma Sterilisation Technology
Logic model type	Theme 4: Enterprise and Innovation – 4C: Science & R&D capacity
Interventions / projects covered by logic model	Creo Medical: COVID-19 Cool Plasma Sterilisation Technology

Theory of change

The investment monies will be used to support the development of a cool plasma sterilisation and decontamination technology at Creo Medical. The technology is strongly patented with the IP being owned by Creo Medical. The basic technical capability is proven, and now requires investment to continue the product development in order to launch new products to the market that can kill bacteria and viruses. Initial testing on COVID-19 has obtained a log 1 kill rate (99.9%) with an experimental product that was under optimised. Creo Medical will establish a wholly owned subsidiary company to run the project. It is planned that the subsidiary company will grow over a five year period to employee c.100 employees (similar to the current employment levels of the Creo Medical parent company). The project is complimentary to the core product range of the Creo but will be targeting a different target market. In relation to patents the technology is subject to IPR which is held within the Parent Company for use across the whole business. As required IP will be licensed to the subsidiary Company.

Plasma is the 4th natural state of matter and is a gas which has been ionised (contain charged particles) and can conduct electricity. The Company existing advanced energy model, which can be delivered as a cool plasma, has already demonstrated an effective kill rate (99.9999% - Kill level 6) on challenging bacteria and microbes such as E.coli, P.aeruginosa, K.pneumoniae, S.aureus and MRSA and is highly effective against CDifficile. Given the efficacy on bacteria – which is harder to kill than viruses – the company believe the cool plasma (with initial tests to validate) should be a highly effective way to inactivate and control viruses, including SARS-CoV-2 virus that leads to COVID-19 on surfaces and in the air. Further testing for kill-rate effectiveness on COVID-19 is planned for May 2020 and is dependent on getting a scheduled timeslot in a certified Class 3 microbiology facility with the results to be known in June 2020. This is in order to further optimise the product and provide the required assurance to further the product development in the forthcoming weeks.

The intervention will allow Creo Medical to further optimise the product development and develop a range of products that target COVID-19, with product launch expected in Q1/Q2 of 2020.

Inputs	Activities	Outputs	Outcomes
Investment Funds £2.055M	Loan Agreement supported by a Full Parent Company Guarantee with Creo Medical	30 jobs by December 2020 With further jobs during ramp up – c. another 70 jobs GVA impact of £24M by December 2023 Supply Chain impacts – some key suppliers to the Cool Plasma Technology are in the CCR region	Theme-specific outcomes <ul style="list-style-type: none"> Supporting a regional business to fight the covid-19 pandemic Private sector leverage with expansion of core facilities at Creo Medical Growth in turnover and employment in the Creo Medical Group Increased expenditure on business R&D Increase in exports New/improved products entering the market through exploitation of underutilised IP portfolio Broader outcomes <ul style="list-style-type: none"> Return on investment within a 5 year window Wider local supply chain benefits and household effects Enhancement of local innovation ecosystems with closer links fostered with HEIs in the ongoing product optimisation
Expected timescales for inputs / activities / delivery of outputs and outcomes			
Investment Funds	2020	<ul style="list-style-type: none"> Initial growth in jobs (30) by December 2020 Further growth in jobs, turnover and turnover (December 2023) 	<ul style="list-style-type: none"> Impacts to be realised over time. Some will be realised on or soon after completion of the project e.g. investment leveraged. Others will be realised as the principal beneficiary develops its business
<p>Relationship to other interventions</p> <p>Other Investment Fund logic models:</p> <p>Other Investment Fund logic models:</p> <ul style="list-style-type: none"> Unknown at this stage – further interventions (and logic models) to be confirmed relating to the strategic intention to support the Medical Devices and Diagnostics cluster 			

Communications Report

April to June 2020

Communications – April to June 2020

	Contents
1	Executive Summary
2	Media Publications and Coverage
3	Web Traffic
4	Social Media Statistics
5	Other <ul style="list-style-type: none">- Summer Newsletter- B2B Graduate Campaign
6	Appendices

1. Executive Summary

In this quarter we have:

- Produced, distributed and promoted:
 - ✓ 17 thought leadership articles
 - ✓ 18 industry features covering fintech, medtech, manufacturing and automotive
 - ✓ 7 Press release
 - ✓ 5 graduate profiling articles
 - ✓ 5 podcasts including 3 Business Wales podcasts and 2 of 6 of the CCR “Lockdown to Delivery” series

Achieved a:

- ✓ 70% uplift in new web site visitors
- ✓ 147% uplift in news page consumption
- ✓ 140% uplift in twitter engagement and gained 90 new followers
- ✓ 76% uplift in Linked In followers
- ✓ 98 new facebook followers.

In addition we have:

- ✓ Produced a summer newsletter
- ✓ Created a bespoke graduate B2B recruitment campaign with dedicated landing pages and bespoke collateral for each of the technology/manufacturing and Life sciences sector- launched in July.

2. Publications

This quarter has seen a significant uplift in the quantum and range of materials produced with our Business News Wales partners . *NB: All content is aligned to the following objectives:*

2020/21 CCRC/ CCR Communication Objectives:

1. Tell our “story” in a compelling way and position the CCR brand as an **authoritative source of thought leadership**
 2. Increase visibility of and stakeholder engagement with the **breadth and depth of activity going on across the CCR** that is contributing toward the overall ambitions for the wellbeing and prosperity of current and future generations
 3. Enable the CCR to maximise our opportunities to demonstrate and highlight the region as **“sector leading”** for our **priority sectors**
 4. Demonstrate the positive impact that **collaborative working** with local authorities / business leaders/ partnerships/ institutions and government bodies has had / is having on **decision making and delivery of the City Deal business plan.**
 5. Demonstrate the impact the City Deal **project pipeline portfolio** is having/ will have on regional business, the communities at large, and the overall attractiveness of the region as a place to live, work and invest.
- Develop **greater business engagement** with the activities of the City Deal, and stimulate interest, enquiries and leverage in the context of our Wider Investment Fund;

In the period April to June we have have produced, distributed and promoted via BNW and CCR own channels over 50 features including:

- ✓ 17 thought leadership articles
- ✓ 18 industry features covering fintech, medtech, manufacturing and automotive
- ✓ 7 Press release
- ✓ 5 graduate profiling articles
- ✓ 5 podcasts including 3 Business Wales podcasts and 2 of 6 of the CCR Lockdown to Delivery series

Resulting in an aggregate **85,700 plus individual engagements through BNW (58,000 in last quarter)** . The same content promoted through the CCR website has driven a **70% uplift in CCR web traffic** from March to June.

We have continued to significantly increase the visibility of our activity and engagement statistics.

Publications in date order with individual Business News Wales viewing statistics

Date	Content	Views	
6 th April	Board Leadership Column Jon Wood - <i>A Medtech Sector Fit for the Present and the Future</i>	1172	Click here
	Industry Feature Medtech Sector Proves its Worth in Coronavirus Pandemic	981	Click here
13 th April	Board Leadership Column Frank Holmes - <i>Beyond Resilience: Making the Best out of Post Covid-19 Recovery</i>	3194	Click here
Page 62	Leadership Column Gavin Powell - <i>Looking Beyond COVID-19 for the Wales FinTech Sector</i>	2360	Click here
20 th April	Board Leadership Column Leigh Hughes - <i>Mapping a Path to a Better Skilled Future</i>	1729	Click here
	Industry feature Skills in the Cardiff Capital Region	1933	Click here
	Industry Feature How FinTechs Have Adapted to Covid-19: Backbase	783	Click here
	Wales Business Review Frank Holmes	1628	Click here

*podcast listens are indicative only as full data is unavailable.

** If viewed in slide show all links click through the articles

2. Publications in date order with individual Business News Wales viewing statistics

Date	Content	Views	
27 th April	Board Leadership Column Chris Sutton – Out of the Crisis, a Chance for a Fresh Start	2898	Click here
	Industry Feature How will Cardiff Capital Region Recover from Coronavirus?	4328	Click here
	Graduate Feature Graduates making their mark in CCR businesses: Quantum Advisory	311	Click here
Page 63	Fintech Feature How CCR's Fintech's Have Adapted to Covid-19: Bipsync	374	Click here
	Wales Business Review Kellie Beirne	1442	Click here
4 th May	Board Leadership Column Kevin Gardiner – The crisis is bad, but the outlook is not as bleak as people think	3117	Click here
	Industry Feature How Covid-19 Could Herald a New Dawn for Welsh Manufacturing	4722	Click here
	Graduate Feature Graduates making their mark in CCR businesses: FD Comms	518	Click here

2. Publications in date order with individual Business News Wales viewing statistics

Date	Content	Views	
	Fintech Feature How CCR's Fintech's Have Adapted to Covid-19: Currency Cloud	381	Click here
	Medtech Feature Article: Bond Digital Health	436	Click here
11 th May	Board Leadership Column Anthony Hunt, What we Must do in the Year Ahead	825	Click here
Page 64	Industry Feature What Role will the CCR City Deal Play in Helping the Region Recover from Covid-19	2559	Click here
	Graduate Feature Graduates making their mark in CCR businesses: Kontroltek	314	Click here
	Board Leadership Column Anthony Hunt, on being new chairman of CCR Regional Cabinet	639	Click here
	Wales Business Review Kevin Gardiner	2031	Click here
	Industry Feature The Three CCR Businesses that have Won Queen's Awards	288	Click here

Publications in date order with individual Business News Wales viewing statistics

Date	Content	Views	
18 th May	Board Leadership Column Simon Pirotte, Bridgend College, on skills and training and the impact of Covid-19	2612	Click here
	Graduate Feature Graduates making their mark in CCR businesses: Chamber of Commerce	746	Click here
	Leadership Column Training in the Age of Covid-19: Interview with Andrew Cooksley	1492	Click here
Page 65	Industry Feature Cardiff Capital Region Firms Urged to Apply for COVID-19 Business Grants	3317	Click here
25 th May	Board Leadership Column Jane Mudd. Leader, Newport Council	2252	Click here
	Industry Feature CCR Cabinet Agrees New Investments to Aid Covid-19 Recovery	1842	Click here
	Graduate Feature Graduates making their mark in CCR businesses: MagManager	294	Click here
	Property feature Industrial past meets sustainable future in new Barry development	2639	Click here

Publications in date order with individual Business News Wales viewing statistics

Date	Content	Views	
1st June	Board Leadership Column Peter Fox, Leader, Monmouth Council	2518	Click here
	Industry Feature CCR Regional Cabinet Lays Out 10 Priorities for Post-Covid Recovery	3878	Click here
	Fintech Feature Wagonex's new car hire app is lifeline for automotive sector	496	Click here
8th June	Board Leadership Column Cara Aitchison, Cardiff Met	2849	Click here
	Industry Feature 5 ways Cardiff Met is helping business in the recovery	1741	Click here
	Industry Feature £5m Funding Provides Boost for South East Wales Metro Plus	783	Click here
	Industry Feature £1.3m Welsh Government's Transformation Fund to Assist CCR Ambition	1388	Click here
15th June	Board Leadership Column Cerys Furlong, chair of Chwarae Teg and member of Economic Growth Partnership, talks about inclusivity in the CCR's growth strategy	1042	Click here

Publications in date order with individual Business News Wales viewing statistics

Date	Content	Views	
	Leadership Column Elena Betes, CEO of Admiral's comparison site business Penguin Portals, on entrepreneurship	428	Click here
	Industry Feature Regional Cabinet Backs Further Investment in CCR City Deal Projects	3142	Click here
22 nd June	Board Leadership Podcast Rhys Thomas, COO CCR City Deal	211	Click here
Page 67	Board Leadership Q&A Rhys Thomas	617	Click here
	Industry Feature FinTech Wales Awarded £250,000 to Shape the Future of FinTech in Wales	3632	Click Here
	Misc Feature New Audio Series Set to Outline the Next Chapter in the Cardiff Capital Region City Deal Story	733	Click here
	CCR Feature CCR's place in the Western Gateway	2945	Click here
29 th June	Board Leadership Column Frank Holmes How Does Cardiff Capital Region Recover from Covid-19's Economic Impact?	2538	Click here

Publications in date order with individual Business News Wales viewing statistics

Date	Content	Views	
	Board Leadership Podcast Kellie Beirne Podcast Episode 2: Cardiff Capital Region – Lockdown to Delivery	352	Click here
	Industry Feature <u>£25.4m Funding for CS Connected Huge Boost to the Cardiff Capital Region</u>	693	Click here
	Industry Feature <u>Cardiff Capital Region and GlobalWelsh Enter a New Partnership Arrangement</u>	1558	Click Here

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Observations

- The top 3 articles for individual viewing were;
 - ✓ How will Cardiff Capital Region Recover from Coronavirus?
 - ✓ How Covid-19 Could Herald a New Dawn for Welsh Manufacturing
 - ✓ CCR Regional Cabinet Lays Out 10 Priorities for Post-Covid Recovery
- The lowest scoring articles were the ones profiling the successes of our graduates and/or businesses throughout this period.
- All of our thought leadership columns received good coverage

Going forward therefore we will concentrate **less on company profiling articles and look more at the bigger picture questions facing the region.**

Press Releases with additional media coverage - monthly publication reach

Publication/ Article Title	Councillor Anthony Hunt Elected Chair (4 th May)	10 priorities for post-Covid recovery (1 st June)	£1.3m Welsh Government's ULEV Transformation Fund (10 th June)
Business Live	644,268	-	-
Commercial News Media	35,560	35,560	-
Connect East Midlands	1354	1354	-
Insider Media	1,125,000	1,125,000	-
News from Wales	6500	6500	6500
Pontypool Free Press	93,493	-	-
South Wales Argus (Print and Online)	1,473,400	1,473,400	-
South Wales Echo	-	-	31,622
Wales 247	83,323	-	-
Western Mail	33,547	-	-

NB: Only Board decision/ Key CCRC update pieces are distributed to wider media. All other articles are exclusive to BNW with other media able to follow up if they wish.

Good coverage of both cabinet related releases with the Chair appt. and CCR 10 priorities achieving significant reach.

Press Releases with additional media coverage - monthly publication reach

Publication/ Article Title	£5m Welsh Government LTF Funding Award for the South East Wales Metro Plus Schemes. (10 th June)	CCR Regional Cabinet Backs Further Investment in Range of City Deal Projects (15 th June)	New GlobalWelsh Partnership Arrangement (22 nd June)	UK Research and Innovation Funding award to CS (26 th June)
Caerphilly Observer	1,582	-	-	-
Connect East Midlands	-	1354	1354	1354
Foreign Affairs	N/A	-	-	-
Insider Media	-	1,125,000	-	-
News from Wales	6500	6500	-	6500
Pontypool Free Press	-	-	-	352
South Wales Argus (Print and Online)	1,473,400	-	-	-
South Wales Echo	31,622	-	-	-
Wales 247	83,323	83,323	-	-

- Low pick up on UKRI release due to extensive prior coverage from official releases issued by Creo. Our coverage provided much greater granularity and resulted in excellent own channel engagement.
- Splitting the ULEV and LTF Press releases into two resulted in dilution of coverage for ULEV.

3.

CCR WEBSITE

Statistics reflect a 70% uplift in web visitors between March and June and 147% uplift in news page traffic.

Total unique visitors to website

April 1645 → May 1794 → June 3320

Overall website pageviews

April 5905 → May 6117 → June 8429

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April		
Page	Views	
Homepage	1063	↓
Documents	406	↓
About	289	↓
News	1945	↑

May		
Page	Views	
Homepage	1468	↑
Documents	660	↑
About	220	↓
News	1330	↓

June		
Page	Views	
Homepage	1230	↓
Documents	525	↓
About	331	↑
News	3270	↑

- Continued upward trajectory in overall web traffic indicating content strategy is working well
- Slight variations in content consumed across the quarter with dip in May explained by the tailing off of Covid related content.
- June news uplift in part due to introduction of new social media channels (Facebook), multiple press releases and certain articles (Western Gateway) that attracted a lot of attention and comment.

140% uplift in twitter engagement between March and June and 90 new followers.

	April	May	June
Followers	3232	3249 	3302 
Tweets	54	36 	29 
Engagements	1570	912 	4073 
Likes	266	132 	222 
Retweets	230	63 	104 
Link clicks	545	274 	896 

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Commentary:

- Steady increase in followers throughout the period reflects the **increased levels of likes/retweets and click through for further content consumption**. This is the biggest driver of our increased web traffic.
- Dip in engagement May reflects the reduced covid-19 help related content and shift toward more positive forward looking content and increased good news corporate stories.. The **huge spike in June reflects the enormous interest sparked by our Western Gateway article**. Clearly this is a topic we need to do more with – particularly to dispel fears it will dilute our own strategies and investment focus.
- The best performing tweets are illustrated overleaf and are reflective of the mood / thirst for covid info consumption throughout this period.
- Strategy remains to produce a steady stream **3-5** per week social posts across a range of content aiming to continually increase engagement and pull through to our website.

Social Media - Top Performing Posts

Top Tweet earned 4,511 impressions

Calling all businesses who are willing and able to come forward to create a new 'made in Wales' supply chain for Personal Protective Equipment (PPE) to support frontline NHS and social care staff:
ow.ly/chgp50z6daU

1 25 19

CCRCityDeal @ccrcitydeal · Jun 8
 Facing the future with confidence. Great article by Professor Cara Aitchison @CardiffMet CCR EGP Board member on Cardiff Met's Covid-19 journey.
 @CCR_RSP
cardiffcapitalregion.wales/news-post/card...



Top Tweet earned 13.4K impressions

What is the "Western Gateway" and how should the #CCR participate?
 Find out more:
cardiffcapitalregion.wales/news-post/card...
pic.twitter.com/m4CviTYb2Y



54 8 15

CCRCityDeal @ccrcitydeal · Jun 1
 The CCR Regional Cabinet has set out 10 priorities for the region and a phased approach for coping with, and moving beyond, the pandemic and its economic impact.
cardiffcapitalregion.wales/news-post/ccr-.....



9 27

Top Tweet earned 4,039 impressions

Delighted to announce the appointment of Cllr. Anthony Hunt as Chair of the CCR City Deal Regional Cabinet. Cllr. Peter Fox and Cllr. Huw Thomas were elected as Vice-Chairs.
cardiffcapitalregion.wales/news-post/pres...
pic.twitter.com/XU0i5uAMOA



1 2 13

Top Follower followed by 27.3K people



Cardiff Metropolitan University

@cardiffmet **FOLLOWS YOU**

WE ARE #CARDIFFMET. Located in the lively capital city of Wales. Delivering practice focused and professionally recognised education. Yn Gymraeg @MetCaerdydd



Top mention earned 137 engagements

Jon Wood
 @InnovateJon · Apr 7

I recently wrote a piece on the growing medtech sector in South Wales - some of the exciting innovations, the opportunity for growth and the challenges from #COVID19
cardiffcapitalregion.wales/news-post/jon...
 @ccrcitydeal @WalesBusiness
 @CreoMedical @SmarterScanning
 @kelliebeirne @PaulMatthews67

3 9 28

Top mention earned 183 engagements

UK Government in Wales
 @UKGovWales · Jun 26













.@KellieBeirne explains how the UK Gov's £25m @CSconnected investment will boost the economy in Wales.

Mae @KellieBeirne yn esbonio sut y bydd buddsoddiad Llywodraeth y DU o £25m mewn i @CSconnected yn helpu creu swyddi ac yn sbarduno twf economaidd yng Nghymru. @ccrcitydeal
pic.twitter.com/QGP4TXQdVd



1 11 18

76% increase in Linked In followers between March and June and 60% increase in reactions

	April	May	June
Followers	266	285 	360 
Posts	48	25 	21 
Impressions (views)	5648	3141 	4721 
Clicks	195	107 	247 
Reactions	98	61 	115 
Shares	20	7 	13 





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Commentary:

- Excellent month on month increase in followers from 204 in March to 360 in June and is continuing to rise.
- Good, engaging content continues to help drive up both the viewing statistics and clicks through to our website – up 25% on March figures.
- Dip in May again like our other channels reflects the tail off of Covid-19 information content.
- Top post in this period was the 10 priorities feature demonstrating that the more business orientated content works best through this channel.

CCR Facebook

98 new Facebook followers gained since launch in May

	May	June
Follower	93	98 
Likes	84	97 
Reach	55	3,504 
Page Views	15	13 

Commentary

- Facebook channel launched in May to ensure coverage across all social channels.
- Still very early stages yet but we are starting to seeing different viewing behaviours across our channels.
- The most popular posts through Facebook were our supporting posts for the SEIS scheme, the ULEV £1.3m funding and our partnership with GlobalWelsh.
- This is totally different to linked In and Twitter which is good because it will allow us to ultimately differentiate our content through the respective channels.

5. Summer Newsletter Produced and Issued



With this Summer Newsletter we brought together a summary of the key things that our team had been engaged in throughout the lockdown period with the aim of keeping everyone updated on projects, progress and performance.



Keeping You in the Picture / At a Glance

1 A Selection of Key Highlights



Anthony Hunt appointed CCR Regional Cabinet Chair

CCR sets out 10 priorities for the region in the wake of the Covid-19 pandemic

CCR provides full response to Welsh Government and the UK Government Welsh Affairs Select Committee on a consultation paper for Regional Investment in Wales

Our Investment Pipeline comes of age with no shortage of opportunities for consideration

2 A Selection of New Investments



Life Sciences Innovation Park

Strategic Premises

CCR Healthcare Data

In principle agreement to a £10m Challenge fund

Seed Funding for Fintech Wales

3 A Selection of Current Project Updates



CCR Graduate Scheme

Transport

Digital

CS Connected

Homes for the Region Housing Fund

4 Governance, Process & Procedures



Gateway Review

Enhancing and Improving Internal and External Governance

Embracing the move towards remote working

The publication was featured on our website, shared through our 4 social media platforms and we also produced a large email marketing campaign which saw the email opened by 724 people to view the [newsletter](#).

B2B Graduate Campaign



Graduate proposition enhanced now offering Business Mentoring via GlobalWelsh and B2B campaign created to target the Medical, Technology and Manufacturing sectors



Social Posting saw a far higher engagement and impression rate due to paid advertising – boosting our posts.

We produced English and Welsh graphics to accompany the marketing push. These were used across the socials, on our landing pages, in our PDF's and on our email campaigns.

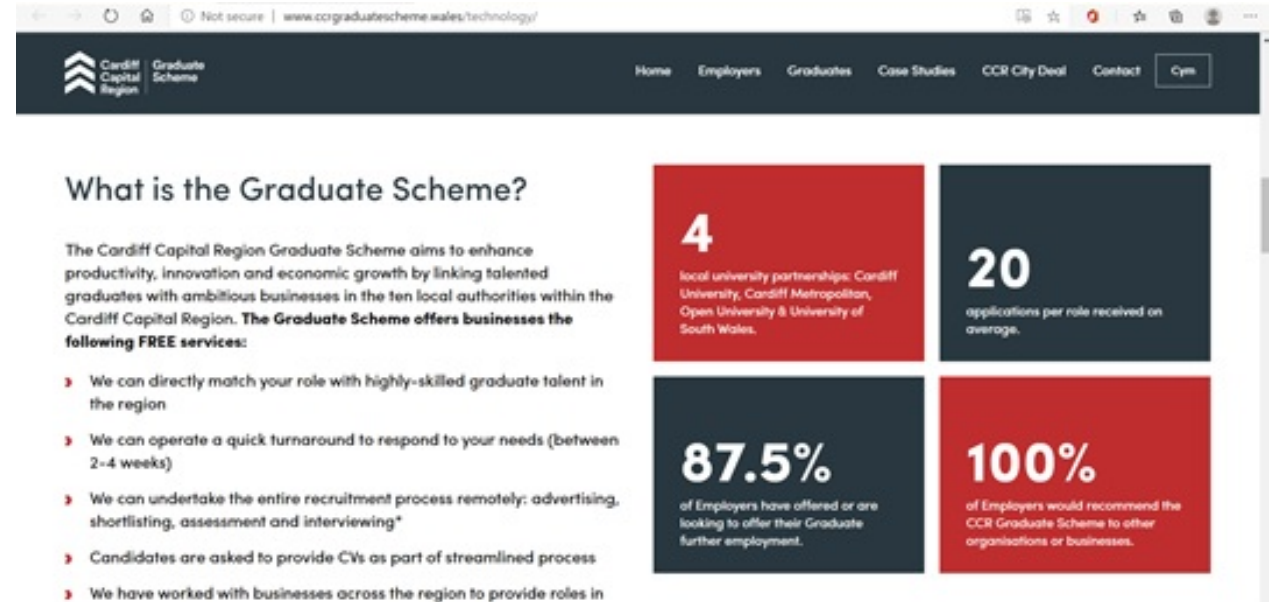
Some of the benefits of the scheme we highlighted across the campaign.

Why use us to fill your graduate roles?

- Flexibility to suit you
- Cultural fit
- Profile raising within the Cardiff Capital Region
- Partnership with higher education
- Receive expert business mentoring
- Partnership with local authority partners & business support



B2B Graduate Campaign



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PDF's made which were a two-page, easily digestible summation of what is available in our landing pages (opposite) all sector specific explaining how we can help companies recruit within the sector, what the graduate scheme is, why you should use us for your recruitment needs and testimonials from our successful graduates.

This is one of our three bespoke landing pages that has been our call to action across this campaign. We want people to land on this page and [register their interest](#). Split into the three sectors the landing pages are our shop window explaining all you need to know about the scheme, the service provided, the people we've worked with and why we stand out.

Appendices

Additional CCR Coverage FYI– Not directly generated

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Date	Publication	Article	Monthly Reach
28.05.20	BBC Parliament	Work of the Wales Office	2,806,000
05.05.20	Business Mayor	The Future of Cybersecurity in Wales	N/A
18.05.20	Business Live	Why economic development needs to get a handle on regional behaviours to maximise its potential	644,268
20.05.20	Business Live	Can Wales emulate the Cambridge Phenomenon by creating world-leading sector clusters of its own	644,268
25.05.20	Business Live	The firms and organisations in Wales currently recruiting	644,268
01.06.20	Business Live	Plans for new multi-million pound investment fund to back firms in the Cardiff Capital Region revealed	644,268
03.06.20	Business Live	What's happening with the redevelopment of the Brains site	644,268
06.04.20	Caerphilly Observer	Council boss hits back over grant payment criticism	1,582
04.06.20	Caerphilly Observer	CO2 emissions could drop by 572 tonnes with new buses	1,582
15.04.20	Cenex	Cardiff Capital Region ULEV Strategy	N/A
19.05.20	Commercial News Media	Bouygues UK welcomes Donna Griffiths as new Business Development Manager for Wales	35,560
19.06.20	Crowdfund Insider	Fintech Wales Receives £250,000 from Cardiff Capital Region to Create 10-Year Roadmap for Financial Technology Development	N/A
26.05.20	Edinburgh Evening News	News in graphics	23,762
17.06.20	FinExtra	FinTech Wales plans 10-year roadmap	394,702

Additional CCR Coverage FYI– Not directly generated

Date	Publication	Article	Monthly Reach
23.06.20	Fintech Futures	Welsh government invests £250,000 in 10-year fintech roadmap	4,895
16.06.20	Foreign Affairs	Business Secretary leads economic recovery roundtables	N/A
17.06.20	FS Tech	FinTech Wales aims to define industry roadmap	4,245
24.06.20	Intelligent Transport	Transport for Wales joins Urban Transport Group	12,711
16.04.20	MediWales	Medtech Sector Proves its Worth in Coronavirus Pandemic	N/A
18.05.20	News From Wales	Bouygues UK welcomes Donna Griffiths as new Business Development Manager for Wales	6500
16.06.20	News From Wales	Council reveals more details on plans for new Porthcawl bus terminus	6500
15.05.20	South Wales Argus	Caerphilly could become the first 'fully-electric public transport hub in Britain'	1.45M
16.05.20	South Wales Argus	Electric transport hub plan for area	23,400
18.06.20	South Wales Argus	Ex-council leader 'breached code'	23,400
15.05.20	South Wales Echo	Flagship plans for transport still on track despite virus uncertainty	31,622
18.05.20	South Wales Echo	Council in transport hub pledge	31,622

Additional CCR Coverage FYI– Not directly generated

Date	Publication	Article	Monthly Reach
03.06.20	South Wales Echo	Fund planned to back firms in Capital Region	31,622
17.06.20	South Wales Echo	Capital region could invest in science venture	31,622
26.05.20	Sheffield Star	News in graphics	11,136
18.06.20	Tech Market View	Wales plots its future as a global fintech centre	4,655
05.05.20	Tech Register	The Future of Cybersecurity in Wales	N/A
01.06.20	Transport Xtra	Transport plans for SE Wales re-assessed	16,356
15.06.20	UK Government	Business Secretary leads economic recovery roundtables	168,506,396
29.05.20	University Business	After Ser Cymru II	16,241
24.06.20	Urban Transport Group	Urban Transport Group expands reach as Transport for Wales joins ranks	N/A
15.06.20	Wales 247	South Wales Metro work set to start on Rhymney line	83,323
16.06.20	Wales Online	Life sciences park planned for Cardiff with space for 2,000 jobs	3,704,680
01.04.20	Western Mail	Jobs hope as plans for science park revealed	33,547

Additional CCR Coverage FYI – Not directly generated

Date	Publication	Article	Monthly Reach
13.05.20	Western Mail	Flagship plans for transport on track in spite of virus uncertainty	33,547
13.05.20	Western Mail	Why it pays us to know the human market when investing in the public sector	33,547
20.05.20	Western Mail	The lessons we can learn from Cambridge as we plot our way forward	33,547
03.06.20	Western Mail	Fund planned to back firms in Capital Region	33,547
18.06.20	Western Mail	Capital Region could invest in science venture	33,547
24.06.20	Western Mail	Investment boost to help expand fintech sector	33,547

A Brilliant Effort, and Now it's Time to Think Ahead

Anthony Hunt elected chair of CCR City Deal Regional Cabinet

CCR lays out 10 priorities for post-Covid activity

How Covid 19 could herald a new dawn for Welsh Manufacturing

CCR Regional Cabinet Backs Further Investment in Range of City Deal Projects

UK Research and Innovation Funding award to CS Connected



Anthony Hunt

“ I am passionate about our ambition to become a truly Connected, Competitive and Resilient region. We will only achieve that by working closely with partners across the public and private sectors, especially the fantastic business community in our region. ”



Jane Mudd

“ Cardiff Capital Region was built around a core belief in the value of collaboration, and in this crisis we have proved that our strength as a region lies in our desire and ability to work together to achieve common goals. ”



Peter Fox

“ We must try and strike a balance in the region; avoiding knee-jerk reactions, focusing on our 20-year outlook and working in real-time, adapting to the shifting position. ”



Kellie Beirne

“ By taking a new approach and not simply carrying on with the old ways of doing things, we believe we can help our businesses and communities move beyond the impact of the pandemic and emerge stronger and better able to face the future with confidence. ”



Frank Holmes

“ We need to move away from funding one-off projects to promoting clusters and eco-systems, using tools such as the Strength in Places fund. ”



Cara Aitchison

“ I am optimistic about our Cardiff Met’s ability to contribute to recovery in industry and business, and in wider civic society. We’ve got a lot to offer around entrepreneurship, and also around social cohesion and wellbeing. ”



Chris Sutton

“ The pandemic has given us a change to rethink our mindset, challenge assumptions and reimagine how our economy should operate. If we grasp this opportunity there is every chance Cardiff Capital Region will emerge stronger. ”

FOREWORD

BY SUZANNE CHESTERTON



Welcome to the second edition of our CCR publication

When the first issue of this publication came out in April, Cardiff Capital Region and its businesses and communities were adapting to the unprecedented economic shock of the Covid-19 lockdown. Our role in the Capital Region’s governing bodies was to help businesses access the support being made available by different levels of government; and secondly to decide how our own plans should change in the new circumstances that were likely to prevail after the lockdown had eased and the pandemic was over.

The publication follows the format of the previous issue. It includes columns, articles, interviews and thought leadership pieces that have previously featured on our own website, and on our dedicated section on the Business News Wales website.

It’s purpose is to give our readers a second chance to read the insights of leading figures in the Capital Region, consolidated into a single, attractive publication.

There is a wide variety of content in the publication much of it unsurprisingly reflecting the impact of, and amazing responses to, Covid-19. Alongside thought leadership pieces on questions such as does Covid-19 herald a new dawn for Welsh manufacturing, Leigh Hughes discusses the importance of transferrable skills whilst Frank Holmes stresses the need for collaboration and focus on building clusters and eco systems to ensure inclusive, sustainable growth.

There are a selection of articles showcasing the amazing responses to Covid-19 made by some of our Fintech and medtech companies and we have also taken the opportunity to follow the progress of 5 of our CCR graduates and their employers on their respective lockdown work experiences.

In addition you can read about the CCR post Covid-19 strategic priorities alongside updates on investment decisions, of which there were many throughout this period.

Finally, a new feature introduced towards the end of June has been a series of podcasts recorded by leading members of the Regional Cabinet and others, in conversation with Business News Wales MD Mark Powney to explain how they thought the CCR had coped with the pandemic, and what impact Covid-19 would have on the region and its businesses moving forward. These recordings show the strength of thinking that is taking place amongst the region’s top leaders as they map out the future for the Cardiff Capital Region. Interviews with Kellie Beirne and Rhys Thomas feature in this edition with Huw David, Anthony Hunt, Leigh Hughes and Frank Holmes to follow in the next publication.

Hopefully there is something for everyone in this edition and we hope you enjoy the read.

Suzanne Chesterton

Marketing & Communications Lead

Graduates Making Their Mark in CCR Businesses: Quantum Advisory

When the coronavirus lockdown was announced in March independent financial services consultancy Quantum Advisory was ready, as financial controller Suzy Lloyd explained.

"We were expecting it and our business continuity activity was actively engaged in planning for it; but despite that the speed of implementation was a challenge. Getting over 100 people set up at home within a day or two isn't plain sailing, especially as some, without business laptops, even had to come and collect their desktop computers and chairs," she said.

Quantum Advisory's IT team also had the challenge of getting remote access sorted for everyone, getting the whole team briefed on using networking tools such as Teams, downloading conference calling apps like Zoom, and sorting out diverting all landlines to mobiles.

There was also the very real need to keep spirits up, maintain motivation and deal with the potential issues around mental health, which can be exacerbated by periods of isolation and lack of companionship.

We are doing our very best to keep everyone engaged and inject a bit of fun into the way we work. We have weekly team calls using Zoom, we have a WhatsApp group to keep the little day to day conversations flowing. Our investment team are even having team lunches where everyone dials in and has a chat over lunch.

We are also placing more emphasis on phone calls, making sure we talk to each other every day and stop the temptation to overuse email just because it's easier," Suzy added.

One person for whom the lockdown was an unexpected change was Toni Edwards, recently employed at Quantum Advisory through the Cardiff Capital Region (CCR) Graduate Scheme. A finance and accountancy graduate from Cardiff University, she started at Quantum Advisory on February 4th. Six weeks later the country went into lockdown and she was working from home.

"It's been a change for everyone. We have flexible working hours, so now I'm working from home I usually start around 8am as I'm up, and then I can finish earlier than I would normally.

"They asked everybody if they had the means to work from home. I had a laptop so it was fine; if you didn't then the company would provide one for you. We have a works app; you login remotely and then it's basically the same as working in the office, so not really a huge change."

As a new recruit, Toni admits that she misses the direct human contact of working in an office.

"It means a lot more email contact, rather than being able to just talk to people where the answers are instant. I prefer working from the office as I am still learning, and at my stage I think that face-to-face contact, especially in terms of feedback, is better," she said.

There is a lot of trust involved and it's good that they do seem to trust me. We have a works WhatsApp so we can all stay in contact which is a big help. We also play a game on there to lift people's spirits, "Through the Q Hole", where everybody shows a picture or short video of their house and we have to guess which member of the team lives there. Little things like that make a big difference with everything that's going on. We also use Microsoft Teams and are trying out Zoom for meetings so we are all still very much in contact," she added.

Toni is hoping that the pandemic doesn't affect the next steps on her career path.

"Quantum is paying for my ACA qualification to be a Chartered Accountant, which will hopefully still start after my probationary period. It's really good that they offer that and I'm excited about making a start on the next chapter of my career," she said.

Suzy said:

"Toni has adapted really well to the changing environment and her appointment has given us much needed extra capacity in a period where tasks are taking longer, whilst we all adjust to the new modus operandi. Using technology to communicate comes second nature to Toni's generation, so she has had no issues at all with all the new tools we are having to use."

If you are evaluating your capacity and need any further resource to manage at this time, the Cardiff Capital Region Graduate Scheme may be able to help. The Scheme can provide a free and streamlined recruitment service that can match your immediate resourcing needs to high-skilled graduate talent in the region.

If you are interested in finding out more please get in touch with either laura.carter@cardiff.gov.uk or Geraldine.OSullivan@cardiff.gov.uk.



JON WOOD

A MEDTECH SECTOR

FIT FOR THE PRESENT

AND THE FUTURE



A Medtech Sector Fit for the Present and the Future



I have been hugely impressed with our region's medtech businesses during this present crisis. This has been the greatest national emergency that most of us can remember, and our businesses, like many people in the Region – have responded by doing whatever they can to help.

Jon Wood
CCR Strategic Lead

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The Life Sciences Hub Wales and MediWales have both issued appeals for companies to help with supplying the things desperately needed by the NHS and other emergency, health and social care providers. Things such as ventilators, hand sanitisers and personal protective equipment (PPE) can be made by companies that normally work in other sectors, such as distilleries for sanitisers. But some urgently needed things, such as data driven systems to allow rapid analysis and diagnosis from test results, require more specialist companies.

“ As Strategy Lead for Clusters to the City Deal, one of my main priorities is medical devices and diagnostics.

The Cardiff Capital region has more than 200 businesses working in the field. Along with its three universities and access to both the world's first compound semiconductor cluster and NHS Wales, it makes for a strong and vibrant cluster operating in a supportive ecosystem.

We were already convinced before the pandemic that this sector would be of vital importance to the future economic success of the region. So we were already committed to doing what we could to help businesses in it prosper and grow.

What does innovation in medical technologies look like?

Imagine virtual reality ultrasound headsets that allow sonographers to view the ultrasound images directly on the patient before them. Endoscope devices that not only allow surgeons to see internal organs, but also allow them to cut tissue and seal blood vessels, at the same time and with the same device. 3D-printed titanium bone replacements, identical to the bones they replace, preventing the need for multiple rounds of surgery to remove screws and plates.

All these innovations already exist in South Wales, made by companies such as Intelligent Ultrasound, Creo Medical and the Centre for Batch Manufacturing.

“ So imagine what could happen if we connected the cutting-edge businesses that are already here with the future of electronics, and provided the resulting innovations an easy route into the NHS.

The pieces already exist for the Cardiff Capital Region to be recognised as a world leader in medical devices and diagnostics, and home to next generation medtech firms. With the right support, it could become the place to set up a new company, and for high school leavers with an interest in medtech to come to train, study or work in one of our thriving local businesses.

My role is to work with businesses, universities, Welsh Government, and support agencies such as Life Sciences Hub and MediWales, to develop a roadmap and strategy for how we realise that vision.

There are some key questions we have to answer:

What barriers do businesses in the region face?

How can we align the cutting-edge research to local business need, and in doing so grow the economy?

How can we ensure that the universities and colleges are helping to train students with all the skills businesses require?

How can we ensure medical devices and diagnostics companies can work with and best access the outputs of the compound semiconductor cluster?

Our priority right now in Cardiff Capital Region is to do what we can to help all our businesses get through these difficult days. But we also have an eye to the future, and remain convinced that the medical diagnostics and devices sector will be a hugely important one in our region's economic life – just as it is in our present fight against Covid-19.





Medtech Sector Proves its Worth in Coronavirus Pandemic

Wales has hundreds of businesses working in the life sciences and medical technology sectors. In the Cardiff Capital Region alone there are 200 businesses working in medical diagnostics and devices. Some of these businesses have played a key part in helping the NHS and other healthcare providers tackle the UK Covid-19 epidemic.

From the early days of the pandemic, South Wales companies were there offering their products, helping develop new ones or adapting to produce other things that were urgently needed. In February Cardiff-based medtech Bond Healthcare joined an international consortium led by the Canadian firm Sona Nanotech that was developing a rapid, cheap and easy to use screening test to help triage individuals suspected of having the virus.



Bond was the only company in the world developing the sort of bespoke digital products needed to allow the data from the tests to be collected through a reader system or app before being stored in the cloud. Phil Groom, commercial director of Bond Healthcare, said:

“The Covid-19 outbreak demonstrates the urgent global need for digitally connected, data-driven, rapid diagnostic test systems.”

As the pandemic developed, life sciences network MediWales issued a call for companies that could help with the supply of essential products to register with them. Among the products they asked companies to get in touch about were ventilators, testing kits, dashboard systems to allow access to real-time information, systems to manage and predict workflow, blood gas analysers, screening and patient monitoring equipment, and PPE.

The strength of Cardiff Capital Region’s medtech sector depends not only on its businesses, but also on the quality of its researchers and scientists in its universities and hospitals. A team of Cardiff University and Public Health Wales scientists has been playing a leading role in sequencing Covid-19 virus genomes as part of the Covid-19 Genomics UK Consortium (COG-UK).

By March 25 the scientists had already sequenced more than 50 Covid-19 genomes from Wales.

Dr Catherine Moore, consultant clinical scientist at the Wales Specialist Virology Centre, said the data was giving scientists “incredible” insights into the transmission and dynamics of a new virus into a population with no immunity.

Covid-19 has accentuated the importance of the medtech sector, but it had already been identified as a priority for investment by the Cardiff Capital Region City Deal. The 200 companies working in medical diagnostics and devices, most of them SMEs, employ 8,000 people between them and have a combined turnover of £1.5bn.

The sector is one of the fastest growing in the Capital Region, and its potential for further growth is considered to be large. It rests in part on the strong research base provided by the region’s universities, with three in the

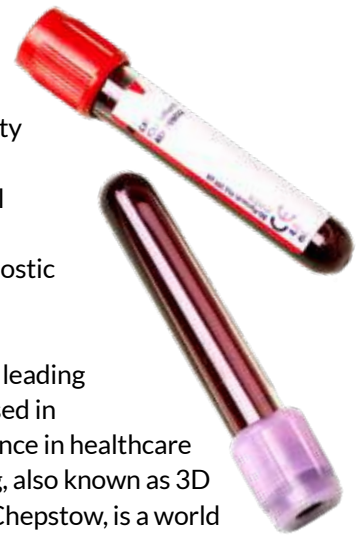
region active in the medical diagnostics field. Cardiff University placed 8th in the 2014 Research Excellence Framework for clinical medicine, through the School for Precision Medicine and Diagnostic Pathology Hub.

The region can boast some world leading anchor companies. Renishaw, based in Pontyclun, has a centre of excellence in healthcare industrial additive manufacturing, also known as 3D printing. Creo Medical, based in Chepstow, is a world leader in endoscopic electrosurgery devices. Cardiff-based TrakCel has established itself as the best in class cellular orchestration platform for advanced therapies, supporting clinical and commercial therapies globally and multi-lingually across a range of therapies.

At a meeting in early March, before the coronavirus outbreak had really taken hold in the UK, the Regional Cabinet agreed to provide £30,000 for due diligence into a project to develop a life sciences innovation hub just south of Junction 32 of the M4 in north Cardiff. It’s hoped the development will attract research bodies and industry, with space for up to 2,000 workers.

The hub is just one element in a five-pronged strategy by Cardiff Capital Region to develop its medtech sector. Other prongs include developing a fit for the future ecosystem bringing together innovative businesses, research institutions and government; enhancing the region’s pre-clinical and clinical trial capacity; boosting local skills with apprenticeships and new university and college courses; and cutting the cost of bringing new ideas to market by creating a shared resource directory.

Right now the priority in Cardiff Capital Region is to help businesses get through the current emergency, and to help our medtech businesses in the fight to beat the virus. But in the longer term, after the crisis is over, the City Deal will be doing all it can to help boost a sector that has so much proved its worth.



PODCAST | VIDEO

Wales Business Review
– Episode 8

Welcome to the eighth episode of
Wales Business Review.

This week former First Minister of
Wales Carwyn Jones is joined by
Frank Holmes, Cardiff Capital Region
Chair and Founding Partner, Gambit
Corporate Finance LLP and Robert
Lloyd Griffiths, Director of IoD.

LISTEN/WATCH NOW



FRANK HOLMES
BEYOND RESILIENCE:
MAKING THE BEST OUT
OF POST COVID-19
RECOVERY



Beyond Resilience: Making the Best out of Post Covid-19 Recovery



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The Japanese proverb ‘fall seven times, rise eight’ is resonant with the concept of resilience, a popular outlook widely adopted recently by economists, government and business leaders, and a pillar of the Cardiff Capital Region’s Industrial Economic Plan.

Frank Holmes

Chair CCR Economic Growth Partnership, Partner Gambit Corporate Finance

The Japanese proverb ‘fall seven times, rise eight’ is resonant with the concept of resilience, a popular outlook widely adopted recently by economists, government and business leaders, and a pillar of the Cardiff Capital Region’s Industrial Economic Plan.

Resilience is not just the ability to persevere. It is also a perspective built on remaining focused on the important things in life rather than what seems most urgent, which is often coloured by lack of information and negative emotions.

The global Covid-19 crisis drives us to instinctively assess the risks and danger to ourselves of contamination, of the loss of lives and livelihood, as well as exposure to irreversible damage to our social fabric. Urgency compels us to take immediate action, when what is required is systematic analysis, thorough discussion, incremental actions and careful evaluation, not just of the worst case but of the probable and best-case scenarios too.

“ In anticipation of the return to normal conditions, we must explore techniques that go beyond resilience to cultivate re-imagination and anti-fragility...

...whilst accepting that the only things we can control are in the present.

Anti-fragility goes beyond resilience and robustness. The concept of resilience implies resisting shocks and disorder but attempting to carry on as we were before; whilst the philosophy behind the anti-fragility model is to gain from exceptional circumstances and get better, because each setback is an opportunity for advancement.

This is particularly visible today in the influence of ever-expanding digital technology, cloud computing and artificial intelligence. The next few months

will prove whether some of these accessible new technologies, notably teleconferencing, can allow efficient mass remote working for employees across many sectors; increasing productivity, and speeding up the reinvention of the office and reconfiguration of supply chains.

Business travel, large corporate and social events, bank branches, hospitality venues, shops, and even universities, are being undermined by digitalisation, online shopping, and e-learning, with cash being ostracised in favour of contactless payments. The adoption of lean manufacture and just in time delivery of components will lose its efficiency due to disruption through low levels of stock holdings.

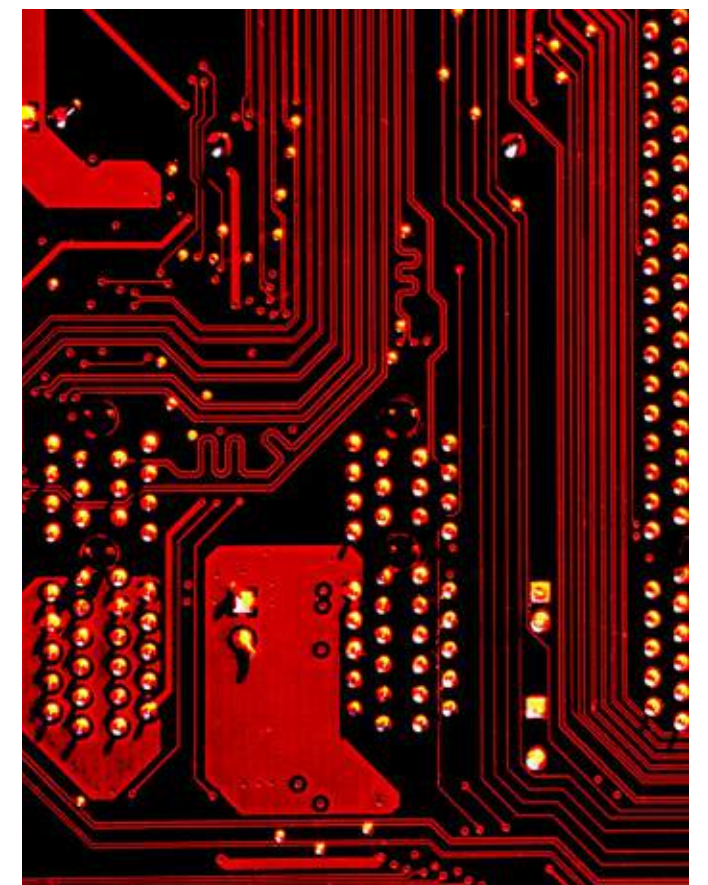
Traditionally, businesses have been able to invoke risk planning and move production from afflicted areas or suppliers, whereas Covid-19 will affect these options simultaneously. Reverting to bigger inventories or localised ecosystem supply chains may become the new norm, thereby validating the cluster model currently being promoted by CCR in sectors of strength.

However, these shifts in the patterns of demand are further complicated by the fact that resources do not flow smoothly from contracting industries to expanding ones. Shop assistants or airport staff will not quickly become gig or construction workers on the growth of the digital economy or the Government’s new infrastructure projects.

Whilst we cannot predict with any precise certainty which businesses, government departments or institutions, faced with these technological disruptions, skills shortages or supply chain shifts, will disappear, there will be some significant casualties.

“ This global crisis offers an opportunity to reflect on the suitability of the old mantra of “business as usual”, and re-imagine new ways of doing things.

If ever there was a time for cohesion on policy at all levels of government, forming new relationships between private and public sectors, invoking speed of delivery, ripping up normal outdated rules, avoiding reasons to say “no” and finding new ways to make things work, it is right here and right now.



Looking Beyond COVID-19 for the Wales FinTech Sector



Gavin Powell
General Secretary,
FinTech Wales

We are currently going through a traumatic and disruptive event that demands all our attention. But what happens after Covid-19? Stepping back for a moment, is there an opportunity beyond the present for the Welsh fintech sector?

We are undoubtedly going to see a lasting impact from the pandemic. The changes we are seeing will facilitate a greater use of remote working, removing reliance on the traditional office.

The opportunity from new technology existed before Covid-19, but what has changed is the landscape. Covid-19 will act as a real leveller for a short time. The nations and regions that offer an environment allowing a rapid response will recover quickest and best, gaining a real competitive advantage.

Luckily Wales is well positioned, and with some key interventions can quickly become a leading emerging location for fintech businesses.

Wales was already preparing itself as a more efficient and resilient environment, through work by Fintech Wales and proactive industry, academia and government stakeholders. Already touted as a key sector by Cardiff Capital Region and the Welsh Government, the alignment of their vision with Fintech Wales meant that we were already on course before Covid-19, and we continue to travel on that trajectory.

This work will align the industrial sector with academia, government bodies and wider UK strategies. Forming a long-term, unified vision and roadmap for the Welsh sector will be at its core.

We will be engaging with companies in Wales to understand their technology needs.

We will also explore how their target markets may change due to external disruptions, which will in turn require new and different technologies and approaches.

Once in place, the roadmap will allow us to focus efforts on two areas. Firstly, addressing those common technology challenges through a more efficient innovation pipeline; engaging government bodies and funding mechanisms, academia, SMEs and large organisations in a collaborative manner; and shortening time to market of innovative solutions. Secondly, moving to a timely and more proactive means of developing and delivering skills into the sector.

These changes will reduce risk and maximise opportunities for growth and success for both existing and new companies in the sector.

Innovation helps achieve medium and long-term prosperity following a major disruption like Covid-19. It is often the differentiator, and taking your foot off that innovation gas pedal will only provide an opportunity for a competitor to progress.

Of course, that luxury is not available to all, as survival is the priority for many at the moment. But providing the environment for fintech companies to innovate after Covid-19 will be the single most important thing we can do to secure a better future for the sector.

So while the country, people and economy are in a dark tunnel looking for signs of light, we are working hard with others to make sure that the world we emerge into is a place ready for the next chapter of fintech in Wales.



LEIGH HUGHES
MAPPING A PATH
TO A BETTER
SKILLED FUTURE



Mapping a Path to a Better Skilled Future



One question I always get asked by inward investors into our region is: what's the talent pipeline like?

Leigh Hughes

Chair CCR Regional Skills Partnership, CSR Director Bougveys UK

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It's a fair question, because the local skills base is one of the key considerations for any business deciding where to locate its operations.

That's why skills have been identified as a priority for investment in Cardiff Capital Region.

“ **Whatever happens to our economy in the wake of the coronavirus pandemic, the skills of our people will be of huge importance to how our region's businesses perform in the future.** ”

Before the pandemic hit, we had been developing a three-year plan focusing on the priority sectors of the future in south-east Wales, the ones – such as compound semiconductors and medical diagnostics and devices – with the biggest potential for economic growth and creation of high value jobs.

The plan has been informed by engagement with key sector groups of employers, training providers and government; and we believe that it and our recommendations to government will ensure that

the needs of industry will be met, and this will provide opportunities for young people to learn and earn in the region.

Our research with employers, whatever the sector, provides us with very similar feedback, and that is that young recruits struggle with things like being part of a team, communicating, reading and writing.

Digital skills span all sectors, because we're moving into a world where artificial intelligence and automation are looming large. Digital technology skills are enabling and transforming industries across Wales and the region and changing the way people live and work, as you can see with the numbers of people now working from home. The sector is evolving at such a pace, it's not just young people and future roles.

“ **The disruptive nature of new technologies will affect existing occupations in many industries, so upskilling the current workforce will be a necessity.** ”

Crucially, though, our work on skills is not just about equipping people with high value skills for high value jobs. In a region like ours, if you only focus on the high growth sectors, you risk leaving people behind. In Cardiff Capital Region, which already has big inequalities, we don't want to do that.

During the Covid-19 outbreak we have seen clearly the value of social care. Frontline workers who have traditionally been seen as low skilled have risked their lives daily to bring care and comfort to some of the most needy and vulnerable people in our communities.

After this pandemic, social care workers will rightly enjoy a higher regard among the public.

They will also begin to be seen as skilled workers. We believe that the nature of social care is likely to change at a much quicker pace than originally anticipated as it becomes more embedded with health care and we adjust as a society.

Already, before the outbreak started, there was a requirement for everybody in the sector to achieve a level 2 qualification, and this was presenting challenges and means there is a significant skills gap. Once that's achieved, people will want to progress to level 3 or 4. We're starting to bring some status and a proper career progression pathway into social care.

So in the Cardiff Capital Region of the future we'll have degrees and higher apprenticeships in the high value sectors such as cyber security and fintech, but we'll also have equipped people in the foundational economy now with the skills that are more resilient in a fast-changing environment.

This will give us the resilience and competitiveness we will need to survive and prosper – as individuals, businesses, and communities – in the post Covid-19 future.



Skills in the Cardiff Capital Region

Covid-19 has put our previous assumptions about the economy into doubt.

There are clear indicators that we are heading into recession, and worrying forecasts that it will be more severe than the 2008 recession, or indeed any downturn since at least the 1930s, and perhaps before. Economists disagree only about the shape of the curve; in other words, how long it will take before we are on the road to recovery.

In this situation, it's essential that public bodies, like businesses, reconsider some of their previous plans. It's too early to say how those plans should change, but change they will undoubtedly have to.

Nevertheless, there are a few things about which we can be sure. However long the recession or delayed the recovery, working people in Cardiff Capital Region will need the best skills they can have if they are to get and hold jobs, and help our businesses, old and new, survive through the hard times and take advantage of the recovery when it comes.

That's why Cardiff Capital Region's focus on skills as a priority for investment continues to make sense as we look into an uncertain economic future. Before the pandemic struck, the Capital Region was looking at a multi-pronged strategy for skills under the title Future Ready. The overall aim was to "To leverage the potential and impact of all CCR City Deal investments and programmes in creating an inclusive and entrepreneurial future-orientated system for jobs and skills."



One of the key parts of the strategy is to scale up the CCR Graduate Scheme which has just completed its pilot phase.

This scheme aims to stop the brain drain of graduates from the region, which typically sees 35% of graduates leave the region to find work elsewhere every year.

The scheme is a collaboration between the region's universities – the University of South Wales, Cardiff University, Cardiff Metropolitan University and the Open University – along with business groups and trade bodies, and seeks to line up graduates with opportunities in businesses that previously had little or no engagement with the graduate recruitment market. The one year pilot, which ran from April 2019 to April 2020, involved 50 graduates, the vast majority of whom have secured permanent roles.

Following the success of the pilot, In March the CCR Regional Cabinet approved plans to scale up the graduate programme. Whereas Covid-19 will undoubtedly have an impact on the pace of this scale up, what is not in question is that when the time is right this will be a key plank of the CCR's Skills Strategy.

The Graduate Scheme is just one element in the Future Ready Skills Framework. Another is a shared apprenticeship scheme for priority sectors, with

single entry routes to promote better co-ordination and emphasises on social value and engagement of SMEs and smaller companies.

Another innovative idea is to integrate graduate and shared apprenticeship schemes in a single learner pathway, directing individuals who don't have the skills to take up an opportunity with a particular employer towards the right training providers.

One of the most exciting elements of the framework is a proposal to create a more intelligent labour market, using data assets and real-time information both to better match employers and jobseekers in the present, and to accurately predict future skills needs.

Finally, the framework also aims to build innovation capacity and enable people, businesses and organisations to become more entrepreneurial; and to embed diversity and inclusion in all its activities, supporting local wealth building and the foundational economy.

The various elements of the framework have one thing in common:

That they are designed to make Cardiff Capital Region more competitive and resilient by encouraging entrepreneurship and embracing inclusivity. Cardiff Capital Region will prosper if all its people have the skills they need to find work in the businesses of the 21st century. This will be as true post Covid-19 as it was before.

In the months ahead we will have a better idea how our economy will cope with the impact of the pandemic, and what resources are available to pursue the region's skills agenda. There is a great deal of work that is already being done to ensure the skills base in the region is sufficient to meet the demands and challenges of the future, and more announcements can be expected in due course. Whatever happens, skills will continue to be at the heart of the Capital Region's strategy for growth.





How FinTechs Have Adapted to Covid-19:



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Cardiff Capital Region's fintechs, like most businesses, have had to make some big changes in the way they work during this coronavirus pandemic.

Being technology based businesses, however, they were probably better placed than many to make the adjustment to a remote model of working.

That's certainly been the experience of James Christian, development director of Backbase, a global provider of digital banking platforms for the finance industry. The company is headquartered in the Netherlands where it was founded in 2003, but has run an R&D centre in Cardiff since 2017, employing 65 people there.

James explained how Backbase was able to adapt rapidly to a new way of working.



Compared to other industries we are relatively well set up, we're often working with colleagues and customers around the world, and our key systems are cloud based. Our ICT team did a really good job provisioning the VPN capacity" he said.

Nevertheless, the company had never had all its staff working from home before, and like many companies had to learn how to operate best under the new conditions. It was helped by the creativity of its teams and their agile approach to working.

"Each team has its own processes, they're very agile. Teams have been having regular weekly reviews of how things are going, keeping an eye on their key performance indicators. We've seen a quick shift to digital whiteboarding for all manner of activities; facilitating feedback sessions, planning and the like."

Which is not to say there haven't been lessons to learn along the way. The reliance on video conferences could itself become a distraction and a hindrance to efficient work.



We saw a lot of meetings being booked in, people were saying they feel like they're on meetings and video chats all day. So we went away and did some research on how you move away from this reliance on meetings.

Sometimes managers, if they can't tap someone on the shoulder for an answer, will call a meeting, which gets quite distracting."

Management has also had to show an awareness that employees are having to juggle work and other commitments in difficult conditions.

Before, working from home was more of an occasional thing for most of us. Balancing work and childcare has been a challenge for a few people, so we've had to be more flexible and understanding," James said.

It's not just in workplace relationships that people have had to learn a new flexibility; meetings with clients and customers are also now done from people's homes.

"I've had video chats with people with kids on their laps," James said, adding that people appreciate it if you are accommodating to their non-business commitments.

Backbase works with around 80 large financial firms around the world, chiefly banks and credit unions such as HSBC, Metrobank and Virgin Money in the UK, helping them with their digital transformation.

"We're essentially a platform that delivers the customer facing channels, online websites, mobile apps, and increasingly we're spending time building out the employee experience as well," explained James.

You might expect customers to put off purchasing and investment during the crisis, but this has not been the case for Backbase's clients, as James explained.



What we're finding is, the more agile an organisation is, they're still making those big decisions and they're making them fast, because they're having to adopt very quickly. If anything they're telling us this is going to accelerate and intensify the digitisation of their processes and the user journeys that they want to support. This is not just in terms of the end users, there's also this really interesting focus on their staff," he said.

One of our customers told us they saw a 7 times increase in the number of people enrolling onto their digital platforms in a week, so already they're seeing the benefits of investing in digital onboarding platforms such as the ones we produce."

In a world in which word of mouth recommendations are important, banks with a strong digital presence are going to come out of the pandemic particularly well, James adds.

"We anticipate bank customers will be increasingly influenced by their online experience; it's the only way they're going to be experiencing their banks at present," he said.

Backbase's customers are also revisiting their continuity plans in the light of their Covid-19 experience. Previously, many banks' continuity plans were based around ensuring their customers' could continue to access physical cash; but with people switching to online shopping and cash payments discouraged in the few shops that remain open, enabling and extending credit has become more important.

"Our customers have told us that what they really value is flexibility in the products they've adopted, so all of a sudden we need to change the rule set so people can access credit," James said.

And as banks and credit unions close branches and shift to where their customers are, i.e. online, more investment is going into end user experiences. "One of the projects we have in Cardiff at the moment is trying to create a great experience, pulling together these systems they have but trying to streamline them and put the focus back on the customer relationships."

The aim is to recreate the personalised experience bank customers enjoy when they visit their branches. "How do we optimise and streamline the time to get to the information that the customer support representative needs to get access to, so you can really have a meaningful conversation," said James.





CHRIS SUTTON

OUT OF THE CRISIS,

A CHANCE FOR A

FRESH START

BusinessNewsWales
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PODCAST | VIDEO
Wales Business
Review
– Episode 9

Welcome to the ninth episode of **Wales Business Review**.

This week former First Minister of Wales Carwyn Jones is joined by Kellie Beirne, Director of the Cardiff Capital Region, and Wayne Harvey, CBI Wales Chair Wales and Senior Partner at Deloitte.

What will the new normal look like? Which industries will thrive and which will suffer are just some of the topics discussed on this week's show.

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Out of the Crisis, a Chance for a Fresh Start



For more than six weeks there has been little that anyone has talked about other than the coronavirus and its impact. While the pandemic is far from over, thoughts are now inevitably turning to how and when we come out of the lockdown and start to rebuild our economy.

Chris Sutton

Director, Sutton Consulting

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The challenge is to create a vision for the future that will preserve the old jobs, create new ones and generate the taxes that we will need to pay off the huge burden of extra costs that government has taken on. Our hope must be that the bounce back will be as quick as many analysts say it will.

Lifting the lockdown will be the easy part. Addressing the structural damage and consequent scarring to our economy by the necessary shutting down of so much economic activity will require government interventions that are bold and ambitious in scope. In Cardiff Capital Region the City Deal is an important part of the regional growth architecture, and can bring its local perspective to bear in unlocking pockets of growth and creating strategic drive and leadership.

“ One of the most striking features of the past few weeks is the massive experiment in working from home that has involved millions of people, particularly office workers. It is hard to believe that this won't change

attitudes in the future towards the practicality of home working, and mould new remote working practices.

On the other hand, predictions of the demise of the office are undoubtedly premature. Many businesses and workers will want to get back into their offices as soon as they can. For all the wonders of Zoom and Microsoft Teams, face to face encounters, whether with clients or colleagues, are still hard to beat.

So I don't foresee any rapid dropping off in the office market, especially when it comes to the more flexible Grade A office space that has featured so prominently in recent Cardiff city centre developments. However, Grade B office buildings in less sought after locations are likely to fall in value and may drag down the market as a whole. Combined with the shock to our retail and leisure sectors, this may call for a rethink in building use in some of our urban centres.

This is where boldness is called for. We need the ability to change building use more radically and quickly. Relaxation of planning restrictions in certain areas, with more use of zoning and simplified

planning, could help to reshape our towns and cities in a way that is more responsive to modern needs. If fewer offices and shops are required, we need to build to be able to convert structures to much needed residential use quickly and easily.

We should use the current crisis as an opportunity to empower local authorities to compulsorily purchase and regenerate large blocks of our town centres to create a more attractive mix of residential, leisure and retail space. Let's capitalise on this turmoil and build something better, in partnership between proactive local developers and empowered local authorities.

Boldness is also called for in our approach to manufacturing. This crisis has highlighted the re-shoring debate – which was already playing out because of Brexit – both in terms of the risk of long supply chains and what constitutes critical industries. We have off-shored production of critical industries such as PPE to China and seen the vulnerability of this.

There's an opportunity to be had here, but it requires us to rebuild and exploit local supply chains, using business support and investment in a smart, strategic way. Hand in hand with this is an aggressive approach to industrial sites and premises, to make sure companies have the right premises in the right locations to fulfil their needs.

Linked to location is the question of transport and connectivity. Whether it's from home working or because they were furloughed, millions of workers have been staying at home and barred from inessential travel. The effect on our transport networks has been spectacular. Towns and cities have seen the disappearance of the rush hour, motorways have become unclogged, revenues for public transport operators have collapsed.

Few, perhaps, will welcome the return of busier roads and dirtier air. But there are bound to be questions about the future direction of transport policy. Should we press ahead with efforts to persuade more people to give up their cars? Will there be the resources for new public transport networks? Whatever the answers, the present quietness at least gives us an opportunity to press ahead with much needed engineering works, whether it's on the M4 or the Metro, while traffic is at a minimum.

Finally, business rates. Governments at both ends of the M4 have sensibly released most retail and leisure businesses from the burden of rates for this financial year. But this shouldn't obscure the fact that the system was no longer fit for purpose. This crisis has accelerated the demise of the High Street, and a structural reform of business rates is needed to more equitably share the burden of funding local services between physical and online retailers.

We have gone through a testing time and there are more challenges and difficulties ahead. But there are also opportunities. The pandemic has given us a change to rethink our mindset, challenge assumptions and reimagine how our economy should operate. If we grasp this opportunity there is every chance Cardiff Capital Region will emerge stronger, more competitive and more resilient, and better equipped to thrive in the years ahead.

How will Cardiff Capital Region Recover from Coronavirus?

As we enter the sixth week of lockdown, people's thoughts have inevitably begun to turn to the question of how and when will we come out of it.

While most people have willingly accepted the sacrifices demanded of them to slow the spread of the virus and limit the number of casualties, there is huge concern about the economic cost of the Government's measures, however necessary they seemed.

With a raft of indicators now showing that Britain is entering its steepest downturn for generations, even centuries, many people are wondering if they will have a job to go back to, and many business owners are worrying whether their companies can survive. Some will already know that the answer is no.

So how do we in the Cardiff Capital Region come out of the lockdown, and what challenges will we face as we try to rebuild our economy? And what opportunities does the recovery, when it comes, offer to build a more competitive, connected and resilient regional economy, better suited to face the demands of the 21st century?

In the weeks since the lockdown began the UK Government has put in place billions of pounds' worth of support for businesses and the self-employed, and Welsh Government has added its own extra packages of help, in some cases plugging holes left by Westminster's programmes. Cardiff Capital Region and the 10 local authorities within it have done what they can to help businesses access this support, and looked at what further help they can provide from their own resources.

Many businesses have been able to access this support, but others have fallen through the gaps, whether it be small home-based



start-ups that do not benefit from business rates' holidays, or businesses that can't get government-backed loans. The UK Government's Job Retention Scheme has been extended until the end of June, but it's not clear what will happen then.

For everyone involved, in government or business, the priority is people's health. But continued lockdown will take its toll on businesses and the public purse. The UK's Chief Medical Officer Prof Chris Whitty expects social distancing measures to be in place for the rest of the year. Schools are unlikely to re-open before June at the earliest, which probably means September in practice.

Any emergence from the lockdown is likely to be gradual. It may be possible for non-essential shops to re-open before long, with appropriate social distancing measures in place. Other business activities where people can't work from home, such as construction, could also be phased back in soon. Some housebuilders have indicated they plan to resume activity within the next couple of weeks.

Offices are likely to re-open later, as are leisure and hospitality businesses. Social activities that involve large gatherings, such as sports events or music festivals, are likely to be the last things to be permitted to start again.

However it happens – and with government worried about a second peak in infections, it could be months away rather than weeks – it will be important to keep supporting businesses as long as they need it. Government at all levels will have a role in providing the right environment for businesses that have

struggled through the lockdown to grow back into financial health.

The pandemic has been a testing time for everybody, but it has also given us some inspiring examples of how businesses and individuals can mobilise in a time of crisis to help their neighbours and the community at large.

Many businesses will have had no choice but to close down and furlough their workers. But some have been able, because of the nature of what they do, to turn over their production lines to making the vital equipment that our health and care sectors so desperately need. From distilleries making sanitisers to manufacturers designing and producing personal protective equipment, it's an example of peacetime mobilisation of resources that has no parallel.

Such businesses – and there are plenty in Cardiff Capital Region – have demonstrated an agility and creativity that will serve them well in the uncertain times ahead. That creative mindset will need to be shared more widely as we seek to revive and reconfigure our shocked economy.

Companies that can show that same creativity and agility will find opportunities, however bleak the short-term outlook might be. The retail, leisure, and hospitality sectors may have been thinned out, and office and commercial property markets weakened, but that will provide an opportunity for the reconstruction of our high streets on new, mixed use lines.

Businesses that have been able to supply their customers online will benefit from their loyalty when confidence picks up again. Key sectors such as medical diagnostics and cyber security will continue to grow.

“ The pandemic has also shown us the vulnerability of our overstretched supply chains, and the downside of offshoring. Globalisation will increasingly give way to localisation as we seek greater security of supply in more local suppliers. Here too there's an opportunity for businesses in our region.

Cardiff Capital Region's vision of a connected, competitive and resilient economy is still relevant, perhaps even more so. The economy will bounce back, and the recovery will give opportunities for new businesses to spring up and existing ones with the right approach to grow. The region has a chance, not just to repair the damage caused by the pandemic, but to restart in a new direction and with a new purpose.



How CCR's Fintech's Have Adapted to Covid-19: Bipsync

For startup fintech Bipsync the Covid-19 pandemic has been a test of its ability to move to a 100% remote working model and continue to provide all its services to its clients.

The company has two offices: its New York headquarters which focuses on sales and marketing, and a Cardiff office where the product and technical side is based. Bipsync's 30 staff are split evenly between the two sites.

Head of marketing Jen Gambarini, who works at the firm's New York HQ, described what the company does. "We're a research management system working in the investment management space, from small hedge funds to sovereign wealth funds, across AIPAC, Europe and the US. Our clients use our software to do their fundamental research about investments; they work in the system creating notes, sharing content, putting their models in," she said.

Charlotte White, head of HR who works at Bipsync's Cardiff office, said the company was no stranger to remote working.

"For years we've had work flexibility in place to facilitate home working; it was a relatively seamless transfer from the office to our home environments. But we're not pretending this is a normal situation, we still had to make adjustments.

We understand there's going to be upheavals with adjusting to working from home; everyone's trying to juggle childcare, looking after parents or grandparents, managing shopping, mental health or exercise. So if employees need to tailor their work time around other commitments, we're totally fine with that."

As a fully cloud based operation, the company was ready for remote working from day one, but had never war gamed 100% remote working, Jen Gambarini said.

And although that shift into a fully home working model was straightforward and easy to achieve, she feels there is something lost by not working in an office that is not easily replaced.

"That ad hoc knowledge share is what you lose automatically; popping over to a colleague on the customer success team and talking through a particular product feature, and that will shift into a commercial conversation or you'll learn something else about a client. Trying to find a way to foster that knowledge share digitally is the gap," she said.

The biggest challenges have been in how people communicate within the company, according to Charlotte.

"We've always had Slack and Zoom, but we're using them differently now, we try to get as much face time as possible. We usually have a daily stand up in the morning in the Cardiff office, we're doing that as a video call now."

It's only natural that some people are better suited to working from home than others, she adds. The firm has increased the frequency of its one to one line management meetings to help people who are finding it difficult.

"We do touchy feely things too, like sending care packages to our employees. We make sure we check in on them without being intrusive," Charlotte said.

Jen Gambarini says that while the company will probably go back to an office-based way of

working, there will probably be more working from home in future and many who will probably work two or three days a week in the office.

"There's a lot of things we'll take away from this, like putting a sign up in Calendar saying please don't disturb me for the next two hours, I'm going to be working on something," she said.

In our New York office we never used to have a 9am stand up, but now our 15-minute video chat every morning sets us up for the day. When we go back to an office environment I think we'll do it."

Most of Bipsync's clients, like the firm itself, were already used to remote working. Jen Gambarini says they have been using the firm's cloud based services more, with average daily usage up.

"Our clients have seen a lot of volatility in the market, they've been busy. They've had to deal with a whole other barrage of work and we've had to be cognisant of that," she said.

You can't say it's an opportunity for us because that's not the way we're thinking of it at all, but there is a reality that there are two buckets of products that come out of this either well or poorly. One is you're cloud enabled with a modern infrastructure and you enable remote work, and one is that you're not. We definitely fall into the positive bucket," she said.

Sales conversations have shifted, she added. Remote working was always part of the conversation, now it's the first part.

"Overall the modern fintech company comes out of this well; that's the shift that's happening, it's just accelerated it. All those digital transformation products that were on the shelf are suddenly top of the pile," she added.

"We do touchy feely things too, like sending care packages to our employees. We make sure we check in on them without being intrusive,"



BusinessNewsWales PodcastHub



PODCAST | VIDEO
**Wales Business
Review**
- Episode 10

Welcome to the Tenth episode of Wales Business Review.

This week former First Minister of Wales Carwyn Jones is joined by Ashley Rogers, Director NWMD Business Council and Kevin Gardiner, board member of Cardiff Capital Region and MD and Global Investment Strategist at Rothschild & Co.

Some of the topics discussed on this week's show include:

- The Opportunity for Wales in the New Global Economy
- The Renewed Importance of City Region Growth Deals
- Economic stimulus - Can the Government afford Borrowing Levels
- What Does Economic Recovery Look like for Wales?

LISTEN/WATCH NOW

KEVIN GARDINER

A GRIM DOWNTURN,

BUT THE OUTLOOK IS

NOT BLEAK



A Grim Downturn, But the Outlook is Not Bleak



In current circumstances it can seem insensitive even to talk of economics and finance. It should go without saying that our thoughts are with the families affected by this horrible illness, and our thanks go to the dedicated healthcare workers supporting them

Kevin Gardiner

Board member CCR Regional Skills Partnership, Rothschild Global Investment Strategist

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We are in the middle of the most dramatic economic downturn in modern history. In the US, we've seen the number of new jobless claims you would expect to see in a full business cycle compressed into four weeks. In this country, the Office of Budget Responsibility (OBR) has forecast a 35% drop in GDP for the second quarter.

This is a unique crisis in many ways – its scale, the suddenness with which it happened, the way it immediately became clear to everyone that this was to be a potent, wrenching downturn, and of course its cause: this is the first deliberate downturn, designed to stop the spread of Covid-19.

In one respect, however, it is similar to most others. When something dramatic happens we weren't anticipating, we feel chastened by our inability to spot it in advance. Having realised belatedly that we should have seen it coming, and how important it is, we extrapolate forward and think the economy will never recover. But it does, and I don't think this time will be any different.

There are countless imponderables at the moment, but it does look as if contagion is slowing in most of the countries involved, including the UK. This is allowing governments slowly to loosen the restrictions on travelling and meeting – restrictions which inevitably resulted in those economic closures. Even if contagion doesn't continue to slow, it is possible that the sheer scale of the potential damage being done may cause governments to modify the current approach.

Things may start to move on, then, and relatively soon, because damage on this scale – and which is hitting the poorest families hardest – isn't sustainable for more than weeks or months.

The support government and banks are offering won't be taken off the table the moment things start to move back in the right direction; so we could come out of this with an extended period of policy support alongside a revival of confidence, people going back to work, and an improvement in economic activity generally.

For the Economic Growth Partnership and the **City Deal**, what's really important is that we are about the long term, not just the next six months. So while we have to recognise the sensational nature of this downturn, we also have to recognise that the worst of it might not last for long: it started very abruptly, but might begin to lift relatively quickly too. The decline in GDP the OBR were forecasting for the second quarter was sensational, but the bounce back in GDP which they were predicting for the rest of the year was almost as dramatic.

This is nonetheless a terribly difficult time: the reductions in economic activity that we've seen are unprecedented. It's not just about dry economic statistics; business has stopped for many companies, so these are scary times for consumers and small businesses in particular, where support is most needed. The office of the **City Deal** is doing its bit to make sure that businesses are aware of what support is available during the emergency, and to publicise and put people in touch with sources of such support.

But we mustn't be deflected from our long-term focus, which is to try to deliver sustainable, equitable and commercially useful growth that can last, not just through the weeks and months of the crisis, but into the longer term.

Looking at that longer term, it's certainly likely that some things will change as a result of what we've been through, but maybe not as much as people think.

One thing that will probably change for the better is the way people view what we think of us as foundational skills, the key support roles played by people who are often overlooked. They are getting at last some recognition for their hard

work and care, and this appreciation may last into the recovery. We've always been keen to try to support the foundational economy, because we're charged in the **City Deal** not just with securing growth that is commercial, but growth that is also inclusive and fairer.

The technology sector, which we had firmly in our sights to begin with, can only be strengthened by this crisis, and people are going to be focusing more, not less, on life sciences too. It's not just about the high value added, research-intensive activities: we're also seeing new technology like 3D printing being utilised to create and fill the gaps in the shortage of PPE that we're all reading about. Technology always has the potential to percolate across a wide range of businesses, and is the single most important contributor to rising prosperity generally.

We have plunged headlong into a deep, dark forest, and we're not out of it yet. But there's no reason to believe we won't be out before too long, and every reason to think that the longer-term outlook for the **City Deal** area remains bright.





How Covid-19 Could Herald a New Dawn for Welsh Manufacturing

The coronavirus pandemic has changed the way millions of us live and work. It has made many of us do things we would not have thought possible three or four months ago. Crucially, it has also made us question some of our long-held assumptions, and think again about the nature of our economy and society.

Nowhere is this more true than in manufacturing. Previously the commonly held view was that manufacturing had a lesser role to play than services, and was in long-term decline; that for the sake of efficiency most firms would offshore much of their activity; and that manufacturing required long and convoluted supply chains as companies sought the best places to make the myriad components that make up modern manufactured goods.

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Britain had long since ceased being the workshop of the world; the ubiquitous words Made in China showed who now claimed that title. Never mind that Britain is still the 9th largest manufacturing nation in the world, and that the average salary in the sector is 13% higher than in the rest of the economy.

Covid-19 has exposed the weakness of our assumptions. As governments closed borders and transport ground to a halt, our reliance on long supply chains suddenly looked less efficient. Equipment essential for helping our overstretched health service tackle the virus was unavailable, partly because of the sudden rise in demand, and partly because there were no local suppliers.

In this emergency, many manufacturers stepped up to the plate with impressive speed and agility. Companies that had never before made medical equipment pulled together their design teams, worked out designs, had them approved, made the tools they needed and reorganised their production lines, all within a matter of days.

Companies in all sectors used new technologies like 3D printing to face masks and other vital equipment. Nothing like it had been seen in Britain since carmakers and other manufacturers turned their factories over to making tanks and fighter aircraft during the Second World War.

It's not the only way our experience in this pandemic resembles a wartime mobilisation. The responsibilities government has taken on – guaranteeing wages, backing loans,

deferring taxes and taking on debt – are unlike anything we have seen for decades.

As our thoughts turn towards how and when we come out of the lockdown and return to something like normality, questions arise about what lessons we can learn and how we should think about reconstructing our economy.

We don't know what shape our economy is going to be in over the next few months. Although the Government has extended the Job Retention Scheme until the end of June, it's still possible we could see a big rise in redundancies when it does end. It's difficult to imagine normal economic life returning until an effective vaccine has been developed and produced in quantity.

We don't yet know how many businesses will be able to survive the loss of trade, how many are unable to take advantage of government-backed loans or other support, or how many are unwilling to take on the extra debt. We don't know whether people will go on a post-virus spending spree when the lockdown ends, or if they will be cautious with their money.

“What we do know is that there is an opportunity in the agility that some of our best manufacturing businesses have shown.”

What we do know is that there is an opportunity in the agility that some of our best manufacturing businesses have shown. We should be thinking again about our manufacturing supply chains and

our security of supply. Let's remember that, as we come out of the economic shock of Covid-19, we will be heading once again into the uncharted territory of Brexit, with the Government still insisting the transition period to new trading arrangements will end on December 31. We have no idea what trading relationships we will have with the EU or the rest of the world.

In these circumstances, it makes sense to reimagine our manufacturing sector. Suddenly globalisation looks less attractive than localisation. In a post-virus, post-Brexit world, reshoring makes more sense than offshoring. We should do what we can to strengthen our manufacturing sector.

It's above all our younger, more agile firms that have shown their mettle in this crisis. The problem is, many of our younger firms are too small to take advantage of the opportunities that are out there. There is a need for collaboration, for working together so our businesses can grow into new markets.

The time may be right for a new effort to promote manufacturing, and help Cardiff Capital Region's manufacturers both compete on the world stage and provide the country with greater security of supply at home. Companies could find new ways of working together to make the most of opportunities, and government support the sector with new incentives and well-planned investments.

Above all, the country could awaken to a renewed recognition of the critical importance of manufacturing to our life as a nation. In this possible new dawn for manufacturing, it's vital that Cardiff Capital Region does not miss out.

Graduates Making Their Mark in CCR Businesses: Front Door Communications

Front Door Communications (FD Comms) is one of many small businesses in the CCR who are doing their best to maintain business as usual in these unprecedented times.

Founding partner Kath Chadwick explained how the Cardiff-based PR, social media and content marketing agency was ahead of the curve when the order to work from home came on March 23, having made the decision to close the office a week earlier.

“The biggest challenge for us was less about access to systems and the network capacity issues that larger businesses have had to contend with – we all have everything we need on our laptops and are pretty self-sufficient. For us it was more about ensuring that, with all the extra demands on our time at home with families and young children to attend to, we were able to provide that round the clock support to our clients,” Kath said.

FD Communications are a small close knit team well acquainted with each other’s personal circumstances, and able to pull together to create the much needed flexibility that those with young children in particular need.

Kath added:

“I am really proud of the way we have all supported each other in the new way of working, particularly the care and compassion we continuously show each other whilst simultaneously continuing to deliver the service our clients expect and deserve from us.

I am also really proud to be part of a business network that cares about fellow businesses. I have been super impressed by the way some clients have insisted on paying fees on day of invoicing to help us with cash flow, and also with organisations like the IoD for the care and concern they have shown to us. It’s heartening to feel part of a close-knit business community that wants to support each other in any way we can throughout these difficult times.”

Former graphic design student Annie Harding recently joined Front Door under the **Cardiff Capital Region Graduate Scheme**. She said she was lucky to have settled into her job, which is mostly putting out content on social media, before the lockdown began.

“We were sent to work from home before all the regulations came about as a lot of our clients are remote anyway, and doing social media it doesn’t make a huge difference to me,” she said.

Annie has been busier since the virus began as clients want to put out more content. There’s more news to monitor and things to be aware of when running social media for clients.

“Business has ramped up and we are working harder to provide clients with the support they need during this time. I’ve personally been putting out far more during this period, but we have to be careful with the output we now put out as it needs to convey the right message,” Annie added.

We need to be tactful with every post. Everything seems to be connected, one way or another, to COVID-19 these days.”

Annie said she prefers working in the office than at home because it’s easier to communicate with the rest of the team, but adds that Front Door has been very supportive.



Front Door Team

“We have a lot more conference calls to stay connected with each other. We also use WhatsApp to stay in contact, and the team are great in making sure everyone is comfortable with their tasks and checking we have all the information and equipment we need to do our job effectively. They gave me a laptop stand and I basically now have my office at home, which is great,” she said.

Kath said:

“Annie has adapted brilliantly to the change in ways of working. Like most graduates her grasp of technology is fantastic so that presents no issue at all; but she has also used this opportunity to pick up the baton and run with it, showing us what she’s capable of doing with minimal supervision.

Yes, for sure, discussing concepts and reviewing output takes slightly longer when it’s done via telephone and shared screens, but it has had no impact on our ability to continue to ensure we deliver first class content to our clients. Annie’s enthusiasm also keeps the rest of us going when we’re juggling the day to day strains of life, as well as working full time.”

If you are evaluating your capacity and need any further resource to manage at this time, the **Cardiff Capital Region Graduate Scheme** may be able to help. The Scheme can provide a free and streamlined recruitment service that can match your immediate resourcing needs to high-skilled graduate talent in the region.

If you are interested in finding out more please get in touch with either laura.carter@cardiff.gov.uk or Geraldine.OSullivan@cardiff.gov.uk.



How CCR's FinTechs Have Adapted to Covid-19:

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Currencycloud

Currency Cloud is one more among the growing number of international fintechs that have set up in Cardiff. The company, set up in 2012, specialises in cross-border payments and also maintains offices in London, Amsterdam, and New York.

Currency Cloud's customers are banks and other financial institutions from around the world, including Visa and Starling Bank, and the Bill and Melinda Gates Foundation. Head of platform engineering function Anouska Streets describes what it does as "simplifying and taking away the complexity from transnational transactions."

She described how the company adapted to the rapidly changing situation as lockdown loomed.

“ It happened over a very short period of time; we started shutting down travel between our offices, like London and Cardiff. That made us start thinking about how we collaborate as an organisation.

We're fortunate in that most of our operations are in the cloud, all our operational tools and platforms run in the cloud. Provided we have decent internet connectivity, the ability to work from people's homes is straightforward.”

There were, however, managerial problems to overcome with so many people working from home who hadn't done so before, and in very different circumstances.

“ Often people working from home before were without distractions; now people are working from home with young families and partners also at home,” said Anouska.

We are extremely flexible; people can work around their commitments. We're lucky to have a very sympathetic CEO.”

In today's world, people expect to be able seamlessly to move money around the world. Despite the move to remote working, there's been no interruption in the services Currency Cloud provides. In fact, customers have probably benefited from the longer working day as people choose their own hours to work, and start fresher without a long and stressful commute.

“ We're seeing people are working harder than ever. I've been really impressed with how people risen to the challenge,” Anouska said.

The organisation has done a really good job in encouraging them to take breaks.

“ We have various activities during the working day, we have beginners' yoga online, online games like Pictionary in

the middle of working day, breaks. They're not compulsory but they are encouraged.”

Anouska has also noticed a change in the way people are making decisions.

“ Normally in meetings we would brainstorm or whiteboard. It's difficult to do that remotely, so we're getting more written proposals and more considered feedback, because people have time to read and reflect. So the quality of decisions will be better,” she said.

She also thinks people are working because of a reduced cognitive load.

“ Normally in the office people are stopping by all the time with questions and requests. Now I'm working from home people are thinking harder before they approach, so it's a higher quality interaction,” she said.

She added she thought they would try to recreate some of these improvements when they eventually return to the office. For herself, Anouska says she'd like to split her time more between the office and home in the future.

There are some things for which being in an office will always be preferable. Just before the lockdown, Currency Cloud had been through a large recruitment exercise, so 15 new recruits have had to join the firm remotely.

“ That's difficult, to give them a good onboarding experience. Even the technical side, making sure they have the right equipment, is logistically difficult. But this helps us make our processes more resilient going forward,” said Anouska.



How CCR's Medtech Firms Help Fight Covid-19: Bond Digital Health

One of our strongest weapons in the fight against Covid-19 is the ability to test. In some countries their widespread testing is credited with their lower death rate from the disease, while in others the lack of testing is blamed for a higher mortality.

But even those countries where testing has been more extensive could benefit from testing more. In Germany, for example, while testing has been more common than elsewhere, it has been patchy and uneven.

As with many things, the cheapest and easiest tests to use are not necessarily the best ones, while the really good tests are expensive and time consuming, and need to be done by trained professionals. So there's a demand for an easy to use, affordable test that tells us more than the cheaper ones currently available.

Cardiff-based medtech company, Bond Digital Health, is playing a big part in developing just such a test. The company was set up in 2016 by Ian Bond, an expert patient with the British Lung Foundation who suffered from COPD (chronic pulmonary obstructive disease). Ian set up the company to create a patient self-management app that would help him communicate with his doctors and monitor his own health.

Commercial director Phil Groom joined the company three years ago from Astra Zeneca. Shortly afterwards, Bond started working with Mologic on a connectivity & data management platform for a lateral flow diagnostic test for COPD that Mologic was

developing. Through this work Bond met other companies working in the lateral flow field, including Canadian firm Sona Nanotech. It's with Sona that Bond is now working on a test for Covid-19.

Lateral flow tests are all around us and have been used for decades. The pregnancy test used by millions each year is a lateral flow test. Originally, pregnancy tests were binary, giving a simple yes or no answer; but modern ones can give more information, such as the number of weeks since conception.

Currently there are two main types of test being used for coronavirus. Polymerase chain reaction (PCR) tests are expensive, up to £300 each, and need to be analysed in a lab which takes several hours and needs to be done by a trained professional. Their advantage is that they can tell whether someone is currently carrying the active coronavirus.

Portable antibody tests are lateral flow tests. They are much cheaper, around £5-£10 each, can be done anywhere and produce a result quickly. But they only reveal whether someone has recently had a flu-like infection and they generate limited information. According to recent data from Wuhan, some patients (maybe as much as 10%) can test positive even after being successfully treated, which highlights the need for a better solution.

The antigen test that Sona is developing combine the best of both types. As a lateral flow test it is cheap (less than £50), quick and easy to use, but unlike antibody tests it can tell if someone is carrying the active coronavirus in real-time, at the point of testing.

Sona will get the basic version out quickly to help governments carry out large scale testing. Bond Digital Health is working on the next stage, which is a digitally enabled test, connected to the cloud and the web. This will enable scientists to collect additional data on blood groups, ethnicity, age, underlying health conditions, and location, instantly map those results against the results of the test and share the data with government agencies, the WHO and others.

“ You'll have real-time results with proper epidemiological data that will inform governments on who's at risk, where they are, and who's got the virus; then they can plan and deploy their resources where they're needed,” said Phil Groom.

Web-connected diagnostics giving real-time shareable results, geo-mapped, is critical. Decision makers are firefighting for the next six months, but planning for the next wave of the virus in the autumn.”

Bond has been working for two and a half years on its platform, called Transform, which Phil Groom describes as “the next generation of intelligent diagnostics”. They had planned to launch it at the Advanced Lateral Flow conference in San Diego in October, but are fast tracking its development to get it ready by the summer.

Before the coronavirus struck, Bond was developing Transform for use with cholera, malaria and HIV tests, and for veterinary testing such as for bovine TB.

“ People want to be able to do diagnostic testing in 10 minutes, in a field or in a car park, and

they want the results straight from the device onto the app, into the cloud and back down onto a web dashboard,” said Phil Groom.

We were developing this platform for people with biosensors and wearable tech (glucose monitoring, kidney disease monitoring) but we made a decision a year ago to focus exclusively on lateral flow.”

Bond has been able to transfer all its operations to remote working since the pandemic reached the UK. The software developers prefer working from home most days, marketing manager Victoria Agova explained.

“ We've built a culture of trust which makes it easier to collaborate and work from home. There is a general understanding that everyone can be flexible, as long as we keep the conversation going, and it has been going just as well if not better since we've been working from home,” she said.

Next generation intelligent diagnostics such as Bond's Transform will become available for everybody as a result of the rapid growth of the industry, fulfilling a dream of the company's founders, Phil Groom said.

“ It is our vision to democratise affordable point of care diagnostics for everyone,” he said.

For developing countries this is a godsend, because this platform will be ready for their malaria, cholera, and Ebola testing, and it will genuinely democratise this level of testing for the future.”

New Chair of Cardiff Capital Region City Deal Regional Cabinet

Councillor Anthony Hunt was yesterday elected Chair of the Cardiff Capital Region (CCR) City Deal Regional Cabinet.

The Torfaen County Borough Council Leader was unanimously elected to the role by the leaders of the nine other CCR City Deal local authority partners at the annual general meeting of the Regional Cabinet.

Anthony Hunt brings with him a wealth of experience gained at all levels of government having worked in parliament, in Whitehall and in the National Assembly of Wales prior to taking up his current position of Leader of Torfaen Borough Council in December 2016. Anthony is also a Trustee of the Bevan Foundation and has held the Regional Cabinet portfolio role for Digital and more recently, the Foundational Economy.

Councillor Hunt said:

I am honored to be elected to this role. I would like to thank Andrew Morgan for his leadership during his time in office and also pay tribute to all the Leaders and officers who have helped get our City Deal to its current position – this has truly been a team effort and will continue to be so.

I am passionate about our ambition to become a truly Connected, Competitive and Resilient region. We will only achieve that by working closely with partners across the public and private sectors, especially the fantastic business community in our region.

The last few weeks have been an immense challenge to our region, to the health and wellbeing of our people, to the way public services work and to our regional economy. The challenge is plain for all to see, yet our region has significant strengths in many key sectors, which we need to build upon.

We need to make sure we're at the heart of shaping our region's economic recovery, ensuring that all parts of our region, from coast to valleys, can share in future prosperity. No community or group of people should be left behind, and our work on the foundational economy is key to that. I also want to

see a rethink in how we value certain sectors and occupations, putting local wealth building at the heart of our collective effort."

Councillor Morgan said:

I am delighted that Councillor Hunt has been elected to succeed me and am confident that Anthony will bring the required energy, drive and leadership to the role.

We are now in the position where we have a sizable portfolio of investment opportunities in our pipeline. These projects will be even more critical as we begin the process of helping to re-build the economy and support our places after a sustained period of disruption with flooding and now, the devastating impact of the Coronavirus pandemic.

I will be continuing to play a full role on the Joint Cabinet representing RCT and, in my role now as Leader of WLGA, I look forward to further supporting CCR and continuing to work with Welsh Government and private sector organisations as we progress to the next stages."

Councillor Peter Fox, Leader of Monmouthshire County Council, and Councillor Huw Thomas, Leader of City of Cardiff Council, were elected as Vice-Chairs of the Regional Cabinet.

The CCR City Deal is a £1.2 billion deal to unlock significant economic growth across the Cardiff Capital Region.

The Regional Cabinet was set up in 2016 to provide the leadership, vision and strategic direction for the Cardiff Capital Region; help shape and manage the City Deal programme and structure; integrate and align the City Deal agenda with the Metro; prioritise projects which demonstrate the potential to achieve real economic improvements across the region; establish a secure platform for development encouraging alignment of relevant functions and activities and strategic application of funds as part of a fully integrated City Region approach; engage with wider stakeholders to encourage and support a collaborative approach to make the Cardiff Capital Region a success.

The ten local authorities are: Blaenau Gwent, Bridgend, Caerphilly, Cardiff, Merthyr Tydfil, Monmouthshire, Newport, Rhondda Cynon Taf, Torfaen, and Vale of Glamorgan.



ANTHONY HUNT

WHAT WE MUST DO

IN THE YEAR AHEAD



What we Must do in the Year Ahead



Our thoughts at the moment are principally with those in our communities who have been most affected by the coronavirus, whether it's through the loss of a loved one, or from the impact of the lockdown on their livelihood or business.

Anthony Hunt

Leader Torfaen Country Borough Council and Chair CCR Regional Cabinet

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As the Cardiff Capital Region, we must also think about what we can do to help, and how we can step in where we have an ability to influence things. In particular, we must think about what we can do that is distinct from what other people are doing, so we don't duplicate or compete with things that the UK Government, Welsh Government or local authorities are doing in their areas. There are some things that we can do very well at our level; some things that local authorities can do better at their level; and some things that the UK Government and Welsh Government can do best at their level.

In the situation created by Covid-19, we need to pause for thought. There are three strands to what we do as a city region, and each of them is affected by the pandemic.

Firstly, there are the specialist areas where we have a competitive advantage as a region. Compound semiconductors is one such area; medtech is another, which is very much in focus at the moment. The Medi Park at Cwmbran, based on the new Grange University Hospital and featuring a hub for research and development into new drugs

and medical technologies, was due to open next year but has been made ready to use this year to help us tackle the virus.

Another strand is where we're looking to bring on infrastructure, whether it's physical infrastructure such as transport, or digital. The experience of the lockdown, with so many of us working remotely, has highlighted the importance of having the best digital infrastructure that we can if we want to build the competitive and resilient region we aspire to.

On transport, we don't yet know how our recent experience is going to affect people's attitudes to travel and public transport as we come out the lockdown. We may see many more people walking or cycling as they observe social distancing. We need to keep a close look and remain agile in our response to changing demands in our communities.

Finally, there is the foundational economy, which has come to the fore in recent weeks, particularly the care sector. The crisis has had a massive impact on SMEs across our region, and we need to make sure that we give them sufficient consideration.

We need to talk to them about their concerns and priorities and how we can best help them. There are a number of assumptions we might have made pre-coronavirus about people's ability to borrow which we can't make post-coronavirus.

Our approach to the foundational economy can be genuinely transformational, or it can become one of those phrases that are parroted but don't actually change the way we work. Studies show that the most deprived communities, within our region and globally, are the most vulnerable to the health and economic impacts of the virus.

Our region is different from many others in that we don't have a single metropolitan centre; we have the cities along the M4, then we have the rural areas and the valley towns. That makes our work with the foundational economy key; ensuring local supply chains are maximised and that there is good employment close to home for all communities.

The Welsh Government are keen to work with us on this, but we need to flesh out in the Capital Region what we can do to bring on the foundational economy. The care sector, for example, badly needs transformation because at the moment it's built on low wages.

As the new chair of the Cardiff Capital Region's Regional Cabinet I am optimistic about the future. The leaders of our 10 local authorities, the City Deal staff, and the members of our expert panels, all work together well as a team, leaving politics and egos aside. We are a small region on an international scale, and we need to work together or we will miss our opportunities.

The foundation that we build as a partnership is going to be important not just for the City Deal; we all hope this is the start of wider long-term regional working, and that we can really make a difference and make the systemic change that parts of our region need.

“ We're the gardeners in this, not the garden; we're trying to create a situation where the region can flourish. If our businesses thrive and grow, and our communities become more resilient and prosperous, in the conditions that we have created for them, then we will have achieved what we set out to do. The pandemic throws up some fresh challenges, but doesn't alter the fundamentals of our situation or what we need to do to improve it.



What Role will the CCR City Deal Play in Helping the Region Recover from Covid-19

The response to the coronavirus pandemic is causing a massive economic shock, the effects of which will certainly last for months, if not years. It is also causing people to rethink all sorts of ideas they have about the way the free economy works, and the shape of global, national and local economies in the years to come.

In the Cardiff Capital Region (CCR), work is underway to ensure that the plans and strategies the City Deal had put in place before the pandemic enable it to play a full role in helping the region tackle the economic impact of the lockdown, and emerge in the aftermath, more resilient and capable of delivering a positive and enduring legacy.

A three phase approach to Interventions is being considered:

In the first phase, the emphasis is on helping businesses get the most from the array of support programmes that have been put in place by the UK and Welsh governments by providing accurate and up to date information. In addition, the CCR will gather evidence about the impact of the pandemic on different sectors, which will help it to develop more bespoke support, and reduce the risk of social harm from the sharp downturn.

Finally, the CCR will look again at its planned programmes and investments in areas such as housing, graduate skills and transport, to see whether they need updating in the light of what has happened during the pandemic. There may be opportunities for more differentiated approaches, for example, to assess the balance of infrastructure needed in the future – across roads and digital – as well as rebalancing travel in the region away from the current ratios of 80:10:10 for private car use, public transport and active travel.

The second phase will see the CCR helping businesses as we gradually emerge from economic hibernation. More digital and virtual forms of business support will be required to encourage entrepreneurs set up new businesses, which tend to be responsible for most new job creation. New funds will be set up to help mitigate the effects of the lockdown on businesses. These could include: an SME Co-investment Fund, designed to support businesses in priority sectors during scale-up; Investment Readiness support to help businesses access finance by raising the quality of their proposals; and a Strategic Premises Fund intended to increase the number, mix and diversity of businesses who can operate differently and locate outside the region's main cities.

Another proposal is for a Rebuilding Local Economies Challenge Programme, aimed at building new thinking, ways of working, and products to deliver new momentum to the regional foundational economy as it recovers from the lockdown.

The development of CCR's medtech cluster could be accelerated, through the CCR's Investment Framework, building on the manufacturing businesses that have diversified during the pandemic and playing to strengths in rapid sanitisation, 3D printing of medical devices, data mapping, alternative materials for face shields, and in new diagnostics and devices. There is real potential for this to support higher level policy goals such as localising critical supply chains.

Finally in this phase, the CCR will respond quickly to businesses in key sectors that have fallen between the cracks in the UK and

Welsh Government's support schemes, to help stabilise them through new products and support where there is a demonstrable need, such as convertible equity, guarantees and provision of security and collateral backing.

For the third phase, CCR has reiterated its commitment to promoting the growth of key sectors which it had already identified as the ones that would play a critical role in the region's future economic success; in particular data and digital, creative, infrastructure, compound semiconductors, cyber, medtech, and fintech. In addition, there will be a focus on renewing the foundational economy, helping the food, farming, retail, and tourism sectors adapt and thrive in the face of disruptive forces of AI and machine learning.

Finally, the CCR will aim to improve the productivity of medium-sized firms, of which there are around 1,300 across the region employing between 50 and 249 people each. Capital Region firms in this category are underperforming compared to their counterparts in the rest of the UK, and the CCR would aim to end that underperformance by sharing best practice, providing networking opportunities and giving access to a high level executive education programme.

Taken together, all the proposals in this three-step plan amount to a very substantial intervention by CCR to help businesses and the regional economy bounce back from the shock of the coronavirus lockdown. While the CCR cannot change the wider national and global economic context, nor shape by itself, so-called Covid futurology, it intends to continue to make sense of the cross-currents, understand the drivers that might shape what comes next and do whatever it can to help make regional businesses and communities fit to face an uncertain future.



Graduates Making Their Mark in CCR Businesses: **Kontroltek**

When recent graduate Emily Longden started a new job on March 16 she had no idea that a week later the UK would be in a lockdown.

The company she works for, Bridgend based industrial repairs business Kontroltek, was already making preparations, however, fitting temporary screens to workbenches for example.

“It was busy as you can imagine and everyone was trying to plan ahead knowing the virus is coming and we may be in ‘lockdown’. I still haven’t managed to meet all the people I work with, and if I have it was no more than a hello during my first week,” she said.

Emily, who hopes to start studying for her Institute of Leadership and Management (ILM) qualifications soon, was given a project she could do from home, collecting and analysing data on Kontroltek’s customer base so they could draw conclusions about their penetration across different industry sectors and regional demographics.

“It’s great to be able to put my data analysis skills to use and be able to add value. I think the work I am doing now will be vital for my company when all this calms down a little,” she said.

The circumstances of her start meant she wasn’t able to ease into the company and learn about it in the normal way, although she is aware that it is doing key work such as making 3D printed protective masks for frontline NHS workers.

“As I’ve been focussed on my project exclusively I don’t know too much about what everyone else is doing outside of my own project’s bubble, but I am keen to learn,” she said.

The great thing is that they are putting great trust in me to get on with my work, and I’m determined to repay that by doing the very best I can.”

Finance and operations director Carl Waters said Emily had shown great adaptability in being able to focus on her new project despite not having had a normal introduction to the company.

He added:

“Despite her very limited experience of Kontroltek, Emily is proving to be a great asset for us. Whilst unable to undertake the intended programme of work right now, she has been actively engaged at home in using her analytical skills to profile our sector and customer mix across different regional demographics.

This work will prove invaluable in due course in helping us derive a focused growth strategy for a post Covid-19 world, and we are delighted at the great progress she is making.”

Emily joined Kontroltek through the Cardiff Capital Region’s Graduate Scheme, learning about the role online.

She said:

“I think the Scheme is a great thing to keep Welsh graduates in Wales by getting them working in a Welsh company. I’m hoping to progress at Kontroltek as much as possible and hopefully start my ILM qualification as soon as possible too.”

If you are evaluating your capacity and need any further resource to manage at this time, the **Cardiff Capital Region Graduate Scheme** may be able to help. The Scheme can provide a free and streamlined recruitment service that can match your immediate resourcing needs to high-skilled graduate talent in the region.

If you are interested in finding out more please get in touch with either laura.carter@cardiff.gov.uk or Geraldine.OSullivan@cardiff.gov.uk.



SIMON PIROTTE

**HOW THE WELSH FE
SECTOR IS PLAYING ITS
PART IN THE CRISIS**



How the Welsh FE Sector is Playing its Part in the Crisis



“Being positive in a negative situation is not naïve... it’s leadership.”
–Ralph Marston

Simon Pirotte
CEO and Principal at Bridgend College and CCR Economic Growth Partnership Board Member

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Covid-19 has presented us all with many challenges but the Welsh further education (FE) sector has shown its ability to react and adapt quickly and with great flexibility during the current crisis. The pandemic is an awful situation and has cost precious lives but as is always the case in dreadful circumstances, human beings demonstrate their resilience and creativity.

Often, there’s a misunderstanding about what we do as FE colleges. The general public knows what we mean by school or university but FE is less understood, and perhaps that is because we provide such a wide range of educational opportunities to a broad range of learners, from 14-16 year olds following a junior apprenticeship programme to students studying at postgraduate level. A surprising statistic is that more than half of Wales’ post-16 learners are taught in our 13 FE colleges.

The sector has talked a lot over recent years about moving towards more blended learning with more digital delivery, and we have made incremental shifts in that direction. But within a few days this March, we transformed ourselves. Every college has moved to some form of online delivery in such

a short space of time. I don’t think we could have achieved this at the same pace and with the same sense of urgency pre Covid-19. It’s been really quite remarkable to see the innovation and resilience in the FE sector’s staff as they have grappled with a new way of working.

Just like in other sectors, the pandemic has us all thinking about how we operate and how we can do things differently. Recently, for example, we had our first virtual open day at Bridgend College. The technology worked really well with great levels of engagement from the public and prospective students, and lots of positive feedback. When we return to the ‘new normal’, will we go back to the old ways of working with the traditional style of an open day? Or a more blended approach using the best of the traditional and the new? We are all asking these kinds of questions across all our operations.

At Bridgend College, like many organisations, we’ve been doing a lot of work around sustainability. We are committed to making significant reductions to our carbon footprint. We are now questioning those ‘essential’ face to face meetings. Do we all need to travel those distances to a central venue? Across

the world we are seeing the reduction in carbon emissions. I usually spend a minimum of 10 hours a week travelling to and from work in the car. Not only am I more productive now, but I’m doing my bit to reduce carbon emissions. Multiply that by 700 staff at the College and that is a significant contribution.

So there are certainly lessons to be learnt from this experience, and we’d be foolish not to take advantage of them going into the future. There are some things that work very well digitally and some that work less well; and we need to take that lesson forward in our approach to blended learning. Some learners are more engaged digitally than face to face because that’s their preferred learning style, and others less so; we’ve seen some hard to reach learners that are engaging much more via digital platforms.

Currently, one of the biggest challenges is around assessment of qualifications. There’s been a lot of talk in the media about how GCSE and A-level students will receive estimated grades because they’re not able to sit their exams this summer. Less noticed, but just as important, is what happens to those learners taking vocational qualifications or following apprenticeship programmes. For example, the economy will need plumbers as we climb out of recession, but would you want a plumber to service your boiler if no-one had ensured s/he was occupationally competent to do it? You can’t calculate a grade for that. So we are grappling with this issue, and how we might allow small groups of learners to return to complete practical assessments while ensuring the health and safety of both staff and learners.

This in turn will have an impact on incoming learners next academic year, as it will take longer to complete these assessments for current learners as we follow medical advice with smaller group sizes. This will put a huge strain on resources and budgets. Welsh Government has been extremely supportive of the sector, but as we all know there will be huge fiscal challenges moving forward.

At time of writing, there are more questions than answers. But the can do FE sector will rise to the challenge. Positive and creative leadership is required at all levels of our organisations and you may rest assured that our staff will approach these challenges with the dedication, commitment and flexibility that they showed at the beginning of the crisis.

As Charles Swindoll said:

“ We are all faced with a series of great opportunities, brilliantly disguised as impossible situations.”



Graduates Making Their Mark in CCR Businesses: South Wales Chamber of Commerce

Henry Hopkins started working with the South Wales Chamber of Commerce as an international trade executive just three months before the coronavirus lockdown.

As a recent graduate, he didn't find the transition to working from home too difficult.

“ I was unemployed for a period after university so I have some experience of long periods indoors,” he said.

In some respects also it's not a great deal of change from that fallow period after studying that many people go through. The key difference is that now I have a job and an income and I am very grateful for that

I think I've been proactive in not letting it get to me, realising you can only do your small part and stick to the rules. I keep myself busy, stick to a routine much the same as I would do in the office.”

The hardest thing, he said, was adjusting to not being able to meet colleagues every day.

“ The whole team have been great in ensuring that everyone keeps the communication flow going. We are a close knit unit used to being able to chat to one another at any time so at first it was hard, but now we are all getting used to Microsoft Teams meetings and telephone 1-2-1s,” he said.

Henry's role at the South Wales Chamber of Commerce involves dealing with large and varied documentation on matters of trade, but he said the company had been excellent in replicating the workplace environment in his home with full desktop and printing capability.

“ There was a large paper based dimension to my role pre Covid-19, but increasingly that is becoming more and more digitalised. I am having so many more electronic applications now as everyone adapts to the change in ways of working.

It's what the British Chambers of Commerce have been pushing for some time so in that respect it's all good – and we get the added bonus of saving more trees in the process too,” he said.

Henry, who graduated in French and Business Management, said he hopes to stay with the South Wales Chamber of Commerce because he enjoys the work and likes the place he works.

“ I'd love to one day work for the Civil Service, possibly in the Department of International Trade in London,” he added.

His experience with the Cardiff Capital Region Graduate Scheme, through which he found his job, had been very positive, he said.

“ I would advocate the scheme to anyone looking for a graduate role within the CCR. As soon as the news broke about the virus I even had an email from Laura Carter to check in and check I was ok. Little things like that mean a lot!” he added.

Like many other organisations, the South Wales Chamber of Commerce found that home working kit required a bit more than a laptop, and some members of the team had to have printers and other hardware delivered to their homes.

Jo Price, Director of International at South Wales Chamber of Commerce, said:

“ We had started preparing for lockdown well in advance of March 23 as, from observing what was happening with our international connections, it was obvious it was only a matter of time before the UK followed suit. Our planning and preparation for moving to a virtual platform even involved us trial home working on a two in the office, one at home rota until we were all confidently able to access everything we needed to be able to work remotely effectively.

With demand for hand sanitisers surging overnight, the South Wales Chamber of Commerce found itself helping source dispensers.

“ We were able to step in and play a key role in facilitating the sourcing of UK-based bottle suppliers. This is the type of thing we increasingly find ourselves doing, and it enables us to add real value to our members in what is an extremely challenging trading environment,” Jo said.

She said the Chamber's management team was committed to maintaining a high level of personal contact with its teams.

“ Communication has never been more essential and we are all doing the most we can to make everyone feel involved, informed and inspired. We are all really proud of how well the whole team has embraced the situation and risen to the challenges presented,” she added.

If you are evaluating your capacity and need any further resource to manage at this time, the **Cardiff Capital Region Graduate Scheme** may be able to help. The Scheme can provide a free and streamlined recruitment service that can match your immediate resourcing needs to high-skilled graduate talent in the region.

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Training in the Age of Covid-19: Interview with Andrew Cooksley

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Parents and children will remember the spring of 2020 as the spring the schools were

shut. For many children it's been like a three-month holiday; the realisation of that cherished fantasy, what if there were no school? For parents it's been as much ordeal as pleasure; struggling to keep children entertained while working from home, and anxious about the impact on their education and future prospects.

Those concerns have been particularly acute for parents whose children were facing important GCSE and A level exams. Education authorities and exam boards moved quickly to put in place plans for students to be marked according to estimated grades, but there were still concerns about whether those grades would accurately reflect what the students might have achieved in normal circumstances.

At least there was a simple solution to marking GCSE and A level students. For those thousands of learners taking vocational qualifications or going through apprenticeships, it's not so easy. It's arguably not a big problem if someone goes to study for a history degree at university on the basis of estimated grades, but would you want someone fixing your boiler who has never been watched doing it before?

This is the problem faced by FE colleges and apprenticeship providers across Wales. Andrew Cooksley is founder and CEO of Cardiff-based learning provider ACT, which is Wales' largest provider of apprenticeships and among the top five in the UK. Together with its partners it delivers around 8,000 apprenticeships across Wales every year.

“ Andrew said “Qualifications Wales and the awarding bodies are working closely with training providers and issuing new guidance on calculated results and adaptations to assessment methods where possible to allow learners to progress in or complete their qualifications.

Generally, if you're going to say that someone can build a wall, you're going to have to observe them doing it and question them and see their knowledge and understanding of that,” he said.

Learners are still able to develop technical knowledge and theory, a vital part of their training, whilst we continue to work through how some of the practical elements can be assessed”

Fortunately, this is only an issue for some trades; for many people doing apprenticeships or other vocational qualifications there's less need for practical assessments, or an easy way around it.

“ The majority of our learners we can probably assess online, that's what we're working towards,” said Andrew.

Someone doing childcare, for instance; it's not all about doing things in a practical way, it's their knowledge and understanding about how to look after and develop a child. Large parts of their qualifications are knowledge and theory based which can easily be taught, assessed and proven through online training and assessment.”

All ACT's 8,000 apprentice learners are, by definition, employed, and for many the lockdown has been unexpectedly beneficial for their training. Unable to go to work, they have had more time to devote to their studies, and many are ahead of where they would expect to be at this stage.

“ Our engagement rate is through the roof at the moment,” said Andrew.

Normally people are busy at work and it's hard for them to find the time to complete a piece of work or do an assessment. The lockdown has allowed people loads of time to complete their work.”

He added: “A large part of the learning we deliver is in clinical health and social care and despite them being flat out in work, doing an incredible job for patients and residents, many are still engaging in their training online and we are even seeing new learners signing up to these programmes”.

This is the case for many of our other apprentices, they're really engaged, completing work, ahead of their qualifications.”

As with most businesses, ACT and its partners had to adapt very quickly to new ways of working when the country went into lockdown on March 23. Practically overnight, classroom and workplace training sessions had to be replaced by online tutorials, and staff meetings gave way to Zoom and Teams chats.

Andrew said it's been a wake-up call for the training and education sector.

“ If you took a photo of an operating theatre in 1880 and one now, probably the only common thing would be the patient lying on the operating table, otherwise it would be pretty unrecognisable. But if you took a photo of a classroom in 1880 and one now, there'd not be much difference. Everyone is facing the front, no-one's collaborating.

A lecture theatre now still looks like a lecture theatre did then,” he said.

All of a sudden, within three months, there's none of that going on, but there's been plenty of teaching and tutoring and knowledge transfer. All these things you need to do to have a good learning environment has gone on without anybody thinking, where are the classrooms, why aren't we sitting around a table facing the front?”

He added that the lockdown had forced the education and training sector to take the first few steps to modernising itself.

“ Since I've been involved in it, which is all my adult life, there's been this talk: how can we do things differently, how can we be innovative? Everyone's talked but no-one's broken out of the old pattern. All of a sudden we've had to do it, and I don't think it will be the same after this.

Do we really need people to come in to deliver learning all the time? So I think it's going to be really interesting.”

So with all the difficulties of adjustment, there is opportunity too. Wales' training sector, of which ACT is a leading example, has proved itself innovative, flexible, adaptable and resilient. There is still much to do in ensuring learners can complete their courses and apprenticeships, and pass on fully qualified into the world of work.

But businesses and organisations like ACT are already looking ahead to how they will function in the new economy that will emerge when Wales recovers from the downturn. It will be a different world to the one we have left behind us, but there are reasons to hope it may be a better one.





To apply for a business support grant through your council, follow the relevant link below:

Blaenau Gwent CBC Business Hub

<https://www.blaenauwentbusinesshub.co.uk/BusinessSupport/Covid-19>

Bridgend

<https://www.bridgend.gov.uk/my-council/council-priorities-and-performance/coronavirus-covid-19-latest-information-and-advice/apply-for-welsh-government-business-support/>

Caerphilly

<https://www.caerphilly.gov.uk/Business/Business-rates/Covid-19-Grants-Linked-to-Business-Rates>

Cardiff

<https://www.cardiff.gov.uk/ENG/Business/Business-Rates/Covid-grant/Pages/default.aspx>

Merthyr

<https://www.merthyr.gov.uk/business/business-rates/business-rates-relief-coronavirus-covid-19/>

Monmouthshire

<https://www.monmouthshire.gov.uk/business-advice/>

Newport

<http://www.newport.gov.uk/en/Business/Business-home-page.aspx>

Rhondda Cynon

<https://www.rctcbc.gov.uk/EN/Resident/EmergenciesSafetyandCrime/InformationforResidentsCoronavirus/SupportandAdviceforBusinesses.aspx>

Torfaen

<https://www.torfaen.gov.uk/en/AboutTheCouncil/Homepage-Stories/Coronavirus/Business-Economy/Business-Economy.aspx>

Vale of Glamorgan

<https://www.valeofglamorgan.gov.uk/en/working/Business-Support/Coronavirus-Advice-for-Business.aspx>



Cardiff Capital Region Firms Urged to Apply for COVID-19 Business Grants

Qualifying firms that are registered to pay business rates in Wales are being reminded that there's still time to apply for a Welsh Government non repayable grant worth £25,000 or £10,000 if they haven't done so already.

These grants have been introduced to support businesses in Wales through the Coronavirus pandemic and could make all the difference to a business at this unprecedented time.

Delivered via local authorities, the two grants are :

Grant 1: a grant of £25,000 for retail, leisure and hospitality businesses (e.g. shops, restaurants, cafes, drinking establishments, cinemas, live music venues, hotels, guest and boarding premises and self-catering accommodation) occupying properties with a rateable value of between £12,001 and £51,000.

Grant 2: a £10,000 grant to all businesses (including qualifying charity run shops, sports premises and community centres) eligible for small business rates relief (SBRR) in Wales with a rateable value of £12,000 or less.

Both grants will apply to businesses that were on the rating list on 20 March, 2020.

To find out more about how qualifying businesses can access a grant, businesses should visit their relevant local authority's website.



JANE MUDD

**THE SPIRIT OF COLLABORATION
WILL BE A POSITIVE LEGACY OF
CORONAVIRUS**



The Spirit of Collaboration will be a Positive Legacy of Coronavirus



As the leader of Newport City Council I have been amazed by the extraordinary effort people and businesses in our city and region have put into helping our community throughout the coronavirus pandemic.

Jane Mudd

Leader Newport City Council, and member of CCR Regional Cabinet

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Newport and Gwent were one of the worst affected areas in terms of hospital admissions at one stage during the pandemic. However, people in the public sector, in businesses, and in charities and third sector organisations, all rallied around to do what they could to help people in our communities, both those personally affected by the virus and those impacted by the lockdown.

We have seen some remarkable examples of adaptability, a truly astonishing ability to change long established habits and practices to meet the urgent needs of a crisis. In my own local authority, we switched incredibly quickly wherever possible to remote ways of working, keeping to a minimum any interruption to the vital services we provide.

Our support for business

As an authority one of the many important tasks we have had to perform during this crisis is to support businesses, helping them to access the financial support that has been made available to them by both the Welsh and UK governments, including the business rates relief which we, like other local authorities, have been administering. Like our

partner local authorities in the Cardiff Capital Region, we have acted as a conduit for advice and support that higher levels of government have provided.

Many of our businesses have had to suspend their operations during the lockdown, and we obviously have concerns for them and hope that they will be able to resume their activities as soon as it is safe for them to do so, with all the appropriate social distancing and other health precautions in place. At present, to help accelerate this, we are supporting wherever we can the opening up of sectors such as construction and housing, both of which will have a significant multiplier effect on the local economy supply chains.

Some businesses, because of the nature of their work, have been able to switch to making essential and much needed products. Newport-based Tiny Rebel, for example, while pubs have been closed, has converted its brewery to making hand sanitiser which it has donated to the health and social care services.

Changing the way we travel

One of the most noticeable effects of the lockdown in a city like Newport has been the absence of cars from our roads. Not only in the city centre has this had an impact, but also on the M4, where Newport forms part of the main corridor of travel between England in one direction and West Wales in the other.

Many people have commented on the improvement in air quality during the lockdown, and as we come out of it we need to think about how we can get people moving again without encouraging them all to get back into their private cars, conscious of course of any concerns that people may have about using public transport. We are working with Welsh Government on both Active Travel and Sustainable Travel initiatives.

Newport Council is a shareholder of the city's bus company, which has seen its revenues plummet as services have been suspended during the pandemic. We are working in partnership with Welsh Government, Transport for Wales and Newport Bus on a pilot project that will allow people to request a bus to pick them up for essential travel.



Newport Bus is running the first pilot scheme, called 'fflecsi', which replaces a number of scheduled local bus services with more flexible services that can pick up and drop off near work, shops and homes by request, rather than following a set timetable at fixed bus stops. Customers are able to book a ride using a mobile phone app. As an added advantage, the buses are electric, helping to maintain the air quality improvement we've seen in this lockdown.

A new sense of community

This is a time of tragedy for many, and of hardship and heartache for many more. In such times it can be hard to talk about positives. But there are things we can be proud of, as communities and as a region.

The pandemic has seen an outpouring of community feeling such as we haven't seen for many years. It has also seen a high level of collaboration, between businesses, the public sector and third sector organisations, and between authorities across Cardiff Capital Region.

“ This, I hope, is one of the legacies of this experience. Cardiff Capital Region was built around a core belief in the value of collaboration, and in this crisis we have proved that our strength as a region lies in our desire and ability to work together to achieve common goals.

Let this be the memory that we take away from 2020.

CCR Cabinet Agrees New Investments to Aid Covid-19 Recovery

The Covid-19 pandemic and subsequent lockdown has knocked the world's economy out of shape, and with it many of our previous calculations and expectations about what investments would be needed and what funding would be available over the next five to 10 years.

Here in Cardiff Capital Region we're not exempt from the economic fallout of the pandemic, and have to face the prospect of a severe and possibly prolonged recession. Recovery may come quickly or it may take a little longer; either way we need to be ready to help our businesses and communities make the most of it.

Before Covid-19, Cardiff Capital Region was concerned to boost and direct investment into key sectors, to help the region overcome its poor inequalities and its underperformance compared to other parts of the UK.

The aim of the Cardiff Capital Region City Deal has always been to make the region more connected, competitive, and resilient, and to address the social and geographical inequalities within it. As the region emerges from slump into recovery, this aim has become more important than ever.



An evergreen fund for strategic premises

It was in this spirit that the Regional Cabinet recently reviewed its investment plans, which had last been assessed shortly before the lockdown happened in early March. In a Teams meeting on May 18, the Cabinet reaffirmed some of the decisions it had already made, and agreed to some other ones in the hope they will be a further spur to recovery.

The most significant recommendation is for a Strategic Premises Fund, of possibly up to £50m, which is intended to support otherwise viable industrial development projects where there is evidence of market failure affecting financial viability. The hope is that this will help bring forward schemes that otherwise might struggle to progress without this type of strategic support because they cannot get all the funding they need in the current environment.

There will be particular emphasis on projects that support innovation and job creation and make use of brownfield sites to create Grade A or equivalent space, and the fund will also aim to leverage private sector investment.

It will be an evergreen fund, with payouts in the form of fully repayable loans, so that it can continue to plough back returned investments into new schemes in the future. The Regional Cabinet has agreed to spend £45,000 on developing an outline business case for the fund over the summer.

A suite of proposals to help the region

The Cabinet also agreed a number of other proposals, while rejecting some which it felt did not meet the Capital Region's core objectives. One proposal was for seed support for a fintech trade body, to underpin the development of a Cardiff HQ and satellite outlets in Bridgend and Cwmbran. The Cabinet agreed this should proceed to a strategic outline case.

The Cabinet also called for the bringing forward of a business case on the Building Local Wealth Challenge Fund, designed to support SMEs and the foundational economy.

Another proposal has come from an established company which wants to spin out a new AI/data product based on an already existing one. The Regional Cabinet followed the advice of the Capital Region's Investment Panel that this should proceed to the next stage, on the basis that the proposers have strong credentials and that any investment would be securitised against the parent company.

These latest decisions, on which there will be more information in the coming weeks come in addition to ones taken in March, when the Regional Cabinet agreed to fund a £45m Housing Investment Fund, the scaling up of the CCR Graduate Scheme, design work and technical specifications for Metro Central, a Life Sciences Park at Junction 32 of the M4, fibre provision and the roll-out of 5G.

Altogether, the package of approved investments adds up to an ambitious programme of support for innovation, resilience and connectivity in the Capital Region; and comes amid a recognition that, in a time of crisis, the region must do whatever it can to help its people, businesses and communities to not just survive the crisis but to emerge stronger and better equipped to prosper in the new world.



Graduates Making Their Mark in CCR Businesses: Megan Gray at MagManager

In the latest in our series of articles looking at how Cardiff Capital Region graduates and businesses are benefiting from the CCR Graduate Scheme, we look at Megan Gray at MagManager.

Recent graduate Megan Gray started working as a client relationship manager for Monmouth-based CRM/publishing systems provider MagManager last October, so she'd had nearly six months to settle in to her new job before the lockdown sent everyone home.

The company's clients are mostly independent magazine publishers, who use its software to plan out their titles and manage their business. Coronavirus meant a lot of them having to replan their titles, and also suffering from falls in advertising revenues and hence problems with cashflow.

The result has been a heavier workload for MagManager, as Megan explained:

“It's got a lot busier since the coronavirus hit us. We are now having to do much more work for our clients and we understand many of their businesses are now suffering, so we try to go above and beyond for them now just to make things that little bit easier.”

Megan said that MagManager had organised the shift to home working very efficiently.

“As a client relationship manager I spend a lot of time on the phone, so I actually find working from home easy. We have Skype meetings every morning which sets out the plan for my day, and they trust in me

to get on with things then which is great despite being relatively new to the company,” she said.

The biggest struggle I sometimes have with the home working is knowing when to stop. There's that temptation to keep on going, but if you do, it can be a very long working day. So I have to force myself to detach sometimes, but the management are brilliant at reinforcing this as well.”

I do miss the office environment though, as I think it's a much bigger support network when you are all together. So I am very much looking forward to the time when we can all be together again.”

MagManager founder and director Mandy Mardell said the company was doing all it can to keep in regular contact with staff and ensure they don't feel isolated.

“We do miss the day to day interactions; we compensate as best we can with daily 1-2-1s to ensure everyone understands what to do and how to do it, and just generally to check in with each other and see how we're all feeling,” she said.

This just happens naturally when you're sat next to each other all day, and it is harder over the phone, but it's so essential for morale and engagement so we all commit to it and put effort into staying in touch.”

Mandy paid tribute to Megan and a fellow graduate who had also joined the company under the CCR Graduate Scheme.

“Both our graduate appointments Meg and Amber have been fabulous. They have taken the adjustments within their stride and are doing a great job of keeping things going. I am proud of the way they have adapted to the new routines and ways of working. They add real value to our business and have proved to be great appointments,” she said.

Megan said she really enjoys her job and hopes to stay in the industry. She said:

“I love the publishing business, and the writing side of the job in particular is something I am passionate about. I enjoy creating content and then putting it out there for others to read.”

I also like the fact there's a range of things to get involved in with this job. I'm currently doing some video content for the website which I find fun, I'll also be doing content in the next few days so there's plenty of variation and you never get bored.”

And she had praise for the CCR Graduate Scheme.

“I think the scheme is excellent and I would advocate it to anyone. I feel really fortunate to have been accepted onto it,” she said.

If you are evaluating your capacity and need any further resource to manage at this time, the Cardiff Capital Region Graduate Scheme may be able to help. The Scheme can provide a free and streamlined recruitment service that can match your immediate resourcing needs to high-skilled graduate talent in the region.

If you are interested in finding out more please get in touch with either laura.carter@cardiff.gov.uk or Geraldine.OSullivan@cardiff.gov.uk.



Industrial Past Meets Sustainable Future in New Barry Development

A new urban high street will open in Barry this summer, incorporating an iconic part of the seaside town's 19th century railway heritage.

Goodsheds is an innovative development located opposite the Pumphouse in Barry. It features a former railway engine shed along with new units made from shipping containers. Together they create a setting that combines industrial heritage with 21st century design.

The scheme is the work of award winning Cardiff-based property developer Loft Co, working in collaboration with the Welsh Government and Vale of Glamorgan Council. Last week it was announced that the project had secured a £2.9 loan investment from the Development Bank of Wales.

Loft Co specialises in regenerating historic buildings and landmarks and turning them into mixed use developments. Its previous successful developments include the Tramshed in Cardiff, the Pumphouse in Barry, and Jennings Building in Porthcawl.

Goodsheds is intended to be an all-inclusive 24/7 scheme, that will allow the community in Barry and the Vale to live, work and play all in one sustainable environment. Carbon neutrality is a key philosophy in the development, made manifest in the restoration of the engine shed and the use of shipping containers as the framework for the new building.



On the ground floor of the older building there is an office, restaurant and bottle shop or bar, while the first floor has 11 serviced apartments.

The new building has four floors. On the ground floor is a bakery, an ice cream shop, two retail units and six food units. On the first floor there's a mixture of retail and lifestyle units, including a hair stylist, beauty salon and women's clothes store. The second floor has more office units, while the third floor has a rooftop bar and terrace and another retail or office unit.

To reinforce the link with the railway past, there will even be railway carriages on the tracks that are still there on the site. The carriages, known as The Makers, will contain yet further retail units, such as a butcher, greengrocer and florist, as well as a mini cinema and arts and crafts units for community classes.

Every unit in the development has been let on favourable lease terms to encourage local businesses. The £9m scheme is expected to create 150 jobs and become home to 25 businesses, with more local businesses benefiting in the supply chain. Altogether Goodsheds is expected to add £30m to the local economy over the next five years.

Simon Baston, CEO of Loft Co, said:

“High Streets are re-establishing themselves. It's all about the experience and, with the help of the Development Bank of Wales, we're working hard to rejuvenate local high streets and communities in some great locations so that they can become destinations in their own right.”

He added:

“The social and economic impact of our work is far-reaching. This isn't just about creating jobs, it's about reconnecting people with what matters to them by bringing a new life and sense of purpose to buildings that were once at the heart of the local community.”

The Three CCR Businesses that have Won Queen's Awards

Three companies in Cardiff Capital Region have won Queen's Awards for Enterprise. The awards, which have been presented annually since 1966, recognise outstanding achievement in innovation, international trade, sustainable development and promoting opportunity.

The three were among eight in Wales and 220 around the UK to win awards this year.

SPTS Technologies was the only Welsh winner in the Innovation category. The Newport based firm is a previous Queen's Award winner, having previously won an innovation award in 2018 and international trade awards in 2013 and 2017.

SPTS supplies advanced wafer processing equipment to the world's leading semiconductor and microelectronic device manufacturers. This latest award has been given for the company's development of a new method of dicing silicon wafers using plasma cutting techniques. This avoids damaging dies, and produces stronger, more reliable devices and a higher volume throughput than was possible before.

The firm is already winning around 50% market share with this new technology, and gaining new customers in new sectors.

Wales Interactive was one of four Welsh companies to win an international trade award. The Bridgend based firm, set up in 2012, is a multi-award winning developer and publisher of video games and interactive independent movies. Through partnerships with third party developers they have brought their games to PC, PlayStation and Xbox One, as well as download stores such as Steam, Nintendo Store and Windows Store.

Exports make up 94% of all sales and overseas sales have grown 503% over the last three years, with the principal markets being China, the USA, Germany, South Korea and Russia.

The company said in a statement:

"The Wales Interactive team are extremely honoured to have won a Queen's Award 2020. It is a fantastic achievement for our studio and highlights all the hard work we have put in over the last few years. We are proud to be flying the flag for Wales internationally and delighted to be recognised for creating video games and interactive movie titles that entertain the world."

The third business from the region to win an award was St Athan based Dresd, which won in the sustainable development category. The company reclaims and reuses film and TV sets, for example on BBC Atlantis, when it reduced waste to landfill by 96% and cutting clearance costs by 50%.

The company's customers include Bafta, British Airways, Comic Relief, Stella McCartney and Vogue, and to date it has diverted more than 116,000 tonnes of material from landfill.

Founding director Lynn McFarlane spent months studying the film and TV industry, on top of her years of experience in event builds, to develop her ideas for bringing more sustainable practices to the sector.

Working with major producers such as NBC Universal and Sony Pictures, along with outfits, Dresd proved changes could be made to the way productions are planned and wrapped up. The company has gone on to work with hundreds of designers and set builders, setting up the first film and TV salvage centre of its kind, where it keeps a large bank of sets and stock for reuse and hire.

Lynn McFarlane said:

"We are proud to have been recognised for our unique contribution to the film/TV and event industry, that demonstrates a new innovative direction for sustainability for the future of the creative industries."



PETER FOX

**A BRILLIANT EFFORT,
AND NOW IT'S TIME TO
THINK AHEAD**

A Brilliant Effort, and Now it's Time to Think Ahead



Individuals, families, communities, and businesses have been turned upside down virtually overnight. The way we live, communicate and do business has had to change at such a pace it's left us feeling we are living in a parallel universe; a surreal existence so alien to what our world was like only a few weeks ago.

Peter Fox

Leader Monmouthshire County Council and Vice Chair CCR Regional cabinet

The threats from Covid-19 demanded we act fast to save lives, and the British people responded and flattened down the hatches, and demonstrated a coming together in a national effort not experienced since World War 2.

Our Government stepped up and gave the leadership we needed more than ever, despite what many armchair scientists declare. The Chancellor's support packages have been huge, and have supported and will support thousands of businesses of all descriptions. Welsh Government has stepped up also and added additional support through its Economic Resilience Fund.

We have seen over £4bn flow into Wales to deal with the pandemic; £2.2bn through Barnett consequential funding and the rest through the various support packages. But despite this unprecedented level of support, many businesses sadly have fallen between the cracks, and our hearts go out to them. Even large global players are being rocked by events – events that have spanned the world leaving few communities unscathed.

A strong team

We are blessed in Monmouthshire with a fantastic team of public servants, who I am very proud of. Coronavirus came on the back of last winter's flooding, which was a very challenging situation that the staff had to rise to, and then they had to deal with the coronavirus. We had to close many of our services, but we worked very hard to get money out to the businesses who needed it as quickly as possible.

It was a brilliant effort on the part of our teams who have been engaging with businesses throughout. We've also seen a tremendous community spirit throughout Monmouthshire, with businesses, charities, volunteers and public servants all working very hard to get help out to the vulnerable people who needed it.

Our priority, as we move from emergency to recovery, is clear, transparent communication. We've had a huge amount of positive feedback from businesses and individuals, but there'll be further challenges in the following weeks for us and the wider public service. Here in Monmouthshire we're on the border with England where many regulations in regard to the lockdown are now different.

Unsurprisingly, people's tolerance is starting to get frayed.

Opportunity in adversity

But now is a time for forward thinking and new ambition. It's a time to take stock, to put our heads up and learn quickly from the situation.

As we move through the pandemic and restrictions are eased, we will see the seeds of recovery. Whilst we may be in one of the deepest recessions experienced in the last 100 years or more, I truly believe we will recover, in time, stronger than ever before.

Out of adversity opportunities will always manifest themselves, and that new future will emerge. There will be new needs, expectations and aspirations. The Capital Region and its investment funds will be fundamental to supporting, influencing and helping to power the Welsh economy.

It is highly unlikely that we will see the UK economy simply 'snap back'. But equally, we must try and strike a balance in the region; avoiding knee-jerk reactions, focussing on our 20-year outlook and working in real-time, adapting to the shifting position. Our Industrial and Economic Growth Plan is sound, with its focus on sectors and building clusters around medtech, compound semi-conductors, data/AI, infrastructure, fin-tech and energy – which if anything must now be accelerated.

Our 10 priorities

Cardiff Capital Region is an exciting place to be in as we emerge from the UK's currently strangled economy. The CCR Cabinet has set 10 priorities to set our focus on. These priorities spread across the 5 horizons companies will need to think and act across as they rebound from the pandemic; Resolve, Resilience, Return, Reimagine and Reform.

Our priorities include things like building an intelligence base for businesses and helping them navigate their options and opportunities; preparing for what comes next; and looking at our existing programmes to see whether they need to be altered to fit the new conditions.

They will include developing new, targeted funding interventions and new investment application support mechanisms including an SME Co-investment Fund, and Investment Readiness programmes.

Also a priority will be the creation of a new Challenge Fund Programme to rebuild local wealth; alongside an open call for innovation in medtech.

Finally, to increase our overall competitiveness and wealth creation as a region, we must move forward with support programmes for industrial scale priority clusters, and provide support mechanisms to enhance the performance of our medium-sized businesses.

Many cups waiting to be filled

We will be here, ready to help businesses get back up and embrace innovation, technologies and new ways of working.

In these extraordinary times, we will be setting the scene to start thinking about things in a different way, like how we travel, and how do we do things on a more local level. How do we alter the layout of our town centres to allow businesses to expand into the streets at night to cope with social distancing?

At a time when many will see their cups looking at best half full or even near empty, I see Cardiff Capital Region as a place with many cups just waiting to be filled with a whole variety of new flavours, together with all the well-known favourites.



Cardiff Capital Region's Regional Cabinet has set out its 10 priorities for the region in the wake of the coronavirus pandemic.

The Cabinet, which includes the leaders of the 10 local authorities that make up the CCR, has reassessed the needs of the regional economy as the country comes out of lockdown and heads into recovery.

The 10 priorities come as an addendum to the CCR's Industrial and Economic Plan, which was drawn up in early 2019 by the Regional Cabinet together with the CCR's Economic Growth Partnership, which includes leading figures from the worlds of business, the public sector and academia.

The plan was always intended to be flexible so that it could be adapted to the changing needs of the regional economy over its 20-year lifespan. The pandemic has meant an early reassessment to make sure it still meets the needs of the region.

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Strategic Response

After consulting with the Economic Growth Partnership and other stakeholders, the Regional Cabinet endorsed five recommendations for its Strategic Response to the pandemic. These recommendations are to:

1. Avoid the crowded, immediate funding response space, to make sure that any interventions complement and do not duplicate existing business support packages.
2. Adhere to the original strategic plan and its focus on industries of the future, but accelerate efforts to build clusters around medtech, data/AI, compound semiconductors, infrastructure, fintech and energy, balancing this with an approach to building local wealth.
3. Revisit, adjust and adapt current investment programmes to make sure they are still fit for purpose.
4. Leverage other funding sources and swiftly deploy, relevant financial tools and solutions where there is a proven viable company or proposal in order to increase business resilience and facilitate growth.
5. Establish a new Re-building Local Economies Challenge Programme.

The 10 priorities

In addition to these five recommendations, the Regional Cabinet has set out 10 priorities to focus on as part of a phased approach to coping with and moving beyond the pandemic and its economic impact.

Under the first phase, **Reaction**, the priorities are:

1. Helping CCR businesses navigate the funding support packages available and identifying gaps in provision. This includes communicating information, getting feedback, and raising awareness of arising issues.
2. Building a strong evidence base to enable ongoing assessment of regional economic health. This includes working with the School of Economic Geography at Cardiff University to create a regional data dashboard of Key Performance Indicators, and getting feedback from stakeholders to identify issues and opportunities.
3. Reviewing current City Deal initiatives to make sure they align with CCR economic and social imperatives in a post-Covid 19 world. This will include accelerating our Digital Infrastructure programmes on full fibre connectivity and 5G and considering the application of a broader reskilling/ HE/ FE support programme to mirror the changing sector dynamics.
4. Ensuring entrepreneurs and start-ups get the support they need. This includes facilitating access to mentoring programmes and network groups, unlocking routes to obtain seed capital and influencing the potential creation of a bespoke shared prosperity funding programme.
5. Setting up a new Rebuilding Local Economies Challenge Programme, to capitalise on the business innovation and ingenuity seen during the crisis. Two or three challenges such as healthy ageing, foundational economy renewal, future mobility or decarbonisation, will form the focus for the new challenge funds.

In the second phase, **Adaptation**, the priorities are:

6. Developing new, targeted funding interventions and new investment application

support mechanisms. This includes working with investment partners to create an SME Co-investment Fund to help scale up business in priority sectors

7. Supporting key businesses in the CCR priority clusters to increase their resilience and capacity for growth through increased flexibility on lending/investments. This includes consideration of alternative funding mechanisms such as convertible equities, greater flexibility in ways of assessing debt capacity, and increased use of guarantees and asset-backed securities.
8. Accelerating the development of our medtech cluster through encouraging and supporting investment opportunities in medtech innovation. This will allow us to build upon the strategic opportunities for the sector and the region presented by the scale of businesses diversifying their manufacturing bases to accommodate the production of medical tools and equipment.
9. Expediting the creation of resilient industrial clusters with thriving regional ecosystems. This includes creating formal cluster bodies in priority sectors, and prioritising investment support to complement strategic cluster company inward investment activities.
10. Increasing our overall competitiveness and wealth creation as a region by improving the financial performance of medium-sized businesses. This will include focused interventions such as facilitating greater networking opportunities between CEOs, for the sharing of best practice advice and guidance.

Anthony Hunt, Chair of the Cardiff Capital Region Cabinet, said:

“Individuals, businesses and communities in the Cardiff Capital Region have worked extremely hard and made major sacrifices to help curb the spread of Covid-19, support our health and care services, and keep their businesses afloat.”

The Regional Cabinet appreciates the extraordinary effort everyone has made, and is determined to make sure that in the

recovery ahead our region emerges stronger, more competitive, better connected and more resilient than before.

These 10 priorities – which, taking the Challenge fund for example, involve new ways of solving intractable programmes – will help ensure that we focus our collective efforts on the things that will have the greatest impact.”

Kellie Beirne, Director Cardiff Capital Region City Deal, said:

“ Covid-19 has challenged us all, and people, businesses and communities across our region have faced up to these challenges with determination and resolve. The months and years ahead will present us with fresh challenges as we come out of the lockdown and start to rebuild our economy.

The economic plan and investment priorities we had already set out before this pandemic were designed to make our region better connected, more competitive and more resilient, and to make sure the full benefits of the City Deal were felt in all our communities across the region. We have taken another look at our plans and determined that the priority sectors we had identified for support are the ones that will best help our region prosper in the new economic landscape that will emerge in the wake of the pandemic.

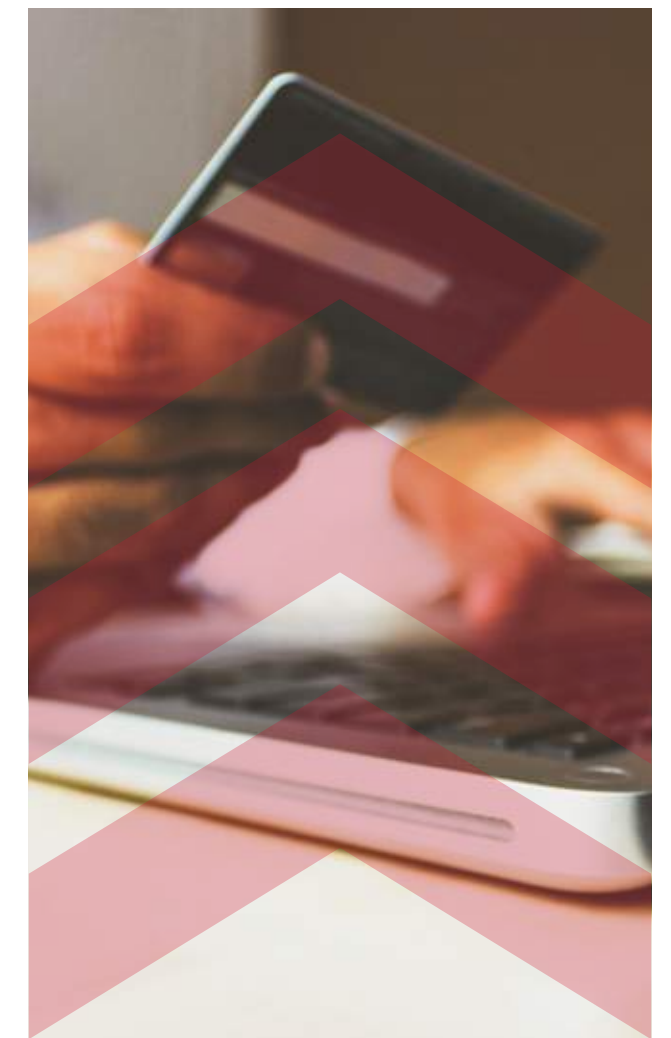
The 10 priorities we have set out represent where we think we can most usefully support our businesses and communities and will enable us to create a positive legacy. By taking a new approach and not simply carrying on with the old ways of doing things, we believe we can help our businesses and communities move beyond the impact of the pandemic and emerge stronger and better able to face the future with confidence.”

Frank Holmes, Chair of the Cardiff Capital Region Economic Growth Partnership, said:

“ We have seen the power of collaboration and how delivery should be best left to the experts, whether in healthcare, finance or public service.

As physical doors close, digital doors swing open. It is critical to reconstruct for the future and not dwell on solving the problems of the past.

The next normal is in the hands of countless decision makers and could result in a burst of innovation and productivity, more resilient industries, smarter government at all levels and a reconnected world; or slower growth, less prosperity, bloated government and widening inequality with rigid borders.”



Wagonex Leads the Way in Kick-Starting the Automotive Sector

Covid-19 has been devastating for the automotive sector, with UK new car sales in April dropping to figures not seen since 1946. Just 871 cars were sold to retail customers during the month, the remaining 3,500 going to fleet and business buyers.

With car showrooms shut during the month and people restricted to essential travel only, these figures are hardly surprising. The sector is hoping for a rapid recovery once showrooms reopen. There is a fear, though, that with recession looming, people will be reluctant to commit to buying a car, just as they were after the 2008 recession.

One Cardiff-based software company, however, is offering a solution that could be a lifeline for car dealerships. Instead of the traditional models of car ownership or long-term leases, Wagonex provides a car subscription service, with lengths of contract running from as little as a month to up to two years.

Customers can take out a subscription online, and have a wide range of vehicles and subscription options to choose from. It's a very flexible service too, with customers able to change their cars and alter the length of their subscription. The fee includes insurance, and cars are delivered to the customer's door.

Birth of the concept

Wagonex's subscription concept was created before the pandemic by a company of creative and innovative young thinkers, who questioned why it was necessary to take on the financial commitment of ownership or a long lease to have a car. But the idea could prove more popular now with a wider driving public, in the current climate of financial uncertainty and nervousness about using public transport.

Recognising the anxieties of the moment, Wagonex is offering its online subscription service free to dealerships and manufacturers for three months, in the hope that it will boost business for the troubled sector. Not only could this add another dimension to the service dealerships provide, by allowing customers to buy subscriptions online it could also help overcome issues around social distancing.

It's certain the next few months will prove challenging for the automotive sector. By helping car dealerships and manufacturers provide an alternative, flexible and easy to use service to customers, and one which reduces their worries about taking on large financial commitments, Wagonex could just save their businesses.

Toby Kernon, CEO and Founder of Wagonex, said:

“ We're looking forward to working with businesses across the country and helping to get their vehicles up and running. We're doing everything that we can to help businesses to get back on their feet by offering this support.”

Nathaniel Cars said:

“ The initiative is absolutely fantastic. Having an additional product which sits between renting and owning, and offers our customers complete flexibility, is exactly what the industry has been looking for.”



CARA AITCHISON

CARDIFF MET'S STAFF AND STUDENTS STAND READY TO HELP WALES IN THE RECOVERY



Cardiff Met's Staff and Students Stand Ready to Help Wales in the Recovery

As spring turns to summer and we look forward to the progressive lifting of restrictions on our personal and working lives, we at Cardiff Metropolitan University are optimistic about our ability to recover from the effects of the pandemic.

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Professor Cara Aitchison

President and Vice-Chancellor of Cardiff Metropolitan University and Board member of the CCR Economic Growth Partnership

We started planning our response early, took advantage of our strong financial position, put our students first and helped the wider community as much as we could.

Taking action early

We were proactive as a university in our response to the crisis. We set up a Covid-19 Planning and Response Group back in January. We describe our University as being 'values-led' and we have a strong health and wellbeing ethos, so we tried to tackle the Coronavirus crisis from that perspective from the outset, thinking about how we would ensure that our staff and students were best served to enable them to bounce back strongly when the time came.

We moved all learning, teaching and student support online and also provided a lot of online support for staff in the form of individual check-ups, team meetings and a new Weekly Update in

the form of a newsletter that has had excellent engagement from staff across the University. The crisis has galvanised the staff and, paradoxically, we've probably got higher staff morale now than at any time I can remember since I joined the university four years ago.

Surviving the financial challenge

We did a lot of work three years ago to rebalance our finances and, although actions such as losing over 10% of the University's staff to voluntary severance in 2017 were painful for all of us, it is those actions that have put us in a strong financial position to be able to withstand this turn of events. We also embarked three years ago on a growth programme: we've increased turnover from under £100m when I joined to £108m last year; we've increased student numbers by diversifying into new programme areas and we have further new programmes starting in September, including

degrees in Policing, in Law and in Architecture; and we've improved quality, as recorded through measures like the National Student Survey.

We were the first university in Wales to say we would not charge students for their residential accommodation in the summer term. That meant we've lost a major income stream for this term in the residency fees, and we've also lost all the catering income, the conference income, and income from summer schools and short courses.

This term that amounts to £4m, which is almost 4% of our annual turnover. We can withstand that because our budgets for this year were all on track and we were due to make a fairly significant surplus, which we had earmarked for investment into capital spending.

The whole sector is anticipating a significant downturn in international students in the next academic year. For us, that's mitigated in two ways. One is that we increased our international student recruitment very dramatically this year, far in excess of target, so we were already receiving income in excess of that expected.

Secondly, we have two intakes a year for international students, who are mostly undertaking postgraduate programmes. We think our autumn intake will be significantly down, but many who planned to start in the autumn will now start with the February intake, so we should be able to bounce back within the next academic year rather than waiting until the following year. That said, we have no doubt that international recruitment will be down, particularly as the crisis and surrounding publicity of the death toll in the UK is being reported back to us by our recruitment teams around the world.

Putting students first

In addition to waiving residency fees for the summer term, we established a 'no detriment' policy, meaning students could not end the year with a final mark worse than the mark they were sitting on before all this chaos.

Some universities have abandoned exams, but we didn't think that was in the best interest of students. So we introduced the no detriment policy which meant we had to rework all the processes around marking, assessment and exam boards and all the data processes and algorithms that go into working out a degree mark. Many staff worked

day and night to get these systems and processes developed in time.

Helping the community

We're confident that we can come back from this as a really strong, coherent community, but we're also confident that we can make a contribution to helping businesses and our wider society recover.

Just after the lockdown began, I had staff asking if they could get back onto campus. We've got a world leading product design centre and we do amazing things with 3D printing, and staff were asking to get back there to make visors and other PPE.

We also had staff wanting to lend some of our expensive scientific equipment to the National Testing Centre at Milton Keynes. There are only 100 Thermo Fisher 7500 ABI Fast Platform machines in the UK and we've got two of them, so we lent our two to the national testing efforts for Covid-19 at the first national testing centre in Milton Keynes. We also became the trail centre for a new blood donation model in partnership with the Welsh Blood Service and have hosted the donation centre on campus, so we've had staff, students and Cardiff residents coming onto campus to donate blood.

Everyone was willing to help and wanted to feel that they'd made a contribution. Our people have made us proud, and I'm confident that they will continue to do Wales proud in the months and years ahead.

That's why I am optimistic about our ability to recover as an institution, but more importantly about our ability to contribute to recovery in industry and business, and in wider civic society. There will need to be a lot of rebuilding in society as well as in the economy after the pandemic is over. We believe we can contribute in five ways, which form the subject of a special feature article that accompanies this column on Business News Wales.

Five Ways Cardiff Met can Help Wales Recover From the Covid-19 Crisis

As one of Wales' leading higher education institutions, Cardiff Metropolitan University plays a crucial role in the country's economic life.

In the wake of the worst shock to the nation's economy for generations, that role will assume even greater importance in the next few years.

Professor Cara Aitchison, President and Vice-Chancellor of Cardiff Met, is full of confidence about the university's ability to contribute to Wales' recovery. There are five ways in particular, she feels, in which Cardiff Met can make a rapid and vital contribution.

Cardiff School of Technologies

Launched just two years ago, Cardiff Met's School of Technologies has proved popular with student recruits and is already turning out its first graduates. Students leaving the school have the skills employers need, and will need in even greater supply in the years to come as the economy recovers and rebuilds. The School specialises in digital technology, data science, design technology and systems engineering; all the areas that are clustering in South Wales and that are going to be a real engine house for the economy.

Besides the graduates now leaving the School and looking for their first jobs in industry, there are also students still at the university who want to work with employers while they're doing their degree. Whether employers need people with new skills, or additional support to get new technology in place, Cardiff Met can help them.

Global Academies

Academia is renowned for people working in silos and ivory towers, and not connecting very effectively with industry. Cardiff Met has tried to tackle that phenomenon by drawing together different disciplines into University-wide Global Academies in areas where it thinks it can make an immediate impact, often at an international level but also across Wales.

Cardiff Met identified three areas where it could draw together people from across the university to work with industry to help push economic development forward. One of the Global Academies is focused on the strength that Cardiff Met already has in food science, food safety and food security. Food businesses are among those that have been most severely impacted by the pandemic, but they also have the ability to get back on their feet pretty quickly. Cardiff Met is keen to help industry recover, and is already running sessions aimed at helping the food sector get back up and running as quickly as possible.

The second of the Academies is the Global Academy for Human-Centred Design. Cardiff Met has a good record in working with small businesses to get their products to market and to commercialise new ideas using the latest

design technology, and this Academy builds on that expertise and knowledge.

The third Global Academy is focused on Health and Human Performance and has grown from the merger of Sport and Health three years ago to form one of the UK's largest Schools of Sport and Health Sciences. The health sector has been impacted more than any other by the pandemic. Cardiff Met has got real expertise in the field that it believes can help the health sector develop and come out of Covid into new ways of working, using resources differently and more effectively to work with populations to improve physical activity and health.

Degree apprenticeships

Degree apprenticeships are an increasingly popular alternative to the difficult choice of whether to take a degree or take an apprenticeship. They offer students the possibility of getting a degree level qualification while earning an income.

Until now there has been a relatively narrow offering of degree apprenticeships in Wales, but the likely difficult economic times ahead as we gradually come out of the recession will force Wales to think more proactively about degree apprenticeships. Cardiff Met has already had a successful programme with the Office for National Statistics (ONS) offering a Degree Apprenticeship in Data Science, and Prof Aitchison thinks there will be more. "Industry will demand degree apprenticeships, and we are ready and willing to contribute," she said.

The Cardiff Met Edge

Another platform in the university's strategic plan is something it calls the Cardiff Met EDGE. The EDGE is an acronym for Ethical, Digital, Global and Entrepreneurial, a combination of skills and experiences the university wants to instil in all its students as they go out into the workplace.

"We need our students to have those capacities and capabilities, so that they make a contribution not just through being a whizz in digital technology, but also by approaching things from a global mindset and an ethical stance, and by being able to be enterprising themselves," said Prof Aitchison.

Civic mission

Finally, there's what Education Minister Kirsty Williams calls universities' civic mission. Cardiff Met has been doing a lot of work during the lockdown to provide education, sport and exercise for local communities. Students on Initial Teacher Education programmes have been supporting parents involved in home schooling, and staff have been offering a range of classes and activities to keep both adults and children fit and active. As we come out of the lockdown, the University will be focused on the close link between health and wellbeing and economic recovery. "We can't look at these two things separately; if we haven't got a healthy workforce – and it's about mental health as much as physical health – we can't possibly think that we can be innovative and entrepreneurial," said Prof Aitchison.

She added:

"We've got a lot to offer around entrepreneurship, and also around social cohesion and wellbeing. The big issue for all of us is going to be linking these two things together; how do we become a sustainable economy with the potential to grow, while also developing a really healthy population?"

With a positive will and good connections with industry, there's no reason why we can't do this. It's going to be a really interesting couple of years."

£5m Funding Provides Boost for South East Wales Metro Plus

The Cardiff Capital Region Transport Authority (RTA), which comprises elected transport portfolio leads from the ten local authorities in South-East Wales, has announced notification of its successful application for Welsh Government LTF funding, in conjunction with a series of updates on the south East Wales Metro and Metro Plus Schemes.

These schemes include the 10 'Future Mobility' Metro plus Phase 1 projects, the Metro Enhancement Framework (MEF) Programme and the proposed Metro Plus Phase 2 Programme.

A summary of the key updates follows below:

LTF Award

Following positive feedback from Welsh Government (WG) on the RTA's bid for 2020/21 LTF funding, £5m of the original £7m request has been secured.

This significant allocation of LTF from Welsh Government for the development and delivery of, Metro plus Phase 1, Metro plus Phase 2 and the MEF Corridors development work, will be made to Merthyr Tydfil County Borough Council in their capacity as Lead Authority. To coordinate delivery and maximise opportunity, programme management of the funds will be overseen through the Regional Transport Authority and the Officer working group, which will align to Merthyr's internal governance arrangements for overseeing the drawdown of the grant.

The £5m LTF funding in conjunction with the £5m allocated City Deal funds for Metro phase 1 ensures that all Metro phase 1, phase 2 and MEF development work can progress in line with current plans. The shortfall of £2m is considered sustainable due to the Covid



conditions which are likely to prevail for much of the period in question.

Metro Phase 1

All Metro Phase 1 projects are progressing in line with expectations. Both the Pentrebach Park and Ride scheme and the Abertillery Transport Interchange scheme are now also showing progress despite complex land acquisition challenges.

The Metro plus Phase 1 schemes that make up the programme are:

- › Pontypool and New Inn Park and Ride
- › Severn Tunnel Junction Park and Ride
- › Pyle Park and Ride
- › Pentrebach Interchange
- › Porth Transport Interchange
- › Abertillery Transport Hub
- › Caerphilly Interchange
- › Barry Docks Interchange
- › Cardiff East Bus Priority
- › Newport to Cardiff Transport Priority
- › Metro Enhancement Framework

All 4 transport corridor programmes which include:

- › NW Cardiff
- › Cardiff - Vale of Glamorgan
- › Cardiff - Maesteg - Bridgend - Porthcawl and
- › Newport - Chepstow

Are making steady progress with NW Cardiff and Newport - Chepstow ready to move to the next WelTAG stage.

Metro Phase 2

The Metro Plus Phase 2 programme is at the very early stages of development and includes the following schemes:

- › Abergavenny station interchange & improvements
- › Cardiff Bus Priority
- › Cwmbran Interchange
- › Cogan Interchange
- › Ystrad Mynach P&R extension
- › Hirwaun Rail extension and P&R
- › Cardiff Bus priority between Newport city centre and the International Conference Centre Wales
- › Brackla Railway Station
- › Pencoed Crossing
- › Merthyr Rail - Bus Connectivity and
- › Brynmawr Transport Interchange

Sustainable Transport

It was also noted that an aggregate £26,112,817 in the form of "Expressions of Interest" had been submitted to the Deputy Minister for Economy and Transport by the 10 CCR local authorities for the pursuance of sustainable transport measures in respect of Covid-19.

Councillor Huw David, Chair of the CCR Transport Authority, and Leader of Bridgend County Borough Council, said:

“ This is excellent news for the Cardiff Capital Region. The WG award represents a significant investment in our

transportation and will allow us to proceed with confidence.

I am also delighted that despite the challenges we have all faced over recent months that we continue to make such good progress on all our transport programmes. Every single local authority area will benefit from transport infrastructure improvements from Bridgend in the west to Monmouthshire in East, in our cities and in our valleys so it is vital we sustain momentum across the whole portfolio of transport initiatives.”

Kellie Beirne, Director CCR City Deal said:

“ This portfolio of transport initiative is fundamental to our ambition to create a truly Connected, Competitive, Resilient region.

I am delighted we have been able to secure the LTF funding award, and at the levels of collaboration we are continuing to experience despite the immense challenges being faced by everyone.

“It is a testament to the hard work, commitment and dedication of everyone involved that we continue to be able to report such positive progress.”

£1.3m Welsh Government's Transformation Fund to Assist CCR Ambition

At its latest meeting on June 4 2020, the Cardiff Capital Region Transport Authority (RTA), which comprises elected transport portfolio leads from the ten local authorities in South-East Wales, has announced notification of its successful application for a share of the Welsh Government (WG) Ultra Low Emission Vehicle Transformation Fund.

The award, which at £1.3m, constitutes the highest award made in Wales, follows a bid made by Merthyr Council in February 2020 on behalf of the CCR, to assist with the delivery of electric vehicle infrastructure for public use, taxis and private hire specific, and buses at various locations, including transport hubs throughout the region.

This funding, being made available through WG, is intended to assist the WG transform the network to ULEV and help reach their targets of zero emissions from buses and taxis by 2028.

Award Criteria and Management

The conditions mandate that the £1.3m award to the CCR is used as follows:

- › £1,040,000 for Taxi ULEV Infrastructure
- › £100k for Bus ULEV Infrastructure at the new Merthyr bus station
- › £100k to prepare a full business case to deliver ULEV Infrastructure at transport interchanges; and £56k for EV Roadshow with Drive and Ride Opportunities.



All monies must be deployed by the end of the 2020/2021 financial year.

Merthyr Tydfil County Borough Council will be the lead authority and will manage the ULEV

Transformation Fund. It is anticipated that a Project Manager will be seconded into the City Deal

Office to deliver the work packages and to facilitate sustained momentum in progressing the regional programme.

Benefits to the Region

The progression of the ULEV initiatives and associated funding is a big step forward in the ambitions for not only improving the transport infrastructure of the Cardiff Capital Region but also for the reduction in emissions and noise pollution and the knock on benefits of improvements in biodiversity in the region. By delivering regionally, it will ensure that operationally, the end user will have a uniform process for using charging infrastructure across all 10 Local Authorities, with payment methods and infrastructure being dependable and user friendly. Initiatives such as these will help Wales play a full part in tackling climate change and the CCR will work with the other regions within Wales to try to ensure comparable and compatible infrastructure throughout Wales.

Further next steps will include the consideration of renewable energy and digital required to truly embrace the zero emissions agenda and the new technologies that could be developed to future proof the project in line

with the Well-being and Future Generations Act and vision.

Incentivisation

With lower operating costs than conventionally fuelled vehicles, transitioning to a ULEV vehicle is likely to make long term economic sense for taxi drivers. However given the revenue challenges experienced in recent times the capital cost of transition is likely to prove challenging. Although Merthyr CBC also applied for funding to incentivise taxis and community transport to take up ULEVs, it is recognised that this may be better delivered on a wider national basis and therefore funding has yet to be awarded to the region. Accordingly, there was consensus within the RTA that further collaborations and engagement should take place with WG to explore a way forward to deliver the aspirations to offer such incentives through this fund and through the financial transaction fund that is also being made available. This could enable taxi, private hire, and community transport and bus companies to accelerate the transition from diesel to ULEVs.

This will also ensure that monies spent on creating the electric infrastructure is accompanied with incentives that help sustain a modal shift toward ULEV usage.

Councillor Huw David, Chair of the CCR Transport Authority, and Leader of Bridgend County Borough Council, said:

“The CCR aims to be an exemplar in Wales to help drive the nation forward, and this funding will go a long way to support this ambition. It will help to put the region on a pathway to achieve net zero carbon emissions by 2050, with taxis and buses accelerated much earlier in line with WG’s 2028 target. Stating an ambition for the CCR to become an exemplar region for ULEVs will help attract investment in recharging and refuelling infrastructure, and will in turn create the conditions for high rates of ULEV uptake.

The CCR is well placed to benefit from a shift to ULEVs over the next 10 years and

beyond and is doing all it can to deliver on our regional ULEV strategy and our aspirations for the future of transport throughout the CCR and wider surrounding areas in Wales. This will benefit not only our residents, but our visitors and neighbours alike.

The delivery of this programme will help us realise our vision for the future of transport, accelerate our transition to ULEV usage and sustain real behavioural change.”

Kellie Beirne Director CCR City Deal said:

“More excellent news for transport infrastructure in the Cardiff Capital Region. We have a real opportunity here to lead the way, to make a difference and set the standard for Wales. We need growth to be in clean, green energy, and we will be doing everything we can to ensure that all funding is able to facilitate real change in behaviours, new norms and not perpetuate a status quo.”



New Audio Series Set to Outline the Next Chapter in the Cardiff Capital Region City Deal Story

Starting from next week this new insightful podcast series will tell the ongoing story of the Cardiff Capital Region City Deal as it emerges tentatively from lockdown into a period of economic recovery.

The series will feature governing body Chairs and senior leaders across the CCR City Deal giving personal, business and operational perspectives on a combination of future challenges, progress on current investments and the launch of new funding interventions and investments, all intended to keep those with an interest in business in the region fully abreast of the latest developments.

The series is being commissioned and produced by Business News Wales and will be the first of its kind in Wales.

CCR Marketing and Communications Lead Suzanne Chesterton said:

“ We have a great story to tell and are committed to ensuring that the work we are doing to move our region forward is easily accessible, comprehensible and digestible. To that end we are adopting as many techniques as practical in the current climate to present the information in different formats using different media to cater for different preferences.

This new podcast series will offer a variety of perspectives on the same theme – the challenges, hopes and aspirations in a post Covid-19 world – all narrated by the Chairs and senior leaders within the CCR City Deal. Accompanied with a range of supplemental features, the podcasts will be packed full of information and insight with something for everyone. We trust you will find them enjoyable and interesting.

Managing Director of Business News Wales Mark Powney said:

“ The Cardiff Capital Region City Deal is a powerful vehicle that will have a big impact on the fortunes of businesses across South Wales. Telling the story of this fast-moving organisation is of high interest to our readers.

Whilst the series will be factually driven, it also gives us the opportunity to learn about and understand the individuals helping to shape Wales. Every week critical decisions are made as part of the transformation of the region, and we felt an audio series would be the best fit to keep on top of fast-moving developments.



CERYS FURLONG

RETHINKING OUR

APPROACH MUST BE THE

LEGACY OF COVID-19



Rethinking our Approach Must be the Legacy of Covid-19



Covid-19 has been and continues to be a dreadful experience for many people across Cardiff Capital Region.

Cerys Furlong

Board member CCR Regional Skills Partnership and CEO Chwarae Teg

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But there have also been some positive lessons we can draw from this time, and there are opportunities as we come out of it to build new businesses and better communities. There are implications too for the sort of investment decisions we make in the City Deal.

Impact is not equal

What's been brought into very sharp focus is how the crisis is impacting differently on different groups of people. We know that the economic effects of the lockdown are having a disproportionate impact on some groups of people, who are also worse off from the years of austerity. If we're interested in equality, then we have to think about how we try to invest differently to address that fact.

It's a similar argument around sustainability. If we think about the type of things we want to invest in, let's be sure they are sustainable for the long term – not just economically, that they are designed to be sustainable, to make a positive contribution, and they're not reinforcing old, bad habits.

We've seen some of the worst aspects of how power operates in our economy laid bare. Work

like cleaning, caring, and catering, that was always thought of as low skilled, low paid, perhaps even low value. Suddenly we are all very reliant on those things and the people who do that work. We need them to keep us safe, keep us cared for, and keep us well.

So we need to put the people who do that sort of work at the heart of the decisions we make, and that's quite a big shift from what's happened to date, not just here in Wales but everywhere.

“ The people whose voices are not being heard around the table need to be heard, and as a nation we need to put our money on the things that matter most and where our values are.

Time for a new approach

In this kind of situation there can be a tendency to think, let's get things back to normal as quickly as possible, when actually what we all need to think is, do we want to get back to the normal that we had, because some of the structures that existed have

been really damaging. We can see that in sharp focus now in terms of people with poor health, and poor access to the labour market.

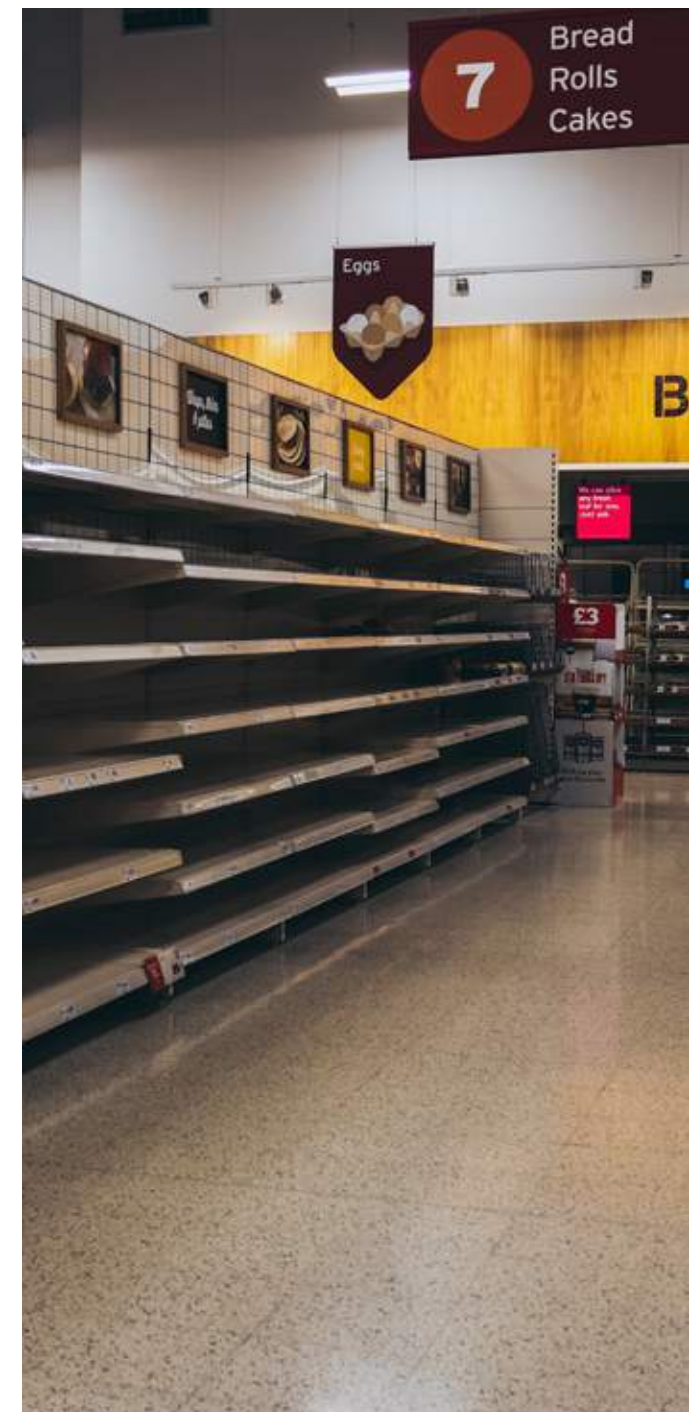
In the past our approach to economic development has been dominated by the familiar statistics. We measured GDP, we measured GVA, but we didn't measure people's wellbeing. We've thought about investing in physical infrastructure, but what about our social infrastructure?

We need to start thinking about things in a different way, like how would you stimulate the economy to shape it the way we want, so we're not so reliant on some frankly unsustainable and precarious industries. That's quite a big shift.

Often in crises long-term thinking can be thought of as a bit of a luxury, even when it comes to tackling critical issues. But for those of us who are in a position of influence, we need to use that privilege and think long term. It's our responsibility to make sure we're diligent in doing that.

This should be a massive opportunity to get people who've been locked out of the labour market previously into work. Disabled people, for example, have extremely low rates of employment. With lots of organisations switching to remote and off-site working, that should enable us to recruit much more diverse people into our places of work, which has to be good for everybody.

“ We must reinforce some of those positive things that we've learnt, so we can have a positive impact on the environment, the economy and our communities. Let that be the legacy of Covid-19.



Penguin Portals' CEO Elena Betes Speaks About Life as an Entrepreneur



Elena Betes
CEO, Penguin Portals

Elena Betes, the head of Penguin Portals, a network of comparison businesses within Admiral Group, knows what it's like to live through difficult times as an entrepreneur.

Her first Spanish business, which she set up in emulation of Confused.com, struggled for lack of capital and scale; a second in Germany went bankrupt in the financial crisis of 2008.

Having come through those experiences and subsequently successfully run Admiral's Spanish comparison site for more than a decade, she is well qualified to give tips to entrepreneurs looking to set up their own businesses in the challenging times post-Covid.

Her journey as an entrepreneur started when she was a young MBA student in Spain in the early 2000s. Two incidents in particular left a lasting impression on her. Her father was made redundant at the age of 53. Then the company Elena was working for, Arthur Andersen, was forced out of business as a result of the Enron scandal. Unsettled by the thought that working in a corporate her destiny would be in someone else's hands, Elena decided instead to set up her own business.

Her first idea was to go into the hotel industry, and she decided to get some experience of the business by joining a large hotel group at the bottom. But a few days cleaning rooms convinced her she was wasting her time.

"A lot of entrepreneurs without experience have these fantastic ideas about how they're going to change the world, then when you get into the operation you realise it wasn't so fantastic, or wasn't feasible," she said.

Becoming an entrepreneur

Elena realised she wanted to set up a business that would help people. She was inspired by Confused.com, which was already operating in the UK, and how it helped people, who didn't necessarily have any financial education, save money on their insurance.

As a young woman with no business experience she couldn't get any money from the banks, so she borrowed from family and friends.

"People don't realise, when you are starting a business, it's really scary to spend the money of your family and friends. Everybody says be a risk taker, but you have your heart in your mouth. You have this huge investment in technology, is it going to work or not?" she said.

The company grew, although it was still making losses, and Elena joined a group who were willing to give her capital to set up another site in Germany.

"You gain confidence in yourself when somebody takes a bet on you, you get better. Someone is giving you money because they trust in you. It makes you more of a risk taker," she said.

But then came the 2008 financial crisis, and the capital supply dried up. On the day the company was declared bankrupt, Admiral's co-founder and then CEO Henry Engelhardt came to visit Elena in her London office.

"He said, you tried in Spain but didn't have the scale, you tried in Germany, why don't you try again with us? I had been trying this business model and using Confused.com as my goal. I thought, I cannot say no, I need to get in and understand how this business model works and try it again," Elena said.

So she returned to Spain with her one-year-old child, and set up Rastreator.com, Admiral's first overseas comparison site business. It was a success, and was followed by other businesses in other countries which have now been brought together, along with Confused.com, under the Penguin Portals umbrella of which Elena is the CEO. Although part of the Admiral group, Penguin Portals operates separately, and each of its constituent businesses such as Confused and Rastreator has a very large degree of autonomy to operate according to local conditions.

Success at Rastreator

Elena attributes her success at Rastreator to a number of things.

"I wasn't the same any more, the learning I had gone through had made me completely different. I had been tried and tested, I knew what to do, I knew what I had to do when things went wrong," she said.

The second reason was, when someone bets on you, it's easier to take risks. So you are more risk averse when you are by yourself than when you have somebody who has experience trusting you."

She describes her position as being a corporate entrepreneur within Admiral, and says she feels very supported in that role.

"Admiral is a company built by entrepreneurs; they really give you space, and that is necessary for entrepreneurs. You should not be afraid of failing, you should be afraid of not learning from failure," she said.

Being at Admiral also meant she no longer had to worry about capital, which gave her more time to concentrate on the business.

"The problem with being an entrepreneur is that half of the time you're focusing on getting the cash you need, and half the time you're focusing on operations. When I landed in Admiral, 100% of my time was focused on the business, on the customers. This makes a difference because you have more time," she added.

So what advice does Elena have for new entrepreneurs? She said:

"The first lesson is, it's not easy. It's all about preparation and working hard. Check that you are ready for this hard work, that you have a high level

of energy and motivation, because it's not going to be easy. A lot of people may not have the resilience to change and change as needed.

When you are starting out get operational experience. If you don't have it, there are a lot of people that have been retired. They are amazing, they have knowledge, they are in society and we don't use them. Of course, they're not going to work 24 hours, but they want to come back and you should listen to them.

You should know where you are headed when you want to be an entrepreneur. You really have to be willing to do everything, and be familiar with the concept of what you want to achieve.

Sometimes on the way you forget why you started. It's really important to come back to it and say, I started for that reason, so I'm not going to do that other thing. As an entrepreneur you do everything you do to make your dreams happen, and you should not throw away your dreams. When you have investors putting pressure on you it's not easy.

So be clear why you started because otherwise you won't inspire people to follow you. Surround yourself with people that know what you're trying to do, that believe in it and want to do it."

Elena Betes has travelled a long journey from her first days as a struggling entrepreneur in Spain to leading Penguin Portals' comparison platforms for financial services business in the UK, France, Spain, Mexico and India. Plans are well advanced for the launch of another comparison site later this year. The next stage of the journey will be worth watching.



Regional Cabinet Backs Further Investment in CCR City Deal Projects

The Cardiff Capital Region (CCR) Regional Cabinet has approved further investment for key City Deal projects.

The investments approved are:

£250,000 Seed funding for Fintech Wales – a not-for-profit body representing Fintech and Financial Services businesses in Wales.

The seed funding proposal is designed to support the growth of a key cluster within the CCR and establish a thriving leading edge ecosystem in the region. The seed funding allocation is intended to allow a nine-month programme of essential work to be undertaken to establish and evidence the building blocks required to grow the Fintech sector's sustainability in the region and the rest of Wales. This work, which will output in a series of studies and reports, will include feasibility assessments to build strategic hubs in Cardiff, Bridgend, and Cwmbran.

£40,000 to progress a potential £4m investment for a CCR healthcare data company

This is an innovative development in the healthcare-related, data science field for an organisation that provides independent evidence for healthcare services and the pharmaceutical industry.

The proposal is for an investment to finalise the development, and subsequent commercialization, of a new analytical software product that has the potential to cut the time to analyse data from months to days. This is particularly pertinent when considered in the current Covid-19 environment.

A £40,000 spend from the City Deal Programme Development Fund has been agreed in order to move this proposal forward through due diligence and creation of a full business case.

This investment exemplifies the objectives and outcomes of the City Deal. Specifically, the company aims to employ a large number of local graduates and postgraduates in highly skilled, highly paid jobs that are future proofed.

£125,000 to progress to the next stages of an "Evergreen fund" for Strategic Premises

This is a £50m plus investment intended to support otherwise viable industrial development projects where there is evidence of market failure affecting financial viability. There will be particular emphasis on projects that support innovation and job creation and make use of brownfield sites to create Grade A or equivalent space.

The hope is that this will help bring forward schemes that otherwise might struggle to progress without this type of strategic support because they cannot get all the funding they need in the current environment.

This initiative sees the CCR City Deal move away from "business as usual" investments, and enables it to support initiatives that bring about differentiated approaches, approaches that will support home and local working and in turn help create positive new futures.

The next stage is the appointment of a fund manager and production of a full business case over the summer months.

£120,000 to progress a proposal to develop a Life Sciences Innovation Park at Coryton, Cardiff.

This is a co-investment proposal with a Cardiff-based developer to establish the site as a strategic hub for fuelling regional medtech growth.

The project proposal seeks to provide up to 225,000 sq. ft. of Grade A office and R&D space and services for circa 2,000 high value jobs.

This project is of strategic significance to the region and will help facilitate the development

of the characteristics associated with more mature sectors such as Compound Semi-Conductors.

In principle agreement to a £10 million Challenge fund

Re-building local wealth at a foundational level is one of the 10 CCR post-Covid 19 priorities published in May.

The focus of the proposed new £10m programme is to re-build local economies through solving societal challenges that have economic impact and potential commercial-scale opportunities.

In practice, this will work through selecting two to three challenges to form the focus of individual challenge funds with the idea being to contribute to new ideas, solutions and projects that contribute to the new momentum and 'new reality' of the post-Covid 19 world.

All the projects, which have been submitted through the CCR Investment and Intervention framework launched last summer, were approved following CCR Investment Panel recommendation.

Cllr Anthony Hunt, Chair of the Cardiff Capital Region Regional Cabinet which comprises the leaders of the 10 local authorities in South-East Wales who comprise the CCR, said:

"This package of approved investments adds up to an ambitious programme of support for innovation, resilience and connectivity in the Capital Region; and comes amid a recognition that, in a time of crisis, the region must do whatever it can to help its people, businesses and communities to not just survive the crisis but to emerge stronger and better equipped to prosper in the new world.

I am confident that the projects we are progressing represent the right investments. Our Challenge fund, in particular, through identifying new ways of solving intractable problems, will help ensure we focus our collective efforts on the things that will have the greatest impact."

Kellie Beirne, Director CCR City Deal said:

"The aim of the Cardiff Capital Region City Deal has always been to make the region more connected, competitive, and resilient, and to address the social and geographical inequalities within it. As the region emerges from lockdown into recovery, this aim has become more important than ever.

The 10 priorities we restated in May represented where we think we can most usefully support our businesses and communities and reconfirmed that the priority sectors we had identified for support are the ones that will best help our region prosper in the new economic landscape. The decisions made by the Regional Cabinet to progress this latest series of investments represent a big step forward in realising the ambitions set out in our priorities and I look forward to collaborating with colleagues across the sectors, Welsh Government and the 10 local authorities to progress towards implementation."



PODCAST**Cardiff Capital Region –
Lockdown to Delivery
– Episode 1**

Welcome to the new podcast series telling the ongoing story of the Cardiff Capital Region City Deal as it emerges from lockdown into a new delivery phase.

In this episode we talk to Rhys Thomas Chief Operating Officer of the CCR about:

- › The progress that's been made over the last few months on the investments already in the pipeline including Digital and Housing.
- › The types of proposal coming into the pipeline and in particular what CCR want to see more of.
- › Investments approved since lockdown and why they are the right things to be investing in right now.
- › Rhys' hopes for the future
- › We hope you find the series informative and interesting.

LISTEN/WATCH NOW

Cardiff Capital Region: Interview with Rhys Thomas

Rhys Thomas, Chief Operating Officer of Cardiff Capital Region City Deal, spoke with Mark Powney, MD at Business News Wales

Tell us about yourself, what is your background and what does your day to day role consist of?

I'm a Welshman from West Wales, came up to the Cardiff Capital Region to go to university 20 years ago and I've never left. I've spent most of my career working at Cardiff University in various roles, but the latter couple of years were really focussed on innovation and economic development and how the university's contribution to the wider society and economy could be maximised.

No two days are alike, but the ultimate aspect of it is to support the governance and administration of the City Deal, while at the same time looking for investment propositions and nurturing them, and putting them through challenge to make sure we make the right investment decisions at the end of the day.

It's a challenging, interesting time for you...

As for everybody else. Our way of working was turned upside down overnight. We responded positively, we're into a new groove of working from home. The levels of interest and investment requests haven't dried up, if anything they've increased, and there are some challenges for us in that in terms of how we manage everybody's expectations.

We saw a range of investment decisions made in early March. Can you give us an update? Where are we with the Housing Investment Fund?

We've been progressing the procurement of the technical advisers over the last couple of months and we've recently made an appointment. CBRE will be advising us how we take forward the viability gap element of the fund. We're looking forward to that; they've got great experience doing similar things across the UK, including the Housing Investment Fund that UK Government introduced for England.

There's been a lot of conversations taking place with local authorities to prime them to bring forward appropriate sites, so there'll be more to communicate on this over the next 6-9 months.

Digital connectivity is a priority for all of us in the region, where are we with the roll out of 5G and the advancement of a fibre provision programme?

A lot of work has gone into ensuring that we secure the DCMS project for rural connected communities, that's focused in the Blaenau Gwent area and Monmouthshire, and we're working with the consortium partners to try and scope out the wider programme and see if we can make that work.

In terms of the full fibre provision programme across the region, we're going through the process, understanding where we are with it, where our partners are. Covid has had an impact on this project, partly because of a concern over long-term investment; that's being worked through at the moment. We'll be able to progress with it in the near future.

What about the Life Sciences Park?

We've done a fair amount of due diligence, the outline business case was considered by the Regional Cabinet on Monday, they've approved that and we're moving forward to the full business case. It demonstrates that CCR is a good place for life sciences and medtech in particular. We've got some good strengths in our R&D base, a good supply of the right skill mix required to make this cluster succeed in the future, all the things we knew but have now been validated, so that gives us confidence to progress. We are continuing to develop the underlying business plan for the Life Sciences Park with our joint venture partners. Hopefully we'll be able to announce a more formal decision on that in the early autumn.

How have these decisions been impacted by the lockdown, or is good progress continuing to be made?

The lockdown hasn't affected our business continuity at all; we've had four investment panel meetings since lockdown, three regional cabinet meetings. Our basic machinery is working well, we're continuing to work in a different way, it's not slowing down progress.

Given the huge financial impact businesses have encountered and timing gaps in support packages, have you seen an upsurge in requests for investment?

We've seen an upsurge in enquiries, some of them are not appropriate for the City Deal; that's not to say they were not good or viable projects, they were just not the structure for us to move forward. Some of them were more high risk or requiring more working capital, and that's not really the space of the City Deal. The City Deal is a 20-year programme looking at economic growth and regeneration. We shouldn't lose sight of our medium and long-term plans, while working with our partners in UK Government and Welsh Government to ensure some of the more immediate needs are also addressed.

Can you expand on the number of applications that have come forward? Are you seeing more requests for certain types of project?

Since the lockdown our investment panel has considered 14 new submissions, 6 of those have been supported for further consideration and development. There has been a growth in the propositions coming forward in the wider medtech area linked to the health agenda; the business opportunity is greater in those areas at this time arguably.

Are there any types of investment proposal you'd like to attract more of?

We'd be keen to look at more large-scale transformative projects, that would have a bigger impact on the region. We are seeing a lot of businesses coming forward with business specific propositions, but we need to challenge ourselves a bit more as a region; we need to push on a bit harder on some of the larger, more transformative projects.

Can you talk to us about what the evergreen fund for strategic premises is about? Also, investments in fintech and medtech?

The premises fund is something we've had on our horizon for a while, the Covid-19 pandemic has just accelerated our thinking behind it. It's a complementary fund to the Housing Investment Fund; it's going to be targeted predominantly on industrial and commercial premises, to support our key clusters that we've identified in our industrial and economic growth plan. We'll be looking for developers to come forward with propositions; we'll provide them with development finance, subject to the rigours of due diligence. We'd be looking to the developers to refinance after they've built it and got some tenants in, allowing us to recycle that money into other projects.

With fintech, we've agreed to provide £250,000 seed funding to Fintech Wales, which will allow a 9 month programme of essential work to be carried out to establish and evidence the building blocks required to grow the sector's sustainability in the region. This work will include feasibility assessments to build strategic hubs in Cardiff, Bridgend and Cwmbran. We're looking to work closely with partners in the private sector, the fintechs themselves and with Welsh Government to see how we nurture and stretch the cluster in the future.

In medtech, there's been a growth of interest from companies in the sector as I outlined earlier, and I'm pleased to say we've agreed an investment in a new technology that is Covid-related, we'll be able to say more about that in the very near future. We're also looking to support a few other businesses where their capability will help with future pandemics, so they've got a short-term benefit but they've also got a resilient, strong forward business plan that we're quite confident in.

The CCR has stated its 10 priorities for addressing the impact of Covid-19. There's a lot of focus on new funding interventions; one is setting up a rebuilding local economies challenge programme, what will that deliver for us?

This is something we identified in our Investment Framework last year as a priority for the city region, we've been working on it since then. Again, the pandemic has sharpened our thinking around this, it's now much more focused on how we rebuild our local economies that have been affected quite

hard by the crisis. We'll be engaging stakeholders over the summer to identify what challenges we should be bringing forward, and working with them and others to deliver them for us. We are hopeful we'll be working closely with our partners at Cardiff University to deliver this programme based on their experiences of Innovate to Save, and building on the experiences the wider government agencies across the UK have had.

All these are interventions targeted at where we don't know what the solution is but we know what the problem is, and if we open that problem up as a challenge to the community, we should get different actors coming forward with different perspectives of how to address them. It's being much more open to that innovation and addressing some of the inequalities we face in our communities at present.

The priorities include working with investment partners to create the SME Co-investment Fund, what will this be looking to achieve and what is the timeframe for delivery?

The overarching objective is to create a cluster growth fund to support our key businesses and clusters; we are seeing demand for growth capital for those businesses, who are established but looking to take the next step and transform themselves. It will probably be towards the end of this calendar year, that's when I'd hope we'd be making that fund live.

What are your hopes for what we'll have achieved by next year?

I'd hope that by this time next year, a lot of the projects you've referred to will be in delivery, people will be able to see the impact of them, they'll be making differences to our businesses and our communities. We are learning as we go along so we are evolving, the SME Co-investment Fund is a good example of responding to the needs we're identifying.

Covid is affecting how everyone is working; how is CCR responding, how is everybody communicating and making these decisions?

We're using a lot of video conferencing, working in a much more agile and flexible way than we've done in the past. The relationships are mature relationships and they've responded well.



FinTech Wales Awarded £250,000 to Shape the Future of FinTech in Wales

FinTech Wales has been awarded £250,000 by Cardiff Capital Region to help shape the future of fintech in Wales.

FinTech Wales, the not-for-profit organisation aiming to make Wales a leading pillar of the global fintech landscape, has started working on a 10-year roadmap for the sector. It has also secured £250,000 in seed funding from Cardiff Capital Region.

FinTech Wales is seeking the help of more than 150 companies from across the nation who play a role in the Welsh fintech and financial services environment to help plot the roadmap. The roadmap will then define the next ten years of technology and skills development needs to secure, grow, and innovate in the fintech sector in Wales, while supporting the wider UK ambition.

The organisation has also been awarded £250,000 by Cardiff Capital Region to enable its vision of making Wales a global player in the fintech and financial services sector – as well as making it the go-to destination for fintech businesses, small or large. The seed funding allocation will allow a nine-month programme of essential work to be undertaken to establish and evidence the building blocks required to grow the fintech sector's sustainability in Wales.

Gavin Powell, General Secretary of FinTech Wales, said of the Cardiff Capital Region funding:

“As a not for profit membership organisation we are thrilled that Cardiff Capital Region has awarded us this funding, allowing us to further support our members, as well as helping us plot an environment where fintech and financial services businesses have a secure foundation in Wales.”

Kellie Beirne, Director of CR City Deal, said:

“I am delighted that we are able to support Fintech Wales. The fintech sector has a significant role to play in helping the economic recovery from Covid-19, not just in financial services, but also in its ability to make a transformational contribution to other sectors and initiatives such as net zero carbon, green economy, energy, and transport.

This allocation represents the largest seed funding award provided by the CCR to date and evidences the importance of the sector within our Economic and Industrial Plan. It also bears testament to the commitment of Fintech Wales and its corporate members to push forwards with developments that will be transformative for Wales and the region.”

Gavin continued:

“This funding will now help FinTech Wales achieve its ambition of creating a collaborative and clear roadmap for the development of this sector in Wales. It's arguably one of the most important pieces of work FinTech Wales has done to date and

will secure Wales' place as a globally competitive place for fintech business.

We are very focussed on creating the right conditions in which to innovate and grow, where all the actors and organisations have both a responsibility and role to play as a part of a wider connected and interdependent system. It's very much the quality of this environment that will make Wales stand out globally. This coordinated approach demonstrates how progressive we are in this field and how we are at the forefront of locations for companies to start and scale operations and build resilience in this sector.”

FinTech Wales is now calling upon businesses across Wales to engage in the development of the roadmap and help identify the requirement of future skills, likely market disruptors and changes that need to be made to make Wales a proactive and innovative business environment that generates growth.

FinTech Wales member Matt Wintle, who is Head of Change at Admiral Group, said:

“I fully support the creation of a fintech roadmap, we should be immensely proud of the fintech community in South Wales. We have some great companies enjoying huge success largely powered by their technology capabilities. We now have a wonderful opportunity to be proactive in our development of the sector and the talent which supports it. I see every reason Wales can be a centre of technology excellence in areas such as analytics and digital, if we can just be a little more organised and forward thinking, and to shout about how proud we are of what we already achieve.”

Minister for Economy, Transport and North Wales, Ken Skates, said:

“The publication of the FinTech Road-Map is the latest milestone on the

journey to creating a financial and professional services environment in Wales with a reputation for excellence and a growing pool of talent.

The tech sector is hugely important to Wales, with employment in it soaring by more than 120% in recent years and will be even more so as we recover from the impacts of coronavirus. Our flourishing fintech ecosystem is central to this.

The Welsh Government continues to support this thriving industry and our commitment to helping home grown business while attracting internationally-renowned companies to Wales is steadfast, helping to provide more high-quality and well-paid job opportunities.

With the support of FinTech Wales we are creating a truly world class industry here, and that is something we should all be extremely proud of.”

Founded in 2019 as a not-for-profit, FinTech Wales exists as a global voice for Welsh-based fintech and financial services. As well as nurturing and supporting those businesses already in Wales, it will develop the environment to help fintech companies' start-up or scale-up in Wales and aims to establish Wales as a rapidly emerging pillar of the global fintech economy.

The association has established an advisory board of 20 people including representation from Welsh companies such as Credas, Confused.com, Admiral, The Principality and Capital Law. FinTech Wales will act as a global voice and advocate for fintech, introducing the benefits to fintech entrepreneurs and innovators of establishing a business in Wales, as well as nurturing and supporting those companies already in Wales.

More information about taking part in the roadmap development can be found at: www.fintechwales.org

Cardiff Capital Region's Role in the Western Gateway

Stretching from Swansea to Swindon, the Western Gateway is the latest initiative to boost the regional economy of South Wales and the west of England – and Cardiff Capital Region is right at the heart of it.

The Western Gateway is the one of a number of such regional initiatives across the UK, with others including the Northern Powerhouse, the Midlands Engine and England's Economic Heartland. Like them it seeks to combine the efforts of local authorities and other regional partners to propel economic development on a larger, regional scale.

It began with talks between the leaders of Cardiff, Bristol and Newport in 2016, but has since evolved to include many other regional figures. As one of the 3 city regions within the area, Cardiff Capital Region would play a central role if it decided to get involved.

Currently CCR is committed to further discussions about the role and purpose of the Western Gateway, and how it will fit with the objectives of the City Deal, particularly as regards geographic spread. From this perspective, it's important to ensure that any benefits are not confined to the M4 corridor but are fairly distributed around the whole region.

Katherine Bennett, chair of the Western Gateway and senior vice president UK of Airbus, describes the Western Gateway as "a powerhouse waiting to happen... ready to capitalise on its phenomenal potential to drive Britain's cleaner, fairer future."

Regional Scale

Certainly, the Western Gateway has a lot going for it. It encompasses 8 cities and 3 city regions, and has a population of 4.4 million. The region's £107 billion economy supports 2.1 million jobs.

It is crisscrossed by 4 major transport lines, including the M4 and M5 and the Great Western Mainline. It also has 2 international airports and 9 ports, supporting its ambition to become Britain's gateway to global markets.

And it has 10 universities, which support innovation in key sectors such as advanced manufacturing and engineering, digital and cyber security, and finance and professional services.

Three Ambitions

The prospectus for the Western Gateway sets out three ambitions, and how the regional partnership hopes to achieve them. First is to deliver world class physical and digital connectivity, both within and into the region, to boost productivity, unlock housing, and lead the transition to a net zero future.

It aims to boost travel within the region by linking up regional metro systems such as the South Wales Metro, as well as improving connections with neighbouring powerhouse regions such as England's Economic Heartland.

Boosting exports is the second ambition. The Western Gateway vision is to become Britain's 21st century gateway to the world. It plans to make the most of the region's 2 deep sea ports and international airports to increase exports.

But it also plans to make the region the gateway into Britain for inward investment, by making use of the world leading companies and world class research universities that are already present in the area.

The third ambition is to make the region a powerhouse for innovation, to meet the challenges and create the new industries of the 21st century. The area is home to innovative companies such as SPTS, IQE, Renishaw, Airbus and BAE Systems, as well as research intensive universities such as Bath, Bristol, Cardiff and Swansea.

“ There is particular potential for the development of renewable energy systems, ultra-low emission vehicles, low carbon propulsion systems and lightweight structures for cars and aircraft. There are

also opportunities for innovation in the digital, cyber and creative industries.

Centred on the cities of Cardiff and Bristol, Western Gateway already has an economic performance that is higher than most other UK regions, apart from London. But it also has areas of deprivation, and the region as a whole could do better.

If it exported as much goods per worker as the Midlands Engine region in sectors such as aerospace, automotive, the digital, cyber and creative industries, life sciences and low carbon technologies, that would add £1.3 billion per year to the region's earnings. And if the Western Gateway spent as much per full-time employee on innovation as the English and Welsh average, spending up to 2030 would be £4.1 billion higher.

It's to address these disparities that the Western Gateway project is directed, using the combined resources of cities and communities on both sides of the Severn, from the Wiltshire Downs to the Gower, and from Salisbury to Merthyr Tydfil. As the prospectus puts it:

“ We will draw on our combined strengths and unique assets to unleash our full potential and blaze a trail for the UK's next generation economy: delivering a gateway to a cleaner, fairer and more prosperous future.”



PODCAST

Cardiff Capital Region – Lockdown to Delivery – Episode 2

Welcome to the second podcast in the series telling the ongoing story of the Cardiff Capital Region City Deal as it emerges from lockdown into a new delivery phase.

In this episode Kellie Beirne Director of the CCCRD talks to us about:

- › Our need to build greater resilience and work collaboratively
- › The potential impact some of the recent sector investments e.g. CS Connected and Fintech, will have on the region
- › The new Challenge Fund and its objectives
- › The potential for new funding mechanisms to support SME's

We hope you find the recording informative and interesting. A written Q&A version will also be issued later this week.

LISTEN/WATCH NOW



Cardiff Capital Region: Interview with Kellie Beirne

Kellie Beirne, Director of the Cardiff Capital Region City Deal, spoke with Mark Powney, MD at Business News Wales

We've been through some turbulent times in the last few months with many businesses suffering the impacts. How have the Cardiff Capital Region's decision making and operations been affected?

We've had 4 meetings of the Regional Cabinet, 4 meetings of the Investment Panel, 2 of our Economic Growth Partnership, 2 of our Regional Transport Authority, 1 of our Programme Board, 1 of our Compound Semiconductor Foundry Board.

The only reason we have those meetings is because we have important decisions on investment proposals that need to be taken forward. The rate and pace at which we've made those decisions, in order to keep up to speed with the real challenges on the ground, has been quite extraordinary.

We understand the City Deal is a long game, but in the short term are the commitments to shared funding provided by government bodies and local authorities likely to be impacted?

Of course health and wellbeing will always be the number one priority, but I think time and attention is starting to turn to the long-term economic impact. We're trying to make sure businesses can maximise what is there for them, but quickly we're going to be into building greater resilience.

When the economy starts to return to "normal" there are going to be some big questions to answer. Do we want the same economy as we had before? What about some of these behavioural changes

that have been thrust upon us, shouldn't we be doing more to keep some of those after lockdown?

What would your response be to those who might challenge the case to continue to fund the City Deal investment activity?

We have an opportunity to fundamentally reinvent our future; to think about the big issues that impact our region, like inequality. What better time to come together and work cohesively to inform that new future?

I won't accept throwaway remarks in this climate, it's not the time for them; it's time to come together and fundamentally think about the future that we want to create.

There's been a lot of activity recently with a significant uplift in the pace of projects coming through the investment pipeline. Can you talk to us about some of these and the impact they might have on the ground, starting with CS Connected.

CS Connected is really significant because it is an enabling technology. Next generation compound semiconductors are the technology you find in medtech devices, future energy systems, low emission vehicles, electric vehicle systems, 5G, communications.

Back in 2017 CCR invested in the compound semiconductor mega foundry in Newport. On the back of that, last September I took a report through to Regional Cabinet for a request we were making to the UK Government for £44m, £26m from UKRI, and the rest from partners. You will have seen in the press within the last week we are one of 7 regions in the whole of the UK that have been successful with that bid, which is massively significant for us. It is a huge boost to the region

What we have now with this £44m is 4 areas of unique competency we can build out in the region. One is a collaborative R&D programme which will maximise supply chains not just in Newport and Cardiff, but many areas in the region like Caerphilly, RCT, and Bridgend. Next is working with our Regional Skills Partnership, led by Leigh Hughes, thinking about how we build skills, not just the high-end graduates and PhDs, [but] apprenticeships.

Third is CS Connected, the trade body around compound semiconductors. Lastly, in the foundry we own in Newport, there will be a demonstration space and visitor centre.

We've also seen seed funding for the fintech sector agreed, what will investing in this sector do for us in the longer term?

When we looked at our evidence base a couple of years ago, we saw potential for real comparative advantage in insurtech. We're seeing so much disruption in businesses now, using different platforms to appeal to a wider customer base. Think about what the future will bring if we maintain an element of social distancing, how we conduct business; e-commerce will be a massive part of that.

The innovations are coming really fast, they happen much more quickly than in any other sector I know. This isn't just about the big business dimension and scaling up traditional models of economic development. Think about the foundational economy, how models of retail will have to change; the role of the knowledge economy and technology in that is going to be absolutely critical.

We've seen funding for specific companies, especially in the medtech sector. Can you elaborate on those and the rationale behind those investments, and why they are good for the region?

We have a lot of medtech proposals at the moment. One we approved a few weeks ago is about creating a new diagnostic device which is going to be fundamental in the fight against Covid-19; it's got huge commercial opportunity. We turned it around really quickly because at this time it is critical when we see the right opportunities we can act fast to take advantage of them.

One of the things Cabinet approved recently is a Challenge Fund. The fundamental starting point is we're not setting off with a known here, the same old solution or process we want to undertake; we're setting off with a problem that needs to be solved, and there is no obvious solution or end point that currently exists.

We're hoping to make money available to people who think they can solve the problems of the public sector. We want to pick these around the foundational economy – food, retail, hospitality, tourism, public transport – because they're the sectors that are being hammered at the moment and will continue to be hammered for some time if you look at the ONS projections.

Instead of knowing what we want to achieve, the brilliance of this process is we don't know what we >



can achieve. That's a new way of working that could be very exciting, and could be scaled up significantly beyond the initial £10m which Cabinet have given their approval to.

You mentioned the Challenge Fund, can you elaborate on what sort of challenges we might expect to see over the next few months.

There are several areas I've outlined: public transport, food security, retail and town centres, rapid decarbonisation; the things we really feel we have to have different solutions to right now in CCR.

We then get public bodies behind some of those key challenges, and then we go out to the market and say: this is the problem we want to solve, no obvious solution exists or we want to do it differently, who can work with us? We'd then help that business to potentially commercialise that solution so it could be scaled up beyond that initial end customer.

The effect is that we disrupt public procurement so it's more of a problem-led approach. It creates new markets from engaging new local businesses. It gives the end customer, the public service client, a much more innovative way of solving the problem. It's based on what is the problem we're trying to solve, who can work with us and come on a journey to solve that, rather than going through traditional beauty parades to get the same old products that don't really do the job.

You recently announced the CCR's 10 priorities for addressing the impact of Covid-19. There's a lot of focus in that document on new funding interventions, but it also talks about the desire to support start-ups and entrepreneurs. Can you explain these priorities a bit more and how we can better support starts?

We recognise start-ups are responsible for the majority of new job creation. One of the things Cabinet approved was a Strategic Premises Fund, another was a cluster fund for SMEs so that we can support our key clusters. We also spoke about different funding mechanisms that we are going to need to be able to deploy.

At the moment we take an evergreen fund approach. We have a strong desire to create returns on investment that continue to be reinvested to build real resilience in the CCR. We recognise, with "patient capital" being a very real need for some of our medium-

sized businesses, we're going to have to think about equity products potentially: convertible equity, loan guarantees, securitisation, and collateral backing.

We never wanted a fund which was about spending down the capital; this is about living off the interest and making sure we have the ability to recycle and reinvest funds to take a much longer-term approach.

Fast forward 12 months, what would you hope you and your team have achieved, and what impact would you like to have created?

We're only a few years in, but we have 24 live projects in train now. Not all will succeed; some will naturally fall out as we work through our due diligence processes.

The Housing Fund is up and running, I'm hopeful we'll see early signs in the market around sites that are currently non-viable. The Strategic Premises Fund will be up and running in a year's time, as will our Cluster Fund with our build-out around compound semiconductors.

With our Graduate Scheme, even in this climate we're finding fantastic opportunities and organisations that want to work with us in medtech in particular. They're taking on testing staff and we have graduates ready with those skills to fit into those positions. Our Challenge Fund will be up and running and we'll be working with multiple businesses on solving those big industrial and societal problems.

In terms of medtech businesses, their products will be hitting the market, localising those supply chains, because our reliance on overseas supply chains when we have the ingredients and conditions in CCR can be quite frustrating.



FRANK HOLMES

**HOW DOES CARDIFF CAPITAL
REGION RECOVER FROM COVID-
19'S ECONOMIC IMPACT?**



How Does Cardiff Capital Region Recover from Covid-19's Economic Impact?



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The economic consequences of Covid-19, and more particularly the Government's sweeping lockdown response to it, are now too well known to need repeating.

Frank Holmes

Chair CCR Economic Growth Partnership, Partner Gambit Corporate Finance

We don't yet have all the figures in to measure the full extent of the damage done, or know the amount of economic scarring that has taken place. We can't say how long the recession will last – whether it will be V-shaped (unlikely), U-shaped (as most people seem to think), W-shaped or even a very harsh L-shaped, recovering in 2023.

But we can – and must – think about how best we help stimulate the recovery. This was the purpose of a recent exercise by the UK Government, in which Business Secretary Alok Sharma invited prominent people in the business and economic community, members of the Government's Economic Recovery Taskforce, to think about promoting recovery and levelling up economic performance across the regions and nations of the UK. Our responses to the questions asked are set out below.

Barriers to investment

One problem has been historically low levels of investment in R&D, and in Wales especially, the dependence on EU grant money to support science,

innovation and research. The UK Government is committed to boosting national R&D spending from 1.7% to 2.4% of GDP by 2027, but this will need a roadmap and some thinking about how Government agencies such as UK Research and Innovation allocate funds to achieve levelling up.

In general, we need to move away from funding one-off projects to promoting clusters and eco-systems, using tools such as the Strength in Places fund. In Cardiff Capital Region (CCR) our investments are focused on developing clusters in key sectors – compound semiconductors, medical devices and diagnostics, fintech, cyber data and AI, and creative.

We are looking to build sovereign capabilities in key industries of the future that are also underpinning and enabling technologies. Compound semiconductors are a good example, because as well as being an important sector in their own right they are essential to advanced medtech, new energy systems, ultra-low emission vehicles, 5G and digital communications.

Government and business working together

Leveraging the investment already being stimulated by devices such as Cardiff Capital Region City Deal can help government and business identify meaningful opportunities for investment. In CCR, our Industrial and Economic Growth Plan is both evidence based and business led, and has framed a growth strategy that can call upon a £495m investment fund.

One of the key principles is that it is an 'evergreen' fund, which demands a return on investment in order to build self-reliance rather than creating dependency. This sits with our belief that government needs to become more entrepreneurial, and move into the territory of accepting risk for reward rather than doling out grants.

This is facilitated by the distributed leadership we have in the CCR. The Regional Cabinet comprises the political leaders of our 10 constituent local authorities; they have accountability and responsibility for policy decisions. But they are assisted by our private sector-led Economic Growth Partnership, who assess all investment proposals and advise the Regional Cabinet.

No single priority

There is no single priority that is more important for government and business to work towards in order to level up regional economies, because they are all complementary. If you wanted to promote medtech, for example, you would have to look at skills, digital and physical connectivity, R&D, energy security, strategic premises and so on, because all are necessary to developing a resilient medtech cluster.

The same is true of clusters and ecosystems in other sectors. Ultimately they overlap and complement each other, and it is a mistake to separate them out into silos and think one is more important than another. That being said, Covid-19 has proved the critical importance of good digital connectivity, and in the immediate term 5G and digital infrastructure is a priority.

Something we are pursuing in CCR is the use of Challenge Funds to stimulate both more innovative public services and local economic markets. There are plenty of future challenges that we need to face – an ageing population, clean growth, mobility, AI – that require the input of innovative companies which all too often fall by the wayside because of their inability to access public procurement.

FE colleges can better provide the skills business need if they are given three-year rolling commissions, which would give them greater certainty and allow them the confidence to develop new courses. As for universities, regional funds and joint investment programmes could help them invest in new courses, as with Cardiff University's National Software Academy established with help from Welsh Government, and Cardiff Metropolitan's new School of Technologies providing degrees in software engineering, coding and digital analytics.

Strengthening public support

The CCR model of a Regional Cabinet assisted by a private sector led Economic Growth Partnership combines democratic legitimacy and accountability with expert advice and insight. That sort of public-private collaboration will play a big part in the recovery.

Regional bodies such as CCR should be free to carve out their own paths without initiatives being imposed from outside. At the same time, regional disparities and inequalities will widen further unless there is some consistency in regional investment frameworks. There is also a need to make sure our public officials are of the calibre to face the challenges of the 2020s and beyond.

Finally, we need to move away from over-reliance on traditional economic metrics such as productivity to embrace other economic, social, and environmental measurements including wellbeing and wellness. In the CCR and the UK generally, the recovery cannot be about prosperity only, it must be about shared prosperity.

The economic shock of Covid-19 has been severe; the recovery is uncertain. We must use all the devices and ingenuity we have to make sure it is not just swift, but lasting and sustainable. This will require collaboration by all stakeholders, including government at all levels, academia, social enterprise and business.

£25.4m Funding for CS Connected Huge Boost to the Cardiff Capital Region

The UK Government has announced £25.4m in funding to CSConnected, a major project within the Compound Semiconductor Cluster (CSC) in the Cardiff Capital Region.

This funding represents a huge boost to the Cardiff Capital Region and reinforces its strategic focus on compound semiconductors.

The funding comes through UK Research and Innovation's Strength in Places Fund and amounts to more than half the £43.7m project cost. Other funding will come from the Cardiff Capital Region City Deal, Welsh Government, Cardiff and Swansea Universities, IQE, SPTS, PWF, Microsemi, the CS Centre and the CS Catapult.

Compound semiconductors (CS) are at the heart of the Cardiff Capital Region City Deal's strategy of building a more competitive, connected and resilient regional economy, built upon the sunrise industries of the future and creating the wealth to underpin shared prosperity and future growth.

The CSConnected project is based around integrating research excellence from the region's universities with the region's unique supply chains in advanced semiconductor manufacturing.

Compound semiconductors are critical components across a wide range of new technologies, and the primary aim of the CSconnected project is to develop a competitive advantage in key enabling technologies, which will allow the UK to increase trade globally in critical sectors such as communications, 5G, autonomous and electric vehicles, and medical devices.

CSConnected will also provide further downstream supply chain growth, start-up and spinout activity, and a general upskilling of the Welsh manufacturing base.

In economic impact terms, it is expected to provide a significant additional uplift to regional GVA over organic growth forecasts, delivering more than 1,000 additional high value jobs in the regional supply chain from 2025 onwards.

Cardiff Capital Region City Deal is investing £37.9m in acquiring and equipping the Compound Semiconductor Foundry in Newport, which is leased to IQE. This will help leverage up to £400m of private investment over the life of the project, to drive forward expansion and anchor the sector in the region.

The investment in the Foundry sits alongside £270m of strategically significant CS investments and assets already made in the region, which include:

- › the Institute of Compound Semiconductors – which focuses on early stage R&D and is a partnership between IQE, Welsh Government and Cardiff University;
- › the CSC Centre for Excellence – focusing on prototyping and a partnership with IQE and Cardiff University;
- › applications-based Catapult Centre – led by Innovate UK and located at IQE's mega foundry in Newport;
- › Centre for Integrative Semiconductor Materials – a materials foundry at Swansea University.

Simon Hart, Secretary of State for Wales said:

“Our £44 million investment in the Cardiff University led project will boost the incredible research that is already taking place in this field across south-east Wales.

Investing in this emerging technology will enable us to create a lasting engineering and manufacturing legacy in Wales, generating high-skilled jobs and economic growth as we emerge from the coronavirus emergency.”

Cllr Anthony Hunt, chair of the Cardiff Capital Region Regional Cabinet, said:

“We are building a world first here – a global cluster in the CS sector. This is an industry of the future and is significant in supporting growth in telecoms, 5G, communications, future energy systems, future automotive and med-tech.

We are also building sovereign technological capability here in our midst. In the wake of Covid-19 we have been discussing the importance of localised supply chains. This will see us re-localise this significant high value supply chain and keep the benefits in the region, Wales and the UK.

And crucially, this is significant for the whole of Cardiff Capital Region. While there may be a focus on Cardiff, Newport and Swansea as the centres of the cluster and home to the universities, the supply chains, high skilled workers and PhDs come from right across the region.”

Kellie Beirne, Director of Cardiff Capital Region City Deal, said:

“This is an outstanding achievement against the backdrop of significant economic challenge – it is a symbol of hope in the opportunity that lies ahead. The CSConnected bid was one of 23 to be selected in the initial phase in March 2019. Following seed corn investment by Research England and Innovate UK, we submitted a business plan and now know we are one of seven successful bids across the UK.

It is a real testament to the Regional Cabinet for backing the industrial cluster approach, which is recognition of both key business sectors and the importance of place.

There will always be headwinds and cross currents in any commercial investment

– we've had some and can expect more given the times we are in. But the Regional Cabinet has backed this, stood firm and not deviated. This sense of purpose and perseverance when it would be easy to be all things to all people is to be commended.”

Councillor Jane Mudd, Leader of Newport City Council, said:

“I am immensely proud that Newport is home to the next generation compound semi-conductor cluster of cutting-edge technology companies who are leading the way in this important field.

I welcome this significant investment as a ringing endorsement of their innovative work. In the past, Newport's economy was built on the industrial revolution, so it is fitting that its present and future is being forged by a technological revolution as we continue to develop the city as a digital hub.”



Cardiff Capital Region and GlobalWelsh Enter a New Partnership Arrangement

The Cardiff Capital Region (CCR) and GlobalWelsh has joined forces to form a new partnership to promote the region on a global level and facilitate economic prosperity and social wellbeing for Wales.

GlobalWelsh is a not-for-profit organisation focused on connecting Wales to the Welsh diaspora around the world to enable Wales and the people of Wales to excel and prosper. Through the building of a global community on GlobalWelsh Connect, its aim is to facilitate the creation of new connections, new insights, and new opportunities for its members located in more than 40 countries. GlobalWelsh's initiatives and programmes are focused on having a positive economic impact on Wales and its members around the world through the facilitation of investment, trade, networking, mentoring, and learning opportunities.

As part of CCR's drive to connect Wales to an international audience, the new partnership aims to work collaboratively on the joint ambition to promote the Welsh south east region to drive economic growth and to connect to diaspora around the world. It will also aim to support the ambition to help CCR entrepreneurs and SME's build successful businesses that can face the future with confidence.

The initial plans of the partnership are detailed below:

1. Support for CCR SME Business sector

Utilising GlobalWelsh's MyMentor Global Mentoring programme, the partnership will offer business mentoring services for free to all companies that currently participate in the CCR Graduate Scheme.

Under these exclusive arrangements, both the business leader and the graduate involved will be offered the opportunity to connect with a diaspora mentor for a period of 12 months.

By linking the benefit to graduate recruitment, the CCR is looking to provide added support to those businesses who are seeking to take on new skills to help them adapt to the new economic reality.

2. Robust Research

As part of the mentoring arrangement, the CCR recipients will be invited to participate in a qualitative research exercise that aims to quantify the benefit of diaspora networking and mentoring on the performance of individuals and businesses.

This research will help inform future decisions on the provision of networking and mentoring support for SMEs within the CCR.

3. City Hubs

As part of the new partnership, two new city hubs will be set-up in Dublin and the USA. The city hubs, which will work similar to the existing GlobalWelsh city hubs, will help reconnect people with Wales, connect like-minded individuals and promote far and wide that the CCR is open for business and is a truly investable region. GlobalWelsh currently has city hubs in several global locations, such as London, Beijing, Tokyo and Dublin.

Walter May, founder and CEO of GlobalWelsh, said:

“ Like us, Cardiff Capital Region is an economically focused organisation looking to have a positive impact on people, businesses and future prosperity here in

Wales. Our activities and ambitions align very well so we are extremely excited to announce this partnership and embark on the opportunity to have a more tangible impact across the region through our joint activities.”

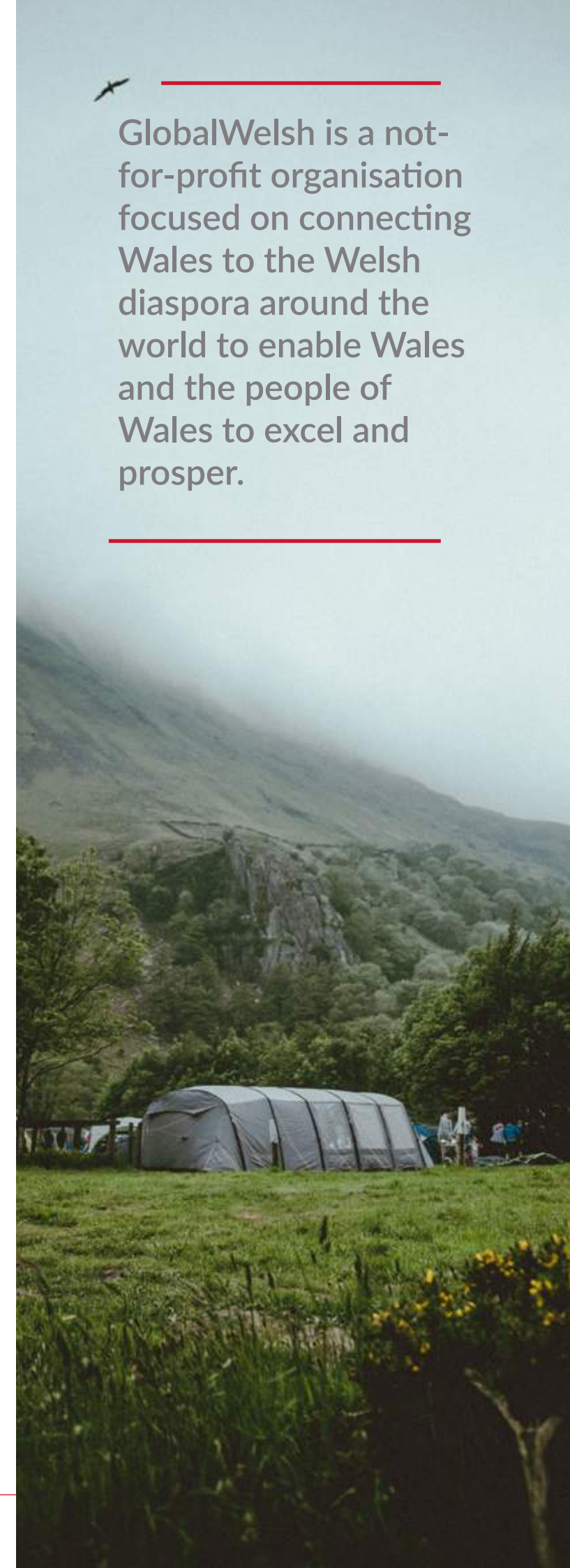
Kellie Beirne, Director CCR City Deal, said:

“ I am delighted to partner with GlobalWelsh. This is a partnership where we have true alignment of purpose and values, and the huge scope for potential future collaboration is genuinely exciting.

The areas we have identified for initial working enable us to start to address, in a unique way, a few of the objectives in our recently published 'CCR Post Covid-19 10 priorities' – most notably on ensuring entrepreneurs, start-ups and SME's get the support they need through facilitating access to expertise, including mentor programmes and networking groups, and the sharing of best practice advice and guidance. In addition, the ability to increase opportunities to market the CCR to potential inward investors on a global stage is now more important than ever.

I look forward to developing our working relationship and to making it a truly rewarding partnership arrangement for all parties.”

GlobalWelsh is a not-for-profit organisation focused on connecting Wales to the Welsh diaspora around the world to enable Wales and the people of Wales to excel and prosper.





Quarter 1 Update: AGS Action Plan

Action No	Assurance Statement	Suggested Action	Update / Actions Completed	Target Date
1 & 2	We have and effectively communicate codes of conduct to define standards of behaviour for members and staff, and we have policies for dealing with whistleblowing and conflicts of interest (Statement 1).	1. Ongoing review and update of Declarations of Interest.	COMPLETE – Ongoing review completed, including consideration of existing scope. Also, the City Deal Office has completed a high-level review of forms submitted to-date, so there is a general awareness of the interests that are recorded.	Qtr 2.
		2. Development of Ethical Investment Policy.	On target – Work being progressed with some input from specialist advisors.	Qtr 3.
3	We ensure: <ul style="list-style-type: none"> • Compliance with relevant laws and regulations; • Compliance with internal policies and procedures; • that expenditure is lawful (Statement 2). 	3. CDO Task & Finish Group, including the recruitment of Business & Governance Manager and Admin Support	On target – Work of the CDO Task & Finish Group nearing completion. Recruitment for Business & Governance Manager in progress.	Qtr 3.
4	We are committed to openness and acting in the public interest (Statement 3).	4. Ongoing review of RTA and Joint Scrutiny Meetings and paper being made publicly available via the CCR website	On target – RTA and Joint Scrutiny meetings captured as part of Forward Planner and Checklist to ensure that meetings are held and papers are available in an open and transparent manner. Additionally through the lockdown period, cabinet meetings continue to be recorded as a good practice endeavour. New arrangements are also in place with RCT County Borough Council for the enactment of the overview and scrutiny function. Handover is completed and the first meeting under the new arrangement is scheduled for September 2020.	Qtr 2.

Action No	Assurance Statement	Suggested Action	Update / Actions Completed	Target Date
5	We have established clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation (Statement 4) .	5. Review of CCRC D Website and content in 2020/21	<p>On target - The current website was created to provide a mechanism for communicating basic facts pertaining to the City Deal objectives/ strategy/ announcements/ governance structures etc. and to facilitate transparency of governing body papers to the general public.</p> <p>However, as the City Deal transitions from start-up to scale-up, a full review has been undertaken and has concluded that substantial improvements are now required in structure, navigation, content, features etc. to enable the CCR website to move forward and become a cutting edge information hub.</p> <p>A brief has been created for a full website refresh/redesign and has been submitted for consideration to a web design agency. They have advised that the brief will require a new website and a quotation is being prepared.</p> <p>Subsequent to discussion and agreement to the quote it will be the intention to commence redesign late August/September with a view to implementation toward the end of the 2020 calendar year (Q3).</p>	Qtr. 3.
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) .	6. Develop appropriate Evaluation and Reporting mechanisms for Projects that are in the Delivery Phase	On target – Evaluation and Performance Reporting templates and processes for Projects in delivery have been developed and are currently being validated.	Qtr. 2.
7 - 9	Our financial management arrangements conform to all relevant legislative and best practice requirements (Statement 10) .	7. Update CCRC D Affordability Model and Quarterly Performance Reporting	On target – Affordability Model updated and Performance Reporting templates and processes are being developed.	Qtr. 2.

Action No	Assurance Statement	Suggested Action	Update / Actions Completed	Target Date
		8. Need earlier consideration of accounting and financial management arrangements in respect of proposed investments e.g. loans, equity and joint ventures etc.	On target – Arrangements currently being considered by the Accountable Body.	Qtr. 2.
		9. Relevant CDO staff to complete mandatory VAT training module	Complete. Training completed by all relevant staff by 30 th June 2020.	Qtr. 4.
10 & 11	We have mechanisms to review the effectiveness of our framework for identifying and managing risks and performance and for demonstrating clear accountability (Statement 14).	10. Accountable Body report on CDO Resourcing to Cabinet (15th June)	Complete. Report approved 15 th June 2020.	Qtr. 1.
		11. Completion of Review on wider Risk Management Strategy and Risk Policy	On target – CCR Risk Management Strategy and Policy document being drafted and this had highlighted the need for a number of workshop sessions and to capture outputs from the IIF Review. A report will be presented to Regional Cabinet later in the year. The first major risk flagged up under the draft framework which was approved by Cabinet in May 2020 was around the onset of Gateway Review and the imminent cessation of resources, in particular, staffing capacity. This has now been addressed by the report of the Accountable Body in June 2020 which appointed a permanent core staffing structure.	Qtr. 2.
12 & 13	We ensure effective counter fraud and anti-corruption arrangements are developed and maintained (Statement 15).	12. Conclusion of Internal Audit (commenced in March 2020) and response to any Recommendations	On target - Audit fieldwork is ongoing and scheduled to conclude during Qtr. 2.	Qtr. 2.
		13. Consideration of “Know Your Customer” process developed by the Accountable Body	On target - a draft “Know Your Customer” process has been provided by the Accountable Body to the City Deal Office for consideration and further discussion.	Qtr. 4.

Action No	Assurance Statement	Suggested Action	Update / Actions Completed	Target Date
14	Our internal audit assurance arrangements conform to Public Sector Internal Audit Standards and relevant best practice (Statement 17).	14. Review adequacy of Internal Audit Resources	On target – City Deal Office and the Accountable Body have discussed increasing the number of Internal Audit days from 5 to 10 days per year, subject to agreeing a scope in respect of the additional days.	Qtr. 2.
15	We incorporate good governance arrangements in our partnerships and other joint working arrangements (Statement 20).	15. Complete Review of RBC and implement agreed Recommendations	<p>On target – Report to Regional Cabinet 14th September 2020.</p> <p>This work has focussed in particular on:</p> <ul style="list-style-type: none"> • Review and comprehensive refresh of all arrangements concerning Declarations of Interest; • An independent review of the Regional Business Council, the findings of which have been endorsed by the existing RBC and the REGP. A report setting out next steps will go to Cabinet on September 14th • To complement and align with this, refresher reviews are currently in progress on both the RTA and REGP. 	Qtr 2.

Future Generations Assessment Evaluation

(includes Equalities and Sustainability Impact Assessments)

<p>Name of the Officer completing the evaluation:</p> <p>Kellie Beirne</p> <p>Phone no: 07826 919286 E-mail: kellie.beirne@cardiff.gov.uk</p>	<p>Please give a brief description of the aims of the proposal</p> <p>Setting out substantive performance and progress against the approved annual business plan for 2020/21</p>
<p>Proposal: Quarter 1 Performance</p>	<p>Date Future Generations Evaluation form completed: 4/09/20</p>

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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?
<p>A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs</p>	<p>Assessing progress with City Deal and the targets set around GVA, jobs and leverage – is our key means of securing greater prosperity. Reporting progress in this way contributes to a growing sense of self awareness.</p>	<p>Proposals to improve progress against each of the projects currently in progress – are set out in the report. This report does not seek to simply report progress – but to address the actions needed to drive it.</p>
<p>A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)</p>	<p>References to submissions around the ‘Energy Revolution’ challenge fund are captured in project work in the report in relation to scheme such as Metro Plus and energy assessments. Also recent submissions around EV and work to underpin the roll out of LEV. In addition, the</p>	<p>This activity will be driven up in future. In addition as physical infrastructure schemes enter delivery – more comprehensive assessments will need to be carried out in full.</p>

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?
	development of the Metro Plus scheme is critical to embodying resilience and sustainability.	
A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood	A number of the interventions in train – Skills, Housing and Transport improvements seek to make a contribution to the way the region 'works', how it promotes opportunity and unlocks potential	
A Wales of cohesive communities Communities are attractive, viable, safe and well connected	The place-shaping component of our City Deal is set out in the report	A greater contribution will be made to this by the aforementioned data capability, sectoral analysis and place assessments.
A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	Supporting international events, Western Gateway and internationals sectors - will see us play a stronger part in developing the economic wellbeing of our region and country, thus impacting social and community objectives. It will help make our country feel more connected and outward looking.	Develop the legacy impact of the event, sustaining new connections, sharing great practice and potentially securing propositions and deals that support economic growth.
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	Our City Deal is uniquely Welsh – but pitches towards being world leading in areas of competitive strength. This enables a strong reflection on our rich culture and heritage.	
A more equal Wales People can fulfil their potential no matter what their background or circumstances	City Deal is about delivering as far as possible across 10 LAs and a population of 1.5m people. It is about economic gains – but importantly how this will convert as tools for improving people's lives. Some of the specific interventions around skills and housing – will seek to make a more direct contribution to equity of access and equal	The Investment Framework is underpinned by criteria that focuses on economic inclusion – seeking to achieve shared prosperity and the spread of benefits across the region.

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?
	opportunity for all. New role around Inclusive Growth will make a contribution to this as well as work to support the Foundational Economy.	

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?
 <p>Long Term</p> <p>Balancing short term need with long term and planning for the future</p>	The report describes performance in the round. It sets out short-term interventions and balances these against the long-term delivery of major programmes.	The plan has been iterated to reflect a more co-ordinated format. This is now followed up in the full Annual Business Plan for 20/21
 <p>Collaboration</p> <p>Working together with other partners to deliver objectives</p>	A cornerstone of our process is the strength of partnership working. An update on governance is set out in the report.	
 <p>Involvement</p> <p>Involving those with an interest and seeking their views</p>	Communications and engagement remain a feature of our work. This is reported on separately in the report.	A full comms plan is now in place and results are constantly improving in relation to profile, consistency, branding identity and reach.
 <p>Prevention</p> <p>Putting resources into preventing problems occurring or getting worse</p>	This is set out in the REGP work on the developing Regional Economic and Industrial Plan.	This will be an increasing focus of scheme and programme delivery.

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?
 <p>Considering impact on all wellbeing goals together and on other bodies</p>	<p>City Deal seeks to make a contribution on place and to improving the life chances of people in the region.</p>	

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	<p>The report is an overview of performance in all of the relevant aspects of projects, partnership, governance and investment. The protected characteristic assessments related to specific proposals will need to be drawn out in the relevant business cases and proposal documents.</p>	<p>None arising at this time.</p>	<p>As plans develop and unfold as discrete activities requiring decisions – impacts will be comprehensively assessed.</p> <p>As with this and all the categories below, as work continues on data development and data analysis, we will glean better insights into our employment base and working demographic profiles.</p>
Disability	As above	As above	
Gender reassignment	As above	As above	

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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?
Marriage or civil partnership	As above	As above	
Pregnancy or maternity	As above		
Race	As above		
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?

- Evidence and input contributed by theme leads
- Outcomes of assessments such as audit reports
- Delivery against targets set out in individual business cases/ approved project documentation
- Logic models
- Highlight reports

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 areas requiring attention and focus are set out and follow-up actions will be assessed and monitored ongoing through the quarterly reporting mechanism. .

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:	Quarter 2
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14 SEPTEMBER 2020

**2020/21 MONTH 04 JOINT COMMITTEE REVENUE BUDGET
MONITORING POSITION**

**REPORT OF ACCOUNTABLE BODY – SECTION 151 OFFICER,
CARDIFF CAPITAL REGION CITY DEAL**

AGENDA ITEM 5

Reason for this Report

1. To provide the Cardiff Capital Region Joint Committee (Regional Cabinet) with details of actual expenditure, income and the projected full year outturn position as at the 31st July 2020 (Month 04), against its approved 2020/21 Joint Committee Revenue Budget.

Background

2. At its meeting of the 19th December 2020, Regional Cabinet approved its 2020/21 Joint Committee Revenue Budget. The budget supports the City Deal Office (CDO) and the Accountable Body (AB) support arrangements for the work of the Regional Cabinet.
3. The budget is funded from local authority Revenue Contributions and the Wider Investment Fund 'Top-Slice'.
4. Subject to the Final Audited Accounts, General Reserves of £212,080 carried forward from previous years' underspends are also available to fund expenditure incurred in 2020/21, although it is not currently expected for drawdown from such reserves to be necessary in this financial year.

Issues

5. At Month 04 actual expenditure incurred is £413,788 which represents just under 25% of the annual budget, with the projected outturn position indicating that the budget will be underspent by £167,426 at year end. Table 1 summarises the position at Month 04 and a narrative summary is outlined below.

Table 1: Month 04 Joint Committee Revenue Budget Monitoring Position

	Budget	Mth 04 Actual	Projected Year End	Variance
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	£	£	£	£
<u>City Deal Office (CDO)</u>				
Employee Related	1,069,822	284,365	978,872	(90,950)
Premises Related	21,000	5,384	21,000	0
Transport Related	15,000	2,419	7,500	(7,500)
Supplies & Services	68,695	37,686	113,299	44,604
Joint Scrutiny	25,000	0	25,000	0
5 Year Gateway Review Support	93,214	13,911	93,214	0
WAO Performance Audit Fee	15,000	0	15,000	0
Contingency	80,618	6,429	36,014	(44,604)
Sub Total	1,388,349	350,194	1,289,899	(98,450)
<u>Accountable Body Support Services</u>				
HR People Services	12,467	5,887	12,467	0
Finance & Accountancy Support	138,294	22,544	102,656	(35,638)
Exchequer, Internal Audit & Insurance	2,857	953	2,857	0
Legal & Governance Support	80,000	26,667	80,000	0
ICT, Information & Governance	17,626	5,876	17,626	0
External Audit Fee	12,500	0	12,500	0
Procurement	5,000	1,667	5,000	0
Contingency	33,338	0	0	(33,338)
Sub Total	302,082	63,594	233,106	(68,976)
Gross Expenditure	1,690,431	413,788	1,523,005	(167,426)
<u>Funded by:-</u>				
Partner Contribution – Blaenau Gwent (4.6%)	(50,822)	0	(50,822)	0
Partner Contribution – Bridgend (9.5%)	(104,958)	0	(104,958)	0
Partner Contribution – Caerphilly (12.0%)	(132,578)	0	(132,578)	0
Partner Contribution – Cardiff (23.7%)	(261,842)	0	(261,842)	0
Partner Contribution – Merthyr Tydfil (3.9%)	(43,088)	0	(43,088)	0
Partner Contribution – Monmouthshire (6.1%)	(67,394)	0	(67,394)	0
Partner Contribution – Newport (9.8%)	(108,272)	0	(108,272)	0
Partner Contribution – RCT (15.8%)	(174,561)	0	(174,561)	0
Partner Contribution – Torfaen (6.1%)	(67,394)	0	(67,394)	0
Partner Contribution – Vale of Glam (8.5%)	(93,909)	0	(93,909)	0
WIF 'Top-Slice' Contribution	(151,166)	0	(151,166)	0
WIF Reserve Contribution	(434,448)	0	(267,022)	167,426
Gross Income	(1,690,431)	0	(1,523,005)	167,426
Net Position	0	413,788	0	0

City Deal Office: (£98,450)

6. The projected out-turn position assumes that there will be an underspend against the approved budget of £98,450 at the financial year end. The position against the key CDO budget heads is summarised below.

Employee Related Budgets: (£90,950)

7. The Employee Related budget of £1,069,822, is based on 16 FTEs and remains in the process of being formally filled with some posts still remaining vacant. The

outturn projection above reflects the current level of resources in place along with a contingency sum of £80,000 to allow the Director of the City Deal the flexibility to react to short term resourcing requirements.

Transport Related Expenditure: (£7,500)

8. As a result of the current pandemic, there will be a reduction of costs in this area.

Supplies & Services: £44,604, offset by Contingency: (£44,604)

9. Whilst most budget heads are shown as on target, there are currently unbudgeted commitments of £32,704 for ongoing PR & Media work and £11,900 for ICT system improvements which will be funded from the approved Contingency Budget of £80,618. Ongoing unbudgeted costs will be dealt with in setting the 2021/22 Budget.

All other City Deal Office Budgets: On Target

10. As at Month 04 all other City Deal Office budgets are projected to be on target at year-end.

Accountable Body Support & Related Services: (£68,976)

11. At Month 04, actual costs amounting to £63,594 were incurred in relation to the Accountable Body Support and Related Services budget.
12. The City Deal Office is currently reviewing the Service Level Agreements in place for all aspects of its support from the Accountable Body for both the current and future financial years. In order to be able to accommodate any agreed changes, the majority of budgets are projected to be on target at year end.
13. It is, however, noted that due to changes in the resourcing of the Accountable Body's Finance and Accountancy Team there is projected to be an underspend against this budget of £35,638
14. Further, the budget contains a contingency of £33,338 against which no commitments currently exist and is considered unlikely to be required.
15. An update will be given to Regional Cabinet in regard to the discussions around the ongoing support of the Accountable Body when these are concluded.

Month 04 Summary

16. Forecast expenditure for 2020/21 is projected to underspend the total funding sources approved by Regional Cabinet by £167,426.
17. Any underspend will be used to reduce the amount required to be drawn down from the Wider Investment Fund Top-Slice, or be carried forward as a Joint Committee General Reserve as has been the case in previous years.

18. The budget will continue to be monitored and reviewed through the rest of the financial year and reported back to Regional Cabinet at appropriate intervals.
19. It is anticipated that invoices will be raised to each of the 10 Partner Authorities in Quarter 4 of 2020/21 for their contributions to this Budget.

Reasons for Recommendations

20. To provide Regional Cabinet with an update of the monitoring position against its approved 2019/20 Joint Committee Revenue Budget, as at 31st July 2020 (Month 04).

Financial Implications

21. As stated in the main body of the report, there is an underspend projected for year-end against both the CDO and AB Budgets. Future reports to Regional Cabinet will provide updates on the proposed expenditure and provide the opportunity to approve any plans for the reallocation of any budget not being used for its original purpose.
22. As a result of the projected underspends further consideration will need to be made regarding the Wider Investment Fund (WIF) 'Top Slice' contribution to the Joint Committee Revenue Budget and the General and Earmarked Reserves held.

Legal Implications

23. This is a revenue budget monitoring report for noting and based on the information contained in this report, does not raise any direct legal issues.

Well-being of Future Generations Act 2015 (Wales)

24. 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.

25. Regional Cabinet must be satisfied that the proposed decision accords with the principles above. To assist Regional Cabinet to consider the duties under the Act in respect of the decision sought, an assessment has been undertaken, which is attached at Appendix 1.

RECOMMENDATION

26. It is recommended that Cardiff Capital region Regional Cabinet:

- a) notes the actual expenditure, income and projected full year out-turn position as at the 31st July 2019 (Month 04), against its approved 2019/20 Revenue Budget.

Christopher Lee
Section 151 Officer, CCR Regional Cabinet
14 September 2020

Appendix

Appendix 1 Well-being of Future Generations Assessment

Future Generations Assessment Evaluation

(includes Equalities and Sustainability Impact)






Name of the Officer completing the evaluation: Chris Lee Phone no: 02920 72300 E-mail: christopher.lee@cardiff.gov.uk	Please give a brief description of the aims of the proposal To provide details of expenditure, income and projected full year outturn position against the approved 2020/21 Joint Committee revenue budget.
Proposal: 2020/21 Month 10 Joint Committee Revenue Budget Monitoring Position	Date Future Generations Evaluation form completed: 07 September 2020

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 sets out progress against agreed revenue budgets and the way in which resources are being used to deliver outcomes and targets.	Set out in report
A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)	Not directly relevant however financial support and investments will have regard to these principles and will be set out on a business-case by business-case basis.	
A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood	Not directly applicable	
A Wales of cohesive communities	Not directly applicable	

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?
Communities are attractive, viable, safe and well connected		
A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	Not directly applicable	
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	Not directly applicable	
A more equal Wales People can fulfil their potential no matter what their background or circumstances	City Deal is about delivering as far as possible across 10 LAs and a population of £1.5m people. It is about economic gains – but importantly how this will convert as tools for improving people’s lives. Some of the specific interventions around skills and housing – will seek to make a more direct contribution to equity of access and equal opportunity for all.	

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?
 <p>Long Term</p> <p>Balancing short term need with long term and planning for the future</p>	<p>The report sets out short-term interventions and balances these against the long-term delivery of major programmes.</p>	
 <p>Collaboration</p> <p>Working together with other partners to deliver objectives</p>	<p>A cornerstone of our process is the strength of partnership working.</p>	
 <p>Involvement</p> <p>Involving those with an interest and seeking their views</p>	<p>Communications and engagement remain a feature of our work.</p>	
 <p>Prevention</p> <p>Putting resources into preventing problems occurring or getting worse</p>	<p>Demonstrated in the report through detailed funding allocations and investment cases</p>	
 <p>Integration</p> <p>Considering impact on all wellbeing goals together and on other bodies</p>	<p>City Deal seeks to make a contribution on place and to improving the life chances of people in the region.</p>	

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 report is an overview of financial performance. The protected characteristic assessments related to specific proposals will need to be drawn out in the relevant business cases and proposal documents.	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	As above	
Race	As above	As above	
Religion or Belief	As above	As above	
Sex	As above	As above	
Sexual Orientation	As above	As above	
Welsh Language	As above	Not at this time but the situation will be kept under review.	

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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?

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- Evidence and input contributed by theme leads
- Outcomes of assessments such as audit reports
- The Draft Annual Governance Statement
- Delivery against targets set out in individual business cases/ approved project documentation
- Financial data and recording

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 areas requiring attention and focus are set out and follow-up actions will be assessed and monitored ongoing through the quarterly reporting mechanism. .

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: Quarter 2

14 SEPTEMBER 2020

HOMES FOR ALL THE REGION – UPDATE

REPORT OF CCR CITY DEAL DIRECTOR

AGENDA ITEM 6

Reason for this Report

1. To provide Regional Cabinet with an update on progress made in respect of the 'Homes for all the Region' Programme, following its approval in March 2020.
2. In particular, to report on progress made in operationalising the Viability Gap Fund and seek Regional Cabinet's approval of the proposed Evaluation Framework as set-out in Appendix 1.
3. To further provide an update on the Prior Information Notice (PIN) and Market Briefing exercise conducted in respect of the SME Finance Fund, conclusions and next steps.

Background

4. At its meeting of 9th March 2020, Regional Cabinet established its Housing Investment Fund entitled 'Homes for all the Region', consisting of two inter-connected sub-funds - £35M Viability Gap Fund and a £10M SME Finance Fund.
5. Regional Cabinet received and approved the Full Business Case (FBC) in respect of the Viability Gap Fund and provided the necessary delegations to allow the Fund to be set-up and operationalised. A key activity that formed part of the next steps is the design and preparation of the proposed Evaluation Framework – the methodology, criteria and weightings that will be used to evaluate and prioritise applications received in respect of the Fund.
6. Given its significance, Regional Cabinet requested that the proposed Evaluation Framework be brought back for their consideration and formal approval, ahead of it being made available to Local Authorities and their respective partners as part of the Fund's suite of documentation.

7. In respect of the SME Finance Fund, the attached report provides an update on the work completed since March 2020, along with details of the next steps and associated timescales.

Issues

Viability Gap Fund Update

8. As outlined in the March Cabinet report, the key next step in order to progress the operationalisation of the Viability Gap Fund was the need to procure and appoint the Technical Advisory Panel. This requirement was completed, following the appointment of CBRE in June.
9. CBRE completed a baseline review of the Fund's objectives, design and draft documentation, which had prepared as part of the FBC. The review allowed the Fund to be operationalised over summer period through the completion of the following key activities:
 - preparation of Fund Supporting Documentation;
 - completion Local Authority Engagement Sessions x10;
 - development of the Fund's Marketing & Communications Strategy;
 - arrangements to manage Document/Information via an agreed platform;
10. The next section of the report summarises findings of the baseline review and how these have been used to inform Fund design and associated documentation.

Fund Overview

11. The aim of the Fund is to get housebuilding started quickly on sites where the upfront infrastructure costs render the scheme unviable and are subsequently 'stalled' for delivery. The Fund will optimise economic returns by investing in the most strategically located sites which maximise value for money. It will also enable inclusive economic returns by ensuring that development outcomes are spread throughout the geography.
12. The role of the Fund is to operate on a strict policy of 'funder of last-resort' such that the proposed development could not proceed in the absence of the Cardiff Capital Region's (CCR) intervention. The CCR funding programme of up to £35M will be used to provide the final, or missing, funding injection required to enable development to be carried out soon after schemes have been awarded funding, and for homes to follow at pace.
13. CCR is seeking schemes that are well advanced – either with planning permission in place or a clear route to achieving planning and have the majority of funding already secured or identified.
14. The Fund will target schemes of 40 to 350 units that are able to demonstrate a viability gap of up to a maximum of £8M. Schemes of higher unit numbers will also be considered subject to satisfying the Fund eligibility criteria, which includes

ensuring the site is not being considered by Welsh Government' as part of their 'Strategic Stalled Sites Fund'.

15. Funding can be awarded to sites owned by either the private or public sector, and sites in mixed and multiple ownership provided that the Local Authority (LA) Partner assumes primary responsibility for the CCR investment. LA Partners will need to demonstrate why sites are of strategic importance along with a robust delivery plan for all sites put forward.
16. Due to State Aid restrictions, funding is strictly only available for capital investment in certain site-specific infrastructure works, referred to as 'Qualifying Expenditure'. It is a matter for the LA Partners, as recipients of the funding, to satisfy themselves that the funding is being deployed in a State Aid compliant manner. The Applicant will assume the entire State Aid risk associated with the funding award.
17. In all cases, funding can only be awarded to sites that can prove a viability gap on site, and only to the extent that the viability gap is closed as a result of the CCR funding award.
18. For those bids that are successfully awarded funding, the LA Partner will be required to enter into a funding agreement with CCR. This will include all terms and conditions, including the requirement to meet delivery milestones, operate on an open-book basis, and adhere to monitoring and reporting arrangements. In addition, Applicants and delivery partners will be required to share any surplus with CCR via an overage arrangement where the out-turn position performs better than the agreed development appraisals in terms of sales, costs, values etc.
19. As further set out in paras below, the fund aims to provide viability gap funding to support economic growth in those areas suffering consequences of deindustrialisation and depopulation – as per the Housing Market Review carried out as part of the business case development. This will make a contribution to CCR targets to increase GVA and leverage private investment via improved viability. The metric therefore used to identify areas for a first phase of intervention is the UK Competitiveness Index 2019 since this is the measure of whole LA-level economic competitiveness and productive capacity. More hyper-local issues of housing deprivation will not be dealt with by this Fund, since its purpose is principally an economic one, in addressing viability gaps that unlock broader economic potential operating at regional scale. Given the opportunities to co-ordinate the viability gap fund with others that can play a role in housing poverty and deprivation, the goal is to ensure optimal interfaces and connections.

Application, Due Diligence & Contracting Process

20. Applications can only be submitted LA Partners, in their capacity as project sponsors and managers of any funding awards. CCR will not accept direct applications from other third parties (such as private developers or Registered Providers) and the LA Partner will be expected to assume primary responsibility for any funding awarded under this initiative.

21. Third parties and LA Partners will need to work collaboratively to develop funding applications and it will be a matter for the LA Partner to pass down the funding conditions to the relevant third-party developer to the extent considered necessary.
22. LA Partners can submit **up to 3 submissions** that will be assessed on a competitive basis for funding award. The application and evaluation process will follow a clear, structured and transparent approach to ensure equal treatment of all parties. CCR's staged approach and indicative timescales leading up to conditional Funding Award and beyond are set out in Table 1.0 below.

Table 1.0

Fund Stage/Activity	Indicative Timeframe	Indicative Period
1. Fund Applications (Call for Sites)	Sept – Dec 20	4 months
2. Bid Evaluation & Initial Due Diligence (Phase A)	Jan – Feb 21	2 months
3. Prioritised List of Bids & Cabinet Approval (incl. Reserve List)	Mar 21	1 month
4. Scheme Contracting & Detailed Due Diligence (Phase B)	April – Sept 21	6 months
5. Post Award Monitoring, Drawdown & Reporting	Oct 21 – Mar 24	30 months

Fund Applications (Call for Sites)

23. LA Partners will need to consider and complete an internal 'options appraisal' in order to reduce their long-list of potential sites down to a short-list, as a maximum of 3 submissions will be permitted per LA.
24. LA Partners and their delivery partners will need to complete the Fund Application Form for each shortlisted site and collate the necessary documents e.g. site investigations, surveys, technical information etc. in support of their application/s.
25. During the 'Call for Sites' window, there will be the opportunity for Applicants to engage with CCR and its appointed Fund Co-ordinator via a series of fund engagement meetings to discuss emerging proposals and seek guidance on any aspects of the process.
26. To assist LA Partners and their delivery partners a suite of documents have been prepared to support the effective deployment of the Fund. These include:
 - Fund Guidance Document;
 - Eligibility Checklist;
 - Viability Assessment Guidance;
 - Application Form;
 - Financial Appraisal Template;
 - Funding Agreement Heads of Terms;

- Potential State Aid Exemptions;
 - Welsh Government Requirements and associated Terms & Conditions.
27. This full suite of documents have been made available to all LA Partners via the officer contacts established, as part of the ongoing engagement sessions. In addition, Regional Cabinet members and/or their officers can request a copy of these documents from the City Deal Office.

Scheme Evaluation & Due Diligence (Phase A)

28. Following the Call for Sites deadline (anticipated to be the 31st December 2020), CCR's appointed Technical Advisory Panel and Legal advisors will carry out an independent evaluation of all submissions received, alongside initial due diligence (Phase A).
29. This assessment and any subsequent prioritisation of Funding Awards will be carried out in accordance with the proposed Evaluation Framework, set-out at Appendix 1. This stage will involve a site visit by CCR and its advisors together with a meeting with the Applicants and their delivery partners to discuss the proposed scheme(s) and ensure the submission is fully understood and the required evidence has been provided.
30. If deemed necessary, clarification sessions will be held with Applicants and their delivery partners. Once all clarifications have been resolved, a final evaluation assessment will be made by CCR's appointed advisors and recommendations put forward for consideration and approval by Regional Cabinet. A reserve list of compliant schemes will also be held in the event those projects put forward fail to meet the required contracting conditions and milestones.

Scheme Contracting & Due Diligence (Phase B)

31. During this stage, Applicants will be tasked to progress schemes in order to satisfy all pre-contract conditions as set out in the letter of Funding Award. Regular review meetings will be put in place with Applicants, CCR and its advisors to review progress against key milestones.
32. Where insufficient progress is being made or there have been significant changes to approved schemes, these will be escalated to CCR for further consideration and appropriate action.
33. Subject to satisfying all pre-contract conditions, the Funding Agreement will then be signed by all parties and the project will move into the Post Award Monitoring stage.

Post Award Monitoring and Reporting

34. This final stage is likely to cover a number of years and will be linked to the delivery of phases of each development, through to its conclusion.

35. This stage will involve LA Partners providing regular reporting to CCR to ensure robust on-going monitoring of developments, and they are progressed in-line with agreed Project Plans and associated timescales.
36. The CCR appointed Project Monitor will ensure all necessary conditions are met prior to drawdown of funding (including periodic site inspections), providing a recommendation when milestone payments should be released by the Accountable Body in accordance with terms of the individual Funding Agreements.
37. The LA Partner will be required to report to the CCR Project Monitor on the final out-turn position against the original development appraisal, who will assess the extent overage clauses have been triggered and advise on the payment of profit share sums that may become due.

Evaluation Framework

38. The prioritisation process will be carried out by CCR's technical and legal advisors in accordance with the Evaluation Framework set-out at Appendix 1.

In summary, this consists of a 2 stage process:

Stage 1: Gateway Criteria

The initial stage consist of a series of 8 Pass/Fail questions, all applications received must pass ALL 8 questions in order to progress to Stage 2.

Stage 2: Weighted Criteria

All applications progressing from Stage 1 will be evaluated against the Weighted Criteria included under Stages 2A and 2B. Weightings have been allocated as follows:

Stage 2A: Will amount to 65% of the overall weighting and cover 5 sub-criterion relating to **Site Deliverability**. Applications must achieve a weighting of 30% in order to be considered any further.

Stage 2B: Will amount to 35% of the overall weighting and cover 4 sub-criterion relating **CCR Objectives, Value for Money and Use of SMEs 35%**.

Funding Availability & Prioritisation

39. This section sets out how CCR will evaluate the information provided to it by bidding local authorities as part of the due diligence stage, to prioritise those schemes to be taken forward and into the contracting stage for Viability Gap Funding.
40. The overall £35M Fund comprises of £30m CCR funding (the "Base Fund") and a further £5m capital grant allocation from Welsh Government (the "Welsh

Government Fund”). Applications that have been evaluated and achieved the minimum requirements, will be prioritised/ranked by their overall score and will be eligible for a funding allocation on the following basis.

£30m Base Fund

41. The CCR Funding Programme has been structured to target the areas of lowest economic competitiveness in the region – as informed by the UK Competitiveness Index 2019. This will be achieved via the following split fund prioritisation approach:
42. £15,000,000 Sub-Fund 1: shall be allocated to the bottom 5 ranking local authorities which are: Rhondda Cynon Taf; Torfaen; Caerphilly; Blaenau Gwent; and Merthyr Tydfil; (as determined by the UK Competitive Index 2019) on a prioritised scored basis; and
43. £15,000,000 Sub-Fund 2: shall be open to **all** local authorities evaluated submissions which remain, on a prioritised scored basis and shall not exclude, for the avoidance of doubt, any local authority successfully securing funding support from Sub-Fund 1 i.e. where more than one site has been successfully evaluated in respect of any one local authority.
44. If either Sub-Fund is not fully allocated, CCR will refer back to Regional Cabinet on options and recommended approach, providing an analysis of the scheme to date and potential options for further consideration.

£5m Welsh Government Fund

45. In addition, a further £5,000,000 is accessible by Applicants subject to meeting the additional conditionality imposed by the Welsh Government. Such conditions principally relate to the requirement to deliver Welsh Government policy aspirations in respect of space standards and the provision of 50% affordable housing. Further details are set-out within the Fund documentation.
46. Applicants will be asked to confirm whether their scheme satisfies the Welsh Government Funding Conditions, and, if so whether some or all of the funding support is capable of being utilised from that source.
47. The Fund reserves the right to explore options to utilise such additional funding support for any scheme (in whole or in part) and CCR shall assess this option, to the extent applicable, on a scheme by scheme basis. The evaluation of Welsh Government Funding will be based on similar principles outlined for the Base Fund below. Further information will be made available as part of the Fund Application Process.
48. In the event that the Welsh Government Fund is not committed in full, then Regional Cabinet may wish to consider re-purposing its use. For example, there may be an opportunity to use this capital grant funding alongside the emerging SME Finance Fund (as detailed below). In such an event, an update will be reported back to Regional Cabinet during the autumn, so a decision can be

taken in a timely manner. Any such re-purposing of the Welsh Government funding will require their express approval, with the funding terms and conditions being amended accordingly.

Revenue Funding Support

49. In addition to the £35M funding being made available as part of the Viability Gap Fund, the FBC also set out the need to provide £500k of revenue funding support. This would be made available to LA Partners on a 'match funding' basis to assist them with putting in place the necessary resources to complete the application and subsequent Fund processes, if successful.
50. Following engagement with LA Partners and advice for CCR's advisors, up to 50% of the CCR revenue funding support will be made available (on an equal basis i.e. £25k per LA Partner) to cover Fund processes to the 31st March 2021. A short application form will need to be completed to confirm adherence with the requirements set-out by CCR. Full details of how to access revenue funding support and the conditions attached (including timescales), have been sent to each LA Partner.

SME Finance Fund Update, Conclusions and Next Steps

51. On 27 May 2020, CCR issued a Prior Information Notice (PIN) and market briefing paper in respect of the SME Housing Fund (the "**Fund**"). The purpose of the PIN and market briefing paper was to obtain feedback in respect of CCR's proposals for the Fund and the role of a fund manager in respect of the Fund.
52. The principal objectives of the market feedback were to understand: the level of interest in the market to undertake the fund manager role for the Fund; the viability of the Fund from the market's perspective; and how CCR may enhance the attractiveness of the opportunity for the fund manager and improve the viability of the Fund.
53. CCR received a total of 4 responses from key Market Segments operating Funds of the type being considered. A summary of the feedback received and the common themes / conclusions which can be drawn from the feedback is outlined below with a full summary of the responses received to each question raised in the market briefing paper being attached at Appendix 2.

Summary of Responses Received (Market Feedback)

54. The market feedback helped to identify the following common themes / conclusions:
 - all parties which had responded to the PIN would be interested in participating in a procurement process for the opportunity to perform the fund manager role for the Fund;
 - all parties agreed that there is a need and demand for the Fund;
 - the optimum duration of the Fund would be circa 10 years;

- the fee structure for the fund manager would comprise various fee elements, these varied from party to party but indicated a menu approach;
- the operation costs of the relatively smaller Fund would be disproportionately higher than a larger fund due to the intensive resources which will be required for the type of SME developers being targeted, the size of the loans and the nature of the investment products which have a higher risk of recovery; and
- the Fund would benefit from a clear investment strategy and criteria from the outset, including clear objectives and expected outputs/KPIs, such that the fund manager has clear and agreed parameters to operate within.

55. The market feedback also provided useful insight as to how the impact of the Fund could be enhanced by:

- allocating the £10M capital sum across the three investment products and allowing any such allocations to flex as required to adapt to prevailing market demand. The following allocations were suggested:
 - (a) £5M into 'standard' property development funding proposals to support 100% of build costs up to a maximum ratio of 70% LTV and within a £300k - £1m deal range which (in DBW's experience) would achieve a high recovery rate;
 - (b) £3.5M into 'pre-planning' proposals with a deal range of £25k-£100k, this would have lower recycling rates due to limited recovery of investment on unsuccessful applications;
 - (c) £1.5M into 'mezzanine' proposals supporting gap funding requirements above the circa 75% LTV threshold and within a £25k-£300k deal range,
- allocating some of the £10M funding to support works post-planning e.g. upfront infrastructure and site preparations which is also under-funded and less risky than pre-planning activity;
- targeting more well-resourced and successful regional delivery partners to reduce risk; and
- ensuring the funding requirements include sustainability targets for the SME developers (environmental and social factors) as these may be neglected by developers of this size.

Conclusions and Next Steps - SME Finance Fund

56. In conclusion, the market feedback has served to confirm to CCR the attractiveness of the opportunity to the market to perform the fund manager role for the Fund, as well as the demand / need for the Fund.
57. However, the various market feedback also confirmed that due to the size of the Fund, the Fund's target market which will be less well-resourced and the nature of the investment products themselves (in particular, funding for pre-planning activity), there is an increased risk that full recovery may not be possible, which

must be acknowledged by CCR. However, taking account of the market feedback (as set-out above) and building these into the ‘design’ of the Fund will help to mitigate the risks identified to some extent.

58. The principal next steps are to update the Fund design to reflect the market feedback i.e. Investment Strategy, Criteria, Objectives, Fund Management KPIs, Fund Structure (including values, duration) etc. and to prepare the necessary documentation ahead of a formal procurement exercise to appoint a FCA accredited Fund Manager. The key stages and indicative timescales are set out in Table 2.0 below.

Table 2.0

Activity/Task	Indicative Timeframe	Indicative Period
1. Fund Design and Procurement Documentation	Aug – Sept 20	2 months
2. Issue OJEU Notice	Sept 20	N/A
3. Evaluation of Standard Selection Questionnaires (SSQs) received	Oct 20	1 month
4. Issue and Evaluate Tenders received	Nov – Jan 21	3 months
5. Award Tender and Complete Contracting Arrangements	Feb 21	1 month
6. Complete FBC, seek Cabinet Approval and Commence Contract	Mar 21	1 month

Reasons for Recommendations

59. To provide Regional Cabinet with an update on progress made on the ‘Homes for all the Region’ Programme, since its approval in March 2020.
60. To seek Regional Cabinet’s approval of the proposed Evaluation Framework as set out in this report and as endorsed by CCR Investment Panel at its meeting on 8 September 2020. Once approved this document will be made available to applicants as part of the Fund’s suite of documents and in-line with the timetable outlined in this report.

Financial Implications

61. Regional Cabinet received a Full Business case in March 2020 to create a Cardiff Capital Region Housing Investment Fund. This report proposes an Evaluation Framework for the Viability Gap Fund (£35M) and provides an update on progress in implementing a SME Finance Fund (£10M).
62. The level of CCR investment proposed from the Wider Investment Fund is £30M and this can be accommodated within the 5 year Joint Working Agreement Business Plan. This represents a significant investment as part of the £200M infrastructure indicative allocation based on the CCRCD Joint Working Agreement and the core aims and objectives (Jobs, Private Sector Leverage, GVA and Economic Inclusion).

63. Processes will need to be put in place to measure and capture the outcomes and performance of the funds against stated outcomes in the business case, as well as financial monitoring and accounting processes to manage distribution and recovery from both funds.
64. Funding amounting to £15M is from Welsh Government (WG) (£5M cash grant and £10M repayable loan). The detailed terms and conditions from WG require that this funding is to one local authority to accept the key terms and any loan liability to Welsh Government. The Evaluation Framework and legal agreements to be set out as part of the CCR Housing Fund will need to ensure any approved project sponsors indemnify CCR, particularly in respect to any projects agreed to be supported from the SME Loans Fund.
65. The two funds identified will incur revenue costs. The first element of this is cost of managing and operating the fund such as additional staff costs or services and advice to be the subject of external procurements. A detailed revenue resourcing plan was set out as part of the Final Business Case. The second element is £500,000 to match fund applicants' own funds for supporting the development and submission of bids for funding. These costs will need to be met from the Wider Investment Fund 'Approved Projects' budget set aside for such costs. Ongoing costs and proportionality to outcomes need to be reviewed periodically as part of the overall performance monitoring of the funds.

Legal Implications

66. The purpose of this report is in the main to provide an update to members. Detailed legal implications in respect of the Homes for All the Region Programme and the Viability Gap Fund were provided at the approval stage in the report to Cabinet dated 9th March 2020.
67. Members are being asked to approve a Framework Evaluation method for assessing eligibility and priority for funding from the Viability Gap Fund. Members will also need to satisfy themselves that any future investment also meets the terms attached to any funding provided by Welsh Government, is consistent with the objectives of CCRCO, and is compliant with state aid legislation.

Well-being of Future Generations (Wales) Act 2015

68. 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.

69. Regional Cabinet must be satisfied that the proposed decision accords with the principles above. To assist Regional Cabinet to consider the duties under the Act in respect of the decision sought, an assessment has been undertaken, which is attached at Appendix 3.

RECOMMENDATIONS

70. It is recommended that the Cardiff Capital Region Regional Cabinet:
- a) note the progress made in operationalising the Viability Gap Fund, including the preparation of Fund documents, process and indicative timescales to prepare, submit and evaluate Fund applications;

- b) approve the Viability Gap Fund Evaluation Framework attached at Appendix 1;
- c) note that in the event the Viability Gap Fund is not fully committed, that this will be brought back to Regional Cabinet for further consideration along with proposed options and suggested recommendations;
- d) note the outcome of the Prior Information Notice (PIN) and Market Briefing exercise conducted in respect of the SME Finance Fund, conclusions and next steps.

Kellie Beirne
Director, Cardiff Capital Region City Deal
14 September 2020

Appendix 1	Proposed Evaluation Framework (Viability Gap Fund)
Appendix 2	Responses to PIN and Market Briefing Paper (SME Finance Fund)
Appendix 3	Well-being of Future Generations Assessment

CARDIFF CAPITAL REGION

Housing Viability Gap Fund

Evaluation Framework (Appendix C)

This document sets out how the Cardiff Capital Region (“CCR”) will evaluate the information provided to it by bidding local authorities to prioritise those schemes to be taken forward to the contracting phase for Viability Gap Funding. The overall Fund comprises £30m of CCR funding (the “Base Fund”) and a further £5m allocation from the Welsh Government (the “Welsh Government Fund”).

£30m Base Fund

The CCR Funding Programme has been structured to target the areas of lowest economic competitiveness in the region – as informed by the UK Competitiveness Index 2019. This will be achieved via the following split fund prioritisation approach:

- £15,000,000 Sub-Fund 1: shall be allocated to the bottom 5 ranking local authorities which are: Rhondda Cynon Taf; Torfaen; Caerphilly; Blaenau Gwent; and Merthyr Tydfil; (as determined by the UK Competitive Index 2019) on a scored basis; and
- £15,000,000 Sub-Fund 2: shall be open to **all** local authorities on a scored basis and shall not exclude, for the avoidance of doubt, any local authority successfully securing funding support from Sub-Fund 1 e.g. where more than one site has been submitted by an individual local authority.

If either Sub-Fund is not fully allocated, CCR will refer back to Regional Cabinet on options and recommended approach.

£5m Welsh Government Fund

In addition, a further £5m is accessible by Applicants subject to meeting additional conditionality imposed by the Welsh Government. Such conditions principally relate to the requirement to the to deliver Welsh Government policy aspirations in respect of space standards and the provision of 50% affordable housing. Please see Appendix H for further details.

Applicants are asked to confirm whether the scheme satisfies the Welsh Government Funding Conditions, and, if so whether some or all of the funding support is capable of being procured from that source.

CCR reserves the right to explore options to utilise such additional funding support for any scheme (in whole or in part) and CCR shall assess this option, to the extent applicable, on a scheme by scheme basis. The evaluation of the Welsh Government Funding will be based on similar principles outlined for the Base Fund below.

The Evaluation Framework

The evaluation is divided into a set of pass/fail questions (Stage 1) followed by more detailed evaluation to weight the outcomes CCR is seeking to achieve using the Viability Gap Fund (Stage 2). CCR intends to then take forward a total number of applications which in aggregate appear (at evaluation stage) to require approximately £30,000,000 of Viability Gap Funding (Base Fund).

CCR reserves the right to:-

- increase or decrease the overall fund amount subject to review of the submissions received;
- hold some applications in reserve should any applications which are initially successful subsequently fail to progress to signed funding agreement; and
- only take forward applications that score a minimum of 30% (out of 65% available) under Deliverability (Stage 2A).

STAGE 1: GATEWAY CRITERIA

Ref.	Pass/Fail Questions	Criteria to pass (otherwise response will be marked as a fail)
1.1	Is the submission from an eligible Local Authority?	<i>Submission must be from one of the CCR Local Authorities and able to demonstrate relevant that all relevant internal approvals have been secured or will be secured in good time.</i>
1.2	Is the Development Site identified in the current Local Development Plan or will it be during the likely delivery timeline? If not, has it already secured an outline planning consent which would remain implementable for the likely delivery timeline?	<i>Scheme must be identified within the current Local Development Plan or (if not); already has outline planning consent which would remain implementable; or is able to demonstrate a significant chance of planning permission being secured in sufficient time, which provides comfort that funds will be able to be drawn down in line with CCR's spend timetable (see point 1.7).</i>
1.3	Is there a clear link between the delivery of homes and the infrastructure works?	<i>Scheme to be funded must demonstrate either a physical or clear strategic link with the delivery of housing.</i>
1.4	Does the financial appraisal template demonstrate the need for gap funding?	<i>Financial appraisal template must show a funding viability gap post verification of assumptions by CCR's technical advisers.</i>
1.5	Do the works constitute Qualifying Expenditure?	<i>Scheme and works to be funded constitute Qualifying Expenditure having regard to 'Local Authorities (Capital Finance and Accounting) (Wales) (Amendment) 2018; and State Aid requirements following a preliminary assessment by CCR's legal advisers.</i>

Ref.	Pass/Fail Questions	Criteria to pass (otherwise response will be marked as a fail)
1.6	What is the £ CCR investment per home?	<i>Funding request must fall below maximum threshold cap of £37,500 per home to be eligible for Funding Award. However, local authorities may choose to contribute funding to schemes to bring them within the threshold.</i>
1.7	Does delivery of the works meet CCR's spending timetable of drawdown of all CCR funds prior to 31 March 2024?	<i>Bid clearly demonstrates that the scheme can meet the spending timetable of the CCR Housing Fund i.e. all CCR funds to be drawn-down prior to 31 March 2024.</i>
1.8	Has the applicant confirmed they are not currently under consideration for and do not intend to apply for the Welsh Government's 'Stalled Sites Fund' programme?	<i>The site is not under consideration and the Applicant does not intend to apply for the Welsh Government's 'Stalled Sites Fund' programme.</i>
1.9	How much funding is required?	<i>Appraisal shows a shortfall in funding which is a maximum of £8,000,000. Where funding shortfall is greater than £8,000,000 sufficient evidence has been provided to demonstrate how the additional funding shortfall will be met.</i>
1.10	Has the Applicant confirmed acceptance to the principles set out in the Heads of Terms for the Funding Agreement?	<i>Applicant confirms acceptance of the principles set out in the Heads of Terms for the Funding Agreement (see Appendix F).</i>
If application passes all of the pass/fail questions, move on to Stage 2 (Weighted Evaluation)		

STAGE 2A: WEIGHTED EVALUATION – DELIVERABILITY 65%*

Ref.	Focus Area	Weighting	Evaluation Criteria
2.1	Delivery strategy for the works and the overall development including land assembly.	25%	<p><i>4 - Robust delivery strategy has been developed for the works and overall development with limited risks.</i></p> <p><i>3 - Clear delivery strategy has been developed for the works and overall development with some elements less detailed than others and the strategy identifies some risks which are not significant and which the strategy demonstrates are appropriately mitigated.</i></p> <p><i>2 – High-level delivery strategy for the works and overall development has been developed and a more detailed strategy is still being finalised and some risks have been identified but those risks are not significant and/or there is a detailed delivery strategy but significant risks have been identified which the strategy demonstrates would be appropriately mitigated.</i></p>

Ref.	Focus Area	Weighting	Evaluation Criteria
			<p>1 - High-level delivery strategy for the works and overall development which requires considerable further work and/or there is a detailed delivery strategy but significant risks have been identified which are not appropriately mitigated.</p> <p>0 - No or limited information around the proposed delivery strategy for the works and/or overall development.</p>
2.2	Risk identification and mitigation strategy.	5%	<p>4 - Detailed understanding of risks and robust mitigation strategy provided, and risk lies with the most suitable party for managing them.</p> <p>3 - Good understanding of risks and mitigation strategy provided but some risks/mitigation strategies are not as detailed or fully explored as they could be, and the risk lies with the most suitable party for managing them.</p> <p>2 - Understanding of most project risks and high-level mitigation strategy provided but most risks/mitigation strategies are not as detailed or fully explored as they could be and/or some work to be done to determine the appropriate party to manage the risks.</p> <p>1 - Limited understanding of project risks and mitigation strategy provided, some risks and/or consideration of the most appropriate party to manage risks have been missed.</p> <p>0 - No or limited understanding of project risks and/or mitigations, and/or majority of risks have been missed. Further work to be done to determine the appropriate party to manage risks.</p>
2.3	Extent the works and overall scheme are fully costed, and all funding sources identified.	10%	<p>4 - Detailed costings provided for works and overall scheme with all funding sources identified.</p> <p>3 - Clear costings provided for works and overall scheme with over 90% funding sources identified.</p> <p>2 - Some costs unknown and/or lack clarity and/or less than 90% of funding sources identified.</p> <p>1 - Significant gaps and/or lack of clarity in costings provided and/or less than 50% of funding sources identified.</p> <p>0 - Limited or no cost information provided and significant gaps in funding sources.</p>
2.4	Capability and capacity of proposed contracting organisation(s) to deliver the works and overall development.	10%	<p>4 - Robust evidence of capacity and capability of organisation(s) to deliver the works to be funded and overall development.</p> <p>3 - Good evidence of capacity and capability of organisation(s) to deliver the works to be funded and overall development but some areas require more detail to evidence a robust capability or capacity.</p> <p>2 - Evidence of capacity and capability of organisation(s) to deliver the works to be funded and overall development provided but several areas where evidence is not provided.</p> <p>1 - Limited capacity and capability of organisation(s) to deliver the works to be funded and/or overall development.</p> <p>0 - No clear capacity and capability to deliver the works to be funded and/or overall development.</p>
2.5	Robustness of delivery programme including feasibility of timescales.	15%	<p>4 - Robust delivery programme provided that outlines all key project milestones with realistic dates for achieving these.</p>

Ref.	Focus Area	Weighting	Evaluation Criteria
			<p>3 - Delivery programme provided that outlines most but not all key project milestones with realistic dates for achieving these.</p> <p>2 - Delivery programme provided which identifies most key project milestones with some over optimistic dates for achieving these.</p> <p>1 - Outline delivery programme which has not identified all or most key project milestones and several unrealistic dates applied.</p> <p>0 - No clear delivery programme provided.</p>

*NB minimum 'Deliverability' threshold score of 30% required for schemes to qualify for Funding Award.

STAGE 2B: WEIGHTED EVALUATION – CCR OBJECTIVES, VALUE FOR MONEY AND USE OF SMES 35%

Ref.	Focus Area	Weighting	Evaluation Criteria
2.6	Number of homes per £ invested.	15%	<p>4 - £7,500 per home or lower</p> <p>3 - £7,501 to £15,000 per home</p> <p>2 - £15,001 to £22,500 per home</p> <p>1 - £22,501 to £30,000 per home</p> <p>0 - £30,001 to £37,500 per home or higher</p>
2.7	<p>Alignment with and contribution to CCR objectives:</p> <ul style="list-style-type: none"> • Jobs • Private Sector Leverage • GVA 	10%	<p>4 – Excellent alignment with and contribution to CCR objectives, supported by evidence to demonstrate the case.</p> <p>3 – Good alignment with and contribution to CCR objectives, supported by evidence to demonstrate the case.</p> <p>2 – Reasonable alignment with and contribution to CCR objectives supported by evidence to demonstrate the case.</p> <p>1 – Alignment with and contribution to CCR objectives although limited evidence has been provided to support the case.</p> <p>0 – Limited or no alignment with or contribution to CCR objectives and limited or no evidence has been provided.</p>
2.8	Connectivity of the development.	5%	<p>4 – Excellent connectivity to nearest key settlement (as defined in the Wales Spatial Plan) by available public transport.</p> <p>3 – Good connectivity to nearest key settlement (as defined in the Wales Spatial Plan) by available public transport.</p> <p>2 – Reasonable connectivity to nearest key settlement (as defined in the Wales Spatial Plan) by available public transport.</p>

Ref.	Focus Area	Weighting	Evaluation Criteria
			<p>1 – Limited connectivity to nearest key settlement (as defined in the Wales Spatial Plan) by available public transport.</p> <p>0 – No connectivity to nearest key settlement (as defined in the Wales Spatial Plan) by available public transport.</p>
2.9	<p>Extent of supply chain for development and/or works to include SMEs.</p> <p><i>SMEs defined as: a small, medium or micro enterprise where the number of employees does not exceed 250.</i></p>	5%	<p>4 - Minimum commitment of 30% of supply chain for overall development and/or works to include SMEs.</p> <p>3 - Minimum commitment of 20% of supply chain for overall development and/or works to include SMEs.</p> <p>2 - Minimum commitment of 10% of supply chain for overall development and/or works to include SMEs.</p> <p>1 - Commitment to include SMEs within supply chain for overall development and/or works but no minimum threshold commitment provided.</p> <p>0 - No commitment to include SMEs within supply chain for overall development and/or works but no minimum threshold commitment provided.</p>

SUMMARY TABLE OF MARKET FEEDBACK

Question	Supplier 1	Supplier 2	Supplier 3	Supplier 4
<p>How commercially attractive is the opportunity for the Fund manager?</p>	<p>What are expected outputs for the Fund? What are the driving KPIs? The ability to deliver commercially depends on what the driving KPIs are e.g. PSL, jobs, number of investments, number of developers supported, expected returns, etc.</p> <p>Fund is complimentary to the three live funds that Supplier 1 is currently delivering – attractive opportunity for Supplier 1.</p>	<p>Commercially attractive but several considerations which impact on extent of commercial attractiveness:</p> <ol style="list-style-type: none"> Scale of the fund – limited fund will inhibit the investment pipeline and overall transaction volumes. Nature of investment – small loans to small developers are time intensive unless heavy-handed approach to security is taken. Fee arrangements will need to reflect extent of resource required. Loan size and target developers - SME developers are less well-resourced so likely to carry more risk on non-delivery and repayment. Target more well-resourced and successful regional delivery partners. Recovery risk – risk of non-recovery is likely to be very high. Type of investments and minimum required recovery rates need 	<p>Given the size of the Fund, the appeal is to smaller asset managers.</p>	<p>Both individuals are from Cardiff and cite this as part of the reason they find the opportunity attractive.</p> <p>Residential and commercial clients are finding it difficult to obtain finance.</p>

Question	Supplier 1	Supplier 2	Supplier 3	Supplier 4
		to be understood to ensure FM is not presented with an impossible task.		
How could CCR optimise the scope of the Opportunity to increase market attractiveness of the Project?	<p>Agree operating guidelines of the Fund from the outset so Supplier 1 can manage within such parameters without all investments going back to the investment board. Regular reporting to investment board and only exceptional cases being referred back to CCR investment board.</p> <p>Otherwise, longer lead times for customers.</p> <p>Duration - 5 to 15 years.</p>	<p>CCR to recognise risk of recovery is very high for the type of loans proposed.</p> <p>FM should maximise recovery within agreed risk parameters, standardised documentation and reporting with a realistic expectation of % of non-recovery.</p> <p>Increase overall scale of Fund and minimum loan size.</p>	No comments	<ol style="list-style-type: none"> 1. Increase LTV offerings. 2. Establish specific offerings / products. 3. Established developers with proven track record, offer a 'pre-planning product'. 4. Annual / bi-annual events targeted at SME developers to highlight products offered by the Fund.
What would be your preferred fee structure?	<p>% fee charged against full capital committed for investment phase (reduces in realisation phase, usually by half).</p> <p>Deal arrangement fee.</p> <p>Exit fee.</p> <p>Allows accurate forward modelling rather than operating off the live book.</p>	<p>Initial fee for fund set-up.</p> <p>Annual management fee for reporting and day to day management.</p> <p>Individual transaction fees.</p> <p>Additional fees (loan monitoring and third party costs including legal and valuation).</p>	A combination of being milestone driven and an ongoing fee.	<p>Potential agreed menu tariff upfront, key costs:</p> <p>Initial costs for an interactive webpage and period reviews.</p> <p>Periodical newsletter.</p> <p>One part-time resource in the first year to manage information flow and compliance of developments.</p>

Question	Supplier 1	Supplier 2	Supplier 3	Supplier 4
				<p>Fixed management fee based on loan amount.</p> <p>Fixed project management fee based on % of project.</p> <p>Legal costs per project.</p>
<p>What do you think is the optimum duration of the Fund based on CCR's objectives?</p>	<p>Minimum term of 5 years and up to 15 years.</p> <p>The longer the term, the more that Supplier 1 can deliver. Could have regular review points of the contract.</p>	<p>10 years.</p> <p>Loans are very high risk so may only recover 50-60% of the Fund.</p> <p>Loan period no more than 3 years. 2 cycles are likely to be the maximum period that can be achieved unless the fund is 'topped-up' during its operating period.</p>	<p>Indefinite duration, reviewed every 5 years to ensure appropriateness of the fund.</p>	<p>5 to 10 years.</p>
<p>Would you be able to participate in a procurement process?</p>	<p>Yes</p>	<p>Yes</p>	<p>Yes</p>	<p>Yes</p>
<p>Do you have any comments on the proposed procurement strategy (restricted procedure)?</p>	<p>Simplest route but requires contract terms to be agreed prior to issue of ITT so structure of fund management arrangement must be fully considered.</p>	<p>Procurement can be carried out via OJEU, Council's procurement arrangements or via a framework. Supplier 2 is a member of CCS.</p>	<p>No comments.</p>	<p>Preparation framework is key to delivering the Fund effectively and using metrics to keep it open and pause it any time when key indicators are met.</p>

Question	Supplier 1	Supplier 2	Supplier 3	Supplier 4
<p>Please provide any observations on the need and demand for the Fund.</p>	<p>Demand continues to outstrip supply.</p> <p>Growing gap in private funding market, particularly for SME developers. Exacerbated by retrenchment following Covid-19. More than enough demand for the Fund.</p>	<p>Unable to comment on need/demand for the Region but based on elsewhere in the UK, consider it likely to be a demand for this funding.</p>	<p>There is a definite need. SME developers are disadvantaged with respect to funding rates which impacts on the quality of the product delivered.</p>	<p>Very difficult for SME developers in the Region to obtain funding from traditional development finance lenders.</p>
<p>Could the Fund's objectives, investment criteria and strategy be amended to enhance its impact and increase impact of housing delivery in the Region?</p>	<p>£5m for 'standard' property development funding proposals (support 100% build costs up to a maximum ratio of 70% LTV) within £300k - £1m deal range. Supplier 1's track record suggests high recovery rates could be achieved which would allow regular recycling.</p> <p>£3.5m pre-planning proposals. Supplier 1 doesn't provide funding for this, it is a gap. Recycling rates would be lower. Limited recovery on unsuccessful applications. £25k to £100k.</p> <p>£1.5m mezzanine proposals. Complement Supplier 1's current offering by supporting gap funding requirements above the circa 75% LTV threshold. £25k-£300k.</p>	<p>Concerns the overall fund is not ambitious enough to become a cornerstone of development support for the next 10 years.</p> <p>Pre-planning investment still requires the next phase of development (site servicing and infrastructure) to be funded for homes to be delivered. Support works post planning e.g. upfront infrastructure and site prep which is also under-funded.</p>	<p>No mention of non-financial targets and criteria e.g. social housing targets, build quality targets, sustainability (green targets), job creation.</p>	<p>Strategy should be developed and criteria outlined at the outset before the Fund is launched.</p> <p>Property to be energy efficient and energy generating by long life solar.</p> <p>Property covenant to target homeowners in the first [x] number of years rather than landlord ownership (except housing associations).</p> <p>Properties could be part of Help to Buy Wales.</p> <p>Catering for the future – hybrid charging points, smart lighting.</p>

Question	Supplier 1	Supplier 2	Supplier 3	Supplier 4
				<p>Energy incentives.</p> <p>Development product offering to drive incentives to build.</p>
<p>Any comments/observations on the proposed investment products and/or portfolio approach under the Fund?</p>	<p>Indicative split set out above but Fund needs to be flexible in accordance with prevailing market demand.</p>	<p>See above; also recommend the Fund operates complementary to other CCR / WG funding / investment products.</p>	<p>A focus on sustainability measures as this segment of the market is less likely to have in place a robust sustainability framework. This includes both environmental and social factors as SME developers will typically neglect one or the other.</p>	<p>Have attractive incentives to build with strict timeframes to help incentive delivery and returns.</p>
<p>What impact do you think Covid-19 will have on the requirement and demand for the Fund?</p>	<p>Further retrenchment of private sector support in the property development space.</p>	<p>Reduced debt supply.</p> <p>Demand for the Fund may be reduced due to lack of funding available for development post-planning consent.</p>	<p>No impact on need for housing in the medium-term. In the short term SME developers may hesitate to take on Projects / slow down construction due to scarcity of labour and wanting to remain well capitalised.</p>	<p>High street and other lenders withdrawing funds for development project.</p> <p>High street and other lenders inconsistent development products.</p> <p>Mortgage products for residential buyers changing e.g. mortgage products at 90% and above being withdrawn which causes uncertainty for the SME developer.</p>

Question	Supplier 1	Supplier 2	Supplier 3	Supplier 4
<p>Mindful of the size of the Fund and the associated transaction costs, please provide any thoughts or comments you have on how the viability of the Fund can be advanced.</p>	<p>Smaller funds have disproportionately higher operation costs than larger funds due to the fixed costs required.</p> <p>As the fund grows, economies of scale will allow for reduced fee levels e.g. Supplier 1 original Property Dev fund capital committed was £10m. This was then recycled 3x during Fund life creating a direct impact of minimum £30m.</p> <p>Where investment recovery rates are higher than anticipated, interest rates and fees can be reduced to reflect lower risk. Where recovery rates lower than anticipated, pricing could be increased to reflect the greater risks and increased income for Fund offsets unexpected losses.</p>	<p>Increase scale of the fund.</p> <p>Target larger regional developers who are likely to also require early pre-development finance and are well resourced to work across multiple sites.</p> <p>Support pre-development finance including works post-planning.</p> <p>Consider the treatment of transaction costs as borrowers will be unwilling to 'front' these costs but CCR must also be mindful of State Aid.</p>	<p>A boutique investment manager would be best placed to deliver on this service.</p> <p>More intricate support will need to be provided by the asset manager to ensure effectiveness of the scheme which will be an issue for large / medium sized fund managers who are set up to service more established developers.</p>	<p>Research from current lenders catering for SME developers and Housing Associations:</p> <ol style="list-style-type: none"> 1. LTV – below 60% land and construction. 2. LTV 60-70% LDGV. 3. Development phase – start rate 5% to 8%. 4. After development – 2.7% to 5%. 5. 1.5% arrangement. 6. Costs for pre-planning activity (only aware of one financial institution who offer this). 7. Housing Associations can obtain funding for pre-planning activity via Caff Venture Trust or National Lottery.

Future Generations Assessment Evaluation

(includes Equalities and Sustainability Impact Assessments)

Name of the Officer completing the evaluation: Hrjinder Singh Phone no: 07971 899465 E-mail: h.singh@cardiff.gov.uk	Please give a brief description of the aims of the proposal Development and operation of a Housing Viability Fund and a SME Finance Fund
Proposal: Homes for all the Region	Date Future Generations Evaluation form completed: 8 September 2020

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	Genuinely shared prosperity is feature of the funds with a focus on programme minima for economic inclusion, viability analysis and prioritization of low competitiveness areas that can show connections with public transport, jobs and regeneration opportunities.	The scheme seeks to move beyond creating wealth – to spreading wealth. The SME Finance Fund has also been introduced as a secondary fund to stimulate local house-building, promoting local skills growth and development and ensuring local benefits and retained and recycled back into local areas.
A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)	The scheme sets the conditions only for unlocking sites and the weight of responsibility around delivering on core objectives will be through local-led delivery and effective partnership working.	Resilience is embedded through the focus on areas of lower competitiveness and productivity and the need for demonstrations of connections to jobs, public transport and community infrastructure. Independent assessments have been carried out as part of the business case development stages with CHC, RSLs, home builders federation, CBRE, DBW and Savills to comprehensively tests assumptions and


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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?
		deliverability and contributions to sustainability and resilience. Business case development work has been built on during the project mobilization and engagement stages (March 20 to Sept 20).
A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood	The focus on connections to multi-modal public transport is front and centre as well as the SME Fund which seeks to maximize local benefits and effects.	
A Wales of cohesive communities Communities are attractive, viable, safe and well connected	Improving regional infrastructure and building new homes (improving the overall quality of housing stock within the region) will make a key contribution to travel to work modes, denser labour market creation and development of human connections	This will feature as a core part of the viability assessment and VFM checks Local planning policies will need to be complied with Technical Advisors have been procured to support the Fund's design and implementation, as well as monitor and review such conditions.
A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	CCR could have prioritized easier-commercial led development. However the evidence base points to the need to solve the problems brought by market failure. The Fund also recognizes other existing initiatives that may be available and seeks to address gaps in existing provision.	
A Wales of vibrant culture and thriving Welsh language Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation	The Cardiff Capital Region City Deal is uniquely Welsh – but pitches towards being world leading in areas of competitive strength. This enables a strong reflection on our rich culture and heritage.	The fund will be accessible by all LAs within the Region, key stakeholders e.g. landowners, developers, housebuilders etc for the benefit of their citizens and local communities.

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 more equal Wales People can fulfil their potential no matter what their background or circumstances	The scheme has a strong ‘tilting the playing field’ component and is aimed at levelling up provision, accessibility and opportunities in the region. Economic Inclusion is a central objective of this initiative.	The SME fund management will operate on criteria to open up opportunities that enable and help local providers.

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?
 Long Term Balancing short term need with long term and planning for the future	The scheme operates over four years and yet, will build legacy for the future around which denser labour markets can be created and access to new opportunities such as Metro and Metro Plus	The scheme viability criteria and VFM credentials have been tested and validated by CCR’s appointed Technical Advisors and secured onward recommendation from Investment Panel to Regional Cabinet for approval.
 Collaboration Working together with other partners to deliver objectives	The scheme is a partnership across public and private and involves all ten councils, RSLs, developers and land owners and agents.	Ongoing co-ordination and support is being offered through a Fund co-ordinator role and the establishment of a dedicated fund to support all LAs
 Involvement Involving those with an interest and seeking their views	WG are the Funds partners and there will be opportunities for comprehensive public engagement as part of the full scheme operation and delivery.	Local planning policies will need to be adopted and adhered to in relation to local consultation and public engagement.
 Prevention Putting resources into preventing problems occurring or getting worse	The evidence base shows such sites have blighted communities. Continuing to ‘do nothing’ will ensure problems will grow worse and situations that impact communities negatively will not improve	

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?
 <p>Considering impact on all wellbeing goals together and on other bodies</p>	<p>At the front of the FBC is a consideration of wellbeing objectives and the potential of the scheme to maximize contributions towards resilience and prosperity in particular.</p>	<p>Each scheme will need to demonstrate contribution to wellbeing goals as part of investment criteria.</p>

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	<p>LAs will be required to inform the shape, type and nature of provision required including tenure, flexibility, lifetime homes and so on...</p>	<p>None arising at this time – needs to be assessed through scheme delivery and compliance.</p>	<p>Relevant criteria to be developed via CCR's Technical Advisors and key stakeholders progress individual schemes.</p>
Disability	<p>As above – the LA will be required to comply with local planning requirements and to demonstrate the value it is adding through scheme development in accordance with local housing needs assessments.</p>	<p>As above</p>	<p>This will be demonstrated at criteria application stage</p>
Gender reassignment	<p>As above As regards any allocation of affordable or social housing, this will be done in strict compliance with adopted lettings policies and procedures for the fair and independent allocation of homes</p>	<p>As above</p>	<p>Ongoing and long-term monitoring frameworks for demonstrating scheme benefits</p>

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?
Marriage or civil partnership	As above	As above	As above
Pregnancy or maternity	As above	As above	As above
Race	As above	As above	As above
Religion or Belief	As above	As above	As above
Sex	As above	As above	As above
Sexual Orientation	As above	As above	As above
Welsh Language	As above	Not at this time but the situation will be kept under review.	As above

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

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

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

- Engagement with LAs and their key partners 2020
- PIN Notice – July 2020
- Evidence of market supply and demand – Savills 2019
- KPMG SOC 2019
- KPMB OBS – 2019
- Testing site viability and deliverability – Savills 2019-20
- Partner data and evidence
- WG evidence on Innovative Housing Fund
- Soft market testing
- Evidence from similar Homes England programmes

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?

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As the ensuring he criteria to be developed and adopted through the Technical Advisory Panel is robustly tested and challenged prior to adoption

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:	Ongoing from Sept 20 through to March 2024
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14 SEPTEMBER 2020

**ESTABLISHING A CCR CHALLENGE PROGRAMME – RE-BUILDING
LOCAL WEALTH POST COVID-19**

REPORT OF CCR CITY DEAL DIRECTOR

AGENDA ITEM 7

Reason for this Report

1. To set out a Full Business Case for a CCR Challenge Programme aimed at Re-building local wealth post COVID-19. This is consistent with both the Investment and Intervention Framework approved by Cabinet in June 2019 and with the CCR Priorities Post COVID-19 document also endorsed by Cabinet on 18 May 2020. This document is also consistent with the Outline Business Case (OBC) approved by Cabinet on the 15th June 2020.

Background

2. The Investment and Intervention Framework (IIF) approved by Cabinet on 10 June 2019 established three funding priorities: Innovation, Infrastructure and Challenge. Challenge Funds are recognised as a key way of enabling public service organisations to source solutions to service/policy delivery challenges. There is both existing activity in the UK in orienting innovation to big challenges, such as the Nesta's Challenge Prize Centre, and in the focus of the UK Industrial Strategy; UK and Welsh Government's continued commitment to the Small Business Research Initiative (SBRI), Govtech and Innovate to Save; and, in academia, with UCL establishing a new centre for mission-oriented innovation. In response to COVID-19, both UK and Welsh Governments have used challenge funds to explore Coronavirus-related challenges and swiftly launched challenge funds on loneliness/ isolation, ambulance/ blue light sanitisation and med-tech.
3. The CCR post COVID-19 Priorities paper was approved by Regional Cabinet on 18 May 2020 and contained an aim to establish a challenge programme through which to focus on local wealth re-building in a post-COVID state. This requires a £10m investment from CCR but leverages a potential further £5.6m through the WEFO-funded Innovative Future Services (InFuSe) programme (subject to

approval) and, has the potential on a challenge by challenge basis, to leverage further external funds from challenge sponsors.

4. The purpose of such a challenge programme is to demonstrate how applying innovation to big challenges can promote novel solutions and radical improvements. It provides an important counter to the more conventional approaches of 'allocating' R&D funding or grants which often fail to provide the incentives for deeper experimentation, new collaborations, scale and ROI.
5. GVA, jobs and private leverage are the key objectives most frequently associated with City and Growth Deals. Challenge funds still deliver on these – but intentionally don't start out with the answer, or known end point. Instead they start with data and a problem statement. Through exploration and R&D, the answer, solution or project is arrived at.
6. In this way, SBRI is used in cases where the five-case HMT model ('the Green Book') cannot be met at the outset because the solution to a problem does not readily exist. This is consistent with the aims of IIF where it is recognized that infrastructure and innovation-style investments are clearly aligned to 'knowing' the answer or end point (knowns). However, in many instances the end points or answers will not exist or will not be known (unknowns). This requires a different, more explorative and experimental process – consistent with the original rationale for supporting a challenge-led priority.
7. SBRI is an adopted and recognized Pre-Commercial Procurement compliant government programme and will be initially used as it offers a tried and tested methodology for CCR deployment. SBRI is a state aid compliant mechanism and the Challenge Fund will follow its practice and methodology (see Art 16f of 2004/18/EC, Art 24e of 2004/17/EC). SBRI is compliant with WG's advice note on 'Pre-commercial Procurement – an approach to procuring R&D services' (Annex 5 of Appendix 1). Alternative approaches to SBRI may also be utilised where there is a specific need or opportunity. The Challenge Fund will use learning from SBRI challenge approaches and programmes such as Innovate to Save to support a range of innovative approaches to procurement and innovation activity.
8. At the end of each Challenge whether based on the SBRI model or utilising an alternative challenge approach, CCR will have all of the info to make a five-case compliant procurement. The challenge process itself has to be consistent with this clear outcome – ensuring the process as a whole is retrospectively compliant with HMT model. All three funding priorities: innovation, infrastructure and challenge all adhere to the 5 case framework – but the challenge concept is about arriving at a concept that is compliant through a process of R&D because a solution doesn't exist – whereas infrastructure and innovation start with a stronger sense of adherence because a solution is known and can be more straightforwardly fed through the model.

Purpose

9. The focus of the proposed new £15.6m programme is to re-build local economies for a post-COVID world, through solving societal challenges that have economic impact and potential commercial-scale opportunities. The Full Business Case for the CCR Challenge Fund element of the programme is attached at Appendix 1 and the Full Business Case for the InFuSe project is included in that document.
10. There is a real opportunity for public bodies, and for local government in particular, to build a positive and more distinctive legacy post-COVID. The measures, behaviours and adaptations now in place as we continue to lockdown, should not be temporary crisis responses. Organisations, services and people everywhere have moved quickly beyond comfort zones. We have re-connected with what matters and perhaps more importantly, one another. There is opportunity for organisations to change operating models, form new collaborations and conduct research and development into new products, processes and services.
11. Following approval of the Outline Business Case the CCR Challenge Fund conducted, a “Challenge Hack” on 29th July 2020 with Political and Senior Officials from the CCR local authorities to further refine the thematic areas. Three priority themes emerged, and these were, Accelerating decarbonisation – flood, transport and public estate; Community cohesion – town centres and high streets; and Wellbeing – food and health/ food security. These priority themes will deliver against the Challenge Funds Key objectives:
 - solve the greatest societal challenges across the region;
 - deliver economic impact for the region;
 - drive commercial scalable opportunities;
 - build local wealth.
12. InFuSe will identify up to ten thematic areas of high importance to the ten Local Authorities within the Cardiff Capital Region. The operation will assess the suitability of these ten thematic areas and likely focus on up to two of those themes. The two themes will become the focus for each of the workstreams delivered through the programme, with participants using these themes to develop new skills and knowledge in both a theoretical and practical manner.
13. The Challenge Programme aims to address the core areas of Well-being of Future Generations (Wales) Act 2015. The Well-being of Future Generations (Wales) Act 2015 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.
14. The Challenge Programme will align to the CCR Priorities as outlined in the Industrial and Economic Plan, and challenges highlighted in the UK Industrial Strategy. The Challenge Programme will target new market creation,

commercialisation IP, shape places and address identified regional challenges and priorities.

The Programme

15. The programme will bring together both the CCR Challenge Fund and the InFuSe project. It should be noted that InFuSe is the project submitted to WEFO under its P5 Institutional Capacity programme and has been through phases of EOI and OLT and is now in the final stages of being negotiated and accepted. The programme value is c£5.6M. This is anticipated to be £3.6M WEFO and £2M in kind match from CCR partners and LAs and will be confirmed in September 2020.
16. The CCR Challenge Fund component of the programme £10M is complementary to this and will progress the three priority themes which emerged from the “Challenge Hack” on 29th July 2020 with Political and Senior Officials from the CCR local authorities. These are accelerating decarbonisation – flood, transport and public estate; community cohesion – town centres and high streets; and wellbeing – food and health/ food security. These 3 scalable transformative challenges will be further defined as the process develops and other opportunities for agile more dynamic more responsive smaller community based challenges will emerge. This will allow for new ideas, solutions and projects that contribute to the new momentum and ‘new reality’ of the post COVID-19 world. This will help cultivate the new future state; translate lessons learnt and develop new opportunities and avoid reversion to ‘business as usual’. There is a danger that when healthcare imperatives give way to more long-term economic concerns, we reach for what we know and fail to build upon what we’ve learned and what can be done differently.
17. The core principle is one of putting innovation skills and capability in alongside the changes and challenges so that learning and value is applied and can continue to spread and scale. The InFuSe programme for WEFO will be hosted by Monmouthshire Council and the CCR Challenge Fund aspect direct by CCR. Whilst the finances for each of the programmes will be operated and managed separately and in line with WEFO and CCR T&Cs – the two elements will come together operationally and will align to present one comprehensive and complementary programme.
18. Programme governance will be a prominent feature of the scheme. Whilst Regional Cabinet through its approval of the Full Business Case are being asked to sign off the Programme as a whole, this report sets out the strong governance arrangements for managing the distribution of funding for individual challenges will be put in place. The lead cabinet member will sit on the Challenge Fund Strategic Board and the decision-making process will be supported by an independent expert Challenge Fund Advisory Board, which will include a member of the CCR Investment Panel.
19. The Challenge Fund Strategic Board will hold responsibility for making decisions to progress and approve challenges following recommendation from the CCR Management Team and Challenge Fund Delivery Partner (Cardiff University). The detail of the awards will be regularly reported back to Regional Cabinet via

the quarterly performance report and the specific highlight report and logic model for this programme. Furthermore, detailed annual reports on progress and achievements associated with Challenge Fund Programme will be presented to Regional Cabinet.

20. In summary terms, the proposed programme will involve:

- An innovation skills and capacity building element via InFuSe. As this nears final stages of approval, this potentially secures secure £3.63m in funding to be matched by £2.01m of in kind contributions from consortium of partners which is led by Monmouthshire (for CCR) and Nesta/ Y-Lab and Cardiff University.
- Investment to support the development of new innovations through a Challenge Fund modelled on the SBRI programme whilst allowing for alternative experimental approaches to procurement for which CCR is proposed to commit £10m with further potential for leveraged external funds from challenge owners, project partners and sponsors
- A unique blended partnership across CCR, Cardiff University, Nesta/ Y-Lab and supported by a WG SBRI secondee, SBRI Centre of Excellence and industry specialists.

Challenge Themes

21. A “Challenge Hack” was held to identify priority themes for the CCR Challenge Fund with Political and Senior Officials from the CCR local authorities on the 29th June 2020. The objective of the Challenge Hack was to co-create a set of 3 challenge themes to be prioritised over a defined timeframe through the CCR Challenge Fund. The 3 priority themes include: Accelerating decarbonisation – flood, transport and public estate; Community cohesion – town centres and high streets; and Wellbeing – food and health/ food security. Further challenge hacks over Autumn 2020 will provide further detail for the themes to be prioritised.
22. InFuSe will identify up to ten thematic areas of high importance to the ten Local Authorities within the Cardiff Capital Region. The operation will assess the suitability of these ten thematic areas and likely focus on up to two of those themes. This might look at problems and opportunities linked to developing the regional economy or solving pressing social issues identified in the region’s Public Service Board’s Well-being Plans. The two themes will become the focus for each of the workstreams delivered through the programme, with participants using these themes to develop new skills and knowledge in both a theoretical and practical manner.

Key Success Factors

23. The key success factors must include demonstration of:

- how a challenge approach can solve a complex problem and provide a tailored fix;
- how public bodies can work together experimentally;

- a clear understanding of how public bodies have a role in innovation and responding to future complex challenges;
- how we build capacity for innovation in public services at a time when core resources will be operationally focussed;
- a blueprint for communities of practice where in good ideas are encouraged and there is a process of scale;
- returns of Investment – social, economic and potential for commercial;
- support for sustainable and resilient local economic development in a world where ‘same old’ approaches to economic growth will not work;
- new market creation and local supply chain development in line with new priority sectors and specialisms;
- sustaining a positive legacy post-COVID and embedding what we’ve learnt to impact wider challenges and problems.

24. To evaluate the financial case of proposed challenges the criteria set out below will be used.

CCR Challenge Fund Assessment criteria
1. PROBLEM / NEED: The Challenge (problem) is well defined and understood by the Challenge Owner
2. IMPACT AND SCALE: The available resources to be engaged (financial and human) can realistically deliver a high impact in relation to the scale of problem
3. NEW KNOWLEDGE and INNOVATION: Skills and knowledge required to address the challenge are not yet known and the solution providers will work with the challenge owner to develop these (it is not an ‘off-the-shelf’ solution)
4. PLACE BASED APPROACH: Solutions will deliver performance improvements (societal benefits) and local wealth building outcomes within the Cardiff Capital Region.
5. OUTCOMES: At a minimum, nature of outcomes will deliver performance improvements for public services (financial and non-financial). These should be significant, scalable and sustainable.
6. PROCUREMENT: The Challenge approach can deliver benefits over and above traditional Procurement approaches.
7. MARKET: There is or will be a route to market for solutions developed through the process. Challenge proposals will address the commercial viability of any solution directly.

Programme Finances

25. The programme finances will be split. This is because of the separate Terms & Conditions across WEFO and CCR. The WEFO component is expected – if fully successful – to contribute £3.6M to be matched by £2M of in-kind contributions.

The CCR challenge element is £10M with the potential for further leveraged funding on a challenge-by-challenge basis. Whilst operationally these will be brought together to deliver a comprehensive programme –in accounting terms, they must be kept strictly separate. Table 1 displays the indicative breakdown of the CCR Challenge Fund component and Table 2 shows indicative costs for the InFuSe project.

Table 1. CCR Challenge Fund indicative breakdown of costs

ACTIVITY	£M
Programme design, delivery, project management, marketing support and commercialisation expertise	2.000
SBRI Approach – R&D Feasibility and Prototyping	7.000
Non SBRI approaches (Challenge Prize/Funds awards)	1.000
Total	10.000

26. Around 20% of the total CCR Challenge Fund value will be needed to administer, design and deliver the programme. This is consistent with the current SBRI programme and the Nesta Challenge Prize approach of c25%. Quarterly performance reports will provide regular updates on ‘actual’ management costs that are incurred in line with this proposed 20% cap.

Table 2. Indicative costs of the InFuSe Project

	Total (£M)	East Wales (£M)	WW&V (£M)
Total staff costs	4.023	1.717	2.306
FR40	1.609	0.687	0.922
Total Operational Costs	5.632	2.404	3.228

27. InFuSe will be delivered in two ESF programme areas, with costs split between East Wales and West Wales and the Valleys programme areas on a ratio of 4:6 (reflecting the location of participating Local Authority Joint Beneficiaries). The identified funding gap results in an ESF intervention rate of 50% in East Wales, but 75% in West Wales and the Valleys.

Wider Considerations

28. Challenge funds are a departure from more traditional ways of doing business. However there are many examples across other City Regions, Combined Authorities and LEPs use challenge funds or prizes to drive a more experimental approach to economic growth – particularly where no ready answers, solutions or products are available. This is important in recognising the complex of the challenges faced today. Adopting this approach in a CCR City Deal context is important, albeit ambitious because it is consistent with putting to use, the freedoms and flexibilities of devolved City Deals.

29. Wales and UK Government has suggested that whilst this is a departure from standard approaches, it is up to CCR to be comfortable with the approach being compliant with requirements. The proposed approach will follow the Green Book approach – albeit in a different sequence. Again using the SBRI approach and model provides a UK Government and WG-approved and adopted mechanism used regularly and through which £0.8bn of public investment has been channelled by UK Government alone to date. City Deal is about devolved freedoms and flexibilities and this is one such good illustration. SBRI has also been subject to independent review and is procurement compliant (Annex 5 of Appendix 1).
30. Legal advice taken on the matter accords with this view and emphasises that CCR must satisfy itself – as with on any project – the approach is consistent with aims.
31. Significant progress has been made on programme delivery since the launch of the IIF in June 2019. There are 27 live projects in the system. The IIF tracker shows that CCR is on track to deliver its objectives - including financial returns on investment. There is therefore headroom to be experimental and try new ways of securing better and more innovative solutions to complex problems. The original challenge fund ‘allocation’ was £90m in the IIF. This initial £10m, which leverages £5.6m at the outset of additional public sector funding with potential for further public and private leveraged funds – is a small-scale test of concept.
32. The proposal was endorsed at the Investment Panel meeting on 31 March 2020 and the Full Business Case supported at the Investment Panel meeting on 8 September 2020.
33. Monmouthshire is the designated lead body for InFuSe (on behalf of CCR) and thus, deploying and administering potential WEFO funds. This is consistent with previous reporting and the Innovation Prospectus. Nesta/Cardiff University are the consortium delivery partners for InFuSe. As a partnership, they have unique experience of deploying challenge prizes; social sciences research and development; operating the WG Innovate to Save scheme as well as being partners to the Public Services Testbed submission to the IIF.
34. The Challenge Fund will be administered direct by CCR along with Challenge Fund Delivery Partners (Cardiff University). The CCR Management Team will utilise their experience in the SBRI scheme and utilise the expertise of Cardiff University for alternative innovative approaches to procurement and explore Challenge Prizes and programmes for deployment. Further details about the full process is described in the CCR Challenge Fund Full Business Case (Appendix 1).
35. In respect of State Aid, SBRI is an established programme operating at UK Government level and across numerous departments for many years with a total investment to date of £0.8bn. It provides for the public procurement of R&D and essentially ‘seed funding’ the gap that exists for early stage companies with great ideas and potential products and services. As the public bodies are essentially

buying R&D from firms at a fair market price, not for their exclusive use (the expectation is commercialisation) and where the competition is advertised in an open market – there is no advantage and consequently no state aid.

Reasons for Recommendations

36. To ensure the CCR City Deal programme delivers on its ambitions for innovation, infrastructure and challenge-led growth, it is important frameworks are in place to support operationalising all priority areas. In addition, given the economic fallout arising from COVID-19, re-building local wealth at a foundational-level has emerged as a clear priority for CCR.

Financial Implications

37. The CCR Challenge Fund Full Business Case highlights the resource requirement from the Wider Investment Fund (WIF) totalling £10m over three and half years, which will be supplemented by any additional funds from Project Partners or challenge sponsors where applicable. £2m of this includes the cost to administer, design and deliver the programme and includes a grant of £1.2m to Cardiff University to support the delivery of the Challenge Fund via a co-operation agreement as well circa £0.8m as CCR staff costs and other costs such as marketing, website etc. The split of these costs will need to be monitored closely as part of the budget monitoring process and be met from within the Wider Investment Fund as revenue expenditure.
38. A sum of £8m will be allocated for SBRI, Challenge Prizes/Funds etc. which include activities such as Research and Development, feasibility and prototyping. The level of expenditure on awards that may be charged to capital expenditure will be determined on an individual basis, from the governance process in reviewing and approving awards and monitoring the outcome of awards as set out in full business case. An initial rule of thumb to be used is that 20% of cost relates to research (Revenue) and 80% to Development, the latter which is assumed to be capitalised and create what may be intangible assets in most cases and charged against WIF capital resources. As mentioned above, this will need to be reviewed regularly as part of the ongoing administration to understand factors such as; the technical feasibility of completing the intangible asset so that it will be available for use or sale; the intention to complete it in order to use or sell it; the ability to use it; demonstrating how the intangible asset will generate probable future economic benefits; the availability of adequate technical, financial and other resources to complete the development and to use or sell it.
39. Cardiff Council in its role as the 'Accountable Body' for CCR will be responsible for administering the distribution of CCR funding to Challenge Owners and the Delivery Partners. Funding will be drawn down via payments direct from the Accountable Body to the Challenge Owner Organisations subject to decisions made by the Challenge Fund Strategic Board upon advice from the CCR Challenge Fund Management and Challenge Fund Delivery Partner. The

Challenge Owner Organisation will then have full responsibility for further disbursements of funding to supplier projects and ensuring that these disbursements are compliant with relevant regulation (e.g. State Aid, financial due-diligence, anti-fraud checks).

40. Monmouthshire Council will act as the lead body within CCR for deployment and administration of WEFO funds for InFuSe and any associated match funding for Innovation Capability and Skills building. This includes responsibility for any terms and conditions of any grant, accounting and reporting.
41. The Joint Working Agreement provides that CCR will adopt a best practice business case approach in line with HMT's Five Case Green Book Guidelines. The diverse range of project types, values and sectors encompassed within the CCR may necessitate the Five Case Model being amended on a proportionate basis to reflect the scale, nature and scope of the relevant application. The report and business case sets out for Regional Cabinet a demonstrable approach to meeting these requirements in respect to the CCR Challenge Fund.

Legal Implications

42. Regional Cabinet need to be satisfied that all proposed activities are in line with state aid rules, the WG and HMT funding conditions that attach to the Cardiff Capital Region Wider Investment Fund, and the Wider Investment Fund Assurance Framework.
43. It should be noted that whilst Regional Cabinet are being asked to approve the allocation of £10M for the CCR Challenge Fund as per the business case, the decision to make specific funding awards will be taken by the Challenge Fund Strategic Board following recommendation from the CCR Management Team and Challenge Fund Delivery Partner in accordance with the process set out in the business case at Appendix 1.

Delegations

44. The recommendations seek that Regional Cabinet delegates authority to the City Deal Director and Challenge Fund Strategic Board in order for them to carry out the functions set out in the business case.

Well-being of Future Generations

45. 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.

46. 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 Appendix 2.

RECOMMENDATIONS

47. It is recommended that the Cardiff Capital Region Regional Cabinet:

- a) notes and approves the Full Business Case at Appendix 1 for a Challenge Programme aimed at re-building local wealth post COVID-19;
- b) notes the Business Plan included in Appendix 1 in respect of the InFuSe Programme which will work closely alongside the Challenge Programme;
- c) approves the allocation of £10M for the CCR Challenge Fund as per the business case;
- d) notes that it will receive the detailed annual updates on the progress with further updates as request throughout the Programme; with quarterly reports and logic model monitoring setting out ongoing developments and performance outcomes;
- e) notes and approves the delivery arrangements for the InFuSe aspect of the programme in respect of Monmouthshire acting as lead body on behalf of CCR and noting the Full Business Case will be conditional on achieving funding status from WEFO to achieve the external leveraged funds; and,
- f) notes the advice that it must be content that operating a Challenge Fund is within its remit and jurisdiction and endorse the advice set out in this report regarding the different but complementary way in which the process adheres to the Green Book spirit, requirements and principles.

Kellie Beirne
Director, Cardiff Capital Region City Deal
14 September 2020

Appendices

- Appendix 1 Full Business Case for Challenge Fund Programme – Re-building Local Wealth Post-COVID (includes Full Business Case for InFuSe: Innovative Future Services)
- Appendix 2 Well-being of Future Generations Assessment

CARDIFF CAPITAL REGION CHALLENGE PROGRAMME: RE-BUILDING LOCAL WEALTH POST-COVID

Full Business Case

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Annex 1 – Management and Delivery Outline

Annex 2 – Simply Do Challenge Hack

Annex 3 – CCR Challenge Fund EOI

Annex 4 – Challenge Owner Toolkit

Annex 5 - WG's advice note on 'Pre-commercial Procurement

Annex 6 – Future Generations Assessment

Executive summary

The CCR Challenge Programme will support the re-building of local economies for a post-COVID world, through solving societal challenges that demonstrate economic impact and potential commercial-scale opportunities.

In line with Regional Cabinet's priority to focus on coping with and moving beyond the pandemic and its economic impact the challenge will be set up to capitalise on the business innovation and ingenuity seen during the crisis.

The programme will support local wealth building through economic recovery, employment, keeping spend local, green agenda, community projects, people and places, ethical procurement and foundational economy benefits.

A £10m **CCR Challenge Fund** will address three priority themes which emerged from a "Challenge Hack" following approval of the Outline Business Case. The 3 priority themes include supporting, enhancing and transforming communities through a focus on examples such as future town and retail centres, accelerating decarbonisation and improving well-being of citizens through targeting issues relating but not limited to local food supply, security and resilience.

The purpose of such a Challenge Fund is to demonstrate how applying innovation to societal challenges can promote novel solutions and radical improvements.

A budget of a £10m Challenge Fund targeted in the key priority areas as identified with support from CCR Investment Panel, Cabinet and CCR and LA officers, will provide key benefits:

- Opportunity to explore creative solutions to local economic challenges
- Investment to find and develop innovative solutions
- Improved local service delivery that benefits from tailored solutions
- New market creation and ability to 'break through' public procurement frameworks
- Potential for commercial solutions which can be scaled and sold elsewhere
- Local supply chain growth and development

The CCR Challenge Fund will be mainly SBRI-focussed but will allow for enhancements to the format. It will drive a more competitive approach to unlocking the value of the public balance sheet and will maximise value for money through a recognized public procurement compliant government programme and through following best practice in innovative approaches to procurement. It will ensure significant economic growth in the Cardiff Capital Region. It will encapsulate a unique approach to procuring innovation through innovative procurement.

In addition, a £5.6m **InFuSe project** (Innovative Future Services) will focus on Innovation Capability and Skills building. The InFuSe aspects of the programme will further support development of key skills and competencies around public service innovation, critical at a time when the challenges posed through COVID-19 and beyond require new mind-sets and skillsets to respond.

InFuSe will contribute towards the CCR policy objectives by:

- bringing together multi-disciplinary teams from the ten Local Authorities, which will be comprised of a range of front-line staff, senior and middle managers, and professional staff relevant to two chosen thematic challenge areas;
- delivering a range of active learning techniques and transferable skills to enable the multi-disciplinary teams to identify, investigate and assess alternative solutions to the two thematic challenges; and

- identifying how best to procure or support new solutions using innovative techniques to maximise the benefits to local entities and the wider community.

Both funds will seek Return on Investment to the Cardiff Capital Region enabling further investment in the region to promote growth. Further stakeholder engagement throughout the region has been undertaken by CCR Management to inform the Full Business Case and the emerging themes from the Challenge Hack have been cross checked with an oversight committee for Public Sector Challenge-led innovation in Wales to ensure there is no duplication and funds are complementary to other initiatives throughout the region and nationally. In particular, this Challenge Fund is complementary but very different to the WG Foundational Economy Challenge Fund and there is interest from a number of partners, in capturing the key differences and outcomes so as to inform challenge thinking and delivery in the future.

To support the delivery and operation of the funds CCR will engage with partners. CCR City Deal Office and the Challenge Fund Manager will engage Cardiff University and procure the services of specialist advisors and InFuSe will work with Y Lab (a partnership between Cardiff University and Nesta), and Cardiff University's School of Geography and Planning, and Business School. This is termed our Challenge Fund Delivery Partner.

The inclusion of Cardiff University and Y-Lab as key delivery partners to this project will be significant – not least given their role in developing and delivering InFuSe – but also in relation to the following:

- Academic rigour in relation to recording and evaluating progress. This will be important in informing the future of challenge funds in the region, Wales and UK. This is critical given the approach taken to challenge funds to date in this space and enabling the development of a robust baseline;
- Home-growing the skills and competencies to run challenge funds in the future. At this time, the skill-set, aptitude and technical know-how to run challenge funds is confined to too few organisations and individuals, namely Nesta/ Y-Lab and Inovate UK. Embedding this knowledge in the region and developing the potential for the region's know-how could in itself be a major attractor; and,
- The recent success of Y-Lab in operating the WG Innovate to Save programme – successfully deploying challenges for repayable finance and cashable savings to the public purse on 15 major projects, including a new data driven PPE service for Mid and West Wales Fire and Rescue; saving energy in public buildings, social prescribing technology and smart speakers for supported living. These projects have demonstrated economic impact and returns in exchange for tackling social and societal issues.

The £10m investment from CCR will be for 3 SBRI-style challenges over a three year period with an additional six months needed for full academic/ peer review and publication of findings. Should challenges be identified with partner public bodies that wish to act as an end customer or challenge sponsor – there is potential for match funding or further leveraged funds.

The main beneficiaries will be public services, businesses and communities in CCR. Key metrics used to measure and evaluate success will be:

- Number of businesses actively engaged in Challenges
- Number of jobs safeguarded and created within participating businesses and supply chains
- Private sector investment leveraged
- Increased GVA in Challenge participating firms

- Cashable savings in participant public bodies
- Value and exploitation of IP connected to Challenge Projects and Outcomes
- Additional Public and Private funding secured by Challenge Owners
- Number of and value of new collaborations
- Number of new products, processes or services commercialised
- Innovations procured
- Local skills benefits to region
- Increase in turnover
- New knowledge dissemination by HE sector

In relation to project governance, Regional Cabinet will approve the Final Business Case on completion of the IIF processes through Investment Panel, REGP and Programme Board. A Challenge Fund Advisory Board will be convened to approve challenges after recommendations from the City Deal Office and Challenge Fund Delivery Partner. A member/ members of Investment Panel will be invited to sit on this board with reporting to Investment Panel.

1. Introduction

1.1 *Recap: Findings of the Outline Business Case (OBC)*

The OBC provided evidence that a case for a CCR Challenge Programme was aligned to the strategic objectives of the Cardiff Capital Region (CCR) City Deal. The OBC was also consistent with the Investment and Intervention Framework approved by Cabinet in June 2019 and with the CCR Priorities Post-COVID document endorsed by Cabinet on 18 May 2020. The OBC determined the case for change to offer a Challenge Programme to demonstrate how applying innovation to societal challenges can promote novel solutions and radical improvements in the region.

The OBC profiled a design of the CCR Challenge Fund and the InFuSe Project based on stakeholder engagement with the 10 Local Authorities in the region, Welsh Government, Cardiff University, Y Lab, Nesta and industry. The initial design was also informed through programmes that already operate similar funds (SBRI, Gov Tech and Innovate to Save) as well as through lessons learned from previous programmes in Wales. The OBC explored the strategic fit and initial considerations of the commercial and management arrangements were examined.

1.2 *Purpose of the Full Business Case (FBC)*

The OBC was reviewed and approved to continue to FBC development by Regional Cabinet on the 15th June 2020. The review of the OBC determined that a Challenge Programme could support the economic growth in the region and support the re-building of local economies following the COVID-19 pandemic. Therefore, this FBC aims to refine the proposition, further highlight the benefits and define how it will be delivered in practice. It will aim to show the developments since the OBC approval and highlight the latest state of progress regarding the CCR Challenge Fund.

Therefore, the purpose of this Full Business Case is to review the strategic, economic and financial cases of the CCR Challenge Fund for completeness and set out the detailed commercial and management arrangements for the successful delivery and operation of the CCR Challenge Fund.

Since the approval of the OBC on 15th June 2020, the CCR Challenge Fund has made progress on a co-operation agreement with Cardiff University and procured the services of specialist advisors to support the design and delivery of the Challenge Fund. In parallel, additional engagement was conducted with relevant senior representatives from CCR Local Authorities, to explore potential priority themes that the CCR Challenge Fund will deliver against. The CCR Challenge Fund has further explored potential challenges with CCR Local Authorities who would act as Challenge Owner Organisations. The CCR Challenge Fund worked with Cardiff University and industry to define the roles and responsibilities for delivery and a toolkit was developed which will be utilised to support Challenge Owner Organisations in the management of Challenges ensuring benefits are realised across the region (Annex 4 Challenge Owner Toolkit).

Following HMT Green Book principals, this FBC comprises the following chapters:

- **The Strategic Case** – Reviews and refines the Strategic Case from the OBC for relevance, cross-checks further developments in the wider policy context, and sets out the Spending Objectives of the Fund, which set the framework for the development of the rest of the FBC.

- **The Economic Case** – Finalises the value for money assessment for the CCR Challenge Fund.
- **The Financial Case** – Demonstrates the final affordability assessment of the Fund.
- **The Commercial Case** – Presents the commercial arrangements under which the CCR Challenge Fund will operate.
- **The Management Case** – Sets out the finalised operational and governance requirements to both setup and management of the CCR Challenge Fund, including the resource requirements, assurance and monitoring arrangements.

This Full Business Case will focus on the CCR Challenge Fund and is seeking conditional approval for the release of £10m. The Full Business Case for the InFuSe project is attached to the CCR Challenge Programme Report Appendix 2.

2. Background

The Investment and Intervention Framework approved by Regional Cabinet in June 2019, provides a means of assessing submissions into the Wider Investment Fund. It established 3 funding priorities to frame expressions of interest into CCR. These are: innovation, infrastructure and challenge. Challenge Funds are a relatively new concept to City Deal but are a key way of enabling public services to source solutions to service/policy challenges.

The CCR priorities for COVID-19 and beyond paper was approved by Cabinet in May 2020. This set out, as part of the 'Response and Resilience' set of measures, the opportunity to develop a Challenge Fund aimed at re-building local wealth in a post-COVID world. Furthermore, the approval of the OBC by Cabinet on 15th June 2020 determined that a Challenge Fund could support the economic growth in the region and aligned with the overall objectives of the Cardiff Capital Region City Deal.

There is a body of activity in the UK in orienting innovation to big challenges or missions. Nesta's Challenge Prize Centre has long been active in this space. Challenges are the focus of UK Government's Industrial Strategy Challenge Fund and programmes such as the Global Research Challenge Fund. UK and Welsh Governments continue to commit to SBRI, Govtech and Innovate to Save and in academia; UCL has established a whole new Centre for mission-oriented innovation.

In response to COVID-19, both UK and Welsh Governments have used challenge funds to explore solutions to complex problems surrounding Coronavirus and in quick time launched challenge funds on loneliness and isolation, ambulance/ blue light sanitisation and med-tech.

The purpose of such a Challenge Fund is to demonstrate how applying innovation to societal challenges can promote novel solutions and radical improvements. It provides an important counter to the more conventional approaches of 'allocating' R&D funding or grants which often fail to provide the appropriate incentives for deeper experimentation, new collaborations, scale and ROI.

GVA, jobs and private leverage are the key objectives most frequently associated with City and Growth Deals. Challenge funds still deliver on these – but intentionally don't start out with the answer, the amount or a specific project. Instead they start with data and a problem statement. Through exploration, the answer, solution or project is arrived at. The process drives innovation and unlocks added value for both the problem owner and problem solver(s). It is unlocking the added value, development of the innovative end outcome and the creative processes there in, that contribute to City Deal objectives.

The focus of the proposed programme is to re-build local economies for a post-COVID world, through solving societal challenges that have economic impact and potential commercial-scale opportunities.

Key Objectives of the CCR Challenge Fund

1. Solving the greatest societal challenges
2. Delivering economic impact for the region.
3. Driving commercial scalable opportunities
4. Building local wealth

2.1 Purpose of a challenge fund

The UK Industrial Strategy pinpoints the four great industrial/societal challenges of our time: future of mobility; ageing society; AI/Data and energy. Arguably, the effects of the global pandemic COVID-19 accelerate the need to solve problems. There is a real opportunity for public bodies, and for LG in particular, to build a positive and more distinctive legacy post-COVID. The measures, behaviours and adaptations now in place as we continue to lockdown, should not be temporary crisis responses. Organisations, services and people everywhere have moved quickly beyond comfort zones. We have re-connected with what matters and perhaps more importantly, one another. Changed operating models, new collaborations and recognition of data as a core resilience pillar have all featured – and must continue to do so.

Challenge Funds can take various shapes and forms. In Wales to date, a number of challenge funds have operated, mainly through BEIS/GDS (Govtech), UKRI (Industrial Strategy Challenge Fund) and in particular, Innovate UK which, has supported a specific type of challenge fund, called the Small Business Research Initiative (SBRI) awarding since 2007 over £0.8bn.

There will be two main aspects to the overall Challenge Programme:

1. Innovation Capability and Skills building through the £3.63m WEFO InFuSe project (to be matched by up to £2m of additional contributions) which focuses on growing institutional capacity in public services for innovation. This is being led by Monmouthshire Council for CCR, with partners, Nesta/Y-Lab and Cardiff University. This will focus on re-building local economies through the lenses of data, procurement and adaptation.

2. CCR Challenge Fund, SBRI-focused challenges as well as experimental alternative challenge-led innovation approaches to SBRI of £10m. SBRI is an adopted/ recognized public procurement compliant government programme and will be initially used as it offers a tried and tested methodology for CCR deployment. Alternative approaches will be explored after evidence is gathered on the SBRI focused challenges to inform design.

This combination will ensure that putting innovation capability and skills alongside real-world, real-time challenges will deliver a more applied focus.

SBRI enables public sector to tap into new ideas and technologies through a structured state-aid compliant process which speeds up their adoption. It helps public bodies connect with innovative businesses to solve tough challenges. The infrastructure to support SBRI is available in the WG SBRI Centre for Excellence and in the key expertise of Cardiff University, Nesta/ Y-Lab and the Alacrity Foundation. Typically, SBRI are structured in two phases – first, R&D helps prove the scientific, technical and commercial feasibility of the proposed project. Second, production of a well-defined prototype with the intention of demonstrating.

SBRI challenges are typically run over a two-year period, however in response to COVID-19, they are being run to a more immediate timeframe, capitalising on the data and strong innovation appetites that exist. They test out and aim to achieve:

- How a challenge-led approach can solve a complex problem and provide a specific fix
- How multiple public bodies work together in an experimental way
- A clearer understanding of the potential role public bodies have in innovation
- How we build capacity for innovation and R&D in public services
- A blueprint for establishing communities of practice
- Improve outcomes for citizens
- Support sustainable local economic development
- The potential to solve societal challenges

Key benefits of such an approach include:

- Opportunity to explore creative solutions to local economic challenges
- Investment to find and develop innovative solutions
- Improved local service delivery that benefits from tailored solutions
- New market creation and ability to ‘break through’ public procurement frameworks
- Potential for commercial solutions which can be scaled and sold elsewhere
- Local supply chain growth and development

The development of the challenge programme is timely for a number of reasons:

- The potential to build local resilience in the CCR economy, which given the continuing effects of COVID-19 is increasingly vulnerable, is clear to see. Focussing on re-building local wealth will be key to long-term economic recovery. This is timely because it coincides with policy and delivery programmes on the Foundational Economy within Welsh Government. Post COVID-19, foundational renewal be critical to re-building community infrastructure support and more creative locally grown services.
- The opportunity to connect the operation of such a fund into testing the concept of a Public Services Testbed – a submission made by Cardiff University, Alacrity, Nesta and Y-Lab into the CCR's Investment Framework.
- This is important because along with CCR, this is the already committed partnership recipient anticipated to secure £3,622,872m of WEFO funds + £2,008,726 of matched funding for the Institutional Capacity Building Programme for InFuSe (Innovative Future Services). This will build the skills and capabilities for innovation and challenge-driven approaches in Public Services. The composition of the final partnership and inclusion of Nesta will be confirmed in the final business case.
- Welsh Government is currently developing and delivering a number of challenge funds related to COVID-19. These SBRI are mainly around finding solutions to loneliness and isolation emanating from lockdown; ambulance sanitisation; diversification of the manufacturing base to develop ventilators and other essential diagnostics. There is scope to build upon this and collaborate with WG & Centre for SBRI Excellence.

3. Strategic case

3.1 Proposal Description

The CCR Challenge Fund provides innovative solutions to challenges faced by the public sector, leading to better services, improved efficiency and effectiveness and productivity. It supports economic growth through new market creation because it enables the development of innovative products and services through innovative public procurement.

The SBRI approach to the CCR Challenge Fund will drive a more competitive approach to unlocking the value of the public balance sheet and works in two structured phases. The first is focussed on proposals that are R&D intensive and will significantly contribute to proving the scientific, technical and commercial feasibility of the proposed project. The results of Phase 1 determine what should go to Phase 2. Phase 2 is then about building upon the R&D to a well-defined prototype and potential service or product development (Typical SBRI Management Process displayed in Figure 1. Alternative approaches may also be utilised where there is a specific need or opportunity. The Challenge Fund will use learning from SBRI challenges and programmes such as Innovate to Save to support a range of innovative approaches to procurement and innovation activity.

Costs will be borne as part of this process – in respect of training and development as well as in R&D, testing and experimentation ahead of product development. R&D investment is not an abortive cost. It is an investment in finding tailored solutions and is akin to feasibility costs associated with infrastructure investments or, due diligence costs. They are necessary because they guide development of the right product and in the majority of the cases, even if the R&D isn't used in the final product, this still has a learning value which can be exploited.

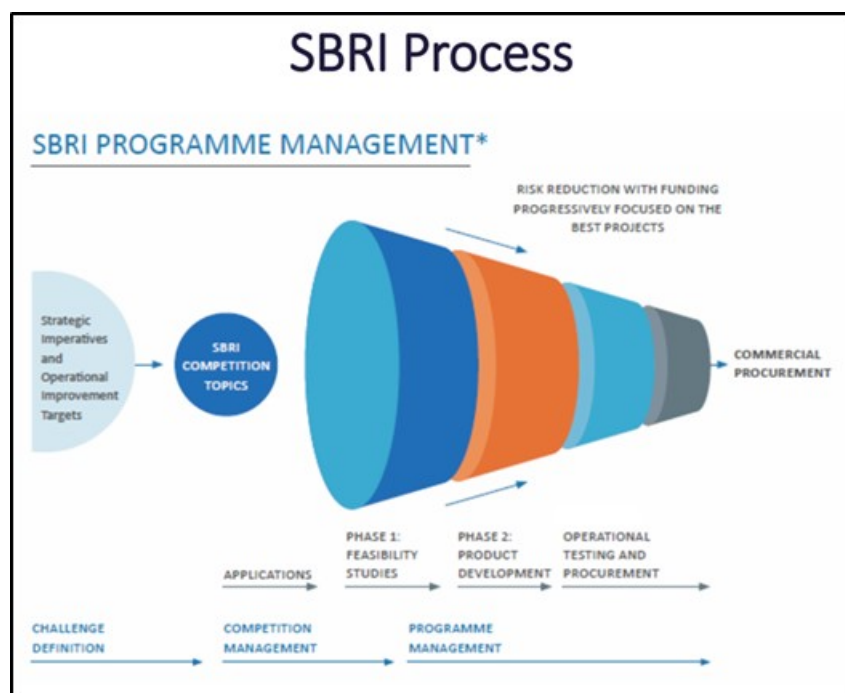


Figure 1. Typical SBRI Management Process

3.2 Themes and priorities

Themes proposed for the CCR Challenge Fund were detailed in the OBC and are set out in Table 1. Following approval of the Outline Business Case, a "Challenge Hack" was held to identify priority themes on the 29th June 2020 with Political and Senior Officials from the CCR local authorities. The objective of the Challenge Hack was to co-create a set of 3 challenge

themes to be prioritised over a defined timeframe through the CCR Challenge Fund. The 3 challenge themes are defined in Figure 2. Further challenge hacks over Autumn 2020 will provide further detail for the themes to be prioritised.

Table 1. Initial priority themes proposed within the OBC.

<p>How do we shift from 80/10/10 to a more active/public transport mix and a more differentiated infrastructure strategy for CCR?</p> <ul style="list-style-type: none"> - Opportunities for better jobs closer to home through balance of office/ local and home working - Digital tools and learning needed to optimise remote working productivity - Changing behaviours to see work as a thing we do rather than a place we go - Maintaining improvements in air quality and taking bolder steps towards transport decarbonisation - Smart IoT systems to track and record transit times, peak hours and congestion - Leveraging data science and analysis capabilities to inform new ‘working day’ <p>How do we help public sector make better use of & share its data more effectively?</p> <ul style="list-style-type: none"> - Data collaboration v data security and defensiveness - Open data to frame more innovative explorative approaches - End uses and applications in relation to areas such as public procurement spend, highlighting gaps for local SMEs and supplier effects - Overcoming difficulties in digital democracy and remote decision-making - Optimising levels of community support and inaction and maintaining the spirit of voluntary action galvanised through COVID-19 for future challenge response - Leveraging capacity of private sector to enable public sector to better use data <p>How do we improve food security and resilience in the region?</p> <ul style="list-style-type: none"> - Opportunities for agri-tech and CEA-approved digital farming with local impact - Secure data systems for supporting local growers - Land, food decarbonisation relationships. Land for agriculture is becoming restricted. Leveraging tech assets, state levers and civic innovators to redesign food systems - Pioneer collaboration across health providers, public health, social care, schools, energy and food producers as well as with supermarkets - Rethinking food bank provision linked to the above as well as behaviour change around food waste and recycling <p>How do we better support healthy ageing?</p> <ul style="list-style-type: none"> - Rethinking care as an alternate infrastructure and overcome some of the structural inequalities to see public care as necessary for societies and economies to flourish - Role of communities in local care eco-systems and maintaining feel of ‘neighbourliness’ and community spirit fostered in lockdown - Tackling loneliness/isolation – social connectivity & remaining in own homes - Development of new products and services to sustain physical activity and support wellbeing <p>How do we support foundational economy renewal?</p> <ul style="list-style-type: none"> - Impact of the knowledge economy and technology on sustainable futures for retail, care, food, tourism and construction so that disruptive forces of AI/ machine learning see more ‘adapt’ than ‘displace’ - Skills and abilities needed for increased productivity in the everyday economy - Maximising in-region supply chains linked to economic anchor companies and linking the contributions of high growth businesses to everyday firms - Creation of maker spaces where equipment, tools and resources can be hired out to support new ideas and community action

The Challenge Hack further defined the priority areas through inviting the group of Political and Senior Officials from the CCR local authorities to review the 7 Well-being Goals from the Well-being of Future Generations Act. These provide a robust, initial set of challenge themes with the Act setting out that public bodies in Wales must work to achieve these goals. The group evaluated the importance, impact and urgency of each Well-being Goal, including the significance of COVID-19 on the citizens of Wales and agreed three priority challenge themes. The Challenge Hack report is further detailed in Annex 2.



Figure 2. Three emerging priority themes for the CCR Challenge Fund.

Challenge priority refinement will take place through further Challenge Hacks. An early COVID-19 community response challenge might seek to focus on priorities such as, the future of retail and town centres or opportunities to deliver community benefits through local food security and resilience and/ or, rapid decarbonisation in transport.

3.3 *Proposal Objectives and Case for Change*

The primary objective of the proposed Challenge Fund is to solve problems that standard procurement approaches cannot – and this is exacerbated by the needs emerging from the COVID-19 pandemic. The ‘same old’ approaches to procuring services, contracts and products, won’t work in times of turbulence and rapid-fire change. The current approach to public procurement tends to be cost-driven and, in a climate in which austerity has diluted capacity in such functions, the focus on optimisation of value has eroded. Alongside this, engaging in skills development and capacity-building, as well as learning to leverage the value of data and rapid prototyping is a critical job of work. It is however not a straightforward one. This requires patience and a shift away from transactional ‘one size fits all’ approaches.

Since 2007, Innovate UK has delivered a successful programme investing more than £0.8bn in SBRI projects with over 100 public bodies across the UK. Performance shows that it can address challenges, increase effectiveness and stimulate additional economic benefits through both procurement of innovation and innovative procurement. This has helped drive internal efficiencies and unlock local value for public bodies whilst improving local market creation and stimulation. SMEs are the mainstay of foundational economies and can provide solutions to policy and operational challenges. Sometimes however, public bodies find it hard to frame challenges in ways which enable a different and more creative response. Equally, smaller companies find it hard to connect with big organisations and access procurement opportunities.

The programme helps overcome this by 1) building the skills and capacity for innovation in public bodies and 2) connecting public bodies and SMEs to stimulate development of solutions, new products and services – whilst providing structured support around risk-taking.

The proposal aims to:

- Explore new and creative solutions to local economic challenges
- Improve service delivery and quality through bespoke, tailored solutions
- Improve sense of place and local economic vitality
- Invest up to 100% to fund and develop innovative solutions
- Support to build capacity and capability
- Generate first customer commitments should products be viable
- Develop commercial solutions which can be sold and scaled elsewhere
- Invest in local supply chains and networks

Progress towards these objectives will be monitored through an Evaluation Plan.

3.4 Problem statement

The analysis contained within the OBC and drawing on the evidence gathered through the development of this FBC highlights the urgent need to support a Challenge Fund aimed at re-building local economies for a post-COVID world. There is a strong argument for a Challenge Fund to solve society's greatest challenges that have economic impact and potential commercial-scale opportunities in the Region.

3.5 Rationale for Public Intervention

Innovation is key to economic growth. By doing more to create the conditions for innovation and productivity within their organisations, public bodies can lever their resources and assets in ways which make optimal impact on local businesses and firms.

Innovation is needed more than ever in the public services sector, especially in a climate where services are coming under increasing pressure to financially sustain at a time when demand, global, demographic and technological challenges are swelling.

Mitigating the long-term impact of global crises such as COVID-19 will require more public sector engagement with their local economies to generate wealth and wellbeing. Many SMEs find it difficult, if nigh on impossible to be able to access public sector contracts. With awards mainly going to larger companies who can demonstrate requirements in respect of insurance, liability cover, turnover and ability to meet core regulations – the value-add of small local businesses can get lost. There is failure in the way the state and market interact.

3.6 Strategic Fit

The Cardiff Capital Region (CCR) City Deal is a programme agreed in 2016 between the UK Government, the Welsh Government and the ten Local Authorities in South East Wales, to bring about significant economic growth in the region through investment, upskilling, and improved physical and digital connectivity. With an investment of £1.2 billion, the CCR City Deal aims to create 25,000 new jobs, achieve 5% uplift in GVA and leverage £4 billion additional investment capital. The Challenge Fund seeks to contribute to these ambitious targets through solving societal challenges that demonstrate economic impact and potential commercial-scale opportunities.

SBRI is a national UK Government initiative that operates at a UK-wide level. In Wales, success rates have been particularly high with it being at the top of the leader board for adoption and application. Alternative approaches to adoption of innovation similar to Innovate to Save have also been highly successful in the UK.

Unlocking the value of public procurement is high up on the priority list at the moment with re-shaping of the policy agenda. From a growing body of work on the Foundational Economy, to work led by both the WAO and Office for the Future Generations to a resurgence in activity around the Can Do Toolkit and the public value creation mission being pioneered in Cardiff University’s Business School – the policy lens is being widened and enriched.

3.7 Options Appraisal

The options appraisal is essentially informed by the case already made under the IIF for the establishment of a challenge fund. The first appraisal concerns the establishment of the Fund:

- Do nothing – not an option – particularly in light of the projected 35% drop in GDP in Q2 2020 through the COVID-19 crisis with ONS stats showing it is the very foundational sectors of food, hospitality, public transport, tourism and retail that are being worse affected by the ongoing crisis. Innovation cannot be sparked without action and the development of new approaches. In addition, with potential for leveraged investment through WEFO and potentially others – it is time to act.
- Address issues through conventional procurement – the purpose of this programme is not to just procure innovative solutions but develop innovative procurement.
- Run the CCR Challenge Fund through the tried and tested SBRI mechanism and allow for alternative approaches to procurement of innovation.

The preferred option is to apply innovation skills to a CCR Challenge Fund that can make a substantial difference to the CCR. Running the Challenge Fund through the SBRI mechanism whilst allowing for alternative approaches to procurement promotes innovation in procurement and procurement in innovation.

3.8 Stakeholder engagement

The CCR Challenge Fund has been developed through collaborative working with stakeholders across the region. A set of key stakeholders were identified and engaged in order to gain greater understanding of the requirements of the Challenge. In addition, further research was undertaken to capture the broadest range of information from known innovation funds across the country. The extent of stakeholder engagement and research conducted is summarised in Table 2 below.

Table 2. Stakeholder engagement and research conducted.

Stakeholders interviewed	Funds researched
Welsh Government CCR Local Authorities Cardiff University Nesta Y Lab Innovate UK SBRI Centre of Excellence Innovation Strategy	Innovate to Save SBRI Gov Tech Global Research Challenge Fund Nesta’s Challenge Prizes Innovate UK Grants

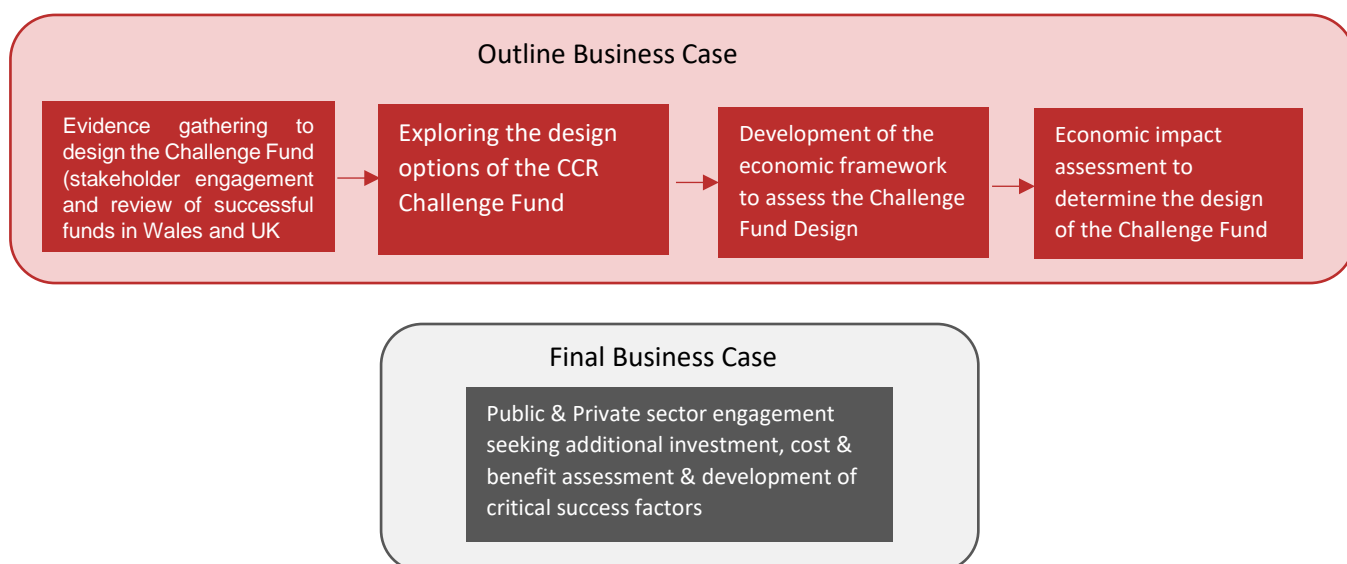
4. Economic Case

The purpose of the Economic Case is to identify the preferred option that delivers the best public value for money, based on assessed economic impacts. This chapter covers the approach taken to identify the preferred option for the CCR Challenge Fund.

4.1 Approach in OBC

As part of the OBC stage a detailed design of the CCR Challenge Fund was undertaken based on extensive stakeholder engagement, desk-based research of existing funds in the UK and analysing lessons learned from similar initiatives adopted in Wales in recent years. Following detailed design, an economic framework was developed to understand the economic impact, costs and benefits and assess value for money. Figure 3 summarises the approach taken in developing the Economic Case.

Figure 3. Summary of approach to the Economic Case



4.2 Economic impact

As with all innovation programmes, it is impossible to predict the value that will result. This uncertainty is inherent because it is not known which projects will get funded and go on to be successful and what the benefits and spill over effects might be.

Notwithstanding some inevitable uncertainty, there is good general evidence that there are market failures leading to under-investment in R&D and that public funding leads, on average right across the economy, to significant social benefits. There is evidence of a social return in the case of SBRI where an evaluation found early evidence of net social benefits of running the programme.

In January 2018 a review undertaken by the Manchester Institute of Innovation with the Enterprise Research Centre, demonstrated that for the £0.5bn invested in SBRI R&D contracts since its inception, the following had been achieved:

- For every £1 awarded - £2.4 was returned to the UK economy
- This means that in conservative terms over £1bn has been returned to the UK economy
- Over 66% of contracts awarded were to SMEs
- Examples and illustrations include new chemical sensors for early disease diagnostics; technology solutions to loneliness; innovations in nursing and patient care time being increased; rate collection rates improving and new materials for advanced protection
- Creation of new international leadership opportunities for companies in global markets
- Based on past successful SBRI programmes – one review of SBRI commissioned by NHS England in 2017 concluded that 37 of its projects were already showing deployment in the NHS, either through clinical trials or sales and these were generating already, £19m in annual savings. The review also captured benefits to the wider public sector with recurring savings from the nine most commercially advanced SBRI currently running at up to £30m.
- Based on the evidence supporting the Govtech programme which also runs as a SBRI, whilst a much more specific market, a recent Public.IO report estimated the UK Govtech market to be £20bn by 2025. The opportunity that exists is for public bodies to be more proactive and innovative in how this potential is levered locally and to derive optimum public value
- The recent Ambulance/ blue light rapid sanitisation project run by WG and DAPA in response to COVID-19, saw over 160 market responses

Due to the way in which SBRI works, the company retains all the IP in order to scale commercial solutions and growth. In return the public bodies get solutions that are suited to their exact requirements. The process is an economically competitive one and operates under Pre-Commercial Procurement rules. Public bodies buy R&D from competing suppliers in parallel to compare solution approaches and identify best value for money. R&D is split into phases for solution design, prototyping and original development alongside validation and testing of a limited number of products. At each stage of the process the number of competing R&D providers is reduced.

SBRI typically covers the period up to development of the limited volume of first products developed. However, SBRI does not cover full-scale commercialisation. For CCR, this would be an opportunity for the Innovation or Infrastructure Investment Funds to be drawn upon to support further commercial benefits and increased GVA and jobs outcomes.

4.3 *Costs and benefits*

The main costs of the programme are that of public and private investment in R&D projects that would not otherwise occur. The Challenge Fund will typically cover R&D costs and the intervention rate will vary depending on additional funding partners or sponsorships of the challenges.

Since the Cabinet approval of the OBC, the Challenge Fund has engaged with public and private sector to explore co funding and sponsorship of challenges which could increase investment in the region and contribute to realising the economic benefits. Further benefits of the project relate to cost reductions for public bodies and agencies and improvements in public services or local economies that result; direct benefits to participating firms and their employees through improved profits and wages and spill over benefits to other firms and employees. Table 3 shows the key metrics that would be expected from the challenge fund.

Table 3. Key Metrics expected from the Challenge Fund.

Challenge Fund (SBRI model/alternative challenge approaches)	
Main beneficiaries	Public services, businesses and citizens in CCR
Key metrics	Number of businesses actively engaged in Challenges Number of jobs created and safeguarded within participating businesses Private sector investment leveraged Increased GVA in Challenge participating firms Value and exploitation of new IP connected to Challenge projects Additional public and private funding secured by Challenge Owners Number of and value of new collaborations Number of new products processes or services commercialised Innovations Procured Local skills benefits for the region Increase in turnover New knowledge dissemination by HE sector
Metrics measurement	Business monitoring and annual survey undertaken by CCR Management and Delivery Partners

4.4 Critical success factors

To maximise benefits of the CCR Challenge Fund critical success factors were evaluated and considered.

Table 4. CCR Challenge Fund Critical Success Factors

CCR Challenge Fund Critical Success Factors
Minimum of 3 challenges addressing key societal challenges as identified by the Region
Delivering local wealth building Innovation at scale and with impact -
Portfolio of innovation projects delivering innovation and new knowledge to benefit the region
Delivering public service improvements which meet policy needs
Demonstration of Innovation in Procurement and Procurement of innovation – Promoting novel solutions and radical improvements to big challenges
New market opportunities and creation of new markets

4.5 Value for money

All individual applications from challenge responders will be assessed by a Challenge Board assembled by the Challenge Owner and with representation from the Challenge Fund Management and Delivery Team for Value for Money. As part of the submission to the fund aspect, applicants or responders must provide:

- Summary of organisational finances
- Proposed project finances in order that they can be assessed for VFM in order that proposed cost for effort and deliverables reflects a fair market price
- All costs quoted must reflect actual costs at a 'fair market value' and not include profit
- This statement must include directly incurred costs, overhead costs and VAT
- Full Economic Costs are not relevant in this context – SBRI is a competitive procurement mechanism. Applications are assessed competitively

Alternative approaches to SBRI will be evaluated against a criteria developed relevant to the specific approach.

Approach to receiving Eols from Challenge Owner Organisations

In the Challenge development stage of the Challenge Fund, detailed Terms and Conditions and application processes will be created by the CCR Management and Delivery Team to facilitate the EoI process. All relevant documentation will be made available to prospective Public Sector Challenge Owners by the 1st October 2020 representing the commencement of the initial call for Eols. The opportunity will be shared across networks and additional stakeholder engagement across the region will support additional interest. Since Cabinet approval of the OBC the Challenge Fund Management Team have engaged with several potential Challenge Owner Organisations to ensure uptake early in the fund. Additional briefing events will take place in the initial stages of the Challenge Fund to promote the opportunity and support potential Challenge Owner Organisations with EoI's. Eols are due to be returned within 6 weeks of the initial call (Annex 3). The criteria described in the Financial Case (Table 4) will be further defined and used to evaluate potential impact of challenges.

Challenges will go through a competitive scoring process using a pre-defined set of criteria. The CCR Challenge Fund Advisory Board will provide advice to CCR Challenge Fund Management and the Challenge Fund Delivery Partner for the selection of the challenges and the ultimate decision will reside with the Challenge Fund Strategic Board. The CCR Challenge Fund Advisory Board may request potential Challenge Owners to attend an evaluation meeting to provide further information prior to award of funding.

5. Financial Case

The Financial case considers the budget and indicative spending profiles for the CCR Challenge Fund.

5.1 Overview of the approach

Following cabinet approval of the OBC on the 15th June 2020 a financial model was explored and developed to understand the spend profile and delivery costs. Additional stakeholder engagement and examination of costs with Delivery Partners has provided further insight to the budget.

5.2 The budget

The budget for the Fund is set at £10m initially. This is £10m investment from CCR for 2/3 SBRI challenges over a three year period with an additional six months needed for full academic/ peer review and publication of findings. Should challenges be identified with partner public bodies that wish to act as an end customer or challenge sponsor – there is potential for match funding or further leveraged funds.

The CCR Challenge Fund will have T&Cs which must be observed. The table below sets out the indicative spending profile against the financial years of the Challenge Fund.

Table 5. Indicative spending profile of the CCR Challenge Fund.

Indicative Spend Profile	2020/21 £M	2021/22 £M	2022/23 £M	2023/24 £M	Total £M
Challenge Project Activity	1	3	3	1	8
CCR Challenge Management & Delivery	0.4	0.6	0.6	0.4	2
Total	1.4	3.6	3.6	1.4	10

The indicative spend profile has been created on the assumption that delivery of the programme will continue in line with the delivery plan taking into account recruitment of key personnel to deliver the challenge. The spend profile is based on launching a challenge in December 2020 and two more challenges across Q1 and Q2 2021. The table below sets out proposed running costs of the CCR Challenge Fund.

Table 6. CCR challenge Fund running costs.

Activity	% programme split
Programme design, delivery, project management, marketing support and commercialisation expertise	20%
SBRI Approach – R&D Feasibility and Prototyping	70%
Non SBRI approaches (Challenge Prize/Funds awards)	10%

5.3 Distribution of Funds

The CCR Challenge Fund will be held by the accountable body and distributed to Welsh Public Sector within the region following an EOIs process.

Highest scoring proposals will be invited to an interview. The funding will be approved by the CCR Strategic Challenge Board following recommendation by the CCR Management Team and Delivery Partners and advice from the CCR Challenge Fund Advisory Board. The final recipients of funds are the successful businesses awarded investment through the process. The full process can be viewed in the delivery plan (Annex 1).

The process is likely to evolve as the challenge fund grows in maturity. Initially the assessment process will score against the following criteria and CCR Challenge Fund Assessment Criteria in Table 7.

- Impact upon public policy and public service delivery
- Ability to help solve challenges
- Likelihood of implementation/ commissioning
- Market and commercial potential
- Potential levels of innovation
- Alignment with CCR objectives and aims
- Resources and willingness to support and manage the challenge

5.4 Delivery costs

The CCR challenge element is £10M with the potential for further leveraged funds on a challenge-by-challenge basis. Whilst operationally these will be brought together to deliver a comprehensive programme –in accounting terms, they will be kept strictly separate.

Around 20% of the total CCR Challenge Fund value will be needed to administer, design and deliver the programme. This is consistent with the current SBRI programme and the Nesta Challenge Prize approach of c25%.

Regular monitoring of costs against budgets will take place during the life of the Challenge Fund and reported each quarter via highlight reports. The budget will also allow for evaluation of the Challenge Fund providing a full cost/benefit analysis and economic impact assessment. This evaluation will also provide further insight into the value for money of the Challenge Fund.

To evaluate the financial case of proposed challenges a criteria will be used. Funding to challenges will be assessed on the below criteria.

Table 7. Assessment criteria for the CCR Challenges

CCR Challenge Fund Assessment criteria
1. PROBLEM / NEED: The Challenge (problem) is well defined and understood by the Challenge Owner
2. IMPACT AND SCALE: The available resources to be engaged (financial and human) can realistically deliver a high impact in relation to the scale of problem
3. NEW KNOWLEDGE and INNOVATION: Skills and knowledge required to address the challenge are not yet known and the solution providers will work with the challenge owner to develop these (it is not an ‘off-the-shelf’ solution)
4. PLACE BASED APPROACH: Solutions will deliver performance improvements (societal benefits) and local wealth building outcomes within the Cardiff Capital Region.
5. OUTCOMES: At a minimum, nature of outcomes will deliver performance improvements for public services (financial and non-financial). These should be significant, scalable and sustainable.
6. PROCUREMENT: The Challenge approach can deliver benefits over and above traditional Procurement approaches.
7. MARKET: There is or will be a route to market for solutions developed through the process. Challenge proposals will address the commercial viability of any solution directly.

5.5 Risks and mitigation

Risk	Impact	Likelihood	Mitigation
WEFO P5 funds are not ultimately secured	High – would undermine building innovation skills and capability programme built upon	Low	WEFO has indicated funds are highly likely to be awarded
Competition costs are higher than expected resulting in overspend	High – would reduce number of funded projects and impact VFM	Low	Competition structure is well defined and the Challenge Fund has experienced leadership and co-ordination
Competition costs lower than expected resulting in underspend	Medium– would impact timetable of planned competitions	Low	Challenges selected will be of sufficient scale and ambition to benefit – but also leaves scope for further challenges to be run
Challenges are framed in vague terms and do not attract industry bidders	High – would compromise competition process	Low	InFuSe programme established to prevent this
Failure to get investment out the door in time	High – delay could impact future competitions and lose industry interest	Medium	Expert and experienced project management support in place with direct liaison with businesses concerned
Lead in period is longer than anticipated	High – could compromise overall timeframe	Low	SBRI is an adopted long-term process with clear structure and frameworks to follow
Risk of overlap across competitions	Medium	Low	Evidence shows cases where proposers and responders have collaborated on larger scale and more ambitious outcomes
Public bodies fail to procure end solutions	High – could compromise validity and purpose of scheme	Medium	This is a key part of the criteria and is tested at every stage. Challenge owners must commit Some of the challenges such as Ambulance sanitization, has a clear end customer already in place
Without co-development the competitive nature of SBRI might mean that if local businesses aren't successful in bidding, wealth may be lost outside the region	High – could undermine purpose	Medium	Will ensure wrap around business support as part of the challenge with a geographical requirement for suppliers to engage in co-creation within the region (as per Civtech). This will help attract support from local businesses and/or attract inward investment opportunities.

6. Commercial Case

The governance structure is clear with the Challenge Fund Strategic Board supplemented by the commercial expertise and know-how of members of the Challenge Fund Advisory Board. CCR Challenge Fund Management and Challenge Fund Delivery Partners will present business cases to these boards.

6.1 *Greenbook adherence*

CCR Challenge Funds will be used in cases where the five-case HMT model ('the greenbook') cannot be met at first because the solution to a problem does not readily exist. This is consistent with the aims of the CCR IIF where it is recognized that infrastructure and innovation-style investments are clearly aligned to 'knowing' the answer or end point (knowns). However, in many instances the end points or answers will not exist or will not be known (unknowns). This requires a different, experimental process – consistent with the original rationale for supporting a challenge-led priority. At the end of a Challenge Fund, CCR will have all of the info to make a five-case compliant procurement. The challenge process itself has to be consistent with this clear outcome – ensuring the process as a whole is retrospectively compliant with HMT model. All three funding priorities: innovation, infrastructure and challenge all adhere to the 5 case framework – but the challenge concept is about arriving at a concept that is compliant through a process of R&D because a solution doesn't exist – whereas infrastructure and innovation start with a stronger sense of adherence because a solution is known and can be more straightforwardly progress through the model.

6.2 *State Aid*

The Challenge Fund will follow the established programme SBRI– operated successfully by the UK Government over many years, allowing the public procurement of R&D and essentially 'seed funding' the gap that exists for early stage companies with great ideas and potential products and services. As the public bodies are essentially buying R&D from firms at a fair market price, not for their exclusive use (the expectation is commercialisation) and where the competition is advertised in an open market – there is no advantage and consequently no state aid.

6.3 *Commercial Considerations*

The process must demonstrate that a workable commercial deal to deliver the proposed solution is possible. Following a round of challenge calls, challenges are selected and progress through the phases of the Challenge Fund, with initially, R&D contracts awarded. Sponsor bodies who work with a business to the prototyping and production phases assume accountability and responsibility for procuring the solution from business.

In terms of management of suppliers through the Fund, the partnership in conjunction with local programme leads will draft and issue contracts using standard SBRI templates. Contracts are milestone driven and payments made only when required stage-posts are arrived at. SBRI contract template balances risk with the level of innovation required. Procurement depts. in sponsor bodies should however review contracts to ensure minimum requirements are met, performing relevant due diligence prior to award.

Parameters of the CCR Challenge Fund

- The CCR Challenge Fund will adhere to broad principles of SBRI as a recognised and approved UK and Wales Government method for challenge-driven approaches
- The CCR Challenge Fund will allow for alternative approaches to SBRI where there is a need or an opportunity to innovate
- Will need to address in direct and indirect ways, the key economic objectives of CCR
- Each challenge fund will need to have sign-off procedures and delegations to allow fluid movement and seamless progression that adheres to the IIF
- The scope of the programme is specifically aligned to local wealth re-building given the enormity of the COVID-19 crisis
- The Challenge Fund itself will be delivered over 3 years with an additional 6 months for a full review to be completed and future findings to be drawn up. Within the total funding envelope, c20% will be required to run, administer, support and operationalise the programme including marketing and commercialisation support and a WG secondee. This is consistent with running costs of the Challenge Prize Centre and typical SBRI.
- The Challenge Fund will bring together a focus on building capacity for innovation, R&D skills and problem-solving capability with application to a set of real world problems
- In aligning the InFuSe programme with the Challenge Fund, it will allow testing of proof of concept for the proposed Public Services Testbed.
- State Aid compliant – SBRI is a state aid compliant mechanism and the Challenge Fund will follow its practice and methodology.

6.4 Challenge Owner Organisations

All funding awards to Challenge Owner Organisations will be conditional on the basis that the information provided in the EoI is complete and accurate, subject to full due diligence sign-off, and that Fund Terms and Conditions are agreed in advance by all parties through a letter of award. Fund terms and conditions will be sent to Challenge Owner Organisations, upon opening of the fund. A conditional letter of funding award for co-signature will be sent to Challenge Owner Organisations successful at the application stage.

Funding payments will be made by CCR to the Challenge Owner Organisations upon the delivery of agreed outputs / milestones.

6.5 Accountable Body

CCR will be the 'Accountable Body'. Funding will be drawn down via payments direct from the Accountable Body to the Challenge Owner Organisations subject to decisions made by the Challenge Fund Strategic Board upon advice from the CCR Challenge Fund Management and Challenge Fund Delivery Partner. The Challenge Owner Organisation will then have full responsibility for further disbursements of funding to supplier projects and ensuring that these disbursements are compliant with relevant regulation (e.g. State Aid, financial due-diligence, anti-fraud checks).

6.6 *Contract management strategy*

CCR Challenge Fund Management and Challenge Fund Delivery Partner will ensure contractual obligations are fulfilled with Challenge Owner Organisations. This role includes assessing progress milestones; providing advice on whether milestone payment should be released by the Accountable Body. CCR Challenge Fund Management will work with the Challenge Fund Delivery Partner and Challenge Owner Organisation to agree what outputs will be monitored during the challenge.

6.7 *Other contractual arrangements relevant to the operation of the fund*

In line with the overall governance model, operationally, the Challenge Fund Manager will agree all deliverables and recommend funds to be released through 3 routes.

- (i) Delivery Partner – Cooperation agreement with CCR *
- (ii) Grants to Challenge Owners for Challenge Activity
- (iii) Challenge Owners use a contract of services with suppliers to purchase R&D of new solutions

*Delegation of Authority is assigned to the CCR Director. The Cooperation Agreement will be signed between the Delivery Partner and CCR.

7. Management Case

The Management Case demonstrates how the CCR Challenge Fund will be delivered in practice once implemented, including setting out the processes, resources and responsibilities, and the governance and information-sharing structures that will undertake and oversee delivery.

7.1 *Project Framework*

CCR Regional Cabinet will be ultimately responsible for the appropriate use of budget allocated to the CCR Challenge Fund. Therefore, it is imperative that there are appropriate governance and performance monitoring arrangements in place to ascertain that funds are being utilised appropriately – as planned, and that impacts (and benefits) are understood, including the reasons for any deviation from expectations.

7.2 *Governance and stakeholder structure*

A range of stakeholders will be key to the delivery of the CCR Challenge Fund. Table 8 displays the structure of the stakeholders.

Table 8. Stakeholder structure.

Stakeholder group	Role	For the purpose of the Fund, reports to
Cardiff Capital Region Cabinet	Approves the BC for the Challenge	
Challenge Fund Strategic Board	Makes the decision to approve challenges after recommendation from the CCR Management Team and Challenge Fund Delivery Partner. A member/s of Investment Panel will be invited to sit on this Board with reporting to Investment Panel.	CCR Cabinet
CCR Challenge Fund Management	Oversees the performance of the Challenge Fund Delivery Partner and Challenge Owners	Challenge Fund Strategic Board
Challenge Fund Delivery Partner Cardiff University	Supports and guides the challenge owners. Monitors and reports progress during all stages of the challenge	CCR Challenge Fund Management
Challenge Owners	Develops challenge and manages suppliers R&D projects (Work closely with the Delivery Partner)	CCR Challenge Fund Management Challenge Fund Delivery Partner Cardiff University
Suppliers	Develop solutions to proposed challenges	Challenge Owners

7.3 Key roles and responsibilities

Key roles and responsibilities for the CCR Challenge Fund are described in Table 9.

Table 9. Key roles and responsibilities for the CCR Challenge Fund

Role	Stakeholder group	Appointed personal, under procurement or third party	Responsibility
Senior Responsible Owner (SRO)	CCR Challenge Fund Management	Kellie Beirne	Benefit realization, senior stakeholder management
CCR Challenge Fund Manager	CCR Challenge Fund Management	Gareth Browning	Day-to-day project direction and communication
Delivery Programme Manager	Cardiff University – Delivery Partner	Tbc	Progressing fund against task and workplan
Project Support	Cardiff University – Delivery Partner	Tbc	Providing admin support to the Programme Manager

7.4 Reporting arrangements

CCR Challenge Fund Management and Challenge Fund Delivery Partner will set up management information and accounting arrangements between themselves and the Challenge Owners. A Programme Manager within the Challenge Fund Delivery Partner along with administrative support, will oversee these arrangements.

Further information about the reporting arrangements to the Challenge Fund can be found in Annex 1, the delivery plan.

7.5 Project management

Gareth Browning CCR Challenge Fund Manager will oversee and manage the Challenge Fund. Delivery Partners Cardiff University will manage the day to day delivery of the Challenge Fund and will employ a Programme Manager.

Broader considerations pertinent to the management case are:

- Challenge funds are a departure from the traditional way of doing business. However, there are examples of them across other City Regions with Combined Authorities and LEPs all supporting the need for a more experimental approach to economic growth. Doing so within a CCRCD context is consistent with devolved freedoms and flexibilities
- WG and UK Govts has suggested that CCR must be comfortable the approach can be compliant with HMT requirements then this is considered in keeping with existing terms
- The proposed process will follow the green book approach and the full five stage business case model – albeit as outlined above – in different sequence. The reason for running the programme through the SBRI model is that this a UK and WG-approved mechanism used regularly and through which £0.8bn of public investment has been channelled to date. It is procurement compliant, tried and tested and has been subject to independent rigorous review
- Legal advice taken on this matter accords with this view and emphasises that CCR itself must satisfy – as with on any project – that the process is consistent with aims
- The IIF tracker shows that CCR is on track to deliver against objectives. This means this is headroom to be experimental and try new ways of securing better and more innovative solutions to problems. The original ‘fund’ allocated to challenge areas was £90m. The proposed £10m is a much smaller sum, which leverages £5.6m at the outset and allows the concept to be developed, tested and demonstrated.
- In satisfying itself about the operation of a Challenge Fund, it should also be further reflected that City Deal is a devolution deal with freedoms and flexibilities for regions to decide how to best meet their needs
- HMT is currently reviewing the Greenbook Five Stage procedure

7.6 Approach

SBRI enables the public sector to connect with organisations, finding innovative solutions to specific public sector challenges and needs. Through Pre-Commercial Procurement SBRI challenges accelerate development, supporting projects through the stages of feasibility and prototyping. Typically, challenges are structured in two phases. Phase 1 proposals concentrate on research and development which will significantly contribute to proving the scientific, technical and commercial feasibility of the proposed project. The results of Phase 1

determine whether the solution should go further to Phase 2, not all projects will progress to Phase 2. The principal research and development effort take place in Phase 2, which aims to produce a well-defined prototype. At the end of Phase 2 it is intended that what has been developed will be manufactured and marketed as a way of fulfilling requirements.

Non SBRI challenges will explore alternative approaches to Pre-Commercial Procurement and will be governed in a different way. Alternative approaches will be utilised where there is a specific need or opportunity. Challenges may run across different stages and will be managed through stage gates where appropriate. The Challenge Fund will use learning from SBRI challenges and programmes such as Innovate to Save to support a range of innovative approaches to procurement and innovation activity.

7.7 *Practical delivery*

The proposed programme will follow the SBRI delivery model (and allow for innovative experimental approaches) – an initiative which has been operational since 2008/09. There is a detailed process in existence for this developed by Innovate UK and applied to the 500+ SBRI competitions run in the UK. There will be:

- A round of challenge calls inviting submission of a challenge
- Robust assessment of challenges against the CCR assessment criteria
- Management of the challenge and the suppliers developing the innovations
Evaluation of each challenge against the specific challenge objectives and overall objectives of the CCR

The Challenge Fund sets out to harness the power of Innovation in Procurement whilst supporting Procurement of Innovation. The Challenge Fund will seek and develop individual challenges to generate new ideas, solutions, and projects that contribute to the new momentum and new reality of the post-COVID world. This will help cultivate the new future state; translate lessons learnt and develop new opportunities and avoid reversion to ‘business as usual.’ In the spirit of Open Innovation, the Challenge Fund will explore alternative challenge-led innovation approaches to SBRI which might include challenge prizes and local crowdfunding. Initially, the SBRI model of Pre-Commercial Procurement will be the used as it offers a tried and tested methodology allowing public sector to identify challenges in the region, highlight the preferred outcome and invite organisations to develop innovative solutions. Following the SBRI process the CCR will have the information to undertake a compliant procurement

The CCR Challenge Fund will focus on the most urgent priorities facing the region, identify the specific challenges and offer businesses the opportunity to solve the challenges through innovation. The Challenge Fund will support the vision to Re-build, “build back better” and transforming the economy in South East Wales, boosting the entire region whilst contributing to the national economy.

The rollout phase of the Challenge Fund will take 4 months and will focus on the governance and project management of the Challenge Fund. This phase will also seek to launch the first challenge.

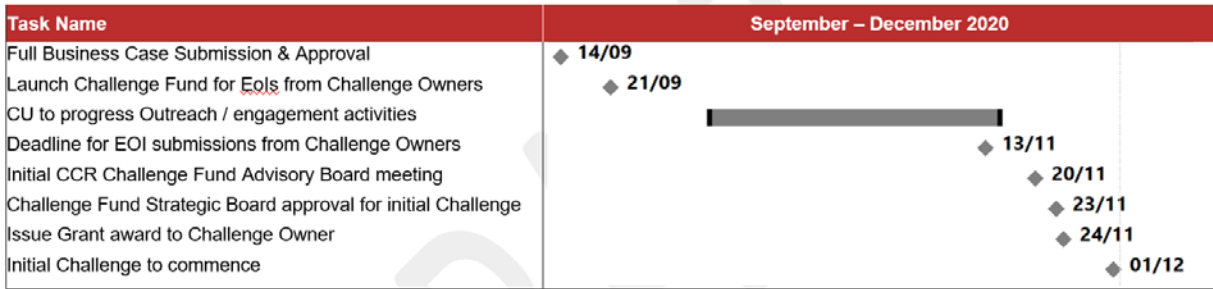
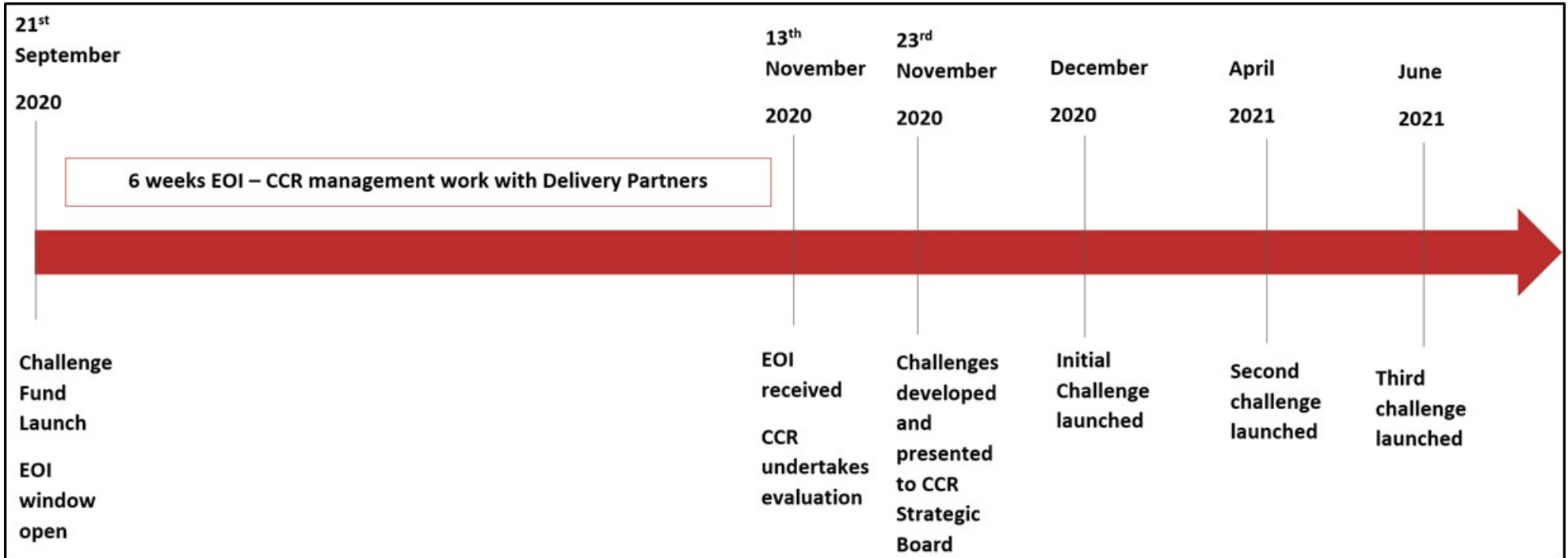


Figure 4. Rollout phase timeline

7.8 *Project plan*

The Cardiff Capital Region (CCR) Challenge Fund aspect of the programme will run from the period 1st October 2020 to 31st March 2024. The CCR Challenge Fund will be formally launched on the 14th September 2020 and EoIs will be sent to prospective Challenge Owner Organisations on the 21st September 2020. Receipt of the EoI and supporting challenge documents will enable LAs, as prospective Challenge Owner Organisations, to fully understand all requirements required of them to complete the application process. This point will also signal the formal opening of the application window for the CCR Challenge Fund. The following diagram shows the timetable for challenges across the Challenge Fund.

Figure 5. Timetable for challenges across the Challenge Fund.



Following Cabinet approval of the OBC on the 15th June 2020 Project Management Documents were created for the Challenge Owners, including best practice highlight reports, project plans templates, Terms of Reference and risk logs. The documents can be used as a guide to follow a best practice framework for SBRI type challenges. The best practice documents can be found in Annex 4.

7.9 Change management strategy

The main purpose of the change management strategy is to assess the potential impact of any potential change on the fundamental operation and objectives of the CCR Challenge Fund. The introduction of the CCR Challenge Fund will introduce new working relationships within and between CCR, Cardiff University, Local Authorities, and between industry. Ultimately the Challenge Fund Strategic Board will be responsible for considering implications of changes. A full detailed Change Management Procedure will be developed as part of the Programme Initiation.

7.10 Benefits realisation strategy

Challenge Owners will be assessing progress of challenges relative to agreed milestones; and evaluate whether milestone payment should be released. Challenge Owners will work with the Challenge Fund Delivery Partners to agree what outputs will be monitored to track benefits of each challenge over time.

7.11 Risk Management Strategy

The CCR Challenge Fund will be managed in accordance with HMT principles set out in Management of Risk. The risk framework set out will be reviewed on a bi-annual basis by the Programme Manager for the CCR Challenge Fund. The risks identified for the CCR Challenge Fund are set out in the financial case. This is a live risk management framework, which will be added to as the project moves towards implementation and delivery. The responsibility for the, maintenance and review of the risk management framework is held by the Programme Manager. Key risks will be highlighted to the CCR Challenge Fund Strategic Board and any significant risks with high impact and likelihood will require a detailed action plan.

7.12 Programme assurance and evaluation

Ultimately CCR will be responsible for reporting the benefits of the Fund on a programme level. Delivery Partners and CCR Challenge Fund Management will report benefits to CCR. The Challenge Programme will procure an advisor to independently assess how the Programme performs against the expected benefits and key performance indicators. Through this independent assessment CCR will also seek areas of improvement and lessons learned based on data captured from challenges.

7.13 Communications plan

The communication matrix below outlines the communication plan for the CCR Challenge Fund.

Audience	Information	Method	Frequency	Responsibility
CCR Cabinet	Annual Report update on progress against objectives and critical success factors	Presentation of Report to Cabinet	Annual	Strategic Board & Challenge Manager
Strategic Board	Quarterly board meetings: Update on progress against milestones, current risks and issues, outline plans for the next reporting period	Presentation of progress at board meetings	Quarterly	Challenge Manager
CCR Challenge Fund Advisory Board	Quarterly board meetings for advisory on the Challenge Fund and update on progress	Meetings and presentation of progress	Quarterly	CCR Management Team & Delivery Partner
Delivery Partner	End of stage reports and milestone meetings: Update on progress against milestones, current risks and issues and outline plans for the next reporting period.	End stage report via email and Meetings at key milestones	End of stages and key milestones	Programme Manager
Challenge Owners	Monthly Highlight Reports and team Meetings: To report on progress against tasks, any risks/issues, & upcoming milestones.	Highlight Reports via email and meetings	Monthly	Project Manager



CARDIFF CAPITAL REGION CHALLENGE FUND

MANAGEMENT AND DELIVERY OUTLINE

14 AUGUST 2020

Author: Gareth Browning, Luke Player

Release: Final V6

Date: 14/08/20

Purpose of Document

To set out the outline of the Management and Delivery Outline Plan for the Cardiff Capital Region (CCR) Challenge Fund for the period 1st October 2020 to 31st March 2024.

This document aims to develop an understanding of the most effective approach to delivering the CCR Challenge Fund ensuring consistency with the Investment and Intervention Framework approved by Cabinet in June 2019 and with the CCR Priorities Post-COVID document endorsed by Cabinet on 18 May 2020. This document is also consistent with the Outline Business Case (OBC) approved by Cabinet on the 15th June 2020.

Background

The purpose of the CCR Challenge Fund is to demonstrate how applying innovation to big challenges can promote novel solutions and radical improvements. It provides an important counter to the more conventional approaches of ‘allocating’ R&D funding or grants which often fail to provide the incentives for deeper experimentation, new collaborations, scale and ROI. The CCR Challenge Fund will support the re-building of local economies for a post-COVID world, through solving societal challenges that demonstrate economic impact and potential commercial-scale opportunities. The CCR Challenge Fund will support local wealth building through economic recovery, employment, keeping spend local, green agenda, community projects, people and places, ethical procurement and foundational economy benefits. Following approval of the Outline Business Case, a “Challenge Hack” was held on the 29th June 2020 with Political and Senior Officials from the CCR local authorities. Three priority themes emerged, and these were, supporting, enhancing and transforming communities, accelerating decarbonisation and improving health and well-being of citizens.

The Challenge Fund sets out to harness the power of Innovation in Procurement whilst supporting Procurement of Innovation. The Challenge Fund will seek and develop individual challenges to generate new ideas, solutions, and projects that contribute to the new momentum and new reality of the post-COVID world. This will help cultivate the new future state; translate lessons learnt and develop new opportunities and avoid reversion to ‘business as usual.’ In the spirit of Open Innovation, the Challenge Fund will explore alternative challenge-led innovation approaches to SBRI which might include challenge prizes and local crowdfunding. Initially, the SBRI model of Pre-Commercial Procurement will be the used as it offers a tried and tested methodology allowing public sector to identify challenges in the region, highlight the preferred outcome and invite organisations to develop innovative solutions. Following the SBRI process the CCR will have the information to undertake a compliant procurement

The CCR Challenge Fund will focus on the most urgent priorities facing the region, identify the specific challenges and offer businesses the opportunity to solve the challenges through innovation. The Challenge Fund will support the vision to Re-build, “build back better” and transforming the economy in South East Wales, boosting the entire region whilst contributing to the national economy.

Scope

Set out the key roles and responsibilities for the management and delivery of the CCR Challenge Fund.

Method of approach

Reporting Structure

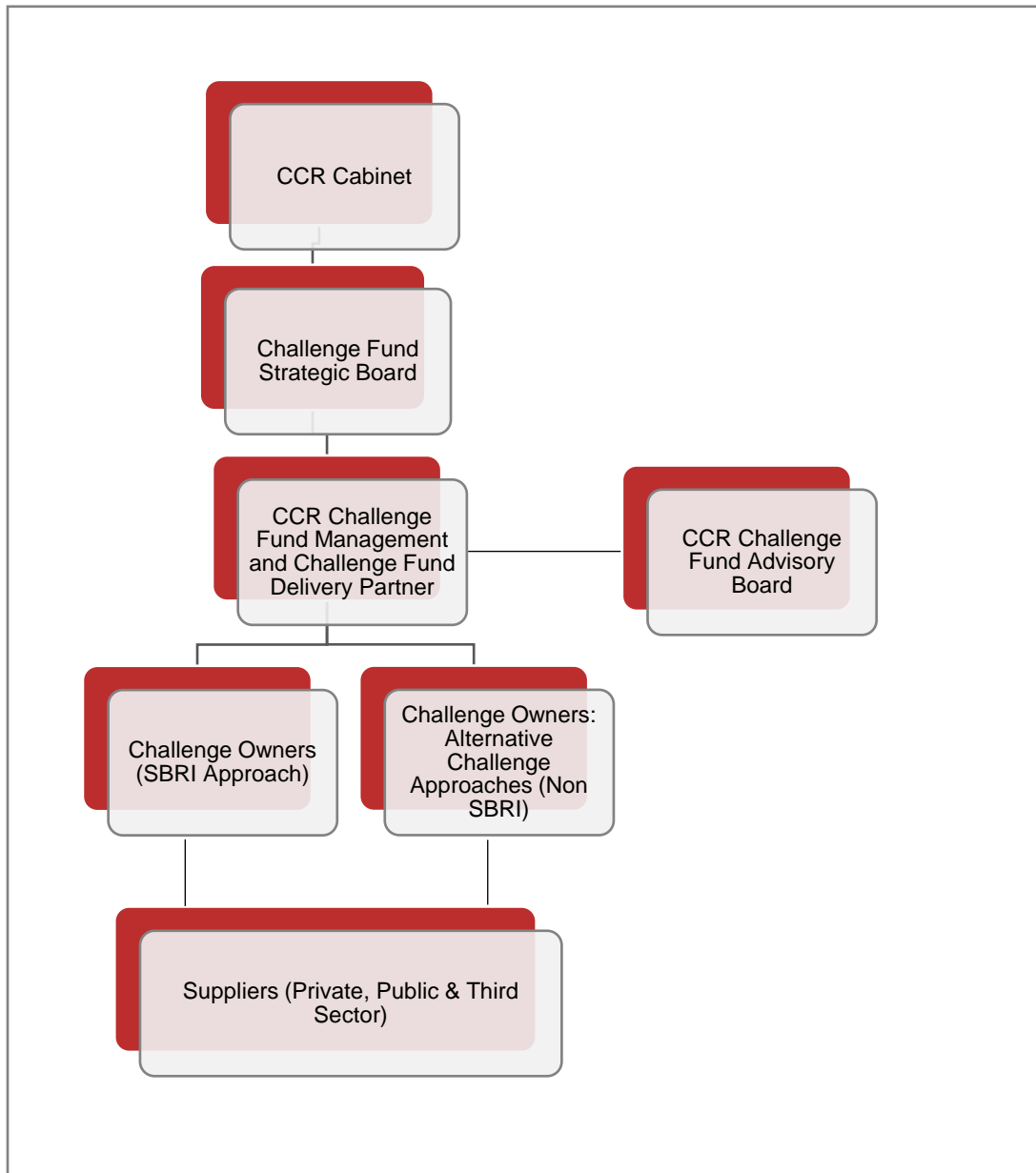


Fig 1. CCR Challenge Fund Reporting structure

Key roles and responsibilities

CCR Cabinet: Under the authority of the CCR Cabinet, The Office of the Cardiff Capital Region City Deal holds overall responsibility for the delivery of the CCR Challenge Fund, ensuring overall fit with CCR, Welsh Government and UK Government priorities.

Challenge Fund Strategic Board: Will be responsible for making the decision to progress and approve challenges following recommendation from the CCR Management Team and Challenge Fund Delivery Partner.

Table 1. Challenge Fund Strategic Board Proposed Membership

Name	Role
Kellie Beirne	CCR Director
Gillian Bristow	Cardiff University
Councillor Marsden	Political Lead for Challenge Fund

CCR Management Team: to hold overall governance responsibility for the CCR Challenge Fund.

CCR Challenge Fund Manager: reporting to the CCR Director and CCR Cabinet is responsible for the strategic leadership, development and delivery of the CCR Challenge Fund. They will manage the relationship with the delivery partners under a Cooperation agreement to ensure objectives are met and implement any necessary remedial actions if the plans or divert from its course.

CCR Challenge Fund Project Delivery Officer (new post): supports the Challenge Fund Manager and provides project management resource, supporting financial management, monitoring and reporting progress for projects.

CCR Challenge Fund Advisory Board: provides an advisory role to the CCR Management Team and the Challenge Fund Delivery Partners to support the decision-making process for new challenges and approaches. The purpose of this Board is to bring together a breadth of stakeholders to advise the CCR Management Team and Challenge Fund Delivery Partners.

Table 2. CCR Challenge Fund Advisory Board Proposed Membership

Name	Role
Nicola Sommerville	CCR Director Chair
Rachel Ashworth	Cardiff University
Jon Hazell	Innovate UK, UKRI
Abi Phillips	Welsh Government Innovation
Simon Griffiths	Welsh Government Commercialisation and Procurement
Steve Robinson	Cardiff Council Local Government Procurement

Tony Mizen	Academic Wales, Public Services Leadership expert
TBC	Future Generations Commissioners Office Representative
TBC	2 x CCR Investment Panel Reps (Providing no conflicts of interest)
TBC	Technologists / Experts (As challenge need dictates).

Delivery Partner: (Pending Cooperation Agreement between CCR and Cardiff University) is responsible for the delivery of the CCR Challenge Fund. The Delivery Partner responsibilities will include:

Pre-Challenge: Mentoring and Challenge scoping and development with prospective Challenge Owners

- Supporting the identification of priority areas and challenge themes ensuring alignment with the overall aims of the CCR.
- Preparing Challenges for consideration by the Challenge Fund Strategic Board.
- Working with ‘Challenge Owners’ in the design and coproduction of challenges.
- Identifying and developing challenges to size and scale that accords with the ambitions of the CCR Challenge Fund.
- Presenting options and developing business cases for alternative non-SBRI type approaches with the Challenge Fund Manager and the CCR Challenge Fund Advisory Board
- Capture emerging ideas through the ‘Challenge Hacks’ to ensure that where appropriate, the ‘no go’ challenges are signposted to alternative avenues of funding, approaches and other potential market solutions.

During-Challenge: Project Management

- Contribute to the development of challenge owner toolkits, reviewing their efficacy and value throughout the process to refine and remodel approaches as required.
- Organising and delivering information events and outreach activities to engage with potential challenge owners.
- Managing the competitive challenge process, including managing the application assessment process and assessment of proposals on behalf of the Challenge Owner.
- Developing a support framework to promote shared learning and knowledge exchange. This will include links to existing business networks, signposting to similar projects and identifying potential providers of support where they do not currently exist to ensure maximum value-added benefits are achieved.
- Advise and support challenge owners to progress challenges and successful progression of key challenge milestones.
- Promoting open innovation culture / knowledge sharing and dissemination of results through marketing and communications.
- Support the challenge owners and suppliers to showcase solutions after each challenge to promote procurement and adoption.
- Support and mentor challenge owners through the process.

Post-Challenge Progression: Procurement pathway

- Signpost suppliers to ensure commercialisation and market development of solutions.
- Integrate Challenge Fund with InFuSe Programme to drive capacity building through the complementary Programme.

Monitoring and Reporting

- Annual reporting to CCR Cabinet detailing the progress of challenges and progress against the CCR defined benefits.

Initiative level responsibilities

- Responsibility for financial and risk management of the Cardiff University grant including management updates to the CCR Challenge Fund Manager.
- Produce and maintain a Communications and Engagement Strategy to ensure clear messaging throughout the lifetime of the CCR Challenge Fund.
- Deliver to the overarching principles of trialling, testing and evaluating in the challenge process.
- Provide evidence-based input to the refinement and evolution of the challenge fund processes.
- Work with the challenge owners to connect with procurement teams at an early stage to embed them in the process, achieve buy in and prevent delays in initiation of challenges.
- Seek to nurture more innovative procurement capacity in the regions.
- Be proactive in connecting challenge owners with potential solution providers and engaging business networks and conduits to further market opportunities.

Challenge Owners

Challenge Owners may be a single Public Services Organisation or may involve a collaboration of multiple organisations from and different sectors with a shared or common Challenge objective. For the purposes of accountability and transparency each Challenge must have a dedicated Lead Challenge Owner organisation.

The 'Challenge Owner' for each Challenge is accountable to the CCR Challenge Fund Manager and a formal agreement will be established between the CCR and the Challenge Owner. Day-to-day project engagement will take place directly between the delivery partner (Cardiff University) and the Challenge Owner.

Each Challenge will require an Executive Sponsor within the 'Challenge Owner' Organisation. This person will hold responsibility for authorising all payments to suppliers. In the Executive Sponsor's absence, a named nominated alternative may be made by the Executive Sponsor. Payments to suppliers will be released on satisfactory confirmation of completion of project milestones.

Each Challenge financially supported by the CCR Challenge Fund, will be required to establish a Challenge Board. Each Challenge owner will identify a nominated financial representative on the Challenge Board, who will monitor the overall financial expenditure of project within the challenge in line with the organisation's Standing Financial Instructions. Each Challenge Board will also require a representative from the CCR Management Team and the Delivery Partner.

Full Challenge Board meetings will continue to be at major milestone events as per the Terms of Reference.

The key responsibilities of the Challenge Board are:

- Responsible for the strategic management, direction and oversight of the challenge.
- Assure the success of the Challenge and projects within and ensure that delivery is aligned to the organisation's strategy, to time and on budget.
- Manage the overall delivery of the suppliers developing solutions to the challenge owners defined challenge.
- Manage delivery stages and authorise payment for successfully meeting clearly defined milestones.
- Support and monitor delivery of change within the organisation to achieve the defined benefits.
- Approve all major plans and authorise any major changes to the plans.
- Report to the Delivery partners and CCR Challenge Fund Manager on the progress of the challenge.
- Communicate with other stakeholders to ensure the challenge remains in line with other relevant priorities in CCR and Wales.

Monitoring and Reporting

- Quarterly highlight reports and end stage reporting to the CCR Management Team and Delivery Partners.
- Reporting on financial spend against the budget profile and detailing the flow of funds to suppliers.
- Managing the challenge plan ensuring any arising risks or issues for delivery are highlighted with delivery partners and CCR.
- Monitoring lessons learned and engaging with evaluation and learning activities with the Delivery Partners.

Suppliers

Suppliers may be from single companies or organisations from the private, public and third sectors and may include innovative and ambitious collaborations containing multiple partners from varying disciplines. Specific organisations may be sought to individual competitions ensuring compliance with EU Pre Commercial Procurement Regulations.

- The Research and Development of the innovative solutions as defined in the challenge brief.
- Responsibility for the Project Management of the solutions to the defined challenges.

Monitoring and Reporting

- Monthly highlight reports and end stage reporting detailing progress to the Challenge Owners
- Managing the challenge plan ensuring any arising risks or issues for delivery are highlighted with delivery partners and CCR.

Decision-making process

Following thematic challenge hacks invitations will be sought from Challenge Owners in specifically defined themes. Challenges will go through a competitive scoring process using a pre-defined set of criteria. The CCR Challenge Fund Advisory Board will provide advice to

CCR Challenge Fund Management and the Challenge Fund Delivery Partner for the selection of the challenges and the ultimate decision will reside with the Challenge Fund Strategic Board. The CCR Challenge Fund Advisory Board may request potential Challenge Owners to attend an evaluation meeting to provide further information prior to award of funding.

Approaches

SBRI enables the public sector to connect with organisations, finding innovative solutions to specific public sector challenges and needs. Through Pre-Commercial Procurement SBRI challenges accelerate development, supporting projects through the stages of feasibility and prototyping. Typically, challenges are structured in two phases. Phase 1 proposals concentrate on research and development which will significantly contribute to proving the scientific, technical and commercial feasibility of the proposed project. The results of Phase 1 determine whether the solution should go further to Phase 2, not all projects will progress to Phase 2. The principal research and development effort take place in Phase 2, which aims to produce a well-defined prototype. At the end of Phase 2 it is intended that what has been developed will be manufactured and marketed as a way of fulfilling requirements.

Non SBRI challenges will explore alternative approaches to Pre-Commercial Procurement and will be governed in a different way. Alternative approaches will be utilised where there is a specific need or opportunity. Challenges may run across different stages and will be managed through stage gates where appropriate. The Challenge Fund will use learning from SBRI challenges and programmes such as Innovate to Save to support a range of innovative approaches to procurement and innovation activity.

Challenge Fund Structure

£10m budget which consists of:

- (i) Up to £2m for Management / Delivery / Monitoring and Evaluation
- (ii) Up to £8m for Challenge Project Activity

Broadly, Challenge Project Activity will be split into 2 distinct routes:

- (i) £7m through Pre-commercial Procurement -Small Business Research Initiative (SBRI)
- (ii) £1m available for non-SBRI Challenge interventions

There is no maximum number of Challenges that the Fund can support. The maximum will be determined by resource (human and financial) availability. The Challenge Fund Strategic Board may adjust the Challenge Fund Structure following a change review process. Challenges may also be referred to more appropriate funding sources depending on the need.

Challenges will be prioritised towards the needs identified by CCR Regional Cabinet and will be refined through engagement activities and scoping work ('thematic Challenge Hacks'). Initial Thematic Challenge Hacks were held with stakeholders during the autumn 2020. CCR Management team will work with Delivery Partners and Industry to support the Thematic Challenge Hacks.

The first Challenge is expected to launch in Dec '20. As a minimum, 3 'live' Challenges are expected to be running by 30th Jun'21. However, this will depend on the type and complexity of the Challenges identified and the 'Challenge Owner' readiness.

In the spirit of Open Innovation and innovative government, £1m budget will be reserved for trialling innovative non-SBRI approaches. This might include challenge-led innovation approaches such as challenge prizes, local crowdfunding e.g. 'space hive' type of approach

with 50% community match funding; or Challenge Collaborations. For example, collaborating with Health Boards, other parts of government on challenges of mutual interest and benefit.

Each Challenge size and scale is expected to vary, and **Table 3** below is intended to set the upper limits on the interventions. The number of projects selected for each Challenge may also vary.

Table 3. Indicative spend profile of initial challenges.

SBRI CHALLENGES	The total budget available for each challenge (£)	Maximum number of Projects within each challenge	Duration
Phase 1 – Feasibility Study	<£500k / Feasibility Projects	< 10 projects	Up to 6 months
Phase 2 – Prototype Development and Testing	£1m to £2m	< 3 projects	Up to 18 months
Scale up to adoption of innovation (subject to 'Challenge Owner' procurement rules)	<£1m	-	-

Non-SBRI CHALLENGES	The total budget available for each challenge (£)	Maximum number of Projects	Duration
e.g. Community Crowdfunding challenges, Collaborative Challenges, opportunities to trial challenge-led innovation approaches	<£1m	uncapped	Will be dependent on challenge model

Financial Governance Arrangements

To ensure that financial governance arrangements are in places the following procedure will be followed:

In line with the overall governance model, operationally, the Challenge Fund Manager will agree all deliverables and recommend funds to be released through 3 routes.

Financial relationships

- (iv) Delivery Partner – Cooperation agreement with CCR *
- (v) Grants to Challenge Owners for Challenge Activity
- (vi) Challenge Owners use a contract of services with suppliers to purchase R&D of new solutions

*Delegation of Authority is assigned to the CCR Director. The Cooperation Agreement will be signed between the Delivery Partner and CCR.

Funding Flow

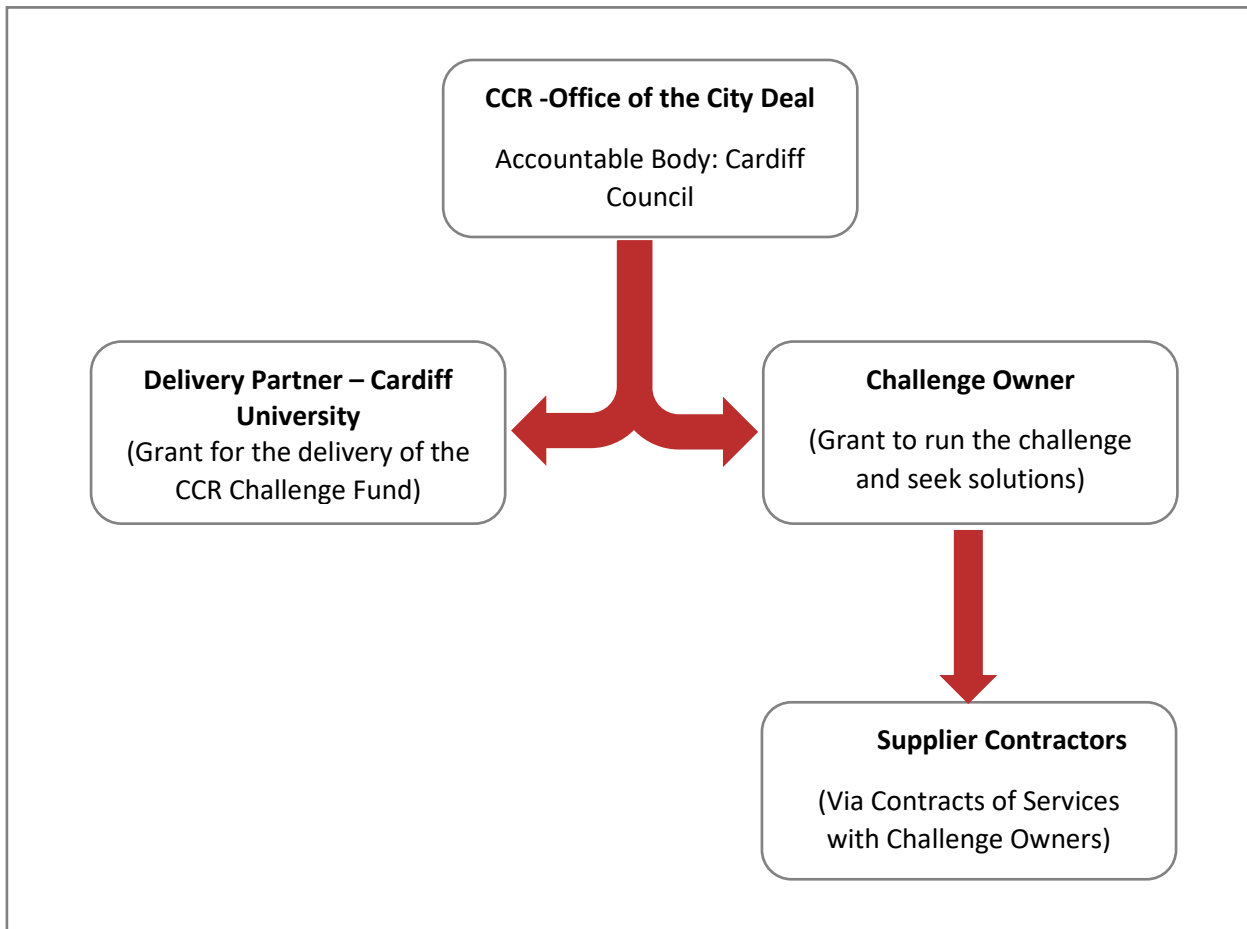



Fig 2. CCR Challenge Fund Funding Flow

Proposed rollout phase timeline (initial 4 months)

Table 4. Rollout phase timeline

Task Name	September – December 2020
Full Business Case Submission & Approval	◆ 14/09
Launch Challenge Fund for Eols from Challenge Owners	◆ 21/09
CU to progress Outreach / engagement activities	
Deadline for EOI submissions from Challenge Owners	◆ 13/11
Initial CCR Challenge Fund Advisory Board meeting	◆ 20/11
Challenge Fund Strategic Board approval for initial Challenge	◆ 23/11
Issue Grant award to Challenge Owner	◆ 24/11
Initial Challenge to commence	◆ 01/12

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Note: A more detailed delivery timeline covering 1st October 2020 to 30th September 2023 will be confirmed with Cardiff University.

Table 5. Delivery Partner Key Roles and Responsibilities

Resource	Roles and Responsibilities
PI: Rick Delbridge (0.4 FTE, CARBS)	<ul style="list-style-type: none"> • Programme leadership and PI for CU grant. • Research and impact activities. • Line management of researcher. • Through Centre for Innovation Policy Research (CIPR) leads on economic development and innovation policy. • Contributes to ongoing refinement and optimisation of the programme by drawing on international and UK-wide examples of best practice and taking an experimental, innovative approach to programme design.
CI: James Lewis (0.2 FTE, SOCSI/ Y Lab)	<ul style="list-style-type: none"> • Programme leadership. • Research and impact activities. • Integration with InFuSe. • Through Y Lab, leads on public services innovation. • Contributes to ongoing refinement and optimisation of the programme by drawing on international and UK-wide examples of best practice and taking an experimental, innovative approach to programme design.
CI: Kevin Morgan (0.1 FTE, GEOPL)	<ul style="list-style-type: none"> • Programme leadership. • Research and impact activities. • Develops innovative approaches to procurement. • Through the Centre for Innovation Policy Research (CIPR), leads on economic development and innovation policy. • Contributes to ongoing refinement and optimisation of the programme by drawing on international and UK-wide examples of best practice and taking an experimental, innovative approach to programme design.
Grade 7 Programme Manager (1 FTE, CARBS)	<ul style="list-style-type: none"> • Plays a central role in identifying the challenges with stakeholders and developing processes for the running of each challenge. • Provides the key challenge support role in assisting the delivery of each challenge, including marketing and comms, working closely with the CCR and CU teams, the challenge-holder and the solution providers through each phase of the challenge. • Contributes to the comparative assessment and evaluation of each challenge. • Identifies opportunities for working in collaboration with the InFuSe programme. • Responsible for day to day management of programme. • Line management of Professional Service staff. • Ensures all operational, financial, contractual, compliance & reporting requirements set by CCR are met. • Gathers evidence of outcomes and impact and reports as required by CCR.

	<ul style="list-style-type: none"> • Oversees programme evaluation. • Gathers evidence to support the sustainability of Challenge Fund delivery beyond the duration of this initial programme. • Gathers evidence to demonstrate how Challenge Fund supports development of the Public Services Testbed concept.
Grade 6 Postdoctoral Researcher (1 FTE, CARBS)	<ul style="list-style-type: none"> • Reviews existing evidence on the use of challenges to inform design of the initiative. • Inputs into the design and development of the initiative on an ongoing basis. • Undertakes intensive case research on the challenges that we run and the various approaches that are deployed in order to contribute to programme evaluation. • Contributes to ongoing development and delivery of the initiative. • Contributes to communications, including the writing up and dissemination of outcomes during the funding period. • Researches other relevant approaches & schemes in order to refine and improve the initiative. • Gathers evidence of outcomes and impact. • Contributes to programme evaluation. • Gathers evidence to support the sustainability of Challenge Fund delivery beyond the duration of this initial programme. • Gathers evidence to demonstrate how Challenge Fund supports development of the Public Services Testbed concept. • Writes up research findings and wider dissemination to both academic and policy audiences.
Grade 5 Programme Administrator (1 FTE, CARBS)	<ul style="list-style-type: none"> • Plays the central coordinating role, linking activity across CU, CCR and participating LAs. • Contributing to marketing and communications as required. • Manages diaries. • Responds to enquiries from relevant stakeholders and project partners. • Supports CU research and delivery team. • Day to day liaison with CCR, Y Lab and CU Professional Services. • Administrative support for research, impact, evaluation, and the co-ordination of events. • Additional support in areas such as HR, finance, web-design, social media, programme marketing, data management, evaluation, compliance/reporting, business development, stakeholder management.
Grade 5 Marketing and Communications Officer (0.5 FTE, CARBS)	<ul style="list-style-type: none"> • Takes a lead role in all communication and project dissemination activities with external stakeholders and the public.

	<ul style="list-style-type: none">• Leads on the development of a Communications and Engagement Strategy to ensure clear messaging throughout the lifetime of the CCR Challenge Fund.• Maintaining project web and social media presence.• Generating content for relevant online platforms, e.g. CCR website, Business New Wales.• Promoting programme through events and other online channels as appropriate.• Leading on the design and development of publications and promotional materials
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CCR Challenge Fund Programme Summary Report | The Simply Do Challenge Hack

Background

About the CCR Challenge Fund

“The focus of the £10m programme is to rebuild local economies for a post-COVID world, through solving societal challenges that have economic impact and potential commercial-scale opportunities.”

What is a “Challenge Hack”?

Simply Do created the **Challenge Hack** as a way to engage key stakeholders in better defining the problems to be solved through challenge-led innovation. The objective of this Challenge Hack was to co-create a clear set of 3 challenge themes to be prioritised over a defined timeframe through the CCR Challenge Fund.

This immersive Challenge Hack was facilitated by Simply Do Ideas using MS Teams (with additional anonymous engagement through digital whiteboard Miro). This blended approach enables different personality types (e.g. introverts) and learning styles (e.g. reflectors) to effectively engage in the challenge selection process. This ensures the process is fair and transparent whilst building stakeholder trust and ownership of the challenges to be tackled.

The group was composed of Political and Senior Officials from almost all CCR local authorities.

Process | Delivering the Well-being Goals

Activity 1: Hearts & Minds. The group was invited to review the 7 Well-being Goals from the Well-being of Future Generations Act. These provide a robust, initial set of challenge themes with the Act setting out that public bodies in Wales must work to achieve these goals. Each individual was asked to anonymously score the Importance, Impact and Urgency of each and subsequently select the 5 which the CCR Challenge Fund should impact with the finite *resources* and *time* available.

Activity 2: Creating Consensus. The group was facilitated through an open discussion and debate to provisionally agree three priority challenge themes based on the shared results of Activity 1. The group was asked to again consider the Importance, Impact and Urgency including the significance of COVID-19 on the citizens of Wales.

Results | Cross-Cutting Themes

Activity 1: Hearts & Minds. The group demonstrated clear alignment between the intent of the CCR Challenge Fund and delivery of the Well-being Goals. The anonymous voting prioritised a set of five of the Well-being Goals (with the number indicating the vote count):

Our Recommendations

COVID-19 has impacted every aspect of our lives. However, it catalysed a willingness for making positive changes (represented by campaigns such as #buildbackbetter) combined with a powerful sense of spirit within our communities (#inthistogether). This provides an opportunity for the CCR Challenge Fund to be deployed swiftly in bringing people together to solve our biggest challenges. This would positively impact local wealth building across the region at a time it is needed the most.

Our recommendations are:

- 1. CHALLENGE PRIORITY THEME REFINEMENT: CCR to confirm an indicative timeframe for the inaugural challenge. It is recommended that this be launched by 31 December 2020.**
 - For example and subject to further detailed challenge scoping, an early COVID-19 community response challenge might seek to focus on priorities such as, the future of retail and town centres or opportunities to deliver community benefits through local food security and resilience.
- 2. CHALLENGE OWNERSHIP: CCR to seek Expressions of Interest (EOI) from local authorities to become a challenge 'owner' (i.e. to lead a challenge in that local authority). It is recommended that this is actioned by way of follow-up to the Challenge Hack within the next 30 days.**
- 3. CHALLENGE FRAMEWORK: CCR to continue development of a robust end-to-end framework for the CCR Challenge Fund. It is recommended that this be based on the SBRI model. A further short-term measure is to consider co-funding a relevant challenge (i.e. health and well-being) through the SBRI Centre of Excellence which has an existing framework in place.**

About Simply Do Ideas | People, Process and Product Innovation

Simply Do Ideas provides an end-to-end innovation management service focused on solving economic and societal challenges. Solutions to challenges are 'crowdsourced' either internally (i.e. employee-led innovation) or externally (i.e. supplier-led innovation).

The company specialises in working with large, public service organisations across healthcare, education, policing, housing and government.



Challenge Hack Participants

Organisation	Name	Position
Bridgend CBC	Cllr Huw David	Leader of the Council
Caerphilly CBC	Paul Hudson	Officer
Caerphilly CBC	Jeff Peters	Officer
Merthyr Tydfil CBC	Cllr Kevin O'Neill	Leader of the Council
Monmouthshire CC	Matt Gatehouse	Officer
Newport CC	Cllr Jane Mudd	Leader of the Council
Rhondda Cynon Taf CBC	Cllr Andrew Morgan	Leader of the Council
Rhondda Cynon Taf CBC	Simon Gale	Officer
Rhondda Cynon Taf CBC	Debra Hughes	Officer
Torfaen CBC	Cllr Joanne Gauden	Elected Member
Vale of Glamorgan Council	Maddy Sims	Officer
CCR City Deal	Nic Somerville	Head of Inclusive Growth & Business Development
CCR City Deal	Gareth Browning	Challenge Fund Manager
CCR City Deal	Suzanne Chesterton	Marketing & Communications Lead
CCR City Deal	Nathan Llewellyn	Marketing & Communications Officer
CCR City Deal	Nic Butler	Business Development & Partnership Officer
Simply Do Ideas	Lee Sharma	Chief Executive <Lead Facilitator>
Simply Do Ideas	Joseph Murphy	Senior Business Manager
Simply Do Ideas	Josh Barnett	Product Experience Manager

Challenge Idea: Expression of Interest (EOI) - Application

If you require a copy of this application form in Welsh please contact the CCR Challenge Fund Team

1. Applicant organisation / department name and address	
Organisation Name & Department	
Address	
Postcode	
Contact name in the organisation	
Name	
Position	
Tel. Number	
E-mail	

2. Challenge Title:
See examples of current & past challenges SBRI Examples Link . Also see examples of recent GovTech Catalyst submissions GovTech Examples Link

3. Briefly describe the public sector challenge that you would like to overcome? (inc. policy, technical and/or operational issues which you are seeking to address)
<i>(500 words max)</i>
<u>Note:</u> Your answer to this question may be used as an extract for wider public dissemination by the CCR Challenge Fund. The purpose being to promote the challenge to the business community in order for potential solutions to be proposed. Please clearly indicate below if you would prefer your answer to this question to be treated in confidence at this EOI stage.

4. List the key issues and/or criteria to which you would like to find innovative solutions for? (250 words max)

5. Describe what a successful outcome would look like? This would be desirable/realistic improvements against the challenge NOT possible solutions (250 words max)

**6. Have you researched or are you aware of any commercially available solutions to the problem you are hoping to overcome?
If yes, please provide details and explain why these solutions are unsuitable?**

7. Have you identified any potential stakeholders you are considering working with?

If yes, identify who they are and explain their possible role and details of any potential financial contributions to your challenge? Note: Collaborative bids are encouraged.

Applications must be signed by:

(i) the Lead Applicant (ii) and, endorsed by a Director or equivalent senior representative from the applicant organisation	
Signed	
Date	
Lead Applicant Name	
Position in Organisation	

Signed	
Date	
Name of senior person endorsing application	
Position in Organisation	

Submission of Applications

Applications must be submitted via email only and by no later than 12 noon on 13th November 2020. Please ensure that you use the words '**CCR Challenge Fund**' in the email subject box. Email applications must be sent to [xxxx](#)

All application forms must have evidence of senior support from an authorised signatory. Electronic submissions containing scanned signatures are acceptable or copies of email may be provided as supporting evidence.

CCR Challenge Fund reserves the right to change submission and/or notification dates. Event dates and venues may also be subject to change.

Highlight report

PROJECT TITLE

Document Location	Document Folder on Project Name SharePoint Page
Document Folder Link	Insert link to folder here

Period Start		Period End	
Current Status	G	Last Period Status	A

Project Period Summary

- Summary point
- Summary point
- Summary point
- Summary point
- Summary point
- Summary point

Project Status

STATUS KEY:

- | | |
|---|--|
| G | Stage and all activities on track |
| A | Stage on track; one or more activities overdue |
| R | Stage overdue |

Stage	Expected End Date	Completion Date	RAG	Comments
1. Project Start Up	15/01/19	15/01/19	G	Completed
2. Phase 1	31/01/19	31/01/19	G	Completed
3. Phase 2	01/03/19	16/03/19	A	Testing continuing due to errors found
4. Testing	01/04/19	01/05/19	A	Go-Live delayed due to errors found
5. Project Close	30/04/19		R	Project still ongoing

Overview of Key Activities & Deliverables

Achieved This Period	Planned Next Period
<ul style="list-style-type: none"> Activity/Deliverable Activity/Deliverable 	<ul style="list-style-type: none"> Activity/Deliverable Activity/Deliverable

Top Risks

Ref	Risk Description	Score
EXR01	Example – interfaces may not be achieved	16
EXR02	Example – staff resources may not be made available	12

Top Issues

Ref	Issue Description
EXI01	Example – staff resource is temporarily unavailable

- 4.2 Support and monitor delivery of change within the organization to achieve the defined benefits.
- 4.3 Approve all major plans and authorise any major changes to the plans.
- 4.4 Report to the the CCR Challenge Fund Delivery Partner and CCR Challenge Management.
- 4.5 Communicate with other stakeholders.

5. Key Responsibilities

It is proposed that the Challenge Board will assume the following key responsibilities:

- 5.1 Approval of project documentation.
- 5.2 Make key recommendations and advise the****insert name of funders**** of project implementation matters.
- 5.3 Approval of major stage plan deviations, changes of exception plans.
- 5.4 Ensure resources are committed to the project.
- 5.5 Arbitrate and resolve conflicts within the project.
- 5.6 Provide project assurance roles.
- 5.7 Provide overall guidance and direction to the project.
- 5.8 Engage key stakeholders, including patients and wider community representatives.
- 5.9 Promote organisational change.
- 5.10 Identify any changes in corporate strategy or external influences and direct the project accordingly.
- 5.11 Oversee the project communications plan.
- 5.12 Ensure the project is delivered satisfactorily.
- 5.13 Oversee project evaluation.

6. Financial Governance Arrangements

To ensure that financial governance arrangements are in places the following procedure will be followed:

- 6.1 Every 2 months the Project Manager, 2 members of the Challenge Board and ****insert name of representative**** will meet with the Suppliers (Payment Milestone Meeting) to agree all deliverables have been met and recommend funds to be released.
- 6.2 Following the Payment Milestone meeting, a recommendation via email will be made to ****insert name**** who is the Executive Sponsor for this project, who will authorise the payments. In the Executive Sponsor's absence, ****insert name**** as Vice Chair will approve.
- 6.3 ****insert name****, as the financial representative on the Challenge Board, will monitor the overall financial expenditure of this project in line with the organisation's Standing Financial Instructions.
- 6.4 Full Challenge Board meetings will continue to be held every 3 months or at major milestone events as per the Terms of Reference.
- 6.5 20% of the total project cost will be held back by the organisation and will be paid on project completion.

7. Proposed Membership

The Challenge Board roles must be assigned to those individuals who can agree commitment and continued involvement to the project.

See Appendix A for Board Structure.

A named representative will be provided if a member cannot attend a meeting.

7.1 Attendance

Selected participants may be invited to attend the Challenge Board at the discretion of the Project Executive or the Vice Chair.

7.2 Meetings

- 7.2.1 The Project Executive will chair the meetings with the Vice Chair chairing in his absence.
- 7.2.2 Challenge Board members to nominate a deputy for in the event of unavailability.
- 7.2.3 Meetings will be held at key project milestones – Extra-ordinary meetings will also be held as deemed necessary by the Project Executive.

- 7.2.4 Highlight reports and email are to be used to update the Board on Progress.
- 7.2.5 The meeting will be deemed to be quorate with three of the Board members present (not including Project Staff).
- 7.2.6 The decision making will normally be consensual but voting will take place when necessary. Simple majority will carry motions.
- 7.2.7 Project Support will provide administration for the meetings.
- 7.2.8 The Project Executive will prepare the agenda, with the assistance of the Project Manager and Project Lead.
- 7.2.9 Minutes of the previous meeting, along with the draft agenda will be circulated at least one week in advance of the scheduled meeting and action points from each meeting will be circulated within five working days of the meeting.
- 7.2.10 Subject to their acceptance as a true record by those present, minutes will be ratified at the next meeting.

Challenge Board Role	Name	Job Title
Project Executive		
Vice Chair		
Quality Assurance		
Senior User		
Finance Representative		
Subject Matter Expert		
Project Manager		
Project Lead		
Project Support (Admin)		Project Support Officer



Llywodraeth Cymru
Welsh Government

Pre-commercial Procurement: An Approach for Procuring R&D Services

Procurement Advice Note (PAN) for the Public Sector in Wales

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1. Introduction

This Guidance Note provides advice on using the pre-commercial procurement approach for Research and Development (R&D) services that involves risk benefit sharing at market conditions and in which a number of companies develop in competition new solutions for mid- to long term public sector needs. Pre-commercial procurement is an approach which can be used to procure R&D services other than those where "the benefits accrue exclusively to the contracting authority for its use in the conduct of its own affairs", on condition that the service provided is wholly remunerated by the contracting authority and that does not constitute State aid.

The approach presented is consistent with advice published by the Commission of the European Communities, the existing legal framework for the public procurement of R&D services as set out in the Public Procurement Directives, the WTO GPA, the Fundamental Treaty Principles, as well as competition law including State aid law.

This guidance has been developed to support organisations in the development and implementation of SBRI challenges and in support of the Welsh SBRI Innovation Catalyst Programme. A Welsh Government initiative led by the Department for Economy, Science and Transport, the Welsh SBRI Innovation Catalyst Programme is intended to drive participation from the public sector and businesses in Wales in Small Business Research Initiative (SBRI) competitions. It is envisaged that the Programme will catalyse the procurement of innovative solutions and help deliver a culture change which improve supplier engagement through outcome-based specifications.

The Welsh SBRI Catalyst Programme will identify public sector problems and challenges with a view to supporting Welsh public sector competitions which drive innovation in the areas of:

- Life Sciences and Health
- Low Carbon, Energy and Environment
- Advanced Engineering and Materials
- ICT and the Digital Economy

2. Using a Pre-commercial Procurement approach – What to Consider?

Pre-commercial Procurement is an appropriate approach where the needs of the public sector body are so technologically demanding and in advance of what the market can offer that either no commercially stable solution exists yet, or existing solutions exhibit shortcomings which require new R&D.

The following sections describe the steps to prepare for a pre-commercial procurement.

2.1 IDENTIFYING CANDIDATE PROJECTS FROM PUBLIC SECTOR NEEDS

In situations where there is a concrete public sector need but the best way to address it is unclear, public purchasers can organise an initial open dialogue with the supply side in order to develop a better understanding of the available options. This dialogue would clarify market gaps with respect to actual needs. By developing a deeper understanding of ongoing industrial developments in terms of technological maturity, this engagement

could help public purchasers distinguish between purchasing needs that require new R&D versus others that concern primarily commercial development.

For purchasing needs that require new research and development to create solutions that are **not available on the market**, the public purchaser can decide to start a pre-commercial procurement.

2.2 DECIDING ON THE PRE-COMMERCIAL PROCUREMENT CONTRACT STRUCTURE

Firstly, it should be noted that the scope for pre-commercial procurement is R&D services only. This can cover activities such as solution exploration and design, prototyping, up to original development of a limited volume of first products or services in the form of a test series (as referred to in Annex II and Annex XVII respectively directive 2004/18/EC and 2004/17/EC attached here:



The World Trade Organisation (WTO) Government Procurement Agreement, article XV, also says:-

“Original development of a first product or service may include limited production or supply in order to incorporate the results of field testing and to demonstrate that the product or service is suitable for production or supply in quantity to acceptable quality standards”.

When deciding if this approach is appropriate note that R&D does not extend to commercial development activities such as quantity production, supply to establish commercial viability or to recover R&D costs, integration, customisation, incremental adaptations and improvements to existing products or processes

Before embarking on a R&D / SBRI process, public purchasers should consider whether it would be more suitable to run an alternative outcome-based procurement exercise instead such as competitive dialogue.

Organisations should also be aware that in pre-commercial procurement, the public purchaser does not reserve the R&D results exclusively for its own use. Public authorities and industry share risks and benefits of the R&D needed to develop new innovative solutions that outperform those currently available on the market.

By organising the risk / benefit sharing and the entire procurement process in a way that ensures maximum competition, transparency, openness, fairness and pricing at market conditions allows the public purchaser to identify the best possible solutions the market can offer. It is a competitive procurement designed to exclude state aid.

As a rule, the relationship between the public purchaser and the company within the pre-commercial procurement should not include a state aid element, and this should be excluded through the appropriate design of the contract. Where public authorities buy R&D from companies at market price, there is no advantage and consequently no element of State Aid. When the pre-commercial procurement approach is applied, it is critical to check whether or not a company participating in the procurement receives an

advantage. This will depend on the terms of the contract between the public purchaser and the companies.

In pre-commercial procurement the contracting authority does not assume all the results and benefits of the R&D services performed in the contract exclusively for itself for use in the conduct of its own affairs, but shares them with others. Sharing R&D results and benefits with the public sector and industry outside the pre-commercial procurement project can be done through:-

- (i) Wide publication of the R&D results after completion of the pre-commercial procurement, and/or
- (ii) Contribution to standards bodies in a way that allows other stakeholders to reproduce the results of the R&D.

In order to ensure that such an approach of sharing R&D results outside the project is beneficial for the public purchaser and companies participating in the project, R&D risks and benefits are shared between them in such a way that both parties benefit of actively promoting wide commercialisation and take-up of the newly developed solutions.

To limit the financial risks of the public purchasers and to ensure equal chances for all potential bidders, it is important to fix the contract conditions up front and clearly describe all rights and obligations of both parties in the contract notice. It is also helpful for the public purchaser to work with a price range indication in the contract notice to extract the best offers at market price: this ensures a certain minimum quality level of incoming bids, while still allowing companies to compete on price. Requiring companies to submit fixed price offers has the advantage that companies are responsible to cover at their own expense any additional unforeseen costs in their individual design that they may incur above the fixed price they have committed to in their bid. In exclusive development contracts, in return for bearing all the development risks, the contracting authority obtains exclusive rights to all results and benefits resulting from the development contract, such as the Intellectual Property Rights or IPRs. However, there are disadvantages to this approach when the public purchaser does not need exclusive rights. The public purchaser will pay the expensive price of exclusive development; the company is not able to re-assign people involved in the development to other projects (because of the risk of inadvertently breaking IPRs) and is not allowed to re-use the results for other customers. These arrangements are not conducive to innovation. Therefore, when the public purchaser does not require exclusive ownership of all R&D benefits, IPRs is one of the possible areas where both risks (filing/litigation costs and the exploitation responsibilities) and benefits (the rights of use and licensing incomes) can be shared between public purchasers and companies participating in the procurement. It is in both parties' interest to share the IPRs in such a way that promotes wide commercialisation and take-up of the newly developed solutions.

3. The Tender Process

3.1 Pre-Process dialogue

Beginning with an open dialogue will make it possible to broach the views of the market before starting the tendering process. This would have to be done under the condition that the seeking or accepting of advice does not have the effect of precluding or distorting competition.

3.2 The Tender

The tender stage can be split into up to 3 phases, see Figure 1 (page 9).

Public purchasers should always begin with an advert to alert companies to the competition. The use of competitive tendering fosters innovation and encourages new and original thinking. The intention at this stage is to select multiple companies to start the project in parallel and this should be announced in the contract notice. If a multi-stage procurement, then the advert should clearly outline the phases to be followed for the process.

The tender should be published widely, by advertising on Sell2Wales and through the relevant procuring organisations' websites, the Technology Strategy Board (TSB) channels (eg Knowledge Transfer Networks) and the Welsh Government's innovation communication channels.. Using these routes the public purchasers should satisfy the requirement to attract sufficient competition and reach all potential bidders. Allowing companies from anywhere in the world to make offers regardless of the geographic location of company head offices would be an open and effective way to promote the creation of growth and jobs in Wales without excluding non-Welsh firms. By using the above channels the procurement process can be organised to stimulate companies to locate a relevant portion of the R&D and operational activities related to the pre-commercial development contract in Wales.

Once the advert is placed you must have a project brief available in the form of a functional or output-based specification. Using this type of specification enables the public purchaser to formulate the pre-commercial procurement tender as a problem to be solved without prescribing a specific solution to be followed

The public sector sponsor should give careful consideration to the length of the prototype period to ensure the solution is sufficiently tested to ensure full viability. Also, they should consider the impact of the timing of going to full market competition in setting the duration of the prototype period. The specification and/or terms & conditions of the contract should also include a requirement to secure Community Benefits outcomes through the delivery of the contract. Principle 4 of the Wales Procurement Policy Statement, announced by the Finance Minister in December 2012, requires Community Benefits to be delivered from all public sector contracts where such benefits can be realised. A Programme for Government commitment and part of the Tackling Poverty agenda Community Benefits policy recognises public procurement as a major lever to change the way business is done in Wales, using Welsh Government expenditure to stimulate growth and maximising the creation and retention of jobs in Wales. The policy is focused on helping the public sector to deliver contracts that result in re-investment in local communities, providing opportunities that help disadvantaged people back into employment & training and stimulating local supply chains.

Summary of things to think about during the SBRI process:-

- Make sure you give suppliers unique ID numbers
- Set up a dedicated email address/mailbox and website for suppliers to easily access information and express interest, raise queries, etc.
- What will the impact on service configuration be.

3.3 Evaluation

Once the applications/bids have been received the evaluation panel should be convened. As with all public procurements the purchaser must evaluate all bids according to the same objective criteria regardless of the nationality of the bidder. It is important to ensure due diligence is applied to the process to ensure that the suppliers which have bid have the required capability and capacity to deliver and are of sufficient financial standing. In addition you need to consider such things as technical feasibility, evidence base, freedom to operate, IP issues, whether product is already available or market ready and potential conflicts of interest.

The following award criteria can be used to award the contracts:

- ability to address the problem posed in the tender
- technological quality & innovativeness of the proposal
- added value for society/economy of the proposal - this criteria can, besides plain cost aspects, also take into account the added value the proposal brings with regards to improving public services and the associated benefits for the whole society and economy. The criteria that are chosen must be specified in such a way as to be readily understandable, quantifiable and verifiable. It is this criteria that will allow you to evaluate the community benefit aspects of the bid.

Guidance for Assessors and an Example score sheet is available at annexes A & G.

At least two companies must be retained until the last phase to ensure a future competitive market.

3.4 Award

The contract with the successful bidder should contain an agreement on the future procedure for implementing the different phases, if a multi-phase approach is taken this will include the format of the intermediate evaluations after each phase to progressively select companies with the best competing solutions. The intermediate evaluations can make use of the same criteria used for contract award. The tender specifications can become progressively more specific with each phase. An example contract is provided at Annex F but please note this is a sample only, it is recommended that you seek your own independent legal advice.

Ensure you are clear on when the SBRI process will end....

Once the deadline arrives for final submission?

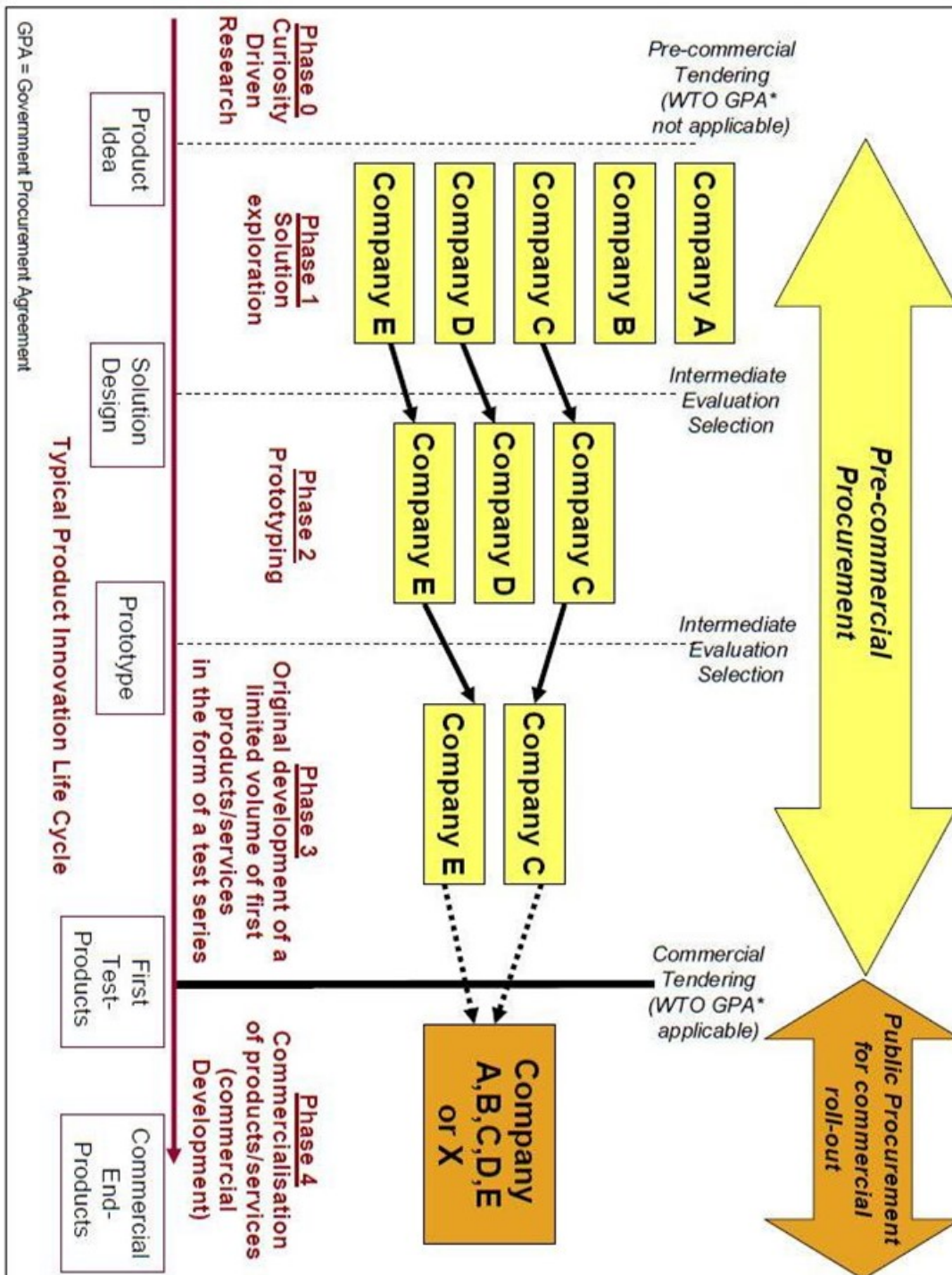
Once you have a product that delivers the agreed specification?

3.5 Follow-up - public procurement for deployment of commercial volumes

Leaving a clear separation between the pre-commercial R&D phase and the roll-out of commercial end-products resulting from the R&D enables public purchasers to filter out technological R&D risks before committing to procuring a full-blown innovative solution for large-scale commercial roll-outs.

Importantly at the start and during the pre-commercial procurement process the public purchaser should keep in mind that no action in the pre-commercial procurement procedure might preclude competition in the procurement for commercial roll-out when the public procurement Directives are applicable.

Figure 1



4. Do's and Don'ts of Pre-Commercial Procurement	
DO	DON'T
Do note that pre-commercial procurement is for R&D Services <u>only</u> .	Don't use this approach for commercial development activities such as quantity production – consider whether an alternative process would be more suitable eg competitive dialogue
Do ensure sustainable procurement considerations are built in upfront. Ensure community benefits clauses have been built in where appropriate	Don't forget about the wider environmental, social and economic considerations where they can be linked to what is being bought
Do ensure your challenge is well-defined and likely to generate interest from a good mix of bidders	Don't try and define the solution...leave that to the bidders!
Do be clear upfront on the criteria and scores that will be used to assess bids	Don't miss the opportunity to advertise the competition on sell2Wales
Do begin the process with open dialogue.	Don't exclude non-Welsh firms
Do organise the risk/benefit sharing in a way that ensures maximum competition	Don't under-estimate the effort involved in the process
Do consider the state aid issues	Don't allow costs and timescales to drift
Do fix the contract conditions up front to ensure equal chance for all bidders and limit financial risk for public purchasers.	Don't place unnecessary burdens on suppliers by asking irrelevant questions and requesting large amounts of information
Do carry out effective contract management and supplier development	Don't 'let and forget' and hope the contract will run itself
Do think early on about risk management and mitigation	
Do think about the administrative and management support you will need and plan accordingly	
Do consider Welsh language requirements	
Do ensure a dedicated email address / website / contact for suppliers to access information, express interest/bids, raise queries, etc.	
Do give each supplier involved a unique ID number	
Do think early on about considerations covering staff/HR, contracts, estates, training, IT infrastructure	
Do ensure due diligence is applied to the selection process	

Do keep tight control over costs and timescales	
Do ensure wide publication of the R&D results after completion of the pre-commercial procurement.	
Do ensure intellectual property is retained by the contractor.	
Do consider how you will engage with suppliers and benefit from innovative products and services created.	
Do be clear on when your SBRI will finish	

5. Examples of SBRI Competitions

The Technology Strategy Board (TSB) competitions portal contains information on pre-commercial procurements undertaken across the UK – link below:-

www.innovateuk.org/funding-competitions

6. Frequently Asked Questions (FAQ) for Public Sector Bodies

Q. How does an SBRI Competition work?

A. SBRI enables public sector bodies in Wales to connect with technology organisations, finding innovative solutions to specific public sector challenges and needs. It aims to use the power of government procurement to accelerate technology development, supporting projects through the stages of feasibility and prototyping which are typically hard to fund. The programme offers an excellent opportunity for businesses, especially early stage companies, to develop and demonstrate technology, supported by an intelligent lead customer.

Q. Who is eligible to submit an application to a Welsh SBRI competition?

A. Any organisation can submit an application, although it is expected that opportunities presented by SBRI will be particularly attractive for SMEs. SBRI is aimed at organisations working on the development of an innovative process, material, device, product or service. Successful applications will be those whose technology best addresses the specific needs identified, with the potential to make a measurable improvement to currently available products, processes materials, devices or services. Development contracts will be awarded only to individual organisations. However, organisations may also wish to demonstrate that successful collaboration will enhance their overall development. Work may be subcontracted but this is the responsibility of the main contractor.

Q. Can University apply?

A. Universities may apply, however they must demonstrate a route to market, i.e., The application must include a plan to commercialise the results.

Q. Can Registered Charities apply?

A. Yes, registered charities are equally eligible to enter SBRI competitions via their trading company limited by guarantee. All organisations must demonstrate a route to market.

Q. Who owns the Intellectual Property generated by the Project?

A. Intellectual property rights are retained by the applicant although certain rights of usage may be applied by the funding authority including royalty-free, non-exclusive licence rights and the right to require licenses to third parties, at a fair market price.

Q. Can companies collaborate?

A. Contracts will be awarded only to individual organisations so whilst consortia will be able to bid they will need to nominate a lead organisation for contractual purposes.. Applicants can also identify components of the work which they wish to subcontract and may also employ specialist consultants or advisers if they believe this will increase the chances of the project being successful.

A new Joint Bidding Guide that makes it easier for businesses to form consortia to bid for public sector contracts is available on the Procurement Route Planner in the Policy Toolkit, via the following link:-

<http://prp.wales.gov.uk/>

Q. Do SBRI Contracts Constitute State Aid?

A. No. Where Public Authorities buy R&D from organisations at a fair market price, not for their exclusive use and where the competition is advertised in an open market, there is no advantage and consequently no element of State Aid.

Q. What is meant by 'community benefits'?

A. Principle 4 of the Wales Procurement Policy Statement requires Community Benefits to be delivered from all public sector contracts where such benefits can be realised. A Programme

for Government commitment and part of the Tackling Poverty agenda Community Benefits policy recognises public procurement as a major lever to change the way business is done in Wales, using Welsh Government expenditure to stimulate growth and maximising the creation and retention of jobs in Wales. The policy is focused on helping the public sector to deliver contracts that result in re-investment in local communities, providing opportunities that help disadvantaged people back into employment & training and stimulating local supply chains. It involves the use of social clauses to specify outcomes and seek solutions which can become conditions of contract.

Q. Who should I contact if I have any further questions?

A. Questions on SBRI and the Welsh SBRI Innovation Catalyst programme should be addressed to:-

- Innovation@wales.gsi.gov.uk

- VWpolicy@wales.gsi.gov.uk

7. Guidance and Tools

Below are some of the policy guidance documents and supporting tools that are available to you for use in your procurement activity:-

Wales Procurement Policy Statement, December 2012
<https://prp.wales.gov.uk/toolkit>

Community Benefits Guidance, Maximising Value from the Welsh Pound, Value Wales 2010
<https://prp.wales.gov.uk/toolkit>

Community Benefits Measurement Tool for Wales, Value Wales, 2013
<https://prp.wales.gov.uk/toolkit>

Joint Bidding Guide, 2013
<http://prp.wales.gov.uk/>

Procurement Route Planner (PRP)
<https://prp.wales.gov.uk>

Commission of the European Communities guidance Pre-commercial procurement: Driving Innovation to Ensure High Quality Public Services in Europe
http://cordis.europa.eu/fp7/ict/pcp/home_en.html

8. Acknowledgements

Value Wales is pleased to acknowledge that it has drawn upon the following publications and organisations to supplement its own research to produce this guidance note (links are provided where appropriate):

1. Commission of the European Communities guidance Pre-commercial procurement: Driving Innovation to Ensure High Quality Public Services in Europe
{Com(2007) 799 final} & {SEC (2007) 1668}

http://cordis.europa.eu/fp7/ict/pcp/home_en.html
2. Community Benefits Guidance, Maximising Value from the Welsh Pound, Value Wales 2010/ Community Benefits Measurement Tool for Wales, Value Wales, 2013
3. Value Wales Procurement Route Planners (PRP)
4. DG Consulting – SBRI Development Workshop (July 2013)

Future Generations Assessment

<p>Name of the Officer completing the evaluation:</p> <p>Kellie Beirne</p> <p>Phone no: 07826 919286 E-mail: kellie.beirne@cardiff.gov.uk</p>	<p>Please give a brief description of the aims of the proposal</p> <p>Responding to the COVID-19 economic fallout via challenge-led development</p>
<p>Proposal: FBC Challenge Fund – building local wealth post COVID-19</p>	<p>Date Future Generations Evaluation form completed: 14 August 2020</p>



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?
<p>A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs</p>	<p>The proposal is for a challenge-driven approach to creating prosperity. Therefore the problem is known and understood – but not the outcomes. Based on £0.8bn invested to date there is ROI</p>	<p>Through the various stages of the R&D process</p>

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?
	and significant prosperity impacts through new market creation.	
A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)	One of the potential challenge areas identified is around acceleration of transport decarbonisation, a differentiated transport strategy and more general rapid attempts to decarbonisation.	Resilience is referenced as the key goal of the fund – building wealth at a local level
A healthier Wales People’s physical and mental wellbeing is maximized and health impacts are understood	The new priorities emerge directly in response to COVID-19 and sustainability challenges and opportunities	Discrete proposals that will emerge from this framework will make more of a direct impact upon this as the challenges develop
A Wales of cohesive communities Communities are attractive, viable, safe and well connected	The priority seeks to make a direct contribution to local wealth building, in order to support key local foundational economies.	
A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	The proposal shows how the CCR can lead the way in pioneering new solutions and showing the foresight to get ahead.	
A Wales of vibrant culture and thriving Welsh language Culture, heritage and Welsh language are promoted and	N/A	

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?
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	The new priority set is about levelling across the region and ensuring a balance across interventions that will support the wider region and those which will be locally specific.	

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?
 <p>Balancing short term need with long term and planning for the future</p> <p>Long Term</p>	The programme is over 3 years. However the solutions that could be developed could be features of the medium and long-term	This will be under constant review.
 <p>Working together with other partners to deliver objectives</p> <p>Collaboration</p>	The report sets out the different partners and sectors engaged in this work – both as challenge sponsors and responders	We want to encourage all participants to come forward – if supply exceeds demand consideration will be given to successive waves of the programme

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?
 <p>Involvement</p> <p>Involving those with an interest and seeking their views</p>	<p>Successful SBRIs shows that hundreds of stakeholders get involved with the process. It is not just about challenge ‘winners’ either – but the companies throughout the process that show promise and strike up new relationships and potential. The Challenge Fund aims to engage with stakeholders</p>	<p>How we work with ‘unsuccessful companies’ to signpost support and further direct them to other opportunities</p>
 <p>Prevention</p> <p>Putting resources into preventing problems occurring or getting worse</p>	<p>The focus of this is around providing economic support and resilience measures which will support local economies in the area hit hardest by the economic fallout of COVID-19 – public transport, food, tourism and retail/ leisure and hospitality</p>	<p>These sectors are key to the local economy – as the programme develops, if further interventions are needed and become apparent this will inform wider parts of CCR policy.</p>
 <p>Integration</p> <p>Considering impact on all wellbeing goals together and on other bodies</p>	<p>The challenge programme is entirely compatible with WFG and wellbeing goals as well as the five ways of working. It focuses on understanding and solving problems; the art of the possible; re-framing public procurement and focusing on sharing and spreading prosperity at a local level.</p>	<p>A key risk here is the availability of revenue funds in the CCR programme to support further challenge-led approaches.</p>

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	Problem owners and solvers will be drawn from those who can sponsor a challenge and those who can solve them. Particular challenges as they are selected and chosen may have more in common with one age group than another and this will be addressed and highlighted at the time so positive impacts can be scaled and optimized and any negative impacts, appropriately mitigated.	As per 'positive' comment	Monitoring data and evidence required as part of challenge selection
Disability	The process is open to all and anyone can engage – there are no barriers to doing so. In this age of remote working – accessibility of briefing sessions and events will be given appropriate consideration.	As per 'positive' comment	Project management arrangements across all partners with central co-ordination via CCR office will ensure all risks and issues are managed through a risk process and all benefits are maximized wherever possible. For example, challenges may emerge that could have resonance for one specific social group more than another.
Gender reassignment	As above	As above	
Marriage or civil partnership	As above	As above	
Pregnancy or maternity	As above	As above	
Race	As above	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	As above	
Sex	As above	As above	
Sexual Orientation	As above	As above	
Welsh Language	As above	As above	

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

	Describe any positive impacts your proposal has on safeguarding and corporate parenting	Describe any negative impacts your proposal has on safeguarding and corporate parenting	What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?
Safeguarding	Not directly relevant –however, building the future economy should have a profoundly positive impact on ability to safeguard the future of our residents		

Corporate Parenting	Not directly relevant – however building strength in the economy should create opportunities for all of the young people entrusted in our care and makes a direct contribution to wellbeing.		
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5. What evidence and data has informed the development of your proposal?

- Economic evidence data and insight
- SBRI review data
- Govtech and Sivtech data
- The original submission for the Public Services Testbed

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

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

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

The impacts of this proposal will be evaluated on:	Annually via reports to Cabinet and quarterly performance monitoring.
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InFuSe: Innovative Future Services

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Appendix 7	Staff Organogram

Executive Summary

The Well-being of Future Generations (Wales) Act 2015 sets out the ways of working which Welsh Government, Local Authorities and other Welsh Public Sector bodies must adopt to evidence their commitment to implementing sustainable development. This includes specific emphasis on involvement, collaboration and integration in meeting well-being objectives and goals.

The ability of Local Authorities and other Public Bodies in Wales to provide excellent services proves to be even more challenging during the COVID-19 pandemic, as the demand for services are both changing and growing at a time when resources to deliver those services have been reduced and will continue to be fiscally challenging for the foreseeable future.

InFuSe (Innovative Future Services) is a new collaboration between Cardiff Capital Region City Deal, the ten Local Authorities that comprise the region, Y Lab (a partnership between Cardiff University and Nesta), and Cardiff University's School of Geography and Planning, and Business School.

The partnership has been formed as a direct response to the Welsh Government's strategy to work collaboratively, and explore ways Local Government can change their approach to improve services, enhance their commitment to sustainable development, address equal opportunities and tackle poverty with the resources that are currently available.

InFuSe will test new ways in which Local Authorities address the challenges they face in delivering their statutory and discretionary services within the current fiscal environment and the opportunities that arise from the significant long-term investment in the region's economic infrastructure through the Cardiff Capital Region City Deal.

InFuSe will contribute towards these policy objectives by:

- bringing together multi-disciplinary teams from the ten Local Authorities, which will be comprised of a range of front-line staff, senior and middle managers, and professional staff relevant to two chosen thematic challenge areas;

- delivering a range of active learning techniques and transferable skills to enable the multi-disciplinary teams to identify, investigate and assess alternative solutions to the two thematic challenges; and
- identifying how best to procure or support new solutions using innovative techniques to maximise the benefits to local entities and the wider community.

The outcomes of the operation will be to:

- embed a resilient collaborative approach across service areas within the ten Local Authorities across the Cardiff Capital Region to solving shared challenges; and
- develop and disseminate to a wider audience, the transferable processes, techniques and tools to help Public Sector Bodies and Third Sector organisations work collaboratively, change their approaches, improve service delivery and increase value for money.

The InFuSe Operation will cost £5,631,598 and will require £3,622,872 from the European Social Fund of which £2,421,218 will be required from the West Wales and the Valleys Convergence Programme and £1,201,654 from the East Wales Programme.

Section 1: Core Criteria

1. Innovative Future Services - The InFuSe Operation

1.1 The Strategic Context

Public services play a vital role in the lives of every citizen in Wales and they continue to strive to provide an excellent standard of service within a long standing fiscally challenging environment. The impact of the coronavirus pandemic has thrown the way that these services are delivered into sharp relief – necessitating rapid and unprecedented changes in both the way that these services are delivered and how they will be funded in the future.

City, County and County Borough Councils work with a range of local and national partners, citizens and communities, to deliver a wide range of statutory and discretionary policies, programmes and services by responding to local priorities, focusing on the needs of the local population.

A study from the Social Market Foundation, published in June 2017, identifies and explores six changes that are likely to have a dramatic impact on the demand for, and supply of, local public services by 2040.

<http://www.smf.co.uk/wp-content/uploads/2017/06/2040-report-web.pdf>

An ageing population, fragmented families and housing availability and affordability, are among the key challenges that Local Authorities will face over the next two decades. The pandemic has accelerated many of these predictions, but also created the conditions for increased community resilience, among other things.

The pension-age population is forecast to rise by close to a third (34%) and the number of over-75s in the population is set to grow by 89%.

The ageing population will lead towards a surge in demand for health and social care services.

The breakdown of the nuclear family is also going to prove challenging for Local Authorities. The report warns that more fragmented families ‘could translate into greater demand for public services’ as care roles traditionally carried out by family members are left to the state or private providers. The fact that family members will be more widely dispersed will also impact on housing quality and affordability.

Localised environmental risks around flooding and air pollution are also expected to heighten over the next two decades.

The report also suggests that the public will have higher expectations of public service quality and convenience. It also notes growing disparities across regions and across generations where public services are concerned and that the public will 'demand an adequate response'.

These growing challenges will take place against a backdrop of a decline in the number of local government employees and an increase in the use of innovations in technology and 'big data' to improve the productivity of public services.

In addition to delivering statutory and discretionary responsibilities, Local Authorities contribute towards the delivery of stand-alone strategic initiatives that are intended to have a transformative impact on their locality and the wider region.

The Cardiff Capital Region (CCR) City Deal is a programme agreed in 2016 between the UK Government, the Welsh Government and the ten Local Authorities in South East Wales, to bring about significant economic growth in the region through investment, upskilling, and improved physical and digital connectivity.

The role of the CCR City Deal is to build a more resilient, clean, growth-driven economy of the future, encouraging evergreen inclusive growth investments from which generations to come can reap the benefits.

The £734 million Metro project is the cornerstone of the £1.2 billion CCR City Deal, creating a transport infrastructure which will help enable the social and economic objectives of the Cardiff Capital Region. This is further complimented by three Priority Funds to improve the region's economic infrastructure, drive economic inclusivity, and provide support for businesses in growth sectors, to expand and develop innovative services or products.

1.2 Regional Collaboration

The changing demography, the consequential change in demands for public services and the implementation of strategic initiatives such as the Metro Plus programme and other aspects of the CCR City Deal, will result in a range of challenges and opportunities for Local Authorities that are not yet fully known

or understood and which are likely to have changed either in their nature or realisation due to the pandemic.

Many of the challenges and opportunities will be regional in nature and will best be met by a collaborative and co-ordinated regional response.

InFuSe has been developed to enable the ten Local Authorities within the Cardiff Capital Region to identify some of the challenges and opportunities that have and will arise and to determine how best to meet them through a closer working relationship on a regional basis. It will support them to embed a stronger collaborative approach, ensuring its resilience and responsiveness to service delivery challenges which can be transferred to other areas within Local Authorities services and across to other Public Sector Bodies and Third Sector organisations. The links between InFuSe, the Local Wealth Building Challenge Fund and Public Services Testbed also reflects that InFuSe will form part of a wider programme bringing added value to the region.

1.3 Scope of the Operation

The InFuSe operation has been designed to develop and spread innovation skills, tools and methods across the ten Local Authorities in the Cardiff Capital Region and to embed a culture of collaborative working throughout the region.

This will be achieved through a mix of theory and practice, developed and delivered by Nesta and Cardiff University teams, to introduce Local Authority staff to new processes and concepts whilst providing a safe and supported environment to try them out. It will enable participants to develop their knowledge and practice, so they can take new skills back into their own organisations and share them with other colleagues.

InFuSe will identify up to ten thematic areas of high importance to the ten Local Authorities within the Cardiff Capital Region .

The operation will assess the suitability of these ten thematic areas and likely focus on up to two of those themes. For example, this might look at problems and opportunities linked to developing the regional economy or solving pressing social issues identified in the region's Public Service Board's Well-being Plans.

The two themes will become the focus for each of the workstreams delivered through the programme, with participants using these themes to develop new skills and knowledge in both a theoretical and practical manner.

Key stakeholders from the Cardiff Capital Region have indicated that there are currently skills deficiencies in three areas which will form the core workstreams of the programme, namely:

- **Investigating and testing alternative approaches:** The programme will support cross-regional teams to learn about and deliver experiments that test potentially scalable solutions to region-wide problems;
- **Making the best use of data:** The programme will support cross-regional teams to better collect, manage, analyse, understand and make use of data linked to the two themes, leading to more effective use of data in decision making; and
- **Procuring innovation:** The programme will support participants to learn about, develop, and test new process and methods for procuring innovative products and services that produce better outcomes for people who use and deliver services against the two themes, encouraging more collaborative working in order to benefit the wider region.

The programme is designed to last for three years, during which two themes will be identified to underpin the work, an intensive and comprehensive programme of activity will be delivered, and the results will be effectively disseminated across the region.

While participants will work within one of the three workstreams identified above (Adaption, Data or Procurement), there will be opportunities for collaboration and sharing between teams and in-depth engagement with senior leaders, ensuring that the right level of buy-in and leadership support is secured for the programme to be successful over the long-term.

Programme Values

This programme will at all times adhere to the following key values:

- **Inclusive and representative** - making sure that all voices are heard;

- **Outcomes-driven** - not just developing skills, but demonstrating changing outcomes;
- **Useful regardless** of project outcomes - ensuring that participants develop transferable innovation skills;
- **Collaborative** - ensuring that greater collaboration between organisations within the region is at the forefront of everything; and
- **Adaptive** - using timely evaluation throughout the programme, to quickly learn from and improve the programme as it is delivered.

1.4 Outputs and Result Indicators

The Result Indicator for ESF Priority 5, Specific Objective 1 ‘SO1: Collaboration and innovation in public service delivery’ is “Number of new methods, procedures, and tools developed and disseminated”.

The InFuSe operation will assist the ten Local Authorities in acquiring the skills and knowledge to work collaboratively to solve some of the pressing challenges and opportunities that will arise from the changing demands being placed on public services and the implementation of the Cardiff Capital Region City Deal.

The operation will:

- establish and embed a new means of regional co-operation between the ten Local Authorities;
- enable the identification of two regional themes to be investigated and a range of potential interventions tested (the formulation and implementation of full-scale regional responses to the themes will be outside the scope of this operation); and
- embed a range of new skills for a range of front-line staff, senior and middle managers and professionals through active learning techniques that can be taken forward into the CCR Public Testbed programme.

Together, the East Wales and West Wales Operations will deliver the following Output Indicators under SO1:

One (1) project targeting public administrations or public services at national, regional or local level.

- Up to Three (3) methods, processes and tools being developed with support potentially consisting of:
 - a. one (1) new toolkit for an outcome-based, data analytics methodology;
 - b. one (1) new toolkit for challenge/values-based procurement;
 - c. one (1) new toolkit to support adaption activities and learning.

Ten (10) entities participating in projects targeting public administrations or public services at national, regional or local level (being the ten Local Authority Joint Beneficiaries).

The Operation will follow WEFO Guidance on P5 Indicator definitions when claiming output indicators:

<https://gov.wales/sites/default/files/publications/2019-12/european-social-fund-esf-public-services-reform-and-regional-working-performance-indicators.pdf>

Intended outcomes from the Operation will be:

- improved effectiveness of decision making;
- economies of scale in meeting challenges and opportunities on a regional basis;
- the knowledge of how best to replicate the methodology across other Local Authority based activity or thematic areas;
- the dissemination and transfer of the methodology, processes and tool kits and the benefits of their deployment to other Public Sector Bodies and Third Sector organisations across the Cardiff Capital Region and Wales.

2. Delivery Options

2.1 Option 1

A consortium of the ten local authorities, Cardiff University and Nesta, with the ability to procure external support from the Private and Third Sectors where necessary.

This approach will require the enhancement of existing staff resources within the Lead Beneficiary organisation to manage the operation, and within Y Lab and additional Cardiff University schools to engage staff with expertise in the two chosen themes.

The in-house resources will be complemented by Private and Third Sector participation where there are gaps in provision.

2.2 Option 2:

Managed by the Lead Beneficiary with the services being fully contracted out.

This approach would require the Lead Beneficiary to procure and manage external consultancy services.

2.3 Option 3:

Do Nothing.

2.4 Option Appraisal

The changing demands being placed on public services, including by the pandemic, and the implementation of the Cardiff Capital Region City Deal will place greater demands on Local Authority resources. Their ability to meet the challenges and maximise the benefits of the opportunities presented by the City Deal will require new ways of working together.

It is considered that **Option 3. 'Do nothing'** would inhibit the ability of the ten Local Authorities to address regional challenges and opportunities through the implementation of new innovative solutions.

Without an investigative programme and the development of new decision-making tools and processes, the challenges being faced by Local Authorities may materialise unchecked and the opportunities underexploited.

Option 2. Engaging external consultants with the relevant expertise to facilitate the initial collaboration, identify a wide range of ten themes, investigate and assess their suitability for the operation and to undertake the responsibilities of the Adaptation, Data and Procurement Labs, would require procurement through the Official Journal of the European Union.

The drafting of the tender specification, and the corresponding timeline to assess the submitted tenders, appoint and deploy the consultants could take 3 - 9 months depending on the complexity of the specification. This severely limits the delivery time as the end date cannot move beyond 2023.

It is unclear what the cost of engaging consultants would be as this is a unique operation. The breadth of expertise required may be beyond the scope of a single supplier from Wales, making it challenging to embed the knowledge they generate in the region. The project may require more than one consultant which adds risk.

As a procured 'non staff' cost to the operation, any supplier contract will include an element of profit. Local Authorities would also need to identify new cash match funding to co-finance the contract.

Procurement of external consultants to deliver the envisaged services is therefore considered to be a high-risk, poor Value for Money, and not financially viable approach.

Option 1: A partnership between Local Authorities, Nesta (Y Lab) and Cardiff University (Y Lab, School of Geography and Planning, and Cardiff Business School) is the preferred solution.

This option has been chosen for the following reasons:

- Y Lab is an existing partnership between Cardiff University and Nesta;

- Cardiff University is a world leading innovative institution, ranked 5th amongst UK universities in the 2014 Research Excellence Framework and 2nd for impact. Driven by creativity and curiosity, Cardiff University strives to fulfil its social, cultural and economic obligations to Cardiff, Wales and the world. Cardiff Business School is the world's first 'Public Value' Business School and has a proven track record of excellence.
 - Nesta is an innovation foundation applying a collaborative and practical approach with over 20 years of experience making bold changes happen in public services using evidence, data and people.
-
- Y Lab combines the academic expertise of Cardiff University and the international perspectives and innovation-led implementation of Nesta. This is a unique combination nationally, not just regionally. The primary purpose of Y-Lab is to support public service innovation in Wales and to disseminate new knowledge;
 - Since its creation in 2015, Y Lab has provided training and workshops for more than 500 Public and Third Sector staff and employees;
 - Y Lab has supported a range of organisations to undertake experiments and test 'what works' and are currently helping organisations to implement new ideas that have proven their worth;
 - Y Lab continues to work closely with Welsh Government and other key stakeholders including Cardiff Capital Region to support and advocate for innovation in public services and produce useful research on the barriers and drivers of innovation in public services;
 - Y Lab already has specific knowledge of the Welsh Local Government system and Cardiff Capital Region challenges; and

- From 2021, Y Lab and the wider Cardiff University team working on InFuSe will be located at the University's new £300m Innovation Campus, which will house [SPARK](#), the world's first social science research park. SPARK is a purpose-built facility that will bring together researchers with practitioners, policy makers and other stakeholders to promote a collaborative approach to problem-solving real-world challenges. New facilities will include a visualisation lab, labs for studying computational social science, behaviour and innovation, secure data facilities and flexible meeting rooms. This environment may be available to InFuSe participants, through University supported activities.

Example: Y Lab's Innovate to Save programme

Our Innovate to Save programme, funded by Welsh Government, in partnership with WCVA, has achieved clear economic and societal impact. We have distributed £270k of grant funding and a package of non-financial support to 15 teams of public servants. All 15 teams have provided R&D reports and/or loan applications, many demonstrating early evidence of improved services and cashable savings. We have distributed four loans worth £2.9m, with projected savings in excess of £10m. We have demonstrated changes in the "innovative imagination" of the teams, and sparked new research on the ways gender relates to the distribution of innovation funding. We have written a "playbook" capturing the approach for other interested governments, and we have been asked to present this work to the Scottish Government and the Danish Social Capital Fund and Social Investment Fund. This work has led to changes in the parent Invest to Save fund, and a secondment from Welsh Government to Y Lab examining why good ideas fail to spread and scale in Wales.

Y Lab is a regional asset. No other external providers can offer this combination of knowledge and approach. No other organisations have the required skill set, relationships with existing regional structures, track record of delivery, or understanding of the region's environment and history. This partnership therefore provides strong value for money and value-added activities.

Nesta and Cardiff University have agreed to collaborate in InFuSe under the ESF FR40 Financial Model, which requires a financial contribution from all Joint Beneficiaries.

Nesta and the University have some resources available to rapidly start the initial assessment of the ten themes.

Y Lab will have to recruit staff with specific expertise once the two themes have been agreed. This carries some degree of risk (Appendix 3: Risk Analysis and Management Plan) however, the time to recruit additional expertise will be much less than the full procurement of external expertise. In addition, Y Lab can mitigate the impact of this risk as it already has some capacity to initiate the work on the two chosen themes immediately.

The cost of Nesta and Cardiff University's participation has been determined and the partnership therefore has a significant level of assurance over costs, and that sufficient match funding can be secured for the operation.

Operating on a partnership basis enables the operation to identify Cardiff University and Nesta as Joint Beneficiaries, with associated staff costs which generate FR40, which in turn increases the ability to generate the required level of match funding.

For the reasons stated above Option 1 is the preferred Delivery Model because:

- It is the only means by which the operation can proceed effectively and efficiently within the timeframe that is available;
- It offers strong Added Value, drawing on existing, nationally-recognised expertise and track record in public services innovation, and wider University investments in a world-class Social Science Park;
- The likelihood of the long-term embedding of skills and legacy tools, methods and processes is strengthened through direct delivery in partnership with major regional partners;
- It provides best Value for Money, with all Joint Beneficiaries committed to supporting the FR40 model and match funding requirements of the Operation.

3. The Delivery Plan

3.1 The Partnership

Cardiff Capital Region City Deal and Monmouthshire County Council (on behalf of the ten other Local Authorities in the region) have created a partnership with Y Lab (partnership between Cardiff University and Nesta) and additional Cardiff University partners to deliver the InFuSe operation.

The partnership will examine the wider challenges that will arise from the changing demands being placed on public services and the opportunities of the investment that will result from the implementation of the Cardiff Capital Region City Deal, responding to those challenges and opportunities through closer working on a regional scale, and embedding a collaborative approach across the region.

3.2 Option 1

Cardiff Capital Region City Deal and Monmouthshire County Council have, in partnership with Y Lab and additional Cardiff University partners, formulated a delivery plan which includes the following six workstreams.

- Workstream 1 - Thematic Assessment;
- Workstream 2 - The Adaption Lab;
- Workstream 3 - The Data Lab;
- Workstream 4 - The Procurement Lab;
- Workstream 5 - Continuous Learning;
- Workstream 6 - Ensuring Resilience and Legacy.

A promotional brochure for the InFuSe operation is included as **Appendix 1**

The length and timings of the workstreams are set out in the Gantt Charts in **Appendix 2.**

3.3 Workstream 1 - Thematic Assessment

The InFuSe programme is designed to start to tackle two significant problems or take advantage of new opportunities (referred to as “themes”) within the Cardiff Capital Region.

To that end, the first part of the programme will require participating Local Authorities to identify and agree on the themes to be tackled.

The themes will then be the focus of practical work within the three core workstreams. Two thematic specialists will undertake relevant work throughout the programme to generate new knowledge and ways of working for these two themes across the Cardiff Capital Region.

Leadership and political support from Cardiff Capital Region City Deal (CCRCD) will be crucial in releasing resources from the Local Authorities to participate in workstreams and deliver cohort projects. CCRCD will be engaged throughout the thematic work, but particularly in the choice of themes.

Identifying the two themes

InFuSe will run an engagement exercise and one workshop with Senior Leadership (Chief Executives and their Direct Reports) across the ten Local Authorities to understand which headline problems or opportunities would promote regional working and receive their buy-in. Potential areas for exploration include:

- Post-COVID economic and social recovery
- improving local economic development;
- reducing air pollution;
- decarbonising public services;
- supporting dementia;
- reducing diabetes;
- supporting ACEs/Looked after children; and
- reducing loneliness and isolation

The Y Lab team, with additional Cardiff University support, will assess the top three or four problems and challenges that receive senior leadership buy-in against the following criteria:

- availability of and access to data;
- identifiable and significant procurement spend over the short-term;

- availability of new ideas that could be adopted within the region that haven't previously been explored;
- an assessment of the existing attitudes, skills and knowledge base within public services; and
- their ability to contribute toward the Local Authorities' Well Being Plans and in particular their ability to contribute toward:
 - Equal Opportunities and Gender Mainstreaming (EO&GM);
 - Sustainable Development (SD); and
 - Tackling Poverty and Social Exclusion (TP&SE).

The outcomes of the workshop and further research will be presented to the Senior Leaders and the CCR Cabinet to gain their support for the two themes that the InFuSe programme will focus on.

Refining the themes

We intend to establish a Steering Group for each of these two themes that will help to:

- define one or two measures of success for the programme against the theme;
- understand up to five big questions that need to be answered that are pertinent to the ten Local Authorities; and
- define who should be involved in each of the workstreams in order to unlock resource from participating organisations.

The Steering Groups will then act as a critical friend during the delivery of the subsequent workstreams.

Ongoing thematic work

Y Lab will employ one thematic specialist for each theme who will focus on exploiting the opportunities of this programme to drive real change for the theme.

Y Lab and additional Cardiff University partners will continue to develop its knowledge and understanding of the two themes, making sure that the thematic teams have as much evidence as possible to make good decisions, adding to the evidence as appropriate.

This could include: mapping of current knowledge and resources; rapid evidence assessments; stakeholder engagement within the region; undertaking small pieces of primary research to help delivery of the operation; ensuring the other workstreams are tackling the most important questions for the theme; bringing outside knowledge and experience into the region; and disseminating findings throughout the region, including to Senior Leaders and the CCR Cabinet.

3.4 Workstream 2 - The Adaption Lab

The Adaption Lab is designed to increase regional working by tackling region-wide opportunities and problems through the practice of experimentation. In particular, it will look to tackle regional problems by scaling, adapting or adopting proven solutions developed elsewhere through an experimental approach to understanding what works in different contexts.

It will give public servants access to new tools, skills and methods that enable them to run experiments in their own organisations, and to practice those skills in a supportive and safe environment, with guidance from an experienced team of innovation professionals and academic researchers.

Target Participants

Project teams will be identified through an open call process initially within the Local Authority Joint Beneficiaries, delivered in partnership with the Cardiff Capital Region City Deal Office. We intend to form a number of small teams (2-3 per cohort) that will take on a collaborative project that also helps them to develop and test new skills, whilst working towards solving a shared challenge.

The Process

The Adaption Lab will help public services to identify shared opportunities and problems that they need to tackle.

Rather than asking them to come up with new ideas to solve these problems, then testing and developing these, Y Lab will support participants to seek out proven solutions that can be tested in their own geographic areas or specific contexts, focusing on the often-forgotten implementation and scaling stages of innovation. This will also go some way to alleviating the problem that “good practice is a bad traveller”.

Solutions may come from other Public Service organisations in the region or from other Public, Third and Private Sector organisations in Wales and beyond.

To ensure it is understood how best to adopt proven solutions in new contexts, the Adaption Lab will support Public Services to undertake an experimental approach to implementation and scaling, comparing the new approach with existing practice within their own organisation or comparative groups that don't receive the new solution. In this way, it is anticipated that new knowledge will be generated about how proven solutions might scale more effectively. In cases where it is found they can't, the process will be analysed to understand why and key learning points will be identified to take forward.

The first three months will cover the following key topics, introducing participants to a range of new tools and methods along the way:

Month 1 - Understanding the problem and building a team;

Month 1 will focus on setting good foundations for an innovation project - really getting to grips with the challenge, engaging with the people it impacts and making sure that the team taking on the work are the right people to do the job. It will also allow teams to agree on how success will be measured in overcoming the challenge.

Month 2 - Exploring Known/Proven Solutions

This phase will support teams to explore solutions already proven elsewhere and decide which look most promising to them. In this phase, the project teams will ensure they work with service users and frontline staff to assess potential options and ensure that they can see a way that it can be adapted within their context. This will help to build buy-in for any possible solutions and avoid some of the "not invented here" challenges that we often see in Wales.

Month 3 - Setting up a Prototype and Planning an Experiment

This month will act as the transition from research to action - putting in place all of the plans and resources necessary to run their experiment over the following three months. It may include an element of prototyping - early work to ensure a lightweight version of the idea to be tested can actually be built, alongside thinking about the questions that need to be answered and the methods and data that will be used to answer them.

Months 4 - 6 - Running an Experiment

On completion of months 1- 3, teams should be in a position to undertake a small experiment, predominantly under their own steam, to put some of the tools and methods we've provided into practice.

The lab will continue to provide light-touch support for individual teams, for the cohort as a whole to maintain peer connections and, crucially, independent challenge and advice to keep teams focused on their goals.

Why Scale?

Wales faces some significant social, economic and environmental challenges. While it's right that solutions to these challenges are developed within the local context, increasing the pace at which things are solved is imperative and scale can support this. There are a number of ways in which proven solutions can be scaled that enable people to improve public services quicker, whilst still allowing space for local adaptations that ensure buy-in and effectiveness on the ground.

Scaling route	Models and approaches	Activities	Scaling focus
Influence and advise	Campaigning and advocacy Consultancy Training	Public speaking Publishing Engaging with policymakers Communicating via traditional and social media Advising or training others	Central idea Principles, values, processes, guidelines Services Programmes
Build a delivery network	Federations and membership models Communities of practice Kitemarks and quality marks Licencing Franchising Delivery contracts Collaborations	Representation Advocacy and awareness raising Transferring knowledge, codifying processes, sharing good practices, providing tools Training, support and quality assurance Community and movement building	Principles, values, processes, guidelines Programmes Services Roles
Form strategic partnerships	Strategic alliances Mainstreaming into the public sector Piggybacking on another organisation's infrastructure Joint ventures Mergers and acquisitions	Brokering and managing partnerships with other organisations that allow a step change in scale Transferring knowledge Creating a sense of common values and mission	Programmes Products or services Roles
Grow an organisation to deliver	Setting up new branches Growing delivery capacity of a central team	Building staff and team capabilities Raising funds/investment Developing organisational capacity and systems	Programmes Products or services Roles

Table: *Making it Big*, Nesta, 2014¹

Why take an experimental approach?

An experiment is a way of trying something new while putting in place the necessary structures to find out if it works. There are a wide range of experimental methods suited to different purposes with varying degrees of rigour.

It is not often known how innovations will work out so experimentation means that any solution can be treated as a work in progress, which tweaking and tinkering can improve.

¹ https://media.nesta.org.uk/documents/making_it_big-web.pdf

They allow organisations to explore new solutions, reducing wasted time and resources on initiatives that do not work. There are several ways to experiment, depending on the context. Sometimes it can involve working closely with the people who will use the end solution to see how an innovation works in real-life, like prototyping. Other times, it can involve using more robust evaluation methods, such as Randomised Controlled Trials (RCTs), to test an idea and create evidence to support it.

Experiments should always be designed in a way that best answers the question or hypothesis set.²

Business Basics

A current example of this approach to adopting innovation in an experimental way can be seen in the Business Basics programme, currently run by Innovate UK, with support from Nesta. The Business Basics Programme will test innovative ways of encouraging small and medium-sized enterprises to adopt tried and tested technologies and management techniques³. By taking an experimental approach, they hope to show in a rigorous manner, what works and what doesn't for boosting the productivity of small and medium-sized businesses in the UK.

How might experimentation work in Wales?

Reducing air pollution is a key challenge for the Cardiff Capital Region. There are a number of known solutions and new innovations available that would require an experimental approach to their adoption in Wales. For example, a project in Mexico City is using Airlite paint, which claims to reduce air pollution, in new murals across the city⁴. The product has also been trialled in London. Experiments across different contexts within the region could be an interesting way of exploring whether this is a useful part of the toolkit for reducing air pollution, as well as meeting some of the requirements of the Well-being of Future Generations Act (for example – 'a Wales of vibrant culture and language').

² For more on experimentation see: <https://media.nesta.org.uk/documents/Compendium-of-Innovation-Methods-March-2019.pdf>

³ Business Basics: <https://www.gov.uk/government/collections/business-basics-programme>

⁴ <https://www.unenvironment.org/news-and-stories/story/business-unusual-four-innovations-clear-air>

Outcomes

It is anticipated that the workstream will have the following outcomes:

- **Accelerating** the adoption of proven solutions to regional challenges by supporting a few small experiments;
- Generating new, transferable knowledge about **the process** of adopting, adapting and scaling proven solutions;
- **Identifying** areas where proven solutions are still required (i.e. they don't already exist) and there's a need for earlier stage innovation support;
- Demonstrating a method for **increased regional** working that produces an impact at scale.

3.5 Workstream 3 - The Data Lab

Despite substantial appetite from Local Authorities in Wales to make informed data-driven decisions, a culture-shift across the region is needed to make this a reality.

Cohorts of public servants will be up-skilled from across the Cardiff Capital Region to undertake outcome-driven projects to provide evidence of the benefits of a new approach. High levels of data literacy among senior leadership will be ensured through the use of InFuSe “guides” – managers across local authorities who “guide” teams.

Legacy activities will be developed by producing a new toolkit for an outcome-based, data analytics methodology, and a costed model for a Cardiff Capital Region Office of Data Analytics.

Why is this needed?

Many of the greatest challenges to Public Services, such as COVID-19 recovery, air pollution, healthy ageing, and early child development, require Public Services to work in new ways, with the best available evidence that can be generated. These challenges exist across Local Authority boundaries and departmental silos, requiring information across systems to be combined.

CCR is a data-rich region, with three universities, the Office for National Statistics, Companies House and the Intellectual Property Office. Yet, many Local Authorities struggle to make the best use of data. Reasons for this include a

severe shortage of data analytics skills and support in the Public Sector, combined with an absence of the regional networks that can turn piecemeal good practice into lasting change .

At the same time, there are pressures to utilise emerging technologies such as artificial intelligence and machine learning, as well as solve problems in which data analytics specialises e.g. prioritising people based on risk or need, identifying early signs of risk, surfacing new insights through visualisation, and streamlining operations and decision making.

Transforming the Cardiff Capital Region into a “smart data region”, requires dealing with multiple challenges simultaneously. The region will need:

- public servants with the required skills;
- high levels of data literacy among senior leadership;
- examples of good practice generated from the region;
- regional working to be the default;
- understanding of the assets to be built on and the barriers to be targeted;
- a regional network to share learning and problem solve; and
- an enabling data infrastructure.

Ultimately, an Office of Data Analytics⁵ for the region would ensure a long-term legacy for this work and drive the vision forward.

What will be done?

- Creation of six cohorts of public servants (three sequential cohorts per theme) drawn from across Public Services in the region, divided into multiple cross-functional teams, working across boundaries to drive forward improvements in the management, analysis and use of data;
- A programme of work will be developed, through extensive baseline research, workshops and evidence gathering to map the relevant data systems and establish priority projects for the cohorts, focused on improving outcomes;
- A training programme will be delivered that focuses on both innovation skills and data skills;

⁵ <https://www.nesta.org.uk/report/state-offices-data-analytics-uk/>

- A senior leader in each authority will guide and celebrate their local teams. They will learn how to nurture good data practice as well as coming together with their equivalents in other authorities to learn how to make regional working the default;;
- Case studies and good practice of data collection will be captured, involving collaborative decision-making with representatives from anchor organisations, circular and foundational economy sectors;
- Fixed-term secondments/positions will be arranged for BSc and MSc students with sufficient data science expertise, to support the data champions;
- Citizens and communities will be involved, including establishing collaborative networks involving representation from the circular and foundational economy sectors in contributing to Public Service data collection and data management;
- Decision making processes will be improved using new approaches, via an appropriate and inclusive mechanism;
- A fully costed and piloted case for an Office of Data Analytics for the region will be delivered, for consideration of the Public Service Bodies involved; and
- A new toolkit for an outcome-based, data analytics methodology will be produced and disseminated.

What types of projects might we undertake?

The New Orleans’ Office of Performance and Accountability has highlighted five question types that are particularly amenable to quantitative data analytics, but we’re just as interested in qualitative data:

Question Type	Example Data Product
How can we identify targets within a broader population?	A graph showing anomalies or outliers

How can we categorise high-priority cases early?	A prioritised list
How can we proactively deploy resources?	An alert to flag issues when a threshold has been reached
How can we make decisions with all relevant information?	A data visualisation or dashboard
How can we schedule and deploy assets with input of the latest service data?	A map or heat map showing where cases occur

Five examples that illustrate the kind of work we could do are:

- After tragic deaths of tenants in New York in 2009, the Mayor’s Office for Data Analytics worked with the fire department to use data about buildings to help identify those in urgent need of fire inspection because illegal overcrowding by landlords was creating fire risks.
- Trafford Council and Trafford Clinical Commissioning Group used local and national health data to identify where rates of cervical screening (smear tests) were low. They used the data to create an award winning targeted public health campaign.
- The RSA used local wellbeing data that they helped community members in Murton, Durham to collect to focus funding where it was most needed. The data indicated that single mothers were at particular risk of social isolation in the village, leading to the co-production of a successful community group.
- Essex County Council collated the addresses from each agency of all businesses “of concern”, identifying a subset of 95 businesses that are “of concern” to at least three agencies, enabling prioritisation of these businesses for cross-agency solutions.

- London Fire Brigade showed that energy performance certificates (EPCs) are a better predictor of fires than tenure type, so they now target their fire prevention work based on EPCs.

The Process

Recruitment of people from across local authorities with problems they are looking to solve

Innovation Skills training that focuses on problem definition and human centred design along with colleagues from other InFuSe labs. These are the foundation of successful public sector innovation projects.

Data Skills training that focuses on data ethics, and the 4 step methodology - which are key to impactful data use.

Solving their own data problems, in partnership with data analytics support from the Data Lab, users of public service data and intensive peer support from cohort colleagues from other authorities.

Sharing their prototypes, their methods and the lessons from their projects with cohort, lab and InFuSe programme colleagues, academics, data science graduates and sector experts in the third and private sectors.

Outcomes

It is anticipated that this workstream will have the following outcomes:

- public servants have solved data problems in their work, providing examples of good practice that can be shared across the region;
- public servants have the skills required to use data for better decision making and have a regional network they can use to continue to develop their skills;
- leaders will be able to guide data projects and will know how to advocate for better data use in their authority and across the region;
- lasting improvements to the data infrastructure, including data sharing agreements and better quality data, with regional working as the default;

- a costed model for a Cardiff Capital Region Office of Data Analytics; and
- a tested and refined methodology for undertaking data projects across the region.

3.6 Workstream 4 - The Procurement Lab

Public sector spending can represent as much as 57 percent of a nation's GDP (OECD 2017), and so the role of public procurement becomes significant in terms of justifying value for [taxpayers'] money. Public bodies in Wales will spend over £60 billion in the next decade on buying goods, services and works. The Well-Being of Future Generations (Wales) Act 2015 has firmly placed Wales in the international spotlight by setting out a bold ambition to leverage the procurement spend of 44 public bodies across Wales to meeting well-being goals. There is no doubt that a sustainable procurement approach plays a vital role in supporting the improvement of well-being in Wales.

“We hope that what Wales is doing today the world will do tomorrow. Action, more than words, is the hope for our current and future generations.”

Nikhil Seth, Head of Sustainable Development, United Nations

Designing innovative policies and legislation is all well and good but implementing them successfully is more challenging. Procurement is an important function which interfaces with the client, the market and finance, and when delivered effectively supports implementation of policy. This makes it a crucial vehicle for lining up the appropriate support across some of the most economically and socially deprived areas in Cardiff Capital Region which are relying on a new and transformational approach. Employment and business growth opportunities have become an urgent necessity.

Whilst the development of the Cardiff Capital Region brings scope for considerable economic growth in Wales, *how* goods and services are currently procured across the Region varies greatly. This brings a unique and timely opportunity for innovation and development by working collaboratively and through co-production.

By strategically elevating procurement and breaking down historical organisational and functional silos, it is essential to drive forward and embed a culture of innovation to render procurement fit for the future. There are

transferrable lessons from existing international research on public procurement for innovation, the public procurement of innovation, and how to develop innovative public procurement. However, less is understood globally about deploying public procurement as an innovation policy tool.

Procuring innovative goods and services may be written into policies, but effective implementation requires leadership, skills and radically different cultural attitudes towards procurement.

There should no longer be emphasis on short-term perspectives on price, always opting for the cheapest solution, and instead the commissioning and procurement focus should be on a longer-term perspective for more innovative, legacy building solutions.

Building on the good practice which exists in terms of policies and toolkits such as Community Benefits, Risk Assessment, SQuID, Sell2Wales, Code of Practice and Joint Bidding, this workstream will focus on adopting a new integrated digital approach for procuring innovative goods and services with clearly defined project outcomes within the Cardiff Capital Region. Any engagement with procurement beyond the Cardiff Capital Region will be considered as added-value.

The purpose of Workstream Four, through knowledge exchange, skills development and action-based learning, is for procurement teams to work with the project partners to reduce complexity in the current procurement process and mitigate a culture often forced to treat multiple policies as a 'tick box exercise'. Instead, it will embed [transferable] knowledge and expertise, by optimising existing procurement tools and identify the need for a new overarching online toolkit, which will align with the aims of *Prosperity for All* (September, 2017), the *Economic Action Plan* (December, 2017) with the emphasis on the *Foundational Economy* (2018). This new approach will also improve opportunities for the supply market and deliver more sustainable outcomes for Wales and importantly for the end users of the products and services being procured.

Why is this needed?

Public procurement as strategic lever: There is substantial academic research evidence linking public procurement as a strategic lever for change and an accelerator of innovation. The First Minister in Wales has pledged to use “*every lever we have*” to make Wales a more equal, fair and just society. To prosper,

Wales needs to embrace and nurture its 'foundational economy'. The Cardiff Capital Region City Deal brings immense potential for improving the Welsh economy and public procurement is the appropriate vehicle to test new ways of thinking and using a whole life cycle (cradle-to-grave) approach.

Continuing uncertainty and austerity: This has triggered the urgent need for Wales to adopt more novel approaches to procurement and to build specific criteria into contracts such as improving community benefits by tackling a growing number of social issues, prolonged economic deprivation and help implement Welsh Government's decarbonisation agenda (2019) (<https://gov.wales/prosperity-all-low-carbon-wales>).

The Future Generations legislation - provides a window of opportunity for public bodies in Wales to explore innovative solutions in the marketplace. However, in 2018, the Future Generations Commissioner raised concerns in the National Assembly's Public Accounts Committee report that procurement policy and practice has not kept abreast of the principles of the new legislation.

Whilst cost remains a focus for many, the purpose of this stream is on action-based learning and knowledge transfer to look beyond short term economic gain and to focus on value added benefits that 'responsible innovative procurement' can bring to the people living and working in Wales.

What is proposed:

- greater collaboration with academia and business support organisations to enable deeper levels of knowledge transfer for bridging the gap between procurement policy and the supply market, i.e. better recognising what is actually feasible;
- greater collaboration between commissioning, procurement and contract management to improve the transparency of the procurement pipeline thus optimising time for smaller local businesses to prepare and bid for contracts;
- embed a culture of sustainable leadership, change and innovation through co-creation across and between all stakeholders;
- optimise existing tools and establish the need for a new overarching toolkit and to better meet the needs of the client and the local market, and improve the effectiveness of the procurement process; and

- explore the potential of innovative partnerships for higher value, strategic spend items and consider opportunities to trial potential solutions via the CCR Challenge Fund and the Public Services Testbed.

The types of projects that might be undertaken:

Project Proposal	Possible Approaches
Explore new interventions for improving the procurement process to enable more innovative products and services.	<p>Delivery of ‘leadership masterclasses’ for procurement leaders at Board level.</p> <p>Establish needs-based procurement projects in the Cardiff Capital Region.</p>
Develop and optimise local ‘innovation eco-systems’, by engaging more with the Welsh supply chain.	<p>Collaborative training programme to deliver improvements in awareness of challenge-led procurement;</p> <p>Training and development of ‘Innovation Champions’ in the procurement field, in anchor organisations, business support and circular and foundation economy sectors throughout the region.</p>
Optimise indirect spend as well as direct spend such as reducing plastics and packaging in procured goods and services.	Establishing collaborative networks involving representation from anchor organisations, circular and foundation economy sectors.

Continuity Planning

Stream Four will highlight areas of existing good practice where spend within the region has been maximised by anchor organisations to deliver positive impact on the Circular and Foundational Economy sectors leading to new business growth and employment opportunities.

A mentor scheme and acknowledgement of hubs of excellence across procurement categories will enable less strategically developed Local Authorities to transfer knowledge for a more balanced effort across Wales when it comes to realising the potential of a more sustainable procurement approach to benefit the local community.

An overall Regional Centre of Excellence in innovative procurement training and staff development will be established so that knowledge transfer continues to be identified and disseminated to other regions.

The Process

The emphasis is on building transferable knowledge exchange and action-based learning for skills development.

The operation will:

- design and deliver Leadership masterclasses;
- utilise Challenge Led procurement approaches;
- mentor Innovation Champions in procurement;
- establish collaborative networks with anchor organisations, circular and foundational economy sectors; and
- explore the potential for higher value strategic spend items.

The Outcomes

- strategically elevate procurement in Wales as a key enabler of policy implementation
- embed a culture of sustainable leadership, change and innovation across and between all stakeholders, creating a new community of practice;
- greater knowledge transfer through collaboration between academia and business support organisations;
- greater integration between commissioning, procurement and contract management to increase opportunities for smaller local businesses; and
- optimise existing tools and establish the need for a new overarching online toolkit and processes to better meet the needs of the client and the local market.

3.7 Workstream 5 – Continuous Learning

This workstream is an ongoing evaluation and learning exercise for the project.

The Adaptive Learning specialist engaged to deliver this work will provide a rolling evaluation of the programme that ensures we can learn and adapt the programme as we go. This will generate broader learning for the Cardiff Capital Region in rolling out action learning programmes and contribute to the longer-term legacy of the programme.

In doing so, it is hoped to demonstrate that ‘we’re living the values that we’re asking others to adopt’, to use the evidence that’s in front of us to develop better, more effective solutions to the challenges we face.

Multiple methods will be used, and at all times we will respect participants’ time by only involving those that participate on the operation.

3.8 Workstream 6 - Ensuring Resilience and Legacy

A key component of this process is ensuring the long-term legacy of the programme. This will be done in the following ways:

Ensuring senior leadership buy-in.

Y Lab and the additional Cardiff University team will make sure that senior leaders are bought into and support the process from the outset by:

- involving them in the selection of the themes;
- inviting them to participate in three whole-programme workshop events (beginning, middle and end) highlighting progress and achievements;
- giving them access to new skills to support their teams; and
- ensuring they’re kept up to date with the processes through reporting and engagement activities.

A senior leader in each authority will be the “InFuSe **Champion**” for that authority to guide and celebrate their local teams. They will learn how to nurture innovative practice as well as coming together with their equivalents in other authorities to learn how to make regional working the default.

Capturing and promoting new lessons and tools

Y Lab and the additional Cardiff University team will make sure that they document and codify any new tools, methods and processes that emerge from the programme and share them through the Y Lab website.

They will also run an end of programme event and dissemination activities to promote the tools and gain insight from the programme team and participants.

Giving participants new skills

In all programmes Y Lab and the additional Cardiff University team will embed a value of programmes being “useful regardless”. To them, this means that first and foremost they equip participants with new skills, tools and methods that they can take back to their own organisations and reuse without the team’s support.

The team will ensure that this is embodied across this programme, with the core focus being the transferrable skills and methods as much as the projects people are working on.

3.9 Innovation

InFuSe is a new collaboration between Cardiff Capital Region City Deal, the ten Local Authorities that comprise the region, Y Lab (a partnership between Cardiff University and Nesta), and additional Cardiff University Support.

The partnership will complement the remit of the Cardiff Capital Region City Deal by building the skills capacity required to ensure the public sector can innovate effectively – a key requirement if the City Deal is going to hit its ambitious targets.

InFuSe will test new ways in which the Local Authorities can work collaboratively on a regional basis, to address challenges and opportunities that will arise from a significant long-term investment in the region’s economic infrastructure and to deliver innovative solutions in a cost effective manner.

InFuSe will achieve this by:

- bringing together multi-faceted teams from the ten Local Authorities, which will comprise a range of front-line staff, senior and middle managers, and professional staff relevant to the two chosen ‘themes’;

- delivering a range of ‘active’ learning techniques and transferable skills to enable teams to identify, investigate and assess alternative solutions to the identified thematic challenges and opportunities;
- improving data skills and data literacy among public servants to drive better informed, data-driven decision-making;
- determining how best to procure new solutions using innovative techniques to maximise the benefits to local entities and the wider community;
- embedding a collaborative approach across service areas within the ten Local Authorities across the Cardiff Capital Region; and
- developing and disseminating to a wider audience, the transferable processes, techniques and tools to provide Public Sector Bodies and Third Party organisations with the ability to replicate through the CCR Challenge Fund and Public Services Testbed.

4. Finance & Compliance

4.1 Managing the Operation

Monmouthshire County Council is the operation's Lead Beneficiary.

The Authority has been in its current form since Local Government Reorganisation in 1996. There are no conflicts of interest in the Local Authority acting as Lead Beneficiary for the P5 Operation.

There are no previous (or pending) County Court Judgements relating to any individual and/or organisation or business related to the InFuSe operation or the receipt of grant aid.

The operation will be managed in accordance with a Relationship Agreement which sets out the roles and responsibilities of the Joint Beneficiaries and the means by which any variation of opinion and priorities can be resolved.

In accordance with that Relationship Agreement the Lead Beneficiary will establish a Strategic Board based the Government's de-facto project management methodology PRINCE2.

The Strategic Board will be chaired by a relevant senior officer within Cardiff Capital Region City Deal Office.

Y Lab, with additional Cardiff University support, will deliver the project in partnership with the ten Local Authorities.

There will be three Local Authority representatives on the Board. Representatives from the remaining seven Local Authorities will be invited to attend the Strategic Board at the end of every calendar year to review progress and agree the next year's programme of activity.

It will be the Strategic Board's responsibility to ensure that all Joint Beneficiaries actively contribute to deliver the project on time, within the agreed budget and to the agreed expectations.

The Local Authorities will also be asked to report to the Strategic Board how the operation has benefited their Local Authority.

The Strategic Board will be administered and supported by the Lead Beneficiary, Monmouthshire County Council, who will employ a small Regional Management Team (RMT) comprising:

- Programme Manager;

- Programme Engagement Manager; and
- Programme Finance and Administration Coordinator.

The RMT will monitor project progress, compile the quarterly Financial Claims, present reports to the Strategic Board, submitting quarterly claims to WEFO but more importantly it will:

- chair the ‘User Group’ comprising of senior officers from the ten Local Authorities who are able to direct resources at the operation;
- chair the ‘Delivery Leadership Team’ including Y Lab and the lead officers on the six workstreams
- seek out further integration with other relevant programmes within the Cardiff Capital Region; and
- liaise with other regional activities throughout Wales to disseminate the benefits and impact of the InFuSe Operation.

Y Lab will also have a management group to coordinate the operation’s day to day activities.

4.2 Operational Costs

The Joint Beneficiaries have agreed that the ESF specific Flat Rate 40% (FR-40) methodology for the calculation of all direct non-staff and indirect costs is the most appropriate means of calculating total project costs.

This method would be applied to each Joint Beneficiary.

InFuSe will be delivered in two ESF programme areas, with costs split between East Wales and West Wales and the Valleys programme areas on a ratio of 4:6 (reflecting the location of participating Local Authority Joint Beneficiaries). The identified funding gap results in an ESF intervention rate of 50% in East Wales, but 75% in West Wales and the Valleys.

Under FR-40 within the West Wales and the Valleys region the InFuSe operation is currently estimated to cost £3,228,291 and will require £2,421,218 from the European Social Fund.

	Total	East Wales	WW&V
Total staff costs			

	4,022,570	1,716,648	2,305,922
FR40	1,609,028	686,659	922,369
Total Operational Costs	5,631,598	2,403,307	3,228,291
ESF	3,622,872	1,201,654	2,421,218

A full breakdown of the staff structure, financial profile and financial assumptions are given in **Appendix 4**.

4.3 Match Funding

The Joint Beneficiaries will provide match funding to the operation, through a combination of staff costs and FR40.

There are two primary elements to the match funding of the InFuSe operation:

- some elements of match funding may come from staff who are employed by the Joint Beneficiaries who work directly on the operation; and
- the majority of match funding contributions to delivery costs will be from staff, employed by the Local Authorities who will be deployed to work collaboratively on the two chosen themes.

In addition, a secondary source of match funding may be other public bodies in the region, such as health boards, or Natural Resources Wales

With the ten Local Authorities committing a number of employees for one to two days a week to the operation, it is considered that the operation will generate sufficient match funding to release the requested level of ESF. Agreement letters confirming the Partnership Contribution for each Local Authority will be put in place specifying the amount of time given to the operation. Where this is not feasible, timesheets will be used in exceptional cases. Template documents will be agreed with WEFO prior to implementation.

However, it is anticipated that the two chosen themes may not be of uniform interest to the ten Local Authorities and interest and commitment to them may vary. In addition, the timeframe of their participation and salary scales can only

be determined once their participation has been secured and their contribution verified prior to the submission of each quarterly claim.

It is currently estimated that each of the 10 Local Authorities will need to commit one to two days per week from a range of staff for a period of 3-6 months in order to complete the work envisaged in the adaption, data and procurement labs, to develop solutions within the two themes and generate sufficient match funding for the operation.

There is a risk that Local Authority Joint Beneficiaries will not engage with the activities offered through InFuSe, resulting in a shortfall on the required level of match-funding generated by Local authority staff costs and associated FR40.

This risk will be managed contractually through the Relationship Agreement, with all parties committed to jointly monitoring staff participation, adapting delivery through timely feedback (workstream 5) and identifying solutions on a timely basis.

The Relationship Agreement will set out joint responsibility for the financial risks of the Operation, with the Chair of the Steering Board (a member of the CCR City Deal Office) providing independent scrutiny of mitigating actions proposed to manage financial issues.

4.4 Revenue Generation

The activities supported by the InFuSe operation are being delivered free of charge at the point of delivery.

The InFuSe operation will not therefore generate any income.

4.5 State Aid Regulations: No Aid Present

For State Aid to be present, four tests must be met. If one test fails, then State Aid is not present.

The four tests are as follows:

- does the aid come from public resources?
- is the aid selective?
- does it provide a competitive advantage?
- does it affect trade between Member states?

The funding under ESF Priority 5 is from a public source and it is selective in that it is not open to all entities throughout the UK.

The activities being funded will provide Local Authority employees participation in active learning to develop new skills, tools and processes to aid decision making and improve the effectiveness of the delivery of their services.

Any benefit derived from this investment cannot by its nature provide a competitive advantage or affect trade between Member States.

The nature of the investment does not therefore meet the four tests and so State Aid is NOT present within the scope of this operation.

4.6 Value for Money

Please see section 2.2 Delivery Option Appraisal for the analysis of benefits and Value for Money offered by the proposed collaboration between Local Authorities, Nesta and Cardiff University.

Indirect or longer-term Returns on Investment for this operation will arise on a number of levels which are difficult to determine accurately at this point as the operation will trial and embed new means of working and decision making.

The operation will:

- provide a new means of regional co-operation between the ten Local Authorities, academia and the third sector within the region;
- embed a range of new skills for Local Government employees through active learning techniques; and
- enable the investigation of two regional themes, yet to be determined.

Added value of the operation will arise from improved effectiveness of decision making, economies of scale in meeting challenges and opportunities on a regional basis, its ability to be replicated across other Local Authority based activity and its application across other Public Sector Bodies. Y Lab's Innovate-to-Save three-year programme has identified potential cashable savings in excess of £10m.

A key element of the independent evaluation, which will be commissioned once the operation has commenced, will be to establish the value of such an approach to decision making and the delivery of regional wide challenges and opportunities.

5. Strategic Fit

5.1 Alignment with West Wales and the Valleys 2013-2020 Programme

InFuSe is a partnership between Cardiff Capital Region City Deal, the ten Local Authorities that comprise the CCR, Y Lab (partnership between Cardiff University and Nesta), and additional Cardiff University partners.

The partnership has been formed to help respond to the regionalisation agenda in Wales, the changing demands being placed on Local Authority services and the delivery of the Cardiff Capital Region City Deal.

The delivery of the Cardiff Capital Region City Deal will have major implications for the region, in particular it will require the Local Authorities to respond to region wide challenges and opportunities if they are to maximise the benefit of this investment.

The InFuSe operation will:

- bring an additional complementary component of regional collaboration to the Cardiff Capital Region City Deal by focusing on two major regional challenges and opportunities;
- identify and trial a range of potential solutions;
- analyse relevant data to inform the optimum means of responding to the challenges and opportunities; and
- provide innovative procurement practices to maximise the solution's impact and value for money.

By identifying the challenges and opportunities, working collaboratively to identify potential solutions, examining data to support better informed decision-making, and supporting new mechanisms for delivery or procuring public services, the participating Local Authorities can have a greater impact across the whole region, compared to investments happening in isolation.

5.2 Alignment with Priority 5 Public Service Reform and Regional Working

Priority 5 recognises the regionalisation agenda of the Welsh Government, as described in *Prosperity for All*, the Economic Action Plan, and the Employability Plan.

These, alongside emerging proposals for local government reform, provide the policy framework for activity under this Priority.

Priority 5 also recognises that there are “different arrangements for City Deals and Growth Deals, prioritising ESI funding, skills, planning regional regeneration investments, and a range of other spatial initiatives that could be more effectively coordinated and integrated if long-standing structural weaknesses can be addressed”.

InFuSe is a direct response to this challenging policy framework. It will provide a forum that brings together the ten Local Authorities that are part of the Cardiff Capital Region City Deal to improve regionalisation and cooperation between Public Sector Bodies. It supports these Local Authority partners with expertise, knowledge, experience and facilitation capabilities of two regional assets – Cardiff University and Nesta. This InFuSe consortium will catalyse, develop, evaluate and disseminate more effective ways of working together to address the challenges and opportunities of regional working.

The operation will include:

- core, common elements which will strengthen collaboration and regional working;
- bespoke support to respond to specific issues and different capabilities between the Local Authorities;
- flexibility to respond to new challenges and opportunities should they arise;
- active learning to provide staff with new and improved skills, models and tools to deliver organisational change and service improvement, particularly leadership around adaption, data and procurement;
- dissemination of new ways of working across Public Sector Bodies, for example in applying the more effective use of data, or more innovative procurement approaches.

The operation is a new initiative that will demonstrate that investment in regional collaboration to respond to major challenges and opportunities, using a combination of research, data analysis and the deployment of improved procurement methods, can lead to more effective solutions, explore value for money solutions, and embed adaptive learning and skills in Local Authorities to support the long-term resilience of outcomes.

Cardiff Capital Region (CCR) City Deal

CCR Cabinet (joint committee structure) has developed a City Deal programme in conjunction with UK and Welsh Government partners. Attached to this are mandatory partnerships – a Regional Transport Authority and a private sector-led Economic Growth Partnership, as well as additional important groups such as a Business Council and CCR’s own Special Purpose Vehicle – CSC Foundry Ltd. This partnership is about thinking local, but acting regional. There is real clarity about the purpose of regional investment which is informed and led locally by business experts in conjunction with local politicians who provide a strong sense of democratic legitimacy. There is clear function before form – a strategic rationale for a £1.3bn City Deal – articulated through a 5 year business plan; a Regional Economic and Industrial Growth Plan and a robust Assurance Framework operationalised through a clear and open Investment and Intervention Framework.

City Deal is further underpinned by an understanding of what needs to be done and the difference between means and ends. Although focussed by delivery against jobs, growth and leverage targets – political leaders do not want to hit targets that miss the point and have underlined the importance of economic inclusion, ensuring no part of the region is left behind. This is vital when highly competitive and fast growing parts of the region, sit cheek by jowl with some of the least competitive places in the whole of the UK. Innovation therefore has a wide application across business/ technology, the public sector and civil society. In addition, economic ambition will not be enough and has to be matched with opportunities to build progressive social policies. Local wealth building sits at the heart of this. CCR political leaders have a strong desire to see beyond conventional agglomeration economics - which suggest that building up growth

hotspots will see the benefits trickle down to the hinterland – and be proactive in creating and dispersing wealth right across the region.

Within CCR however, the principle is that those who are best placed to lead should do so. This has led to a hybrid delivery model wherein, expertise is shared and resources are pooled through the City Deal Office – complementing and working alongside local delivery. This brings to bear a wider range of expertise and resources from the Economic Growth Partnership, Skills Board, Transport Authority, Business Council, Universities and many other local partners with the requisite know-how. What matters is the outcome and so our approach has been less about ‘who’ delivers and more about the quality and sustainability of ‘what’ gets done.

The transition through the COVID-19 crisis presents an opportunity to galvanise a debate about the kind of economy we want to build in Wales post-COVID and the right environment to consider how we develop a collective sense of culture, modelling the kinds of behaviours and mind-sets required and new ways of working. This could assess the new capabilities required and develop foundational programmes which grow the skill-set of the 21st Century post-COVID public servant.

The focus on R&I in this time period is also critical. In science we now must trust but R&D spending in Wales as a % of national spend is low. What is poorer yet is the proportion of budgets that actually prioritise the skills and know how to develop R&D and become innovation-ready. We are not short of massive challenges, be it a public health crisis, climate emergency or the economy. Having the requisite skills base to solve problems and innovate our way through moral, social and economic dilemmas will be key to any transition.

Alongside the INFUSE programme, the Local Wealth Building Challenge Fund is a proposed CCR fund, supported by and co-deployed with the Welsh Government Valleys Taskforce, aimed at enabling and supporting increased productivity in the local ‘everyday’ economy.

Developing a challenge-driven approach to addressing some of the issues and opportunities in the foundational economy is a key means of enabling public sector organizations to find solutions to service and policy delivery challenges. The purpose of such an approach is to demonstrate how applying innovation to the big industrial and societal challenges of the day can galvanize creativity, novel solutions and radical improvements. It provides an important counter to the more conventional approaches of ‘allocating’ R&D funding which often fails to provide the appropriate incentives for deeper experimentation, scale and Return on Investment. Challenges are focused on problems and opportunities and the methods used can differ with the tools involved focused on policy levers, regulations and deep engagement rather than just ‘funding’ and we anticipate that many of the techniques used here are likely to inform the Public Services Testbed.

5.3 Contribution towards Economic Prioritisation Framework (EPF) for Welsh European Funds

The Economic Prioritisation Framework (EPF) was originally produced in 2013 following the findings of the Guilford Review, which recommended the importance of achieving closer alignment between the investment of EU funds and Welsh Government and EU strategies for jobs and growth.

The EPF looks at each of the four Welsh Regions and provides:

- a description of the region’s strengths and opportunities;
- a summary of what is already happening, capturing key investments that have recently been completed, those currently being implemented and those that have been announced; and
- a forecast of what may happen in the future.

Within South East Wales there is a clear opportunity to build on existing assets and the investment being led by the Cardiff Capital Region City Deal, to develop a vibrant and inter-connected city-region, enhancing prosperity and well-being for all through economic growth.

Where these investments complement each other and work together, they can have a greater impact across the whole region, compared to investments happening in isolation.

InFuSe has been designed to provide a regional approach to determine how Local Authorities can work together to:

- bring about a regional response to those challenges and opportunities that face Local Authorities;
- develop new ways of working; and
- develop stronger and more effective leadership across the Cardiff Capital Region, enabling ten Local Authority leaders to join up decision making, pool resources and work more effectively with local businesses.

5.4 Alignment with Welsh Government Policies

The following table identifies relevant Welsh Government policies and how the operation will contribute to their attainment:

Strategy	Priorities/Outcomes/Linkages	How the operation will contribute.
Prosperity for All 2017 – 2030	A Welsh Government Strategy aimed at improving the social, economic, environmental and cultural well-being of a sustainable Wales.	Through the use of data and comparative analysis, supply chain opportunities will be better understood providing enhanced opportunities for innovative procurement solutions which respond to the social, economic and environmental challenges faced by the Cardiff Capital Region.
Prosperity for All 2017 - 2030	A Welsh Government strategy to reform our economic development and skills provision to work on a regional basis, building on the three	The operation will provide Local Government employees with <ul style="list-style-type: none"> • new processes for identifying appropriate innovations that could be adopted and

	employer-led Regional Skills Partnerships.	<p>adapted for use in the Cardiff Capital Region;</p> <ul style="list-style-type: none"> • a new toolkit for an outcome-based, data analytics; • a new toolkit for challenge and values-based procurement that provide greater impact, spending power and community benefits.
Prosperity for All 2017 – 2030	A Welsh Government objective to ensure that our skills provision through schools, further and higher education and work-based learning reflects current employer needs and keeps pace with the economy of the future.	The operation will provide Local Authority employees with a range of new skills and tools to foresee and prevent future challenges and to identify new opportunities, assess alternative solutions, analyse data to identify the solution that provides the greatest impact and value for money using innovative procurement solutions as part of the delivery.
Wales Procurement Policy Statement 2015	A Welsh Government strategy for a more prosperous Wales, includes the ways in which the Welsh public sector can change their approach to improve services.	The Adaption and Data Labs will help determine how services to meet the challenges and opportunities presented by the CCR City Deal can be better shaped to meet the challenges facing the public sector. Upskilling the ways in which our government employees and leaders are able to interpret and use information to shape decision making.

<p>Prosperity for All 2017 - 2030</p>	<p>“Each year, devolved public services spend £6 billion procuring products and services, with more of this than ever being spent in Wales.</p> <p>By planning better and understanding which products and services are bought over and over again, we can support small and medium businesses to win more of these contracts.</p> <p>The economic benefits will stay in Wales, but our buying power can act as a springboard to develop greater added value to high performing businesses, and their supply chains, who can export products further afield.”</p>	<p>The Procurement Lab will examine how public procurement can act as a strategic lever for change and an accelerator of innovation which has a direct impact on service delivery, value for money and impacts positively on the circular and foundational economy.</p> <p>The Procurement Lab will, through knowledge exchange, skills development and action-based learning and collaboration encourage procurement teams to build transferable innovation knowledge, identify new procurement tools,</p>
<p>Cardiff Capital Region Industrial and Economic Plan</p>	<p>Recognises the local importance of the public sector.</p> <p>As part of its Industrial and Economic Plan CCR will establish a Public Services Testbed with a mission-driven approach to generate new collaborations and public services improvements and enable the delivery of public sector innovation and economic value.</p> <p>CCR’s approach involves the identification of a major grand challenges and the</p>	<p>The operation, outside of the CCR structure, will be the first significant collaboration between Public Sector Bodies in South East Wales to take up the mantle to identify major challenges and opportunities that will arise as a result of the delivery of the City Deal.</p> <p>The operation will initially investigate a range of regional wide themes that may benefit from a new approach.</p> <p>The Strategic Board will determine which themes will be subject to in depth investigation</p>

	<p>development of missions with clear and ambitious targets for improvement that form a basis upon which a number of related and complementary multi-sector (private, public, third sectors) projects may be identified in order to deliver business growth opportunities.</p> <p>The combination of public services innovation with new thinking in public sector procurement has the potential to generate new market opportunities, and commercial value that benefits the region.</p>	<p>with a view to grand challenges and the development of missions with clear and ambitious targets for improvement.</p> <p>The combination of regional collaboration within Public Services along-side a new approach toward delivery and decision making that involves, adaptation, data analysis, innovation and procurement, has the potential to generate new methods of maximising and distributing the benefits of new infrastructure and commercial activity throughout the region.</p>
<p><i>The Well-being of Future Generations (Wales) Act 2015</i></p>	<p>The Welsh Government has published well-being objectives which set out how it will use the Well-being of Future Generations Act 2015 to help deliver its programme for government and maximise its contribution to the 7 shared national well-being goals.</p>	<p>The Local Authorities Well Being Plans will be key drivers in selecting the regional themes that will underpin the operation.</p> <p>Improvements in data analysis and interpretation will better enable the ten Local Authorities to undertake and analyse their well-being assessments.</p> <p>Moreover, the essence of the operation is to deliver service improvements through greater skills, collaboration and new ways of working.</p> <p>The resulting improvements in service delivery will have an inherent positive impact on the Local Authorities' ability to</p>

		contribute toward the seven shared national well-being goals.
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5.5 Integration with ESI programmes

Throughout the South East Wales Region there are a significant number of ESI operations being implemented.

Opportunities for further integration of other Welsh based EU funded operations will be led by the Regional Management Team at Monmouthshire County Council.

In particular it will seek synergy with complementary activities within the Cardiff Capital Region but also to work with Swansea’s City Deal and or other regions that are pursuing regional co-operation.

5.6 Integrations with other EU funding and transnational opportunities

It is essential to look beyond the region and the UK when considering regional reform.

Opportunities may arise for staff on the programme to participate in transnational opportunities, including travel outside of Wales or the UK to learn from good practice, common initiatives or share knowledge. This would of course be conditional on the relevant COVID-based guidance on travel in place at the time.

As noted in the Delivery section above, the Themes workstream, Adaptive Lab, Data Lab and Procurement Lab will draw on examples from across the world to inform delivery content, to offer comparative perspectives, and to ensure skills, methods and toolkits are adaptable and agile to a range of political and economic circumstances.

Nesta and Cardiff University's knowledge-base and existing national and international networks are key to delivering an approach focussed on learning from 'best practice' elsewhere. The team includes:

- an expert advisor to the OECD, European Commission and a range of other regional governments on Smart Specialisation, regional development and procurement policy;
- a member of the International Research Study on Public Procurement, and host to the international public procurement workshop in Cardiff in 2019 with visitors from 17 countries;
- experience in evaluation, statistical trials analysis, in applied settings across the world;
- experience in design and delivery of large-scale public services innovation support programmes in Wales, connected to programmes across the world supported by Nesta.

We also anticipate that there may be international interest in InFuSe as a regional case study.

Any opportunities for UK-wide or international travel will be monitored by the operation's Regional Management Team and presented to the Strategic Board for their consideration. This would of course be conditional on the relevant COVID-based guidance on travel in place at the time. Scope for formal integration of InFuSe with other ESI and Transnational operations and Programmes will be the responsibility of the Regional Programme Manager.

SECTION 2: Further Criteria

6. Suitability for Investment

6.1 The target sector and participants.

InFuSe will firstly target Local Authority employees, primarily focused on decision makers (middle to senior managers), data management and analytics staff, procurement specialists and front-line staff. In addition, we have defined our target audience of ‘public servants’ in its broadest sense to include any staff from organisations that deliver public services. This would include public and third sector organisations, such as Health Boards, Natural Resources Wales, and housing associations, and potentially private sector providers of public services, such as Leonard Cheshire Care Homes. This adjustment will have the added benefit of directly supporting cross-sector regional working. Y Lab has existing cross sectoral working relationships with many of these organisations and we plan to build on these in order to meet the objectives of InFuSe.

The target participants will be identified by an open recruitment process across the ten Local Authorities and other public service providers. The primary participation criteria will be determined by the chosen theme, the range of skills required within the multi-disciplinary teams, the ability to meet any skills gap and the ability to embed the new processes within their organisations.

The selection process will also ensure that all staff are supported to take up the opportunities to enhance their career progression, recognising some staff members with protected characteristics, e.g. disabled staff and staff members from some ethnic minority groups, may need different interventions. We have also reduced the time expectations of participants to make it easier for a wider range of people to participate, particularly during the uncertainty of COVID.

6.2 The barriers facing the target sector and participants

Some progress has been made in developing collaborative approaches toward addressing regional challenges and opportunities across Public Service Bodies.

That progress is often delivered on an ad-hoc basis where resources, independent of the participating bodies, are available. The Cardiff Capital Region City Deal is an example of how collaboration can work with resources to facilitate collaboration and implementation.

A collaborative approach is often prevented from progressing because of:

- organisational and budgetary constraints and the comfort of traditional working practices; and
- a lack of capacity and poor knowledge of data gathering and analysis, the formulation of solutions and the ability to procure effectively all of which constrain the ability of Public Sector organisations to deliver their services effectively.

These barriers prevent the open sharing of information, data, and creative solutions to common challenges and issues.

6.3 Addressing Identified Barriers

InFuSe will create a formal environment in which the ten participating Local Authorities participate in a collaborative active learning exercises designed to investigate and design potential solutions to two thematic work areas.

These thematic work areas will enable the investigation, development, use and application of alternate approaches to public sector provision.

In building investigative capacity and data analytics coupled with new approaches to procurement, the InFuSe Programme will provide a platform not only for the creation of networks, and centres of excellence, but to open the 'hearts and minds' of the participating Local Authorities' senior and middle management teams. InFuSe will provide an opportunity to consider the challenges and associated benefits of regional working that a more flexible, creative and collaborative approach can bring, particularly towards developing effective solutions and working practices.

InFuSe will create innovative actions to support the development of entirely new systems, processes and services, such as new uses for data for project planning, procurement and service delivery.

In so doing, the programme will deliver efficiency gains for the Local Authorities, improving the efficiency of public services by making them more sustainable, enhancing social integration and access to services and enhancing their ability to deliver their responsibilities under the Well-being of Future Generations (Wales) Act 2015.

The operation will fully disseminate the operations methodology, its activity, progress and results to other regional operations supported under P5 and other interested Public Sector Bodies and Third Sector organisations across Wales.

7. Engagement with Stakeholders

7.1 Overview

The development of InFuSe has been as a direct result of collaborative working by stakeholders from across the Region, led by Monmouthshire County Council in partnership with Cardiff Capital Region City Deal Office, Y Lab (partnership between Nesta and Cardiff University) and additional Cardiff University partners.

The following partners have been consulted, with their level of engagement set out below:

Organisation	Involvement
Monmouthshire CC	Lead Beneficiary
Blaenau Gwent CBC	Joint Beneficiary
Bridgend CBC	Joint Beneficiary
Caerphilly CBC	Joint Beneficiary
Cardiff CC	Joint Beneficiary
Merthyr Tydfil CBC	Joint Beneficiary
Newport CC	Joint Beneficiary
Rhondda Cynon Taff CBC	Joint Beneficiary
Torfaen CBC	Joint Beneficiary
Vale of Glamorgan CC	Joint Beneficiary
Cardiff University	Joint Beneficiary
Nesta	Joint Beneficiary

7.2 Local Authority Consultees

In addition, the following engagement and consultation activity has contributed to the development of the Operation:

A range of partnership meetings have been held by CCR City Deal Office, Monmouthshire County Council (Lead Beneficiary) and the key delivery partners Y Lab with additional Cardiff University support.

The proposed operation was presented to and agreed by the Cardiff Capital Region City Deal Cabinet on the 15th July 2019. The report and the agreed Operational Logic Table (OLT) are given in **Appendix 5**.

Monmouthshire County Council has also hosted a workshop to consult with the partners to set out the final delivery plan and their individual contributions to the operation.

Critically, the ten Local Authorities will be asked to identify up to ten themes that can be subject to a preliminary investigation to determine which of them would be most suitable for this operation whilst benefiting the wider region.

7.3 Other Consultees

Discussion have been held with the Wales Council for Voluntary Action (WCVA) to determine if the InFuSe operation can dovetail into their Community to Community (C2C) operation.

The WVCA's C2C operation has a pan Wales remit. Both parties have agreed that the two operations are distinct but may benefit from a close communicative relationship where each party is fully aware of the activities being undertaken. The most effective way for the WCVA to benefit from the InFuSe operation is to have a place on the Strategic Board. This proposal is currently being considered by the InFuSe partnership.

Y Lab has also been in contact with its broader stakeholder group, testing the concept with Wales Audit Office's Good Practice Team, and key contacts within Welsh Government.

Team leaders from MCC, Y Lab, Nesta and the South East Wales Regional Engagement Team met with David Rosser, South East Wales Chief Regional Officer, Welsh Government on 16th January 2020 and presented an overview of the project. No concerns were raised in relation to the regional fit of the activities proposed.

Representatives from the South East Wales Regional Engagement Team (SEW RET) have been consulted on the development of the Operation from its conception.

The SE Wales Regional Proofing panel received an update on this Operation on the 21st May 2019 where they agreed that:

‘the project would meet strategic needs in the region but would like the sponsor to return to provide further information as the business plan develops, partly to understand the links to FE/HE and skills provision in the region and to learn about the regional data office under consideration’.

The InFuSe Steering Board, supported by the InFuSe Engagement Manager, will provide updates to the SE Wales RET (and other stakeholder bodies, such as the CCR Regional Skills Partnership).

[In response to the RET Panel’s feedback, InFuSe will provide direct support for skills needs of staff employed by the Local Authority Joint Beneficiaries. ‘Curriculum’ content and delivery approaches will be fully scoped and developed in Year 1. Some content may be drawn from existing modules offered by Cardiff University and Nesta programmes; on-going evaluation and feedback will ensure the content and approaches adapt to the needs of staff seconded to the programme.

Further opportunities may arise to signpost staff to formal qualifications offered by FE and HE institutions across the region (for example, MSc in Public Leadership (part-time) or MSc in Data Analytics for Government (full-time)). Support to staff to pursue formal qualifications is outside the scope of this Operation.

Further consultation will take place with relevant organisations once the initial themes have been identified with further in-depth consultation process once the final two themes have been agreed upon.

8. Potential for Duplication and Displacement

8.1 Potential Duplication with Welsh Government Operations

It is Welsh Government policy to encourage collaborative working amongst public sector bodies. InFuSe is a direct supportive response to this policy.

8.2 Potential Duplication with existing or planned Public/Third Sector Support

This operation will be independent but complementary to the activities of the Cardiff Capital Region City Deal. InFuSe will investigate and determine how best to respond to the challenges of the region.

8.3 Potential Displacement of Private Sector Activity

The InFuSe operation is concerned exclusively with improving decision making and delivery within the Public Sector.

The only potential area of displacement is the potential to use external consultants instead of Y Lab and the additional Cardiff University partners. The complexity of the InFuSe operation, the limited timeframe for delivery and the costs associated with procuring external consultants, is an impractical high risk strategy which would jeopardise its successful implementation.

These risks mean that the operation would not proceed if it were limited to procuring external consultants.

The scope for displacing the private sector is therefore limited.

8.4 Potential for Private Sector & Third Sector Engagement

There is a limited provision for the Lead and Joint Beneficiaries to procure private sector entities to deliver ancillary services that are required by the operation but cannot be delivered using 'in house' staff.

However, the themes under which the new collaborative means of working will be applied and tested, will in part, be determined by the presence of a significant level of procured expenditure.

The objective of the 'procurement' workstream of this operation will not only be to encourage economies of scale through joint purchasing but also to establish:

- enhanced engagement with local supply chains;

- sustainably sourced materials;
- innovation in the procurement process;
- upskilling of procurement professionals;
- opportunities to procure from the Third Sector; and
- increased impact through community benefits

InFuSe aims to challenge traditional procurement approaches around how Local Authorities procure individually and collectively for the services they require, seeking to introduce more innovative approaches to how benefits from that expenditure might circulate effectively within the regional economy across the Private and Third Sectors within a region.

Legacy or follow-on activities beyond the lifetime of InFuSe may include on-going supply contracts for projects that have been trialled through InFuSe workstreams.

9. Organisational Capacity and Expertise

9.1 Lead Beneficiary

Monmouthshire County Council is the operation's Lead Beneficiary.

The Authority has been in its current form since Local Government Reorganisation in 1996. There are no conflicts of interest in the Local Authority acting as Lead Beneficiary for the P5 Operation.

There are no previous (or pending) County Court Judgements relating to any individual and/or organisation or business related to the InFuSe operation or the receipt of grant aid.

Monmouthshire County Council has significant experience in leading and participating as a joint sponsor/beneficiary in European funded programmes.

Organisational Experience

Monmouthshire County Council (MCC) have significant experience of securing funding and delivering a wide range of publicly funded programmes such as the Targeted Regeneration and Investment Programme £4M and 21st Century Schools (£133m) and a 2019 award from the Foundational Economy Challenge of £200k, culminating in the annual management of a capital programme of circa £60M per annum.

MCC also has vast experience of securing and delivering structural fund programmes having secured funding for Monmouthshire and on behalf of Newport City Council, for the Wye Valley and Vale of Usk Rural Development Programme with additional successful bids made to the Rural Community Development Fund. MCC is also currently delivering Inspire 2 Achieve, Inspire 2 Work and Skills @ Work under the 2014-2020 ESF Programme.

A summary of key public grants secured include:

Grant Award Body	Grant Scheme	Project Lead Partner	Award Value	Duration
Welsh Government (WG)	21 st Century Schools Tranche A (2 secondary schools, 1 primary and welsh medium provision)	MCC	£90m gross	3 years completed 2018-19
Welsh Government (WG)	21 st Century Schools Tranche B (1 secondary school)	MCC	£43m	Bid phase ended, construction phase starts 202-21 for 3 years
WG	TRI	MCC	£4M	2018-2021
WG/ERDF	Rural Development Programme	MCC	£2.79M	Until 2021
WG/ERDF	Rural Community Development Fund	MCC	£412K	Various
WG/ESF	Inspire 2 Work	Newport CC	£607k	2016-2021
WG/ESF	Inspire 2 Achieve	Newport CC	£772k	2017-2022
ESF	Skills@Work	Newport CC	£288k	2019-2022
WG	Foundational Economy Challenge	MCC	£200k	2019-2021
UK Govt. DCMS	Gov Tech	MCC	£1.25M	2018-2020
WG	Housing Support Grant & Children and Communities Grant	MCC	£4.2M	ongoing

Track record of leading on Regional Operations

Monmouthshire County Council has been a key partner in the Cardiff Capital Region (CCR) City Deal, the largest City Deal in the UK with an Investment Fund of £1.229bn. MCC plays an active role in the CCR City Deal and was chosen to provide lead advice and facilitation expertise to the private limited company for the City Deal's first flagship project - the establishment of an Advanced Compound Semi-Conductor Cluster and now as lead Authority for the InFuSe

Programme. MCC was also the lead Authority for the innovation strand for the CCR which included production of the CCR Innovation Prospectus.

As lead beneficiary, MCC has extensive experience of delivering many projects in partnership with Public, Third Sector and private organisations, and also has experience of working with Local Partnership Boards, local Service Boards, WG, Health Boards, and Registered Social Landlords as well as European partners. Some notable examples of managing multi agency partnerships include:

- European Structural Funds (ESF) Operations – MCC is a delivery partner on three regional ESF operations and is represented on the operational and strategic boards of each. The 3 operations are:
 - i. Inspire 2 Achieve - An operation targeting Young People at risk of becoming NEET, delivered through partnership working with a range of Local authorities, FE institutions, Secondary schools and Careers Wales to provide a holistic range of support to young people.
 - ii. Inspire 2 Work – An operation targeting Young People aged 16-24 who are NEET, providing training, mentoring and employment focussed support in partnership with Local authorities, external training providers and housing associations.
 - iii. Skills @ Work – An operation targeting adults already in work, supporting them to gain qualifications, develop their working skills and overcome personal barriers to enable them to sustain employment.
- Rural Development Programme which Monmouthshire leads and delivers on behalf of Newport CC. Activity has included co-operation projects with multiple partners including an Offa's Dyke project which linked local authorities and Protected Landscape organisations all along the Wales/England border;
- AGRI-URBAN a Priority 2 of the URBACT III programme with six partners within the AGRI – URBAN network which included Wales – Abergavenny; Spain – Andalucía; Portugal - Centro (PT); Greece – Θεσσαλία; Belgium - Prov. Liège; Sweden – Stockholm; Italy - Emilia-Romagna. The programme's activities focussed on Rethinking Agri-food Production in small and medium-sized cities.
- MCC is lead body for a collaborative bid of £2.1M on behalf of the five Greater Gwent authorities, Forest Research and Severn Wye Energy for

the ENRAW grant scheme which is made up of Measure 16 and RCDF Funds claimed via WEFO.

- MCC is also lead partner in a new Housing development in the South of the County, that incorporates a pilot project with a Registered Social Landlord to drive down the profit aspect of traditional volume builders in favour of using that resource to design properties within whole life principles resulting in a dementia friendly community being created around a new care home part funded by operational savings, capital receipts and intermediate care funding (in conjunction with health board).

Delivery of these schemes and projects has provided MCC with a wealth of experience in the delivery and management of public funds. The Authority has well-established financial and operation systems embedded within the organisation, and strong relationships with internal support such as Audit, and Finance. Our delivery teams have been subject to a number of external audits, such as annual WAO audits, PIVT audits, and EFAT audit which demonstrates our strong project management procedures.

Joint Beneficiary Experience

The Joint Beneficiaries within the project have facilitated projects under ESF, ERDF, RDP and Transnational EU Programmes, which has resulted in effective project management procedures being developed, understood, implemented and reviewed.

There is also significant experience across the region with respect to PIVT and EFAT audits, which has provided valuable experience and knowledge for managing and implementing EU grant aided projects, which will underpin this operation.

This operation also acknowledges the need for continual review and planning. Therefore, the operation incorporates the capacity to ensure service delivery is based on up to date needs and effective use of resources.

In conclusion as Lead Beneficiary for the InFuSe Programme, MCC are confident that we can provide:

- robust, realistic costing during bid stage;
- treasury experience to safeguard awards;
- flexibility to absorb changing funding timings and incidence;

- skillset and experience to set and deliver to agreed timescales and outcomes; and
- objective to provide end of project evaluation to benefit future projects and working methods.

9.2 Management of the Operation

The preferred option for delivery is Option 1 – A partnership between Public Sector Bodies based within the region, with the ability to procure external support from the Private and Third Sector where necessary.

As the Lead Beneficiary, Monmouthshire County Council will employ a Regional Management Team (RMT) of 3 FTE staff to manage the operation:

- Programme Manager;
- Programme Engagement Manager; and
- Programme Finance and Administration Coordinator.

The Job Descriptions and personal specification are included as **Appendix 6**.

Additional support will be provided by Monmouthshire County Council Officers in Legal, Finance, Internal Audit and European Officers.

The InFuSe operation will be governed by a Strategic Board that comprises of a senior officer from Cardiff Capital Region City Deal as Chairperson, the RMT to support and administer the Board, and representatives from Y Lab (a partnership between Cardiff University and Nesta) and the ten Local Authorities.

Y Lab and additional Cardiff University Partners will provide a progress report with each quarterly claim including a review of each preceding quarter's activity and a summary of planned activity identifying key milestones over the next two quarters.

The progress report will identify any variance with the delivery plan, establishing whether the variance is temporary or permanent in nature.

The Regional Management Team will interrogate and verify each quarterly claim, quality assure the audit trail for project expenditure and the delivery of Operation's outputs, indicators and results.

The Regional Management Team will also undertake regular Quality Assurance visits to Joint Beneficiaries to ensure that the staff participant data is being completed and that each participant's activities on InFuSe can be verified with appropriate supporting documentation.

The Regional Management Team will report any significant variation to the Strategic Board with a view to assessing how the individual components are performing, assessing their aggregated performance for the whole InFuSe operation to ensure that the programme is on course to meet its contractual commitments.

Where there is any significant variation, the Regional Management Team will seek to remedy the position by revising the activities of individual Joint Beneficiaries.

The Regional Management Team will also be responsible for ensuring that each Joint Beneficiary implements the InFuSe operation with full regard to the implementation of the Cross Cutting Themes.

9.3 Local Governance Arrangements for Monmouthshire County Council

A clear reporting structure and framework has been established within Monmouthshire County Council to ensure that the InFuSe operation's performance is managed accordingly and any issues can be effectively escalated through to the Departmental and Corporate Management Teams.

Indicative Terms of Reference have been developed for the Strategic Board for the InFuSe operations. It is within this forum that all associated risks that have been identified and will be monitored and where necessary mitigated.

Once a certain threshold of risk is reached, the lead team will escalate internally to Monmouthshire County Council's Enterprise Departmental Management Team. These will then be referenced on the relevant departmental risk register where they will be monitored until an acceptable control is implemented.

9.4 Risk Management

The InFuSe operation has been subject to Monmouthshire County Council's Risk Management process.

A Strategic Risk Analysis and Management Plan is given in **Appendix 3**.

The risks have been assigned ownership, primarily to the operation's Regional Management Team, who will monitor the operation's, activity, expenditure and output attainment.

The Regional Management Team will host the Issue and Risk Logs.

Each will be a standing item on the agenda of the Strategic Board.

The Issues Log:

Joint Beneficiaries will be able to raise an issue, by e-mail to the Regional Management Team (RMT) at any given time. The RMT will respond to the Issue having consulted (where appropriate) and will disseminate the resolved issue to **ALL** of the Joint Beneficiaries to ensure consistent approach throughout the project.

The Risk Log

The Strategic Risk Analysis and Management Plan will be a standing item on the Strategic Board against updates on the status of each identified key risk.

Where a risk materialises and it has an implication for the InFuSe operation as a whole, the issue will be referred to the Strategic Board for resolution.

9.5 Procured Delivery

With the exception of the appointment of the external evaluator, it is not envisaged that the Lead Beneficiary will be required to make any purchases outside of existing framework agreements.

The Lead and Joint Beneficiaries shall be responsible for ensuring that the purchase of all supplies and services required for the InFuSe operation will comply with the [European Union \(EU\) Procurement Directive 2014/24/EU](#) and the Public Contract Regulations 2015, and their own organisational procurement policies, and any award of contract is fully compliant with State Aid Regulations.

9.6 Publicity

The Lead Beneficiary for the InFuSe operation will prepare a Marketing and Communications Strategy which will address the needs of the operation, the Joint Beneficiaries and (if applicable) wider stakeholders e.g. on the Steering Board.

All marketing, awareness raising materials and events will acknowledge the support of the European Social Fund and will meet WEFO's publicity guidelines.

All publicity materials will be made available in Welsh and in other forms such as large print and braille should the demand arise.

9.7 IT Requirements

InFuSe will have at its disposal MCC and Cardiff University management, IT systems, processes and facilities which comply with all necessary security requirements. The below list is not exhaustive but provides an overview of the services and systems in place.

- *Centralised and School-based support and administration for human resources, IT, financial management including Oracle financial reporting system;*
- *A wide range of secure, reliable IT services all supported for remote working;*
- *Core HR Portal – online management of HR and Payroll data;*
- *eRecruitment – a recruitment system developed by Kenexa IBM;*
- *Access to all Monmouthshire County Council IT software systems offered via the Shared Resource Services contract plus additional hardware as needed i.e. laptops, Android phones, etc.*

10. Contribution towards the Cross Cutting Themes

10.1: Approach Toward CCTs

As the Lead Beneficiary, Monmouthshire County Council has considered how this operation can best contribute to its Well-Being Plan and those of the other nine Local Authorities that will benefit from this operation.

The Cross Cutting Themes (CCTs) for this operation will demonstrate alignment with the principles set out in the Well-being of Future Generations (Wales) Act 2015, and the 2014-2020 Structural Funds Programmes in Wales:

<https://gov.wales/european-social-fund-priority-axis-5-cross-cutting-themes>

Consideration of how this operation can contribute to the Well-being goals will be explored and consulted upon more fully in the first quarter of its lifespan. The findings will be set out in an Impact Assessment and include an Equality Impact Assessment and will meet the requirements of the Public Sector Equality Duty. (PSED).

The operation will embrace the five key ways of working / behaviours outlined in the Well-being of Future Generations (Wales) Act (WBFG Act), which requires future investments in Wales to Act in accordance with the sustainable development principles (attend to the long-term impact, prevention, integration, collaboration, and involvement) in setting and meeting its objectives.

The operation has been devised as a direct response to the Welsh Government's strategy to work on a regional basis, reform our economic development skills and to explore the ways in which the Welsh Public Sector can change their approach to improve services.

Within the first six months of InFuSe, a range of themes will be identified where collaborative working would enable the ten participating Local Authorities to lever greater benefit.

As noted under Delivery Workstream 1, the range of themes will be assessed against agreed criteria, including their ability to contribute toward the ten Local Authorities' Well Being Plans and how they can contribute toward:

- Equal Opportunities and Gender Mainstreaming (EO&GM);
- Sustainable Development (SD); and
- Tackling Poverty and Social Exclusion (TP&SE)

The themes chosen should as a minimum contribute toward the underpinning cross cutting and system actions within Monmouthshire's Well-being Plans. These are:

- Join up data information and systems to help agencies better understand challenges and opportunities;
- Enable clear lines of communication between services organisations and community groups;
- Develop better connections between services, organisations and community groups to work in a more joined up preventative way;
- Develop toolkits and other ways to help service organisations and communities help themselves;
- Explore the potential to share finance and assets to deliver Well-being Plans; and
- Identify opportunities for public sector procurement to support local products and services.

Following the selectin of two themes, further InFuSe workstreams will then deliver short, trial projects with teams of staff drawn from Local Authority service areas focussed on the interventions across the themes, supported by further analysis, skills training, coaching and facilitation provided by Cardiff University and Nesta staff.

10.2 CCT Actions

The design of the InFuSe programme will deliver the following actions identified in the P5 CCT guidance:

- 'Support for activity which builds the capacity and capability of the workforce' and 'Upskilling and reskilling staff members to help them benefit from new ways of working' (*by working with staff from across all Local Authorities as outlined under Workstreams 1-4*);

- ‘New approaches which enable organisations to innovate and work together in a region to ensure public services are accessible and equitable to all’ (*through the principles and ways of working under the cohort projects in workstreams 1-4*); and
- Supporting the sharing of resources and use of local supply chains (*in the delivery of workstreams 1-3 on adaption, data and procurement*).

The CCT actions that are considered to be appropriate for management and administration of the InFuSe Operation are:

Action 1a: to ensure that new regional ways of working promote equality of opportunity for staff and inclusive work-places;

Action 2: to increase the use of public transport;

Action 3: to promote resource efficiency, including energy efficiency and waste management (including recycling) in the delivery and implementation of the Operation; and

Action 4: to promote and facilitate the use of the Welsh language within new regional ways of working, in service delivery and developing capacity.

The following activities will support the actions listed above:

Action 1 Activities to ensure that new regional ways of working, promote equality of opportunity for staff and inclusive work-places.

The proposal has also considered the key inequalities which are identified in ‘*Is Wales Fairer*’ 2018 (EHRC publication) and where appropriate, activities will support the recommendations to address these. This operation will pay particular attention when:

- Employing new staff; and
- Recruiting Staff to participate in the operation.

Each Joint beneficiary is committed to equality of opportunity and have policies and practices in place to ensure that individuals are recruited, selected, promoted and treated on objective criteria, having regard to relevant experience, potential skills, and abilities.

The Joint Beneficiaries will fulfil their legal obligations under the Single Equality Act 2010 and will ensure:

- That they actively promote equal opportunities through the application of employment policies which will ensure that individuals receive treatment which is fair, equitable and consistent with their aptitudes, potential, skills and abilities;
- That individuals are recruited, selected, developed, promoted and treated on objective criteria having regard to relevant experience, potential, skills and abilities. In particular no applicant/ employee will be placed at a disadvantage by requirements or conditions which are not necessary to the performance of the job or which constitutes any form of discrimination;
- That all personnel making selection and promotion decisions have undertaken appropriate training in recruitment practices to ensure that they understand the need to promote equality of opportunity and eliminate any inconsistent treatment;
- That all job adverts make reference to our commitment to equality of opportunity and encourage applications from all sections of the community;
- Consideration will also be given to the balance of Welsh and English speakers working on the project, to ensure a bilingual service can be provided; and
- That the Joint Beneficiaries keeps under review existing and potential initiatives to create a more flexible, supportive, harmonious and family friendly working environment.

In addition, we have also reduced the time expectations of participants to make it easier for a wider range of people to participate, particularly during the uncertainty of COVID.

Action 2 Activities to increase the use of public transport.

Collaborative working across ten Local Authorities will require attendance at meetings, conferences, seminars, and workshops. We can deliver these online for as long as the COVID pandemic makes face-to-face meetings inadvisable. However, even if face-to-face meetings become reasonable during the timeline of this operation, we will still deliver as many online as possible to reduce unnecessary travel. When travel to meet face-to-face is the preferred option, the operation will make every effort to:

- Host meetings, conferences, seminars and workshops at locations accessible by means of public transport; and
- Promote the use of public transport and bicycles, as an alternative to car use.

Action 3 Activities to promote resource efficiency, including energy efficiency and waste management in the delivery and implementation of operations.

The operation will:

- Discourage people from printing off documents;
- Minimise the use of paper in the office;
- Reuse where possible and where not possible, recycle all used paper, card and cardboard in local facilities;
- Avoid the use of disposable cups and plates;
- Use all available recycling facilities (paper, toner cartridges, batteries, etc.)
- Reduce the amount of energy used as much as possible;
- Project staff will be made aware of the environmental commitments of the project and their role in the implementation;

- Where necessary, staff will be provided with relevant environmental training;
- The project will comply with and where possible exceed all relevant regulatory requirements; and
- Incorporate environmental factors into business decisions.

Action 4 *Activities to promote and facilitate the use of the Welsh language within new regional ways of working, in service delivery and developing capacity.*

The operation will comply with the Welsh Language (Wales) Measure 2011 and will be proactive where opportunities present themselves to promote and support good practice with regard to the language.

Specific attention paid to supporting a bilingual workforce. In particular, the operation will ensure that:

- all correspondence and telephone enquiries are offered in Welsh;
- correspondence received in Welsh will receive a signed reply in Welsh;
- significant publications and printed materials will be published bilingually;
- press releases for issue in Wales produced bilingually;
- the web-material, including social media, will be produced bilingually;
- bilingual stationery and signs will be produced;
- job adverts appearing in the press in Wales will be bilingual;
- when recruiting staff, vacancy advertisements and job descriptions will indicate where Welsh language skills are desirable or essential for all posts and linked to this point;
- where requested, job interviews will be held in Welsh; and
- consideration is made to the balance of Welsh and English speakers working on the project, to ensure a bilingual service can be provided.

10.3 CCT Indicators

There are no specific CCT programme indicators for ESF priority 5, but Operations are expected to identify CCT Case Level Indicators they will be contributing to and, if appropriate, suggest additional ones.

There are no formal evidence requirements for these indicators with delivery demonstrated through the sharing of good practice and case study examples reported to WEFO.

Suggested CCT Case Level Indicators for this programme include:

- Local sustainable supply chain development (*Procurement Lab*)
- Mentoring / advocacy activity (*through cohort skills support*)
- Peer support activity (*through cohort skills support*)
- Organisations paying the living wage (*Cardiff University is a living wage employer*)
- Stakeholder engagement good practice activity (*all workstreams*)
- Developing / engaging CCT champions (*all workstreams, particularly the theme leaders*)
- Integrating Social Clauses into activity (*e.g. Procurement Lab*)

Once the Operation's themes are established and cohorts under each workstream have identified projects, staff will be encouraged to consider how these projects will contribute to the full range of CCT indicators.

For example, a cohort team under the Adaptive Lab may focus on an activity which raises 'equal pay' issues, or results in projects which builds skills in wider communities, or supports workplace health programmes, or child/care provision, or blue/green /biodiverse infrastructure integration.

Progress reports and project documentation will be designed to capture contributions to the CCTs on an on-going basis.

10.4 Responsibility for Delivery and Monitoring

This operation will adopt and follow the Sustainable Development Policy / Strategy, the Equality Policy / Strategy and the Welsh Language Strategy of Monmouthshire County Council, Cardiff University and NESTA.

- Overall responsibility for delivering the CCT actions will sit with the InFuSe Programme Manager employed by Monmouthshire County Council

- Regular updates will be provided in the CCT section of the Progress Report for this operation.

10.5 Evaluation

Contributions towards CCTs will form part of the overall evaluation for this operation. Consideration will be given to the actions identified in this section of the business plan, as contributing to the CCTs and to the associated activities, e.g. were the actions identified appropriate for the operation? What worked well, what not so well? Were the CCT Case level indicators, identified for this operation, all successfully delivered?

11. Monitoring and Evaluation

11.1 Internal 'Real Time' Quality Assurance.

The nature of the InFuSe operation means that there needs to be a constant cycle of monitoring and evaluation throughout the lifetime of the operation. Workstream 5 Continuous Learning has been specifically designed with this in mind.

Y Lab and their additional Cardiff University partners will produce quarterly reports in line with claim periods. This will include an assessment of that quarter, supported by the work of the Adaptive Learning Specialist in Workstream 5 and will ensure that any key issues can be addressed.

In addition, the ten Local Authorities will be required to provide a report on their participation in the work streams with a more comprehensive report on an annual basis highlighting the outcomes and any impacts the new methods of working are having on their Authority.

11.2 Independent External Evaluation

In line with WEFO requirements, an external evaluation of the operation will also be procured to commence during the first year of delivery to provide an interim report on progress after the first full year of delivery.

The independent evaluation will be required to evaluate the impact and effectiveness of the InFuSe operation.

The terms of reference has yet to be determined but it is likely to include five main areas of interest:

- the management and implementation of the operation;
- the effectiveness of the delivery of the operation;
- what skills, tools, processes that were imparted to Local Authority employees and how effective they have been delivered;

- the impact of the interventions for Joint Beneficiaries and staff participants; and
- contribution toward the cross cutting themes.

The evaluation will also engage with two specific themes that will be the subject matter around which the operation is delivered. The evaluators will be expected to look at:

- the identification, assessment and selection process;
- how effectively the deployment of the operation's resources has impacted on collaborative working; and
- the decision-making process.

The longer-term impacts of the operation will be in improved effectiveness of decision making, economies of scale in meeting challenges and opportunities on a regional basis , for learning, tools and methods to be replicated across other Local Authority based activity and across other Public Sector Bodies.

A key element of the independent evaluation which will be commissioned once the operation has commenced, will be to establish the value of such an approach to decision making and the delivery of regional wide challenges and opportunities.

The Independent Evaluation Report (Interim and Final) will be made available to Welsh Government, Joint Beneficiaries and stakeholders and disseminated more widely through electronic distribution and a programme closure event.

12. Lifespan, Impact, Project Closure & Sustainability

12.1 Lifespan of the Operation

The InFuSe operation has asked for three years' support.

InFuSe is seeking to verify that the support being provided not only represents value for money, but that there is a cost benefit to the Joint Beneficiaries in continuing the activities catalysed by the InFuSe operation.

The Cardiff Capital Region City Deal Challenge Funding can potentially provide an alternative funding route to implement the findings of the investigation in to the two chosen themes.

CCR will be invited to support scaled-up implementation and long-term delivery of those activities that have demonstrated their effectiveness and feasibility via InFuSe support.

The Challenge Fund is one of three funds managed by Cardiff Capital Region to stimulate economic growth in the region. The Challenge Fund seeks to stimulate the adoption of new products and solutions in South East Wales and welcomes proposals that emerge from competitive spaces where more than one organisation or individual might be equipped to deliver, in order to offer more flexibility and scope for experimentation.

<https://www.cardiffcapitalregion.wales/investment-overview/>

The Strategic Board, chaired by the CCR City Deal Office, will provide a clear route for reporting progress, identifying the further scale-up of projects under the chosen themes, and considering mechanisms to sustain InFuSe-type activities if appropriate in future.

12.2 Impact of the Operation

The aim of the InFuSe operation is to provide a means by which ten Local Authorities that comprise the Cardiff Capital Region can have a formal supportive framework within which they can explore how best to work collaboratively on a range of initiatives that are of strategic importance, transgress boundaries and require future investment.

The InFuSe operation will have a long-term impact in the following areas:

Partnership & Collaboration

A strategic, collaborative approach toward partnership working between Local Authorities will bring about improvements in decision making, expedite implementation process, improve service delivery, generate efficiency savings and reduced costs by minimising duplication of effort and the realisation of economies of scale.

InFuSe will seek to demonstrate that a collaborative approach toward partnership working and the benefits derived from the InFuSe operation can be applied to the whole range of Local Authority services.

Wider Impact of Collaborative Working

The benefits derived from the InFuSe operation will also have a benefit through legacy effects and dissemination of learning to other Public Sector Bodies.

Ultimately the operation will demonstrate that the benefits of a collaborative approach to issues that are of strategic importance and transgress boundaries can provide improvements to service delivery that benefits the whole of public services and the wider communities these serve.

12.3 Operational Closure

As noted above, an aim is for a framework for collaborative working to remain active to oversee the delivery of the two Themes beyond the scope and lifetime of InFuSe, supported by alternative funds (including CCR, and other cost savings or resources identified by Local Authorities). There will still be a need to bring the element of the operation that is funded by the European Social Fund to a close.

Operational closure is an important element which has to be managed appropriately.

From day one the Joint Beneficiaries will be fully aware of WEFO's Operation/Project Closure Guidance and the requirements to retain and archive 'management products' for future audit purposes.

The Strategic Board will be responsible for bringing the InFuSe operation to a controlled closure.

Each Joint Beneficiary will ensure that their final claim is submitted and fully supported with the appropriate documentation.

Where appropriate, staff employed on the project will either have their duties redeployed or will have their contracts terminated in accordance with the terms and conditions that were agreed to at the start of the operation.

The InFuSe operation will be subject to an independent evaluation; the Joint Beneficiaries will be an integral part of the evaluation and will be party to agreeing its final recommendations.

The Joint Beneficiaries will also be integral to identifying the lessons to be learnt from its implementation.

The Strategic Board will, at their final meeting, confirm:

- the final claim and outputs;
- that the issues log is complete;
- that all risks have been eliminated;
- that any residual risks are re-assigned;
- agree the lessons learnt report; and
- agree the external evaluation report.

12.4 Long Term Sustainability

Long-term sustainability of the operation's outcomes is a key objective.

A specific workstream on 'Resilience and Legacy' has been built into the operation to maximise the ability to embed learning, outcomes and tools, methods and processes.

There is existing collaborative working between members of the InFuSe and CCR Challenge Fund teams, and these relationships will continue to support an ongoing exchange of information to ensure that opportunities for medium to long term sustainability are explored.

The Strategic Board will disseminate the findings of the external evaluation to the ten Local Authorities and Cardiff Capital Region City Deal Cabinet setting out the regional benefits of collaborative working and the ability to replicate it across other areas for which they are responsible.

The Strategic Board will also determine how the operation moves from one that is supported by the European Social Fund, to one which may continue appropriate support for the implementation of further activities under the two themes (e.g. using CCR Challenge Funds) and to deploy resources appropriately.

InFuSe

Innovative Future Services

Indicative Brochure Copy for sharing with potential participants

August 2020

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1. About InFuSe

Developing new innovation skills and capacity by tackling regional public service challenges.

In the last few months we have seen the most rapid uptake of innovation in public services that anyone can remember. Data have become key to the response to the Coronavirus pandemic and the old cultural barriers to data sharing are being swept away. From the challenges that the crisis has thrown up - public-health, social and economic - public services have found new ways of working and new solutions that have ensured the impact is minimised across the Cardiff Capital Region.

InFuSe is designed to build on and consolidate many of the new-found innovation skills, tools and methods that have been put into practice across public services in the Cardiff Capital Region, and broadening this from single local authority responses to a culture of challenge-based regional working.

InFuSe will blend theory and practice, introducing people to new processes and concepts, then providing a safe and supported environment for them to try them out. It will allow them to develop their knowledge and practice so that they can take new skills back into their own organisations and share them with other colleagues.

InFuSe will take a thematic approach - focusing on problems or opportunities linked to rebuilding the local economy across the CCR. It will do this in a way that links to CCR's new Local Wealth Building Challenge Fund, supporting public services to become key actors in driving innovation that creates jobs and promotes the concept of a wellbeing economy.

The themes will become the focus for each of the works teams delivered through the programme, with participants using these themes to develop new skills and knowledge in both a theoretical and practical manner.

Our conversations with key stakeholders from the Cardiff Capital Region have indicated that there are currently skills deficiencies in three areas which will form the core workstreams of the programme:

- **The Adaption Lab - Undertaking experiments:** We'll support people to learn about and deliver experiments that test potentially scalable solutions to region-wide problems;
- **The Data Lab - Making the best use of data:** We'll support people to better collect, manage, analyse, understand and make use of data linked to the two thematic areas, leading to more effective use of data in decision making;
- **The Procurement Lab - Procuring innovation:** We'll support people to learn about, develop and test new processes and methods for procuring innovative products and services that produce better outcomes for people who use and deliver services against the two thematic areas.

Adapting the Programme for Coronavirus

When we originally planned the InFuSe programme we envisaged longer cohorts, lots of face-to-face workshops and visits to help bring the work to life.

Now, we have shorter cohorts of up to 6 months (3 months of learning, followed by three months of coaching) to allow for more flexible participation, as well as fully remote, online delivery for the foreseeable future. We've also built in breaks in delivery to allow us to take stock of what's working and what isn't and reflect on the current context for public service delivery.

The programme is designed to run for a minimum of three cohorts, wrapping up by the end of March 2023, allowing us to identify the themes that will underpin the work, deliver an intensive and comprehensive programme of activity, then ensure that the results are effectively disseminated across the region. All elements of the programme, at least for the first year, will be delivered online via video-conferencing and other digital collaboration tools. This will be reviewed as the situation with the coronavirus pandemic changes.

2. Selecting Programme Themes

InFuSe is designed to tackle significant problems or take advantage of new opportunities (referred to as "themes") linked to Cardiff Capital Region's new Local Wealth Building Challenge Fund.

The first part of the programme will require senior leaders (civil and political) of participating local authorities to identify and agree on the themes to be tackled. The themes will then be the focus of practical work within the three core workstreams.

Identifying the two themes

We want to ensure that there is significant buy-in to the two themes that the programme delivers against. To achieve that we will run an engagement exercise and one workshop with Senior Leadership (Chief Execs and their Direct Reports) in conjunction with the CCR City Deal Programme Office across the CCR to understand which headline problems or opportunities that would promote regional working would receive their buy-in. For example:

- Making the most of Metro Plus
- Improving Local Economic Development
- Reducing Air pollution;
- Decarbonising public services;
- Dementia
- Diabetes
- Tackling Loneliness and isolation
- post-COVID economic and social recovery

The Y Lab team will assess around 3 or 4 problems and challenges that receive senior leadership buy-in against the following criteria:

- Availability of and access to data;
- Identifiable and significant procurement spend over the short-term;
- Availability of ideas that could be adopted within the region that haven't been adopted by others and
- An assessment of the existing attitudes, skills and knowledge base within public services. An assessment of the medium and longer term benefits and impact on the wider Cardiff Capital Region and the benefits it will bring to improved regional working.

We'll also consider how these themes fit with Sustainable Development principles, Local Authorities' Health & Wellbeing plans and the impact on the environment.

Refining the themes

Once the themes have been agreed, we will establish a subject area steering group for each theme that will help us to:

- Define one or two measures of success for the programme against the theme.
- Understand up to 5 big questions that need to be answered that are pertinent to the CCR and
- Define who should be involved in each of the following workstreams to unlock that resource from participating organisations.

The steering groups will then act as a critical friend during the delivery of the subsequent workstreams.

Ongoing thematic work

Throughout the programme we'll continue to develop our knowledge and understanding of the two themes, making sure that our teams have as much evidence as possible to make good decisions and adding to this evidence base as we are able.

This might include: mapping of current knowledge and resources; rapid evidence assessments; stakeholder engagement within the region; undertaking small pieces of primary research to help delivery of the programme; ensuring the other workstreams are tackling the most important questions for the theme; bringing outside knowledge and experience in to the region; and disseminating findings throughout the region, including to Senior Leaders and the CCR Cabinet.

3. Stream 1 - The Adaption Lab

Overview and Aims

The Adaption Lab is an opportunity to build on existing good practice and the rapid change and learning of COVID-19, by embedding more rigorous experimental skills and methods in public services. It is designed to increase regional and collaborative working by adapting or adopting proven solutions in an experimental way to tackle region-wide opportunities and problems for the Cardiff Capital Region.

It will give public servants access to new tools, skills and methods that allow them to run experiments in their own organisations, and to practice those skills in a supportive and safe environment, with guidance from an experienced team of innovation professionals and academic researchers.

Outcomes

By the end of each six-month programme we anticipate the following outcomes:

- **For individuals taking part** - that they will have developed a range of new skills and understand how new tools and methods can be used to run experiments in their own organisations;
- **For organisations** - that they will have undertaken at least one small-scale experiment in a safe and supportive environment and will have learnt more about how they can better support this style of working in the future;
- **For the Sector/Region** - that we will generate new, transferable knowledge about the process of adopting, adapting and scaling proven solutions through the use of experiments, delivered through a new toolkit for adapting ideas in public services that will support improved collaborative learning and working across the region.

Process

Over six months, each adaption lab cohort will learn new skills and methods while exploring a real-life challenge within the Cardiff Capital Region. They'll use **the first three months** to get to grips with new tools and methods, explore their problem and design an experiment.

Where desirable, they'll use **the second three months** to put their learning into practice, with light-touch mentoring and a new-found peer support network.

The first three months will cover the following key topics:

Month 1 - Understanding the problem and building a team;

Month 1 will focus on setting good foundations for an innovation project - really getting to grips with the challenge, engaging with the people it impacts and making sure that the team taking on the work are the right people to do the job. It will also allow teams to agree on how success will be measured in overcoming the challenge.

Month 2 - Exploring Known/Proven Solutions

This phase will support teams to explore solutions already proven elsewhere and decide which look most promising to them. In this phase, the project teams will ensure they work with service users and frontline staff to assess potential options and ensure that they can see a way that it can be adapted within their context. This will help to build buy-in for any possible solutions and avoid some of the "not invented here" challenges that we often see in Wales.

Month 3 - Setting up a Prototype and Planning an Experiment

This month will act as the transition from research to action - putting in place all of the plans and resources necessary to run their experiment over the following three months. It may include an element of prototyping - early work to ensure a lightweight version of the idea to be tested can actually be built, alongside thinking about the questions that need to be answered and the methods and data that will be used to answer them.

Months 4 - 6 - Running an Experiment

On completion of months 1- 3, teams should be in a position to undertake a small experiment, predominantly under their own steam, to put some of the tools and methods we've provided into practice.

The lab will continue to provide light-touch support for individual teams, for the cohort as a whole to maintain peer connections and, crucially, independent challenge and advice to keep teams focused on their goals.

How to get involved

We'll send out an open call for teams and individuals to take part in the process In January 2021. We'll be looking for ready-formed teams from across the region, or individuals that we can form into teams to tackle shared challenges.

Your Commitment to the Programme

As your partnership contribution, we anticipate you committing the equivalent of at least 2 days per week for the first three months for individuals taking part, followed by 1-2 days per month of engagement for the following three months, plus whatever time is needed to run the experiment each team designs. It is likely that this time will be flexible - with some periods of intense activity requiring high levels of commitment followed by quieter periods.

Examples of Similar Approaches

Business Basics

A current example of this approach to adopting innovation can be seen in the Business Basics programme. The Business Basics Programme will test innovative ways of encouraging small and medium-sized enterprises to adopt tried and tested technologies and management techniques⁶. By taking an experimental approach, they hope to show in a rigorous manner, what works and what doesn't for boosting the productivity of small and medium-sized businesses in the UK.

Flintshire County Council and Mockingbird

Flintshire County Council have been funded through Y Lab's Innovate to Save programme to trial and test the Mockingbird Family Model. The model has currently been implemented successfully in both the US and parts of England. The funding allowed FCC to trial and adapt the model to suit the needs of a rural region of Wales, through a 9 month Research and Development process.

⁶ Business Basics: <https://www.gov.uk/government/collections/business-basics-programme>

4. Stream 2 - The Data Lab

Overview and Aims

Many of the greatest challenges to public services require us to work in new ways, with the best available evidence that we can generate. These challenges exist across local authority boundaries and departmental silos, requiring us to combine information across systems. Yet, despite being in a data-rich region, many local authorities struggle to make the best use of data. Reasons for this include a shortage of the skills and support public sector staff need, and the absence of the regional networks that can turn piecemeal good practice into lasting change.

The Data Lab will up-skill cohorts of public servants from across the Cardiff Capital Region while they undertake action learning projects leading to informed data-driven decisions. We will support leadership to guide quality data projects, as well as helping them solve data problems at a regional level with a network of counterparts in other authorities. We will develop sustainability by: producing a costed model for a Cardiff Capital Region Office of Data Analytics; and testing and refining an outcome-based, data analytics methodology for regional working.

Outcomes

By the end of the programme we anticipate the following outcomes:

- public servants have solved data problems in their work, providing examples of good practice that can be shared across the region;
- public servants have the skills required to use data for better decision making and have a regional network they can use to continue to develop their skills;
- leaders will be able to guide data projects and will know how to advocate for better data use in their authority and across the region;
- lasting improvements to the data infrastructure, including data sharing agreements and better quality data, with regional working as the default;
- a costed model for a Cardiff Capital Region Office of Data Analytics; and
- a tested and refined methodology for undertaking data projects across the region and explore the benefits of a collaborative approach of sharing data across the region.

What types of projects might we undertake?

The New Orleans’ Office of Performance and Accountability has highlighted five question types that are particularly amenable to quantitative data analytics, but we’re just as interested in qualitative data:

Question Type	Example Data Product
How can we identify targets within a broader population?	A graph showing anomalies or outliers
How can we categorise high-priority cases early?	A prioritised list
How can we proactively deploy resources?	An alert to flag issues when a threshold has been reached
How can we make decisions with all relevant information?	A data visualisation or dashboard
How can we schedule and deploy assets with input of the latest service data?	A map or heatmap showing where cases occur

Five examples that illustrate the kind of work we could do are:

After tragic deaths of tenants in New York in 2009, the Mayor’s Office for Data Analytics worked with the fire department to use data about buildings to help identify those in urgent need of fire inspection because illegal overcrowding by landlords was creating fire risks.⁷

Trafford Council and Trafford Clinical Commissioning Group used local and national health data to identify where rates of cervical screening (smear tests) were low. They used the data to create an award winning targeted public health campaign.⁸

⁷<https://www.wired-gov.net/wg/news.nsf/articles/Predicting+and+preventing+Londons+next+fire+using+predictive+analytics+and+the+Unique+Property+Reference+Number+26102018122000?open>

⁸<https://www.powertochange.org.uk/wp-content/uploads/2017/11/Data-for-the-Community-taking-a-look-at-how-data-assets-are-being-used-at-a-local-level.pdf>

<https://www.jostrust.org.uk/node/575875>

The RSA used local wellbeing data that they helped community members in Murton, Durham to collect to focus funding where it was most needed. The data indicated that single mothers were at particular risk of social isolation in the village, leading to the co-production of a successful community group.⁹

Essex County Council collated the addresses from each agency of all businesses “of concern”, identifying a subset of 95 businesses that are “of concern” to at least three agencies, enabling prioritisation of these businesses for cross-agency solutions.

London Fire Brigade showed that energy performance certificates (EPCs) are a better predictor of fires than tenure type, so they now target their fire prevention work based on EPCs.

Process

For each theme, the Data Lab is currently designed as three sequential three-month cohorts, running over two years. People will sign up to the InFuSe programme and then be assigned to a lab after the first ‘problem exploration’ phase of the three month course, the end goal of which will be a prototype solution. After the end of their course there will be the option to continue for a further three months if their prototype shows sufficient promise, with agreement from their authority and the Data Lab. Each cohort will run five phases:

Recruitment of people from across local authorities with problems they are looking to solve

Innovation Skills training that focuses on problem definition and human centred design along with colleagues from other InFuSe labs. These are the foundation of successful public sector innovation projects.

Data Skills training that focuses on data ethics, and the 4 step methodology - which are key to impactful data use.

Solving their own data problems, in partnership with data analytics support from the Data Lab, users of public service data and intensive peer support from cohort colleagues from other authorities.

Sharing their prototypes, their methods and the lessons from their projects with cohort, lab and InFuSe programme colleagues, academics, data science graduates and sector experts in the third and private sectors to the benefit of the wider region.

⁹<https://www.thersa.org/action-and-research/rsa-projects/public-services-and-communities-folder/connected-communities-social-inclusion-and-mental-wellbeing/locations>

<https://www.powertochange.org.uk/wp-content/uploads/2017/11/Data-for-the-Community-taking-a-look-at-how-data-assets-are-being-used-at-a-local-level.pdf>

Across the two years a senior leader in each authority will guide and celebrate their local teams. They will learn how to nurture good data practice as well as coming together with their equivalents in other authorities to learn how to make regional working the default.

How to get involved

We would like each local authority to nominate up to three “InFuSe Champion” who are eager to learn more about fostering and cultivating innovation projects as well as being interested in developing a network of leaders and experts across the region. At least one will be able to assist in recruitment drives across the authority workforce so should be in senior management or mid-level management with a cross authority reach. Managers at any level who anticipate members of their team applying to the three month course are encouraged. No specific knowledge of any of the three streams or chosen themes is necessary.

We will run an open call for individuals within local authorities to participate in the three InFuSe labs. They’ll then be assigned to the most appropriate lab after they’ve completed initial innovation skills training. The best results are likely to come from people who are keen to commit to the programme, with a real life problem they’re eager to examine and solve so all will be welcome, regardless of current job role or data experience.

Your Commitment to the Programme

Local authority “Champions” will be asked to:

- assist in local recruitment
- act as a guide and critical friend for local projects
- attend training with counterparts across the region
- attend annual celebration events where we share lessons learnt and promote the benefits of collaborative working.

We anticipate that this will amount to 2 days per month.

Within cohorts on the three month course, we anticipate that this will take approximately two days a week for participants. The course is designed to encourage network-building through peer-to-peer learning. As such, some parts of the course will take place on fixed days which will bring the cohort together (even if only virtually). These will be kept to a minimum and scheduled well in advance to allow teams to organise their time in the way that best suits them, around work and other responsibilities.

5. Stream 3 - The Procurement Lab

Overview and Aims

With £6 billion of spend managed through the procurement of goods, services and works, procurement is a crucial vehicle to support some of the most economically and socially deprived areas which are relying on a transformational strategy. Employment and business growth opportunities have become an urgent necessity. However, the potential for innovation and development across the region varies greatly. To elevate procurement it becomes essential to drive forward and embed a culture of innovation to render procurement fit for the future.

Outcomes

- Embed a culture of sustainable leadership, change and innovation across and between all stakeholders, creating a new community of practice;
- Greater collaboration with academia and business support organisations;
- Greater integration between commissioning, procurement and contract management to increase opportunities for smaller local businesses;
- Optimise existing tools and establish the need for new tools and processes to better meet the needs of the client and the local market.

Process

The emphasis is on building transferable knowledge exchange and action-based learning for skills development. We will:

- Design and deliver ‘leadership masterclasses’;
- Utilise challenge-led procurement approaches;
- Mentor ‘Innovation Champions’ in procurement;
- Establish collaborative networks with anchor organisations, circular and foundation economy sectors;
- Explore the potential for innovative partnerships for higher value, strategic spend items.

How to get involved

Put forward a project leader who will become the organisation’s innovation champion, ideally someone holding valuable insight and experience beyond procurement.

Your Commitment to the Programme

- Be prepared to explore new interventions for improving the procurement process to enable more innovative products and services.
- Develop and optimise local 'innovation eco-systems' by engaging more with the Welsh supply chain and promoting the benefits widely.

6. The current INFUSE Team

INFUSE will be delivered by Monmouthshire County Council, Y Lab, Cardiff University and The Cardiff Capital Region, in partnership with the other nine local authorities that make up the region.

The programme has been designed by:

- **Monmouthshire County Council** - Cath Fallon and Michael Jordan;
- **Cardiff Capital Region City Deal** - Kellie Beirne, Rhys Thomas, Andrew Pickford, Nicola Somerville, Lisa Jones and Martyn Jeffries;
- **Y Lab** - Rob Ashelford, James Lewis, Emily Hubbard, Babs Lewis, Amy Richards, Alexis Pala, Rob Callaghan and Tina Cottrell;
- **Cardiff University** - Kevin Morgan and Jane Lynch;
- **Welsh Government** - Greg Green.

Appendix 2 - InFuSe - Programme Timetable Overview

This gives a high-level overview of when activity delivered through the InFuSe programme will be live.

Start and end dates are subject to confirmation with WEFO.

Suggested milestones (for further discussion and development with WEFO) are included below.

please note - colours are not indicative, purely to make the chart easier to read.

	2020				2021				2022				2023		
Month beginning	Jan	Apr	Jul	Oct	Jan	Apr	Jul	Oct	Jan	Apr	Jul	Oct	Jan	Apr	Jul
FY Activity	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
WEFO Project Quarter				Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	Q12
Operation Design and Bid development and contracting															
Themes agreed															
Staff recruitment															
Cohort Recruitment															
Theme 1 - training (adaption, data, procurement)															
Theme 1 - coaching/mentoring															
Theme 2 - training (adaption, data, procurement)															
Theme 2 - coaching/mentoring															
Reflective Learning															
Dissemination Activity															
Programme close down															

Suggested Milestones (for further development over time)

FY 20/21	
By end of Q4	INFUSE Team recruited
By end of Q4	Cohort 1 recruited to adaption, data and procurement labs
FY 21/22	
By end of Q1	Majority of training completed for cohort 1
By end of Q2	coaching and mentoring completed for cohort 1
By end of Q3	Cohort 2 recruited
	Adaptive learning exercise 1 completed
	First round of dissemination activity completed
By end of Q4	Majority of training completed for cohort 2
FY 22/23	
By end of Q1	coaching and mentoring completed for cohort 2
By end of Q2	Cohort 3 recruited
	Adaptive learning exercise 2 completed
	Second round of dissemination activity completed
By end of Q3	Majority of training completed for cohort 3
By end of Q4	coaching and mentoring completed for cohort 4
FY 22/23	
By end of Q1	Adaptive learning exercise 3 completed
By end of Q2	All dissemination activity completed
	All programme work closed down and final reporting completed

Appendix 3

INFUSE: Strategic Risk Register															
Ref No.	Category	Theme	Description of Risk	Trigger	Consequences	Inherent Risk Score (Before Controls)			Current Controls	Residual Risk Score (After Controls)			Proposed further controls to mitigate / reduce risk	Risk Owner	Date Risk Identified or Changed
						Likelihood	Impact	Status		Likelihood	Impact	Status			
1	Corporate	Legal	Brexit.	Implementation of Article 50.	Withdrawal of UK Government guarantee to support all ESF Operations to their closure.	3	4	12	The Govt has agreed to guarantee existing commitments made under ESF Programmes until their closure. This guarantee could fail and funding would be withdrawn from the operation, requiring it to be brought to a premature close. The UK Government guarantee could also result in adverse changes to WEFO's current working arrangements in relation to financial reporting and re-profiles.	3	2	6	The main costs are staff based. Staff will be on employed on fixed term contracts with a 3 month notice period. Any requirement to bring the Operation to a premature close would have to include sufficient time and resources to issue statutory redundancy notices and to bring the operation to a controlled closure.	SB/LB	01/02/2020
2	Corporate	Legal	Ambiguity within Offer Letter. No clear distinction between 'ALL Costs and Staff Costs.	Acceptance of Offer Letter & return of Schedule 3's. JB's administer Operation in accordance with FR40. WEFO/EU could require audit verification of ALL Costs (as agreed in Offer letter).	Potential de-commitment of grant aid or claw back if WEFO/EU audit identifies significant gaps in the 'management products' required to verify compliance of non staff costs.	3	3	3	The Relationship Agreement advises JB's to ensure that All non staff costs should be eligible, used for the operation, and are defrayed at the point of claim and placed onto a operation cost code.	3	1	3	The Strategic Board will agree a means of reimbursing Joint Beneficiaries' non staff, operational costs, to include prior authorisation of certain categories or values of substantive non-staff costs.	SB/LB	01/08/2019
3	Operational	Resource Management	The T & C's of the Offer letter prevents the Lead Beneficiary from withholding payment to the Joint Beneficiary other than eligibility of staff costs. WEFO's ability to determine how those events affect the Operation and identify the appropriate means of remedying the position. WEFO's inclusion in the management of operations, the direction on how to deal with 'Notified Events' muddies the clear distinction of operational ownership & responsibility.	Acceptance of the Letter Offer setting out the terms and Conditions of the award of ESF & poor performance by JB. Commencement of operational expenditure.	Once a claim has been submitted to WEFO, agreed by WEFO and payment issued to the Lead Beneficiary, the Lead Beneficiary cannot withhold that payment from the Joint Beneficiary. Where Lead and Joint Beneficiaries have followed WEFO instructions and those instructions has worsened the position the entity responsible for any future 'clawback is open to challenge.	2	4	8	Withholding payment from a Joint Beneficiary that has either failed to achieve its performance indicators, failed to collect appropriate participant data or failed to remedy the position has been a key component in the Lead Beneficiaries ability to manage JB's and minimise the risk of clawback. This ability to manage JB's performance is now passed to WEFO and is reliant on Lead Beneficiaries informing WEFO of 'Notified Events'.	2	2	4	Quarterly Progress Reviews with WEFO will provide opportunity to highlight key issues including matters arising to potential clawback. The Lead and Joint Beneficiaries will enter into a Relationship Agreement which will set out the expectations for performance and respective contributions by all Parties, and the process for dispute resolution and escalation where required.	SB/LB	01/08/2019

4	Operational	Business	Use of Simplified Cost Methodology, is based on a 40% up lift on estimated staff costs rather than a detailed assessment of what resources the operation requires to deliver the agreed outputs. Failure to manage staff and non staff costs may result in an overspend,	Acceptance of the Letter Offer setting out the grant funding T & Cs. WEFO guidance on simplified cost methodology and treatment of non staff costs. Commencement of operational expenditure.	Failure to employ staff and incur salary costs directly affects the ability of the operation to claim FR40 and to recover grant that can meet its direct non-staff costs. The use of FR40 methodology may result in a delay in the commitments against non staff costs until such time as non staff budgets are confirmed. This could adversely affect delivery. This will affect non staff expenditure which will be largely incurred by the Lead Beneficiary, Cardiff University and Nesta.	3	3	3	Much of the non staff expenditure will be incurred by the LB, Cardiff University and Nesta. It is the JB's responsibility to manage their budget and provide the agreed level of staff costs. The LB will monitor the generation of staff costs and FR40. The SB will have overall approval over any significant non staff costs.	3	1	3	LB will monitor claimed staff costs against the profile spend and advise the JB's accordingly. A budget will be set for non-staff costs, and ceilings will be placed on the type and level of non-staff expenditure that JB's may incur, including spend requiring prior approval from the LB and/or SB. These will be built into InFuSe financial management and claim procedures between the LB and JB's, agreed via the SB. The LB, Cardiff University and Nesta will be protected by a Relationship Agreement against any shortfall in direct costs.	SB/LB	01/08/2019
5	Operational	Resource Management	Failure to attract or retain suitable skilled and experienced staff into new roles	Lack of suitable candidates identified through recruitment processes.	Any delay in recruitment of appropriately skilled and experienced staff will inhibit the delivery of the operation	2	3	6	Efforts will be made to secure organisational approval of posts and the ability to advertise prior to securing formal confirmation of funding.	2	3	6	There is some scope within Y Lab to cover a short delay in the recruitment of the required staff from deployment of existing resources.	Y Lab	01/08/2019
6	Operational	Resource Management	Cash Flow: The adoption of the FR40 methodology means that the 40% up lift to cover non staff costs is dependant on the defrayment of staff costs. Any variance in staff costs has an impact on FR40 and the operations ability to cover all non staff expenditure.	Decision to adopt FR40, Acceptance of WEFO Offer letter. Commencement of operational expenditure.	The Lead Beneficiary, Nesta and Cardiff University will have to incur non staff expenditure (such as the independent evaluation). These costs have to be shared amongst all JB's. Without proper management, these costs could escalate beyond the JB's ability/willingness to meet them.	3	3	3	The Lead Beneficiary and the 10 Local Authorities will have little reason to incur non staff costs outside of T& S, operation led meetings/seminars/conferences and a contribution toward other non staff costs such as an independent evaluation. Cardiff University and Nesta will have reason to incur non staff costs. Protocols for controlling expenditure by the JB's will be agreed via the Strategic Board. These controls in isolation cannot eliminate the risk of the operation incurring more cost that FR40 can support.	1	1	1	LB will monitor claimed staff costs against the profile spend and advise the JB's accordingly. A budget will be set for non-staff costs, and ceilings will be placed on the type and level of non-staff expenditure that JB's may incur, including spend requiring prior approval from the LB and/or SB. These will be built into InFuSe financial management and claim procedures between the LB and JB's, agreed via the SB. The LB, Cardiff University and Nesta will be protected by a Relationship Agreement against any shortfall in direct costs.	SB/LB	01/08/2019

7	Operational	Business	Failure to attract and retain sufficient Local Government employees onto the operation	Initiation of Thematic Working and workstreams.	The inability to recruit and retain sufficient Local Government employees on to the operation will inhibit its ability to embed new skills, new methods of working and achieve improvements in service delivery across the region.	4	4	16	Local Authority representation on the Strategic Board will be critical to the operation's success. There will need to be an interim membership to guide the initial assessment of the themes. Once the two themes have been determined the final composition of Local Authority representation will be agreed. The final membership will be a senior officer with responsibility for the chosen 'themes' and have the ability to commit resources to the operation.	4	2	8	The selection of the most appropriate Local Government employees to participate in the three work streams will also be critical to the operations success. Y-Lab will identify the optimum participant profile for each for the three work streams and work with the Local Government representation on the Strategic Board and the RMT Engagement Officer to identify and recruit the most appropriate participants.	01/08/2019
8	Corporate	Resource Management	Failure to attract and retain sufficient Local Government employees onto the operation	Initiation of Thematic working and workstreams	The inability to recruit and retain sufficient Local Government employees on to the operation will inhibit its ability to generate sufficient match funding.	3	4	12	Local Authority representation on the Strategic Board will be critical to the operations success. Their role in identifying suitable staff and ensuring their participation will be a key element in the operation's success. Senior Managers will be made fully aware of the implications of not securing sufficient match funding and the Strategic Board will receive a quarterly financial report identifying any potential shortfall with recommended corrective actions. The staff structure includes a RMT Engagement Officer to promote participation, identify and recruit the most appropriate participants.	3	3	9	This risk will be managed contractually through the Relationship Agreement, with all parties committed to jointly monitoring staff participation, adapting delivery through timely feedback (work stream 5) and identifying solutions on a timely basis. The Relationship Agreement will set out joint responsibility for the financial risks of the Operation, with the Chair of the Steering Board (a member of the CCR City Deal Office) providing independent scrutiny of mitigating actions proposed to manage financial issues	01/09/2019
9	Corporate	Legal	Failure to meet contractual commitments.	Acceptance of the Letter Offer setting out the terms and Conditions of the award of ESF and the accompanying Guidance.	Potential de-commitment of grant aid or claw back if WEFD/EU audit identifies significant gaps in the 'management products' required to verify compliance. WEFD will clawback the grant from the Lead Beneficiary in the first instance. The Lead Beneficiary will then need to recover the grant from the responsible Joint Beneficiaries.	2	4	8	A Relationship Agreement which ensures that JB's are responsible for the delivery of their element of the operation and any clawback identified as a result of their errors or omissions will be reimbursed to the Lead Beneficiary.	1	4	4	The nature of P5 is such that the outputs are not participant led. Specific targets for delivery are new methods of working and number of entities engaged. The operation is expecting to support Local Government employees to acquire new innovative skills and decision making techniques on a regional basis through action based learning techniques.	01/08/2019

10	Operational	Legal	The enactment of the GDPR places increased responsibilities on entities to protect personal data	Any 'data breach' - a loss of personal data - would trigger a report to the Information Commissioners Office	A data breach could result in the ICO investigating the circumstances of the loss and could result in pecuniary damages for the offending Joint Beneficiary. Any data breaches likely to be limited to a small number of individuals. Any fines as a result of a data breach cannot be attributed to the operation.	1	4	4	The Joint Beneficiaries collect, process and hold the participant data and pass some of the data to the Lead Beneficiary to submit the quarterly claims to WEFO. A Participant Declaration form has will be issued to JB's and a Data Protection Impact Assessment will be completed. The Relationship Agreement includes as specific Schedule that identifies the JB's responsibilities and liabilities under GDPR	1	2	2	The Lead Beneficiary will undertake a review of JB's data processing policies and procedures in relation to this operation.	01/08/2019
11	Operational	Business	Disagreement between Lead and Joint Beneficiaries	Issues raised by Lead/Joint Beneficiaries or WEFO, materialisation of an issue.	Discord amongst Joint Beneficiaries, potential withdrawal from the operation, de-commitment of grant, clawback of grant and legal action between Lead and Joint Beneficiary(s).	4	4	16	Lead Beneficiary to employ a Regional Management Team to manage the operation. Relationship Agreement in place to share responsibility and risk to Joint Beneficiaries. Strategic Board and a Operational Group have been created to report and monitor progress and deal with risks and issues. Lead and Joint Beneficiaries have re course to independent arbitration.	4	2	8	The threat of any withdrawal is best protected against by the successful delivery of the operation and the clear attainment of the promised objectives. This will be achieved by clear and regular transparent reporting, supported by the Oprational Group and RMT.	01/08/2019
12	Corporate	Legal	Notice from a Joint Beneficiary to withdraw from the Operation	Written notice to withdraw from Operation	Withdrawal of Cardiff University or Nesta could render the operation incapable of being delivered. Any reduction in the 10 LAs will reduce the impact of the benefits of Regional Working and reduce the level of match funding required for the operation.	2	4	8	A Relationship Agreement will set out formal procedures for providing written notice, including a suitable written notification period for each JB. The Relationship Agreement will also protect the Operation from any shortfall in contribution from JB's.	2	2	4	The threat of any withdrawal is best protected against by the successful delivery of the operation and the clear attainment of the promised objectives. This will be achieved by clear and regular transparent reporting, supported by the Oprational Group and RMT.	01/08/2019

Appendix 4 – Finances

Intervention rate WW&V 75%
 Intervention rate EW 50%

	Total	W W & V	East Wales
Staff Costs			
Monmouth CC	460,735	276,441	184,294
Nesta	1,048,671	629,203	419,468
Cardiff University	1,436,964	862,178	574,786
Other Local Authority Joint Beneficiaries	1,076,200	538,100	538,100
Total JB staff costs	4,022,570	2,305,922	1,716,648
FR40	1,609,028	922,369	686,659
Total Operational Costs	5,631,598	3,228,291	2,403,307
ESF (Grant Income)	3,622,872	2,421,218	1,201,654
Staff Costs			
Monmouth CC	460,735	276,441	184,294
Nesta	1,048,671	629,203	419,468
Cardiff University	1,436,964	862,178	574,786
Total	2,946,370	1,767,822	1,178,548
ESF available for non-staff costs	676,502	653,396	23,106

Note: delivery costs are proportional to the number of local authorities, so we divide these 60:40 for WW&V:EW.

Note: Staff time from "other local authority joint beneficiaries" are likely to be higher in EW as the LAs have more employees, so we divide these 50:50 for WW&V:EW.



15 JULY 2019

BRIEFING REPORT - SUBMISSION TO EUROPEAN SOCIAL FUND PRIORITY 5: PUBLIC SERVICES REFORM AND REGIONAL WORKING

Reason for this Report

1. To inform Regional Cabinet of the development of a collaborative proposal, led by Monmouthshire County Council, on behalf of the Cardiff Capital Region City Deal and its constituent local authority partners to WEFO under priority 5: Public Services Reform and Regional Working. To advise Regional Cabinet of the need to develop the business plan for submission and seek support for investing in and enhancing the innovation and collaboration skills needed to ensure the delivery of essential public services in ever-uncertain and turbulent times.

Background and context

2. In light of the significant financial tensions and growing demand for public services – economic, social, environmental and demographic - 'business as usual' - is no longer a sustainable or viable mode of operation. With an ageing demography, newly emerging economies requiring new skills and the growth of digital technologies, the daily lives and interests of citizens are changing and public services, whilst doing their best to adapt to this, need the support, investment and recognition to do this as effectively as possible.
3. In building a 'fitness for the future' approach, an enhanced and better supported operating model for public service delivery is needed, as well as support for the adaptation and evolution of key elements of public service leadership. The public sector must develop new skills to enable its workforce to adapt quickly when understanding and responding to future service demand, enabling practitioners to scenario-plan, develop rapid prototypes of new ways of working and practice rapid adjustment through safe spaces in which to experiment and carry out research and development. Future decision making must be data led to inform trend prediction and enable understandings of behavioural change and how best to respond. This

requires new skills in terms of data analysis, data science and development of appropriate systems of automation and business intelligence. To thrive the public sector must re-build its capacity and confidence to flex and adapt in order to attract and retain bright leaders, who don't just have the skills to see the challenges coming, but can convene the networks and expertise to respond to them most effectively.

4. However there are two key factors. One, is the investment and recognition to support this transition and approach – the rationale for the WEFO bid. The second is a greater emphasis on regional working – something which the Cardiff Capital Region has clearly established. Local authorities with overlapping regional services such as health boards, police and fire services hold the key to developing the kind of practice that recognises need and demand does not always respect administrative boundaries. Shared learning and pooling of resources leads to greater capacity locally and regionally, and greater resilience in the face of a changing public service landscape. Developing the systems, structures and ways of working to complement this and building on the already-good work of Public Service Boards, will provide the best means of ensuring sustainable delivery of future public services.
5. The CCR offers further advantages for the development of a programme targeted at investing in one of its most important resources – its people. With ten local authorities and ten diverse local authority areas – potential exists to identify and test a variety of challenges in a range of different contexts. Working at the regional level, will enable real impact to be felt within the duration of the programme – and beyond. The integrated nature of services within CCR, the close working relationships and the willingness to share and scale good practice at regional-scale offers a strong 'testbed' environment.
6. The CCR City Deal Business Plan 2019/20 made a commitment to progress with a proposal for enhancing institutional capacity aligned to the 'Public Services Testbed' concept which originates from the Innovation Prospectus developed by Monmouthshire and was first set out in the JWA five-year Strategic Business Plan. Following discussions with, and support of, Programme Board and the Chief Executives forum, an expression of interest (Operation Logic Table, attached as Appendix 1) was submitted to WEFO in May. WEFO has subsequently (1st July) invited the consortium to submit a full business plan for the proposal by the end of September 2019. The partnership will work with partners from the education sector to deliver the operation and early engagement has already taken place. There is no expectation of City Deal investment being made available to the project at this stage beyond officer support in convening and facilitating the development of the business plan. If through the detailed business planning process, it was deemed appropriate or desirable for the CCR City Deal to make funding available for the project, it would need to make a submission to the Investment and Intervention Framework like all other project proposals.

Project Proposal - overview

7. In light of the context against which public services are operating, the project proposes a multi-faceted approach to building capacity and creating culture change across public service delivery in the Cardiff Capital Region. A combination of top-down and bottom-up approaches will focus on:

- Working with organisations to clearly identify major problems and challenges in key areas of service delivery and how to best support them through a process of research and development and bringing forward new ways of working and innovative solutions. This will include creating the conditions to scale and replicate good practice and ensure that everyone has the opportunity to repeat the things that work;
 - Providing training and developmental support to better collect and understand data, to develop the tools and skills around data science and analysis and find the ways to apply new forms of business intelligence to problem-solving; cost avoidance and efficiency and effectiveness; and,
 - Building on current Welsh procurement initiatives, creating an environment for challenge-led procurement, and innovative public-private collaborations regionally and across Wales. This would unlock the potential for innovative business finance, new market creation and see the value of public procurement reach beyond the purchasing of goods and services. This could align with Govtech programmes and the Small Business Research Initiative (SBRI) Fund and be a core component of future 'challenge-led' thinking and investment.
8. The project will lead in the development of key skills that are required to enhance our regional capacity for informed, collaborative approaches to issues facing public sector bodies. This will be delivered in three main themes: Research and Development, Data for Decision Making, and Strategic Procurement Approaches. These three themes recognise and reflect both the potential strategic importance of their impact, and also the current limitations and challenges that they represent.
9. These themes have been identified through the lack of existing research and development capacity (from both a skills and organisational perspective), the dearth of data from experts and to inform proposals and programmes; and the traditional 'cost' (as opposed to 'value') focus of procurement practices. Modernising public procurement and instilling a culture of data literacy across the public services will be a critical enabler of future-ready public services delivery. The CCR City Deal Strategic Business Plan acknowledges the importance of innovation as a dynamic driver of economic growth and raising productivity. This isn't just about the business economy – but the public service economy too and the way in which public services themselves can shape the future be a key wealth creator and importantly, focus on the benefits of spreading and sharing wealth and prosperity.
10. There is also close strategic alignment with the aims set out in the Economic Action Plan by Welsh Government, which emphasises the move to a regional focus, importance of local wealth building and the foundational sectors to the Welsh economy, and digitalisation. The interaction of the foundation sectors with the public services is critical especially around the procurement of goods and services.
11. Beyond this and perhaps most importantly of all, the proposed programme recognizes the extreme pressure placed upon public service delivery in this period of austerity and cutbacks. Providing a programme of investment, support and recognition that is *for* public services *by* public services, will illustrate the difficulties involved in effective public service delivery in this turbulent and unstable period. Further, it will provide an evidence base of the true scale of the challenge and the impact that is being felt; provide a boost to the workforce; focus on new forms of value creation and enable the building of new skills and competencies to cast new

perspectives on the problems to be solved; as well as renewed momentum, inspiration and ideas. This will help position some of the benefits that can be realized through the broader concept of a Public Services Testbed. Appendix 3 provides a high level overview of the Public Services Testbed initiative that is under development and is expected to be submitted to the Investment and Intervention Framework over the coming months.

12. The project will seek to deliver tangible benefits and a strong legacy across the public services sector in the region, by delivering a range of approaches including extensive training and development programmes, introduction of new skills and competencies around data, procurement and problem-led development; a focus on digital future public services through alignment with centres of excellence and the creation of teams, networks and communities through which to develop answers to some of the big questions. Ultimately, it aims to develop new tools and levers through which to enhance public service delivery and contribute to its efficiency and effectiveness.

Considerations

13. The project proposal is directly addressing a priority funding of WEFO around building institutional capacity in public services. The funding has been made available specifically to support and enhance the good practice already seen in reforming public services and regional working in Wales. In this respect the work of the ten local authorities in coming together for the CCR City Deal is at the forefront of such initiatives in Wales.

14. The project as currently designed is costed at approximately £8M over three years and is spread across both West Wales and the Valleys and East Wales as currently defined by WEFO. The project intervention rate is budgeted as 50% across the whole region.

15. A match funding commitment of approximately £4M will be required to make the project viable and this will be achieved through a combination of officer time commitment from the ten local authorities (and possibly other public bodies within the region) to the workstreams in the project, overhead waiver, and discussions have been commenced with Welsh Government over the alignment of SBRI scheme funding to support the pilot projects that will be generated.

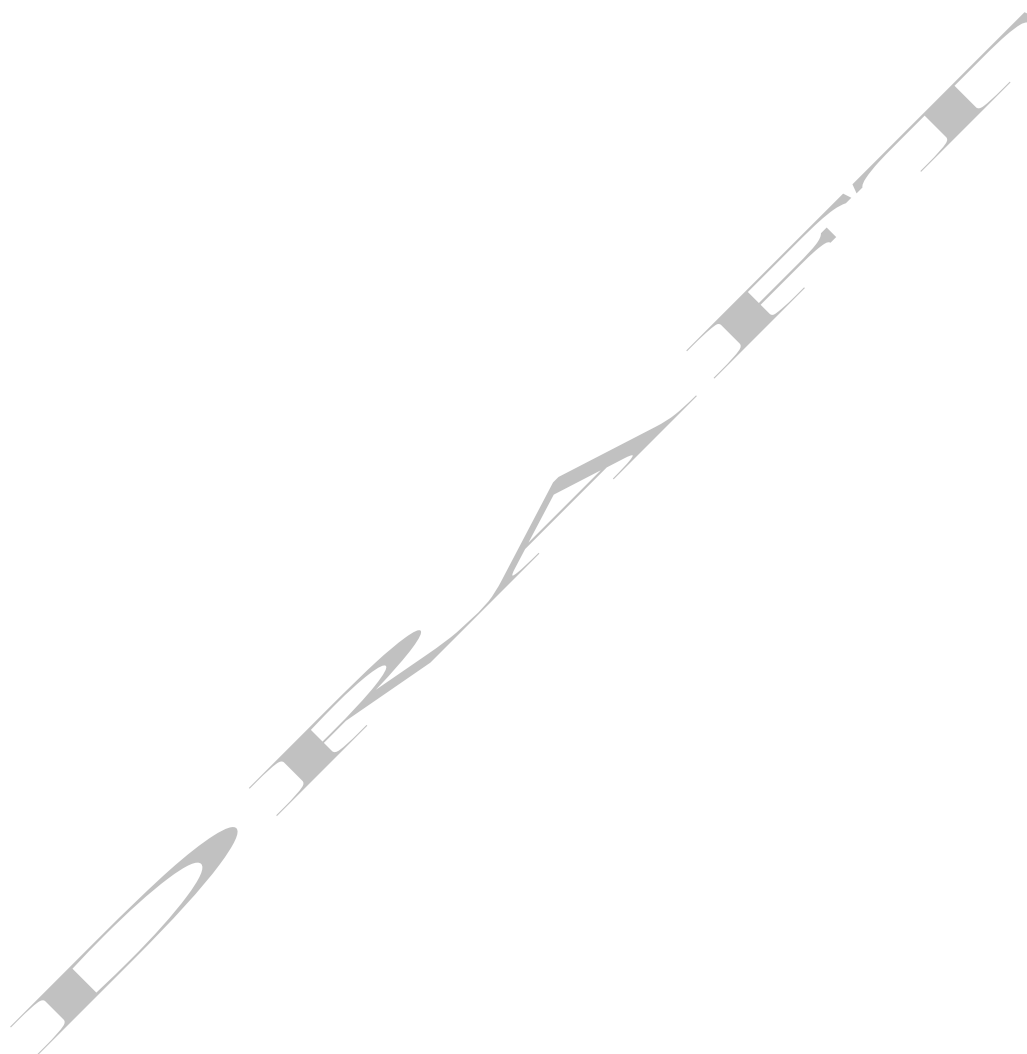
16. As the scope of this project proposal is outside of the delegated authority of Regional Cabinet, each local authority will need to consider if there are any formal approvals required locally before final commitment is made to the project.

17. Given the extreme pressures faced by many, if not all Local Authorities in relation to continued core budgets cuts and some of the ongoing uncertainty about future funding; it is suggested that thought is given to a programme of activity that would align with budget considerations for 20/21 and areas of common pain. This could be around increased demand Children's Services, ageing society pressures impacting Adult Social Care, complexity in Additional Learning Needs, the urgency around carbon reduction and pressures in Home to School Transport – as a few examples.

18. In order to shape proposals a request is made from the project team developing the proposal, that the CEO of each of the ten Local Authorities proposes one member of staff to attend a half

day workshop to shape the proposal to ensure that the programme of activity meets the future needs of their organisations. Further information to be provided shortly.

Kellie Beirne
Cardiff Capital Region City Deal Director
115 July 2019



OPERATION LOGIC TABLE (OLT) FOR PROPOSED ESF OPERATION

***PLEASE NOTE – This template does not constitute a business plan or an application form. The aim of this logic table is to demonstrate the potential of the proposal to effectively deliver against the EU programmes prior to potential progression to the Business Planning stage.**

Proposal Title:	Enhancing Capacity and Skills for Collaboration		Programme/Priority	P5
Operation Synopsis (max. 50 words):	<p>The operation will develop key skills to enhance regional capacity for informed, collaborative solutions to challenges facing public services by increasing procurement spend from identified anchor organisations to alleviate poverty and improve wellbeing; delivered in three main themes: Research and Development, Data for Decision Making, and Strategic Procurement Approaches.</p> <p>Monmouthshire CBC will act as the lead organisation for the operation, as part of the Cardiff Capital Region City Deal, whilst all LAs involved in the project will act as Joint Beneficiaries. Whilst we will be working with partners from the education sector to deliver the operation, whether or not procurement routes or Joint Beneficiary status will be sought shall be further explored in the Business Case process.</p>		Geographical area within proposed activity would take place:	<p>West Wales and the Valleys:</p> <p>RCT Merthyr Blaenau Gwent Torfaen Caerphilly Bridgend</p>
Estimated cost:	Total cost: £4.8m	Grant cost: £2.4m		

Table 1

Which Specific Objectives within the programmes would the proposed operation deliver against?	What change will the proposed operation seek to achieve?	How will the proposed operation achieve the changes sought?	Programme output indicators and targets
<p>P5 - Public services reform and regional working</p>	<p>The proposed operation, within the three major thematic work areas, will:</p> <p>Research and Development:</p> <ul style="list-style-type: none"> • Enhance the research and development capabilities and capacity of public sector organisations within the capital region; • Develop collaborative networks to deliver upon lessons learned and ensure that innovation in R&D and best practice are shared widely within the region; • Increase the numbers of R&D active public service practitioners; • Enhance the R&D capabilities of each partner organisation, • Ensure that specific team members develop new R&D skills, at both a management and operational level; • Greater understanding of how to overcome barriers for circular foundation economy sectors. • Developing a legacy for R&D in the region, by improving the capacity and partnership working of public 	<p>Research and Development:</p> <ul style="list-style-type: none"> • Data gathering to establish challenges within the area, building upon themes highlighted in the wellbeing assessments of PSBs within the region; • Embed action research projects to identify new ideas that require research and development to achieve solutions to existing public service problems. • Build appropriate R&D teams across partner organisations; • Creation of new tools and procedures that address those identified challenges/gaps; • Creation of “R&D champions” across organisations, to encourage the uptake of new ideas and better practice across the region; • Identify potential impact of increased percentage of procurement spend by anchor organisations within the region to benefit the circular and foundation economy; 	<p>One programme of delivery covering three major thematic areas for development and collaboration.</p> <p>Three underpinning thematic work areas within an opportunity to deliver new tools, methods and ways of working across the region that will influence and impact a range of service areas.</p> <p>All local public sector organisations within the Cardiff Capital Region to be involved in the programme.</p> <p>Specific to the programme:</p> <ul style="list-style-type: none"> • 1 regional centre of excellence for procurement;

	<p>sector services with the university and wider research sector.</p> <ul style="list-style-type: none"> Increased understanding of impact on using procurement by anchor organisations within the region to boost the circular and foundation economy sectors. <p>Data for Decision Making:</p> <ul style="list-style-type: none"> Increase the decision making capabilities within two specific challenge areas across the region; Enhance skills across a range of functional areas within the data analysis and interpretation fields; Enhance the dynamic capabilities of public sector service practitioners, improving responsiveness in decisions based on available data and information; Raise efficiency savings through and enhanced decision making process; Increased spend within the region through identified anchor organisations to positively impact on the circular and foundation economy sectors. Offer the opportunity for a virtual or physical Hub for improvements in analytics and the manner in which data analysis is utilised for decision making. <p>Procurement:</p>	<ul style="list-style-type: none"> Delivering a sustainable platform for the sharing of research findings and best practice. <p>Data for Decision Making:</p> <ul style="list-style-type: none"> Creation of two cohorts of data champions across public services in the region, working across boundaries to drive forward improvements in our management, analysis and use of data; Develop a programme of work, through extensive baseline research, workshops and evidence gathering to establish two key areas of work for those two cohorts; Deliver a training programme that focuses on data analytics, storytelling, ethics, human-centred design, culture shifting and systems-thinking; key components of successful data projects; Delivery of a data literacy programme for senior management across the region, drawing on experiences from prior well-being assessments and building our capacity to deliver the Well-being of Future Generations (Wales) Act 2015 with improvements in decision making; 	<ul style="list-style-type: none"> 2 cohorts of data champions across public services; 3 Training programmes across all three major thematic areas; 6 R&D teams, built from expertise across public sector organisations. <p>Number of projects targeting public administrations or public services at national, regional or local level: 1</p> <p>Number of methods, processes and tools being developed with support: 3</p> <p><i>(For example: Method: A new approach to providing a data literacy programme for senior management leading to improvements in decision making</i></p> <p><i>Processes: An R&D process taking participants from initial question to prototyping and testing.</i></p>
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	<ul style="list-style-type: none"> • Increased awareness and implementation of challenge led procurement, from both challenge owners and procurement specialists; • Supporting, through an extensive training programme, other initiatives and change programmes within public sector procurement in Wales; • Improve opportunity and ability for circular and foundation economy sectors to benefit from procurement opportunities with anchor organisations. • Improvement in consistency of approach in procurement, with specific regard to the circular and foundational economy within the region; • Improvements in collaboration within the region, sharing lessons and best practice and overcoming problems, and; • Better engagement with WG and UK funding opportunities to support challenge led procurement, including opportunities for collaborative working. 	<ul style="list-style-type: none"> • Capture case studies and good practice of data collection, involvement and collaborative decision-making involving representatives from anchor organisations, circular and foundation economy sectors. • Arrange fixed term secondments/positions for BSc and MSc students with sufficient data science expertise, to support the data champions; • Evidence of involvement of citizen, communities, including establishing collaborative networks involving representation from the circular and foundation economy sectors in contributing to public service data collection and data management; • Evidence changes to decision making processes owing to the new approaches, via an appropriate and inclusive mechanism, and; • Delivery of a fully costed and piloted office of data analytics for the region, for consideration of the public service bodes involved. <p>Procurement:</p> <ul style="list-style-type: none"> • Collaborative training programme to deliver improvements in awareness of challenge led procurement; 	<p><i>Tools: A toolkit for Challenge Led procurement that will enable procurement officers to implement new guidance.)</i></p> <p>Number of entities participating in projects targeting public administrations or public services at national, regional or local level: 6</p>
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- Delivery of 'leadership masterclasses' for procurement leaders at Board level;
- Creation of a regional centre of excellence in procurement training and staff development, and;
- Training and development of 'innovation champions' in the procurement field, in anchor organisations, business support and circular and foundation economy sectors throughout the region.
- Establishing collaborative networks involving representation from anchor organisations, circular and foundation economy sectors.
- Case studies and good practice in relation to maximise spend within the region by anchor organisations and positive impacts on the circular and foundation economy sectors and positive impact on local communities.

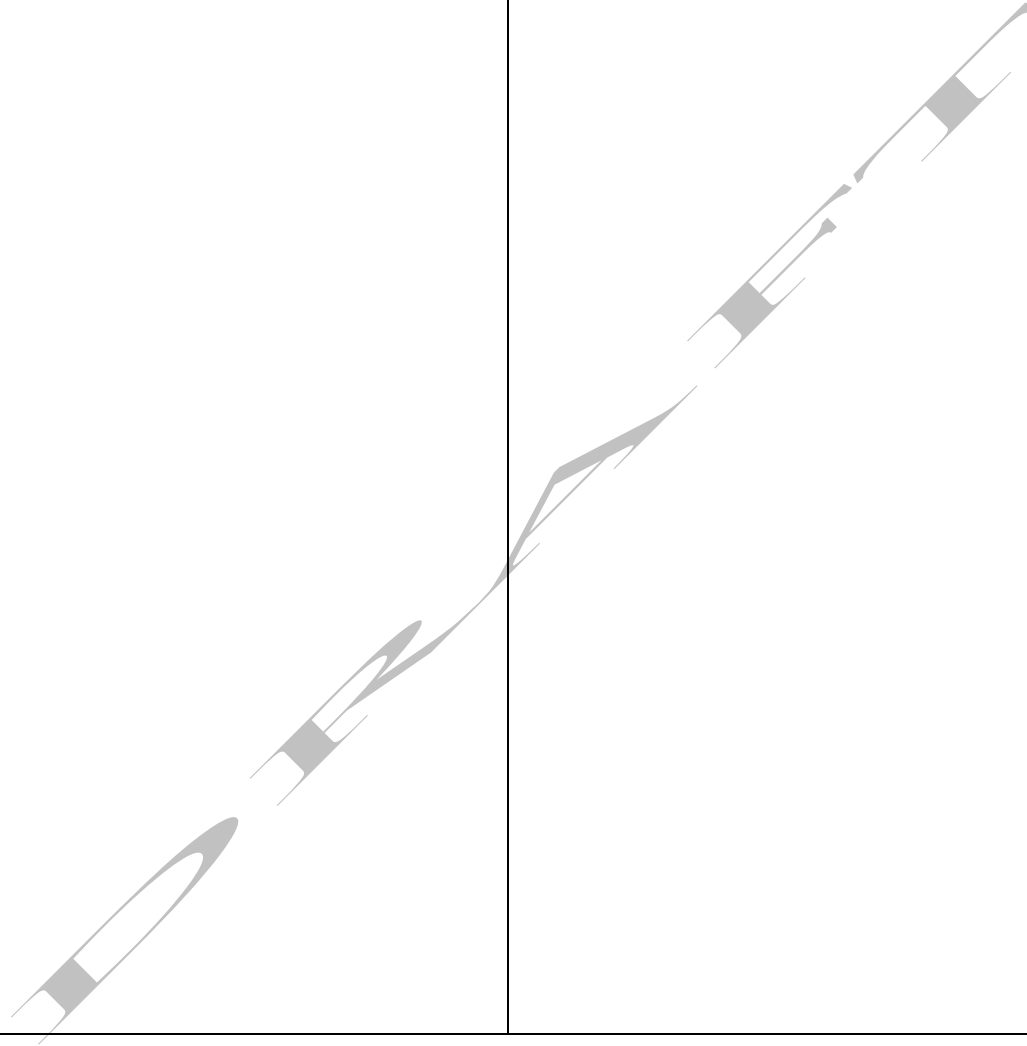
Table 2

Group(s) targeted	Identifying the barriers	Overcoming the barriers	*How does the proposed operation fit within the wider investment context as set out in the Economic Prioritisation Framework (EPF)?
<p><i>Public Services, focused on decision makers (middle to senior managers), procurement specialists and data management staff.</i></p>	<p>Whilst progress has been made in delivering collaborative approaches across public service bodies, that progress is often delivered in an ad-hoc approach, whereby organisational, budgetary and traditional attitudes towards working approaches impact our ability to continually work together, share information and creatively seek solutions to public sector problems.</p> <p>Lack of capacity and a broad knowledge base in these areas would hamper PSBs in the delivery of themes identified through wellbeing assessments.</p> <p>Lack of existing research and development capacity; both from a skills perspective and also in terms of explicit job roles.</p>	<p>The three major thematic work areas are key enablers for alternate approaches to public sector provision. In building capacity within R&D, data analytics and procurement approaches the operation will provide a platform not only for the creation of networks, communities and centres of excellence, but moreover open ‘hearts and minds’ to the associated benefits that more flexible and creative approaches in these areas can achieve.</p> <p>In the delivery of staff development, the building of networks and communities and enhancing the capacity and capability of public service organisations across the region, the programme will deliver efficiency gains for PSBs, improving their ability to deliver their responsibilities under the Well-being of Future Generations (Wales) Act 2015.</p> <p>Developing R&D teams across partner organisations, to improve capacity by pooling of resources.</p>	<ul style="list-style-type: none"> • Supports Prosperity for All (September 2017) by developing “closer working, on a consistent regional basis”. • Supports ‘better jobs closer to home’ through engagement with local CE related supply chain in private and third sector • Supports Economic Action Plan (December 2017) by bringing together stakeholder groups across the public service to form “strategic and more collaborative partnership to support distinctive regional strengths”. • Supports Employability Plan (March 2018) by engaging with Regional Skills Partnerships to inform their CE and innovation knowledge

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	<p>A lack of awareness and understanding of the impact and potential that action research projects can have on service delivery.</p> <p>A cultural gap in the use of data for decision making, in a real-time, consistent and comprehensively analysed manner.</p> <p>A discord between decision making and the availability of data from experts and professionals.</p> <p>Lack of information/best practice sharing across all three thematic work areas, leading to duplication, inefficiency and the same mistakes being repeated.</p> <p>Traditional procurement methods being driven with a cost focus, ignoring the 'local Pound' and the impact on the 'circular economy' of the region.</p>	<p>The creation of R&D champions will also further develop the support mechanisms for service areas and staff that may benefit from R&D support.</p> <p>Creation of two cohorts of data champions across public services in the region to revolutionise the approaches to the use of data in decision making.</p> <p>The development of a training programme that will focus on key areas of data analytics, interpretation and decision making will bring greater understanding from managers and cross bridges to those who analyse/interpret data.</p> <p>The creation of a centre of excellence for procurement, two cohorts of data champions and 10 R&D development teams across public sector boundaries has the opportunity to transform these key components of public service delivery. Supported by the effective use of appropriate system delivery to ensure better sharing of information and practice.</p> <p>Raising awareness of value in engaging in alternative procurement models, as well as the benefits of shifting the focus of evaluation away from cost.</p>	<p>relating to "robust labour market intelligence".</p>
<p>Third Sector organisations and social value organisations (*SSWB (Wales) Act - third</p>	<p>A lack of research and data - planners and commissioners are unaware of the assets and service</p>	<p>Regional networks, mapping and promotion of services provided by community / third sector / social enterprises, building</p>	<p>LSkip http://www.lskip.wales/downloads/170731_Employ</p>

<p>sector; cooperatives; service-user led organisations and social enterprises), with a focus on the circular and foundation economy sectors</p> <ul style="list-style-type: none"> • Social and community enterprises working in deprived communities. • Social and community enterprises working in deprived communities delivering health and social care services, particularly shared integrated service models. • Supported employment to people furthest away from employment, for example, people with low education and skill levels; and with a mild to moderate mental health condition. 	<p>provided locally within communities by third sector / social enterprises - who is out there and what they provide, leading to poor planning, duplication and poor value for money</p> <p>A lack of data to inform research and decision making make it difficult to build on best practice to co-design plans and services with public service senior leaders and commissioners, limited connectivity and influence.</p> <p>Limited understanding of needs and barriers preventing third sector / circular / foundation economy sectors participating in regional planning, collaborative and co-productive commissioning.</p> <p>Lack of available tools / guidance for regional collaboration and commissioning and complexity of existing policy framework.</p> <p>Lack of awareness of different models operating regionally / UK / internationally.</p>	<p>relationships through shared learning, mentoring and leadership network and researching and removing barriers to link into other SME networks and programmes related to the circular and foundation economy sectors.</p> <p>Regional Pathfinder programmes with public services to research, collaborate and coproduce social innovation in deprived communities building on local assets and involving communities / third sector / social enterprises.</p> <p>Access to shared research and data to promote learning through a mentoring and leadership network to assess how to address current skills gaps such as change management; collaboration; IT; equal opportunities and social inclusion and 5 ways of working / sustainable development.</p> <p>Provide leaders with the tools, guidance and opportunities to develop local solutions within communities / third sector / social enterprises to increase the circular and foundation economy sectors.</p> <p>Sharing regional, UK and international models through on-line materials, network events and visits.</p>	<p>ment%20 Skills Plan en g.pdf</p> <p>Leadership and management is needed in all sectors. High level strategic leadership and management skills will be required by managers to deliver transformation and succession plans (p5).</p> <p>Procurement contracts have the potential to secure demand for a local labour force through effective use of social clauses (p10).</p> <p>Micro and SME companies are key to future prosperity in the Cardiff Capital Region, comprising about 95% of companies and over 50% of the economy (p16).</p> <p>Significant growth in skills shortage vacancies is forecast in construction, human foundational economy, advanced materials and manufacturing and financial and professional</p>
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services, many occurring in digital and technology skills (p17).

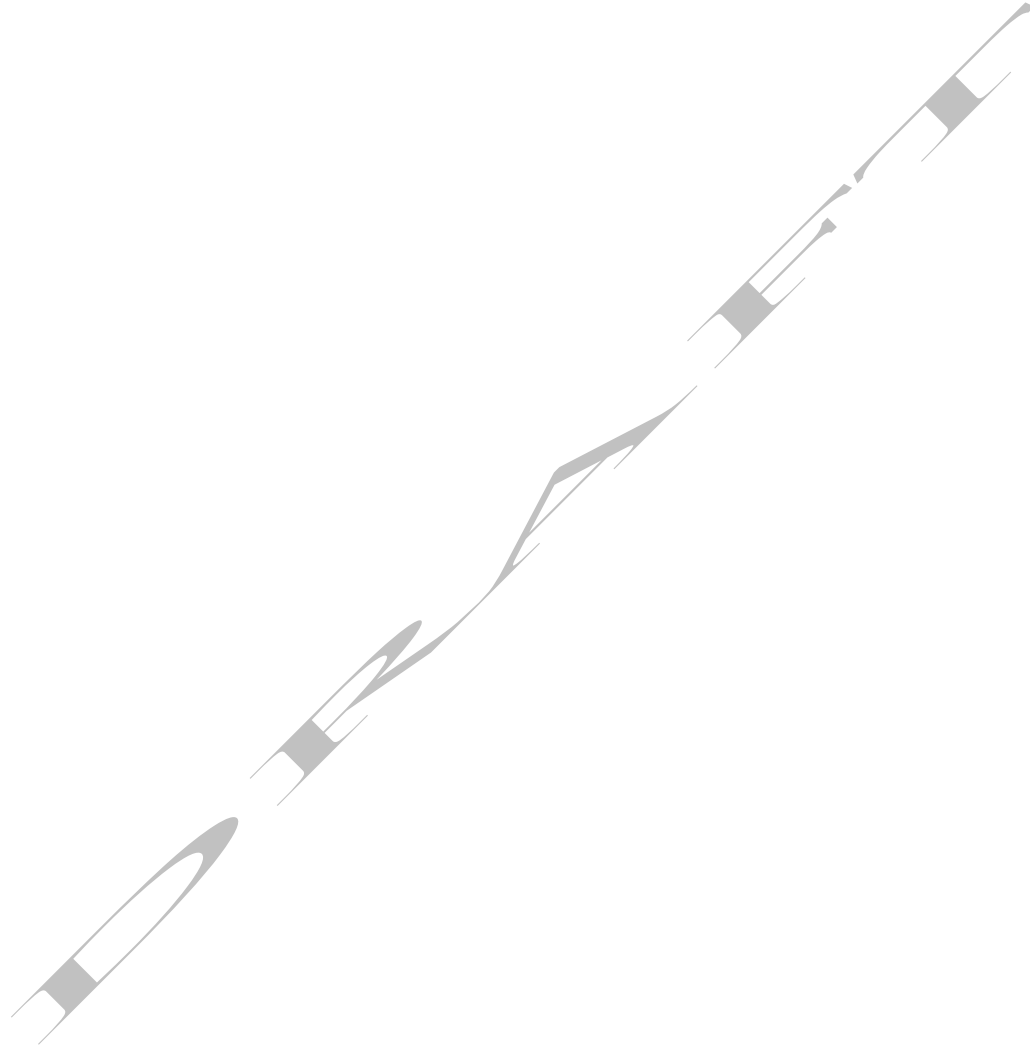
The foundational economy workforce in the Cardiff Capital Region is over 300,000 of which about half are employed in the human foundational economy, with 100,000 employed in health and social services and 50,000 in Education. The health and social care sector is similar in size to the financial and professional services sector. The human foundational economy sector is the largest of the sectors identified by LSkIP (p68).

Third Sector

There are 9,770 third sector organisations in Wales, with over 930,000 volunteers. Key areas requiring skills support include:

- leadership skills for charities and their support managers;

			<ul style="list-style-type: none">• social investment and administration of resources;• management support
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OPERATION LOGIC TABLE (OLT) FOR PROPOSED ESF OPERATION

***PLEASE NOTE – This template does not constitute a business plan or an application form. The aim of this logic table is to demonstrate the potential of the proposal to effectively deliver against the EU programmes prior to potential progression to the Business Planning stage.**

Proposal Title:	Enhancing Capacity and Skills for Collaboration		Programme/Priority	P5
Operation Synopsis (max. 50 words):	<p>The operation will develop key skills to enhance regional capacity for informed, collaborative solutions to challenges facing public services by increasing procurement spend from identified anchor organisations to alleviate poverty and improve wellbeing; delivered in three main themes: Research and Development, Data for Decision Making, and Strategic Procurement Approaches.</p> <p>Monmouthshire CBC will act as the lead organisation for the operation, as part of the Cardiff Capital Region City Deal, whilst all LAs involved in the project will act as Joint Beneficiaries. Whilst we will be working with partners from the education sector to deliver the operation, whether or not procurement routes or Joint Beneficiary status will be sought shall be further explored in the Business Case process.</p>		Geographical area within proposed activity would take place:	<p>East Wales:</p> <p>Monmouthshire Newport Cardiff Vale of Glamorgan</p>
Estimated cost:	Total cost: £3.2m	Grant cost: £1.6m		

Table 1

Which Specific Objectives within the programmes would the proposed operation deliver against?	What change will the proposed operation seek to achieve?	How will the proposed operation achieve the changes sought?	Programme output indicators and targets
<p>P5 - Public services reform and regional working</p>	<p>The proposed operation, within the three major thematic work areas, will:</p> <p>Research and Development:</p> <ul style="list-style-type: none"> • Enhance the research and development capabilities and capacity of public sector organisations within the capital region; • Develop collaborative networks to deliver upon lessons learned and ensure that innovation in R&D and best practice are shared widely within the region; • Increase the numbers of R&D active public service practitioners; • Enhance the R&D capabilities of each partner organisation, • Ensure that specific team members develop new R&D skills, at both a management and operational level; • Greater understanding of how to overcome barriers for circular foundation economy sectors. • Developing a legacy for R&D in the region, by improving the capacity and partnership working of public 	<p>Research and Development:</p> <ul style="list-style-type: none"> • Data gathering to establish challenges within the area, building upon themes highlighted in the wellbeing assessments of PSBs within the region; • Embed action research projects to identify new ideas that require research and development to achieve solutions to existing public service problems. • Build appropriate R&D teams across partner organisations; • Creation of new tools and procedures that address those identified challenges/gaps; • Creation of “R&D champions” across organisations, to encourage the uptake of new ideas and better practice across the region; • Identify potential impact of increased percentage of procurement spend by anchor organisations within the region to benefit the circular and foundation economy; 	<p>One programme of delivery covering three major thematic areas for development and collaboration.</p> <p>Three underpinning thematic work areas within an opportunity to deliver new tools, methods and ways of working across the region that will influence and impact a range of service areas.</p> <p>All local public sector organisations within the Cardiff Capital Region to be involved in the programme.</p> <p>Specific to the programme:</p> <ul style="list-style-type: none"> • 1 regional centre of excellence for procurement;

	<p>sector services with the university and wider research sector.</p> <ul style="list-style-type: none"> • Increased understanding of impact on using procurement by anchor organisations within the region to boost the circular and foundation economy sectors. <p>Data for Decision Making:</p> <ul style="list-style-type: none"> • Increase the decision making capabilities within two specific challenge areas across the region; • Enhance skills across a range of functional areas within the data analysis and interpretation fields; • Enhance the dynamic capabilities of public sector service practitioners, improving responsiveness in decisions based on available data and information; • Raise efficiency savings through and enhanced decision making process; • Increased spend within the region through identified anchor organisations to positively impact on the circular and foundation economy sectors. • Offer the opportunity for a virtual or physical Hub for improvements in analytics and the manner in which data analysis is utilised for decision making. <p>Procurement:</p>	<ul style="list-style-type: none"> • Delivering a sustainable platform for the sharing of research findings and best practice. <p>Data for Decision Making:</p> <ul style="list-style-type: none"> • Creation of two cohorts of data champions across public services in the region, working across boundaries to drive forward improvements in our management, analysis and use of data; • Develop a programme of work, through extensive baseline research, workshops and evidence gathering to establish two key areas of work for those two cohorts; • Deliver a training programme that focuses on data analytics, storytelling, ethics, human-centred design, culture shifting and systems-thinking; key components of successful data projects; • Delivery of a data literacy programme for senior management across the region, drawing on experiences from prior well-being assessments and building our capacity to deliver the Well-being of Future Generations (Wales) Act 2015 with improvements in decision making; 	<ul style="list-style-type: none"> • 2 cohorts of data champions across public services; • 3 Training programmes across all three major thematic areas; • 4 R&D teams, built from expertise across public sector organisations. <p>Number of projects targeting public administrations or public services at national, regional or local level: 1</p> <p>Number of methods, processes and tools being developed with support: 3</p> <p><i>(For example: Method: A new approach to providing a data literacy programme for senior management leading to improvements in decision making</i></p> <p><i>Processes: An R&D process taking participants from initial question to prototyping and testing.</i></p>
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	<ul style="list-style-type: none"> • Increased awareness and implementation of challenge led procurement, from both challenge owners and procurement specialists; • Supporting, through an extensive training programme, other initiatives and change programmes within public sector procurement in Wales; • Improve opportunity and ability for circular and foundation economy sectors to benefit from procurement opportunities with anchor organisations. • Improvement in consistency of approach in procurement, with specific regard to the circular and foundational economy within the region; • Improvements in collaboration within the region, sharing lessons and best practice and overcoming problems, and; • Better engagement with WG and UK funding opportunities to support challenge led procurement, including opportunities for collaborative working. 	<ul style="list-style-type: none"> • Capture case studies and good practice of data collection, involvement and collaborative decision-making involving representatives from anchor organisations, circular and foundation economy sectors. • Arrange fixed term secondments/positions for BSc and MSc students with sufficient data science expertise, to support the data champions; • Evidence of involvement of citizen, communities, including establishing collaborative networks involving representation from the circular and foundation economy sectors in contributing to public service data collection and data management; • Evidence changes to decision making processes owing to the new approaches, via an appropriate and inclusive mechanism, and; • Delivery of a fully costed and piloted office of data analytics for the region, for consideration of the public service bodies involved. <p>Procurement:</p> <ul style="list-style-type: none"> • Collaborative training programme to deliver improvements in awareness of challenge led procurement; 	<p><i>Tools: A toolkit for Challenge Led procurement that will enable procurement officers to implement new guidance.)</i></p> <p>Number of entities participating in projects targeting public administrations or public services at national, regional or local level: 4</p>
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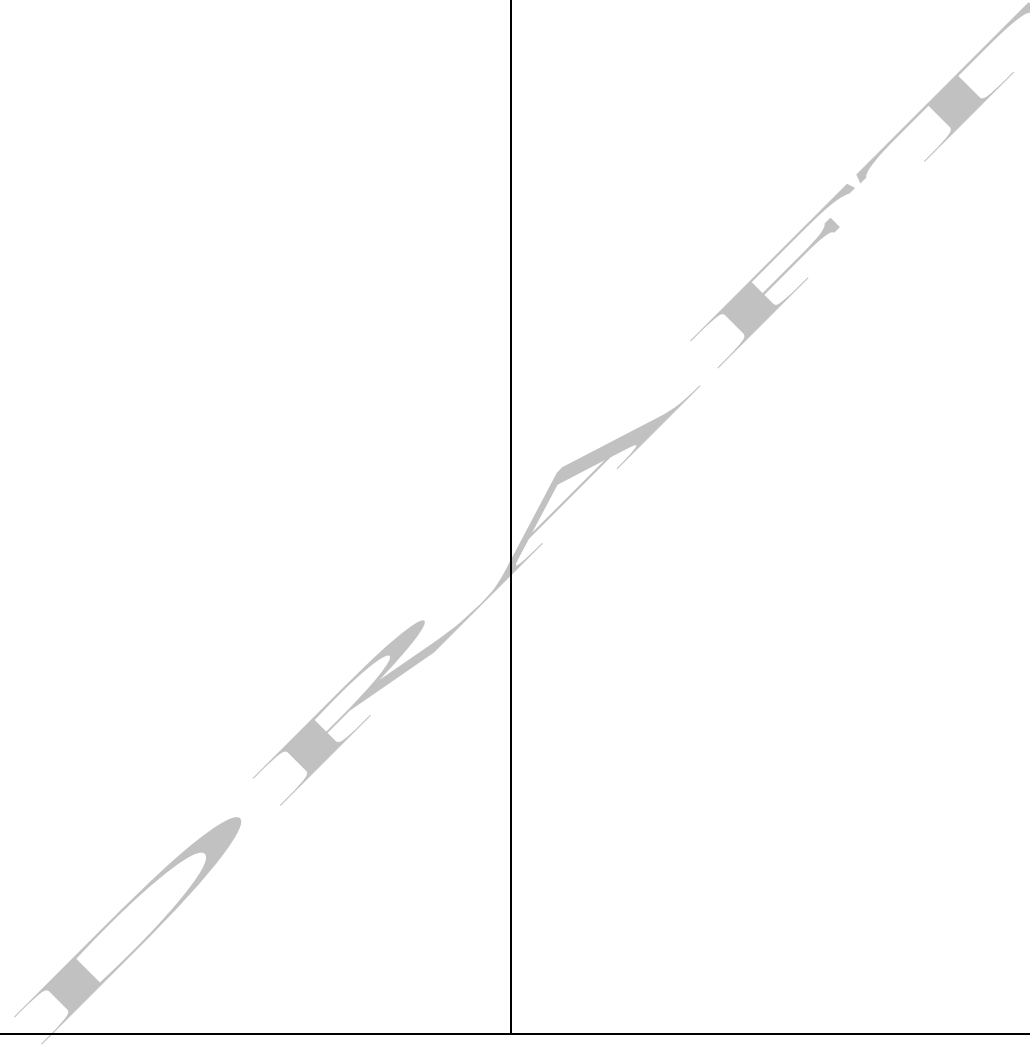
- Delivery of 'leadership masterclasses' for procurement leaders at Board level;
- Creation of a regional centre of excellence in procurement training and staff development, and;
- Training and development of 'innovation champions' in the procurement field, in anchor organisations, business support and circular and foundation economy sectors throughout the region.
- Establishing collaborative networks involving representation from anchor organisations, circular and foundation economy sectors.
- Case studies and good practice in relation to maximise spend within the region by anchor organisations and positive impacts on the circular and foundation economy sectors and positive impact on local communities.

Table 2

Group(s) targeted	Identifying the barriers	Overcoming the barriers	*How does the proposed operation fit within the wider investment context as set out in the Economic Prioritisation Framework (EPF)?
<p><i>Public Services, focused on decision makers (middle to senior managers), procurement specialists and data management staff.</i></p>	<p>Whilst progress has been made in delivering collaborative approaches across public service bodies, that progress is often delivered in an ad-hoc approach, whereby organisational, budgetary and traditional attitudes towards working approaches impact our ability to continually work together, share information and creatively seek solutions to public sector problems.</p> <p>Lack of capacity and a broad knowledge base in these areas would hamper PSBs in the delivery of themes identified through wellbeing assessments.</p> <p>Lack of existing research and development capacity; both from a skills perspective and also in terms of explicit job roles.</p>	<p>The three major thematic work areas are key enablers for alternate approaches to public sector provision. In building capacity within R&D, data analytics and procurement approaches the operation will provide a platform not only for the creation of networks, communities and centres of excellence, but moreover open ‘hearts and minds’ to the associated benefits that more flexible and creative approaches in these areas can achieve.</p> <p>In the delivery of staff development, the building of networks and communities and enhancing the capacity and capability of public service organisations across the region, the programme will deliver efficiency gains for PSBs, improving their ability to deliver their responsibilities under the Well-being of Future Generations (Wales) Act 2015.</p> <p>Developing R&D teams across partner organisations, to improve capacity by pooling of resources.</p>	<ul style="list-style-type: none"> • Supports Prosperity for All (September 2017) by developing “closer working, on a consistent regional basis”. • Supports ‘better jobs closer to home’ through engagement with local CE related supply chain in private and third sector • Supports Economic Action Plan (December 2017) by bringing together stakeholder groups across the public service to form “strategic and more collaborative partnership to support distinctive regional strengths”. • Supports Employability Plan (March 2018) by engaging with Regional Skills Partnerships to inform their CE and innovation knowledge

	<p>A lack of awareness and understanding of the impact and potential that action research projects can have on service delivery.</p> <p>A cultural gap in the use of data for decision making, in a real-time, consistent and comprehensively analysed manner.</p> <p>A discord between decision making and the availability of data from experts and professionals.</p> <p>Lack of information/best practice sharing across all three thematic work areas, leading to duplication, inefficiency and the same mistakes being repeated.</p> <p>Traditional procurement methods being driven with a cost focus, ignoring the 'local Pound' and the impact on the 'circular economy' of the region.</p>	<p>The creation of R&D champions will also further develop the support mechanisms for service areas and staff that may benefit from R&D support.</p> <p>Creation of two cohorts of data champions across public services in the region to revolutionise the approaches to the use of data in decision making.</p> <p>The development of a training programme that will focus on key areas of data analytics, interpretation and decision making will bring greater understanding from managers and cross bridges to those who analyse/interpret data.</p> <p>The creation of a centre of excellence for procurement, two cohorts of data champions and 10 R&D development teams across public sector boundaries has the opportunity to transform these key components of public service delivery. Supported by the effective use of appropriate system delivery to ensure better sharing of information and practice.</p> <p>Raising awareness of value in engaging in alternative procurement models, as well as the benefits of shifting the focus of evaluation away from cost.</p>	<p>relating to "robust labour market intelligence".</p>
<p>Third Sector organisations and social value organisations (*SSWB (Wales) Act - third</p>	<p>A lack of research and data - planners and commissioners are unaware of the assets and service</p>	<p>Regional networks, mapping and promotion of services provided by community / third sector / social enterprises, building</p>	<p>LSkip http://www.lskip.wales/downloads/170731_Employ</p>

<p>sector; cooperatives; service-user led organisations and social enterprises), with a focus on the circular and foundation economy sectors</p> <ul style="list-style-type: none"> • Social and community enterprises working in deprived communities. • Social and community enterprises working in deprived communities delivering health and social care services, particularly shared integrated service models. • Supported employment to people furthest away from employment, for example, people with low education and skill levels; and with a mild to moderate mental health condition. 	<p>provided locally within communities by third sector / social enterprises - who is out there and what they provide, leading to poor planning, duplication and poor value for money</p> <p>A lack of data to inform research and decision making make it difficult to build on best practice to co-design plans and services with public service senior leaders and commissioners, limited connectivity and influence.</p> <p>Limited understanding of needs and barriers preventing third sector / circular / foundation economy sectors participating in regional planning, collaborative and co-productive commissioning.</p> <p>Lack of available tools / guidance for regional collaboration and commissioning and complexity of existing policy framework.</p> <p>Lack of awareness of different models operating regionally / UK / internationally.</p>	<p>relationships through shared learning, mentoring and leadership network and researching and removing barriers to link into other SME networks and programmes related to the circular and foundation economy sectors.</p> <p>Regional Pathfinder programmes with public services to research, collaborate and coproduce social innovation in deprived communities building on local assets and involving communities / third sector / social enterprises.</p> <p>Access to shared research and data to promote learning through a mentoring and leadership network to assess how to address current skills gaps such as change management; collaboration; IT; equal opportunities and social inclusion and 5 ways of working / sustainable development.</p> <p>Provide leaders with the tools, guidance and opportunities to develop local solutions within communities / third sector / social enterprises to increase the circular and foundation economy sectors.</p> <p>Sharing regional, UK and international models through on-line materials, network events and visits.</p>	<p>ment%20 Skills Plan en g.pdf</p> <p>Leadership and management is needed in all sectors. High level strategic leadership and management skills will be required by managers to deliver transformation and succession plans (p5).</p> <p>Procurement contracts have the potential to secure demand for a local labour force through effective use of social clauses (p10).</p> <p>Micro and SME companies are key to future prosperity in the Cardiff Capital Region, comprising about 95% of companies and over 50% of the economy (p16).</p> <p>Significant growth in skills shortage vacancies is forecast in construction, human foundational economy, advanced materials and manufacturing and financial and professional</p>
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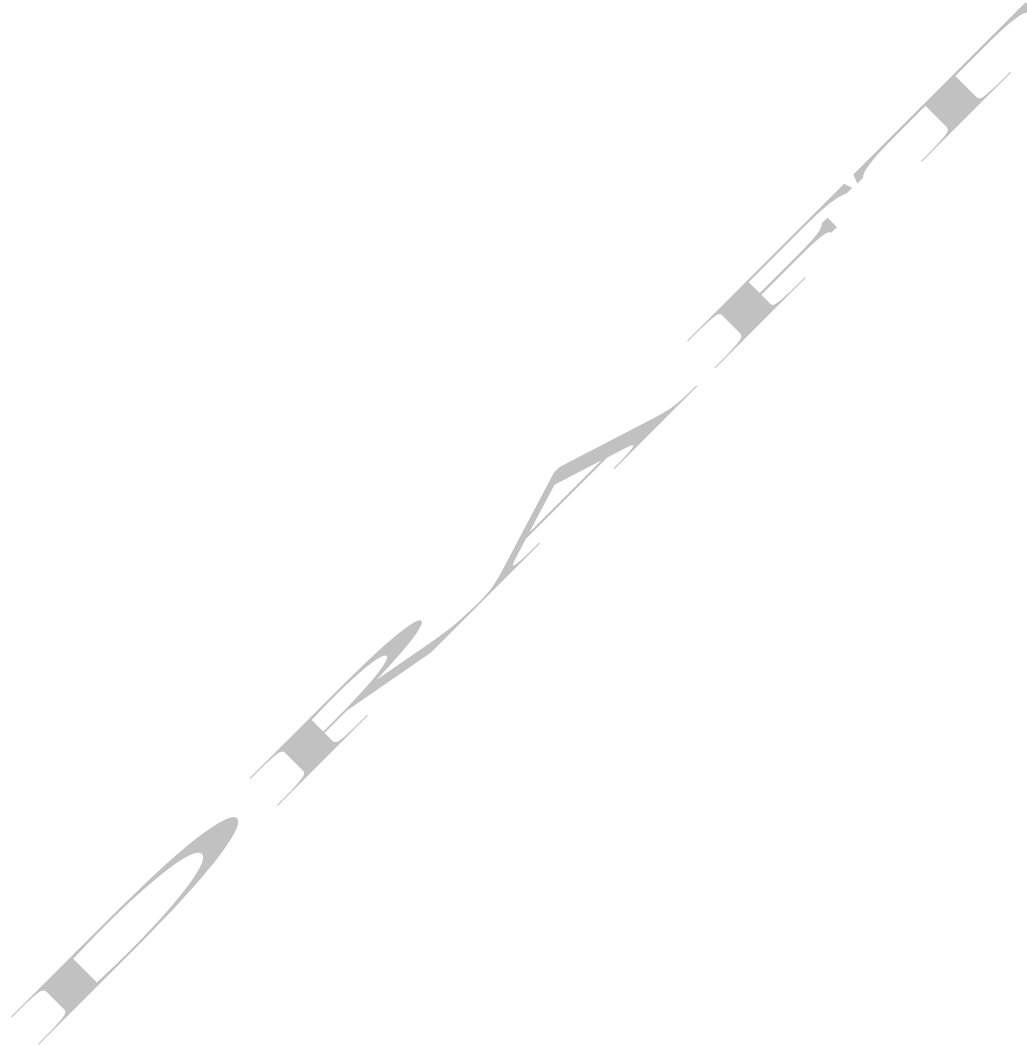
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There are 9,770 third sector organisations in Wales, with over 930,000 volunteers. Key areas requiring skills support include:

- leadership skills for charities and their support managers;

			<ul style="list-style-type: none">• social investment and administration of resources;• management support
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CARDIFF CAPITAL REGION
REGIONAL PROOFING REQUEST FORM

Programme Priority and Theme	P5 - Public Service Improvement through Regional Working
Operation Title	Cardiff Capital Region City Deal
Synopsis	<p>The operation will lead in the development of key skills that are required to enhance our regional capacity for informed, collaborative approaches to issues facing public sector bodies. This will be delivered in three main themes: Research and Development, Data for Decision Making, and Strategic Procurement Approaches. These three themes recognise and reflect both the potential strategic importance of their impact, and also the current limitations and challenges that they represent.</p> <p>The lack of existing research and development capacity (from both a skills and organisational perspective), the discord between decision making and the availability of data from experts and professionals, and the traditional cost focus of procurement practices represent significant opportunities to enhance the ways in which we deliver services.</p> <p>The programme of work will seek to deliver tangible benefits and a strong legacy across the public sector in the region, by delivering a range of approaches including extensive training programmes, the development of centres of excellence and the creation of teams, networks and communities to enhance the way public service providers operate.</p>
Geographical Delivery Area	Cardiff Capital Region
Start Date	<i>Circa 1st February to 1st April 2020</i>
Cost	<p><i>Total Project Cost - £8m</i></p> <p><i>Grant Required West Wales & Valleys – £2m.</i></p> <p><i>Grant Required East Wales - £2m: Regional Approach includes authorities from within both geographically defined areas (6 in West Wales and the Valleys and 4 in East Wales).</i></p> <p><i>Match fundng verbally agreed by Welsh Government.</i></p>

<p>Outputs</p>	<ul style="list-style-type: none"> • 1 regional centre of excellence for procurement training; • 2 cohorts of data champions across public services; • 3 Training programmes across all three major thematic areas; • 10 R&D teams, built from expertise across public service organisations. • Number of projects targeting public administrations or public services at national, regional or local level: 3 • Number of methods, processes and tools being developed with support: 6 • Number of entities participating in projects targeting public administrations or public services at national, regional or local level: 10
<p>Alignment with SE Wales Strategic Priorities</p> <p>The following links may be useful:</p> <p>http://gov.wales/funding/eu-funds/2014-2020/looking/epf/?lang=en</p> <p>http://gov.wales/topics/businessandconomy/qr-owing-the-economy/city-regions/cardiff-capital-region/?lang=en</p> <p>http://www.lskip.wales/default.aspx</p>	<p>The programme clearly links to the priorities outlined within the Cardiff Capital Region Economic Growth Partnership Industrial and Economic growth plan, specifically by:</p> <ul style="list-style-type: none"> • Upskilling the public sector with data literacy, research and development, procurement, and innovative leadership capacity; • Improving awareness of challenge-led procurement processes that have a focus on embedding local skills at the heart of decision making, positively impacting the circular and foundational economy within the region; • Building a public service and skills base which delivers to the highest standards by the highest standard of people – supporting a region to become one of the most investable in the UK. <p>This is reflective of one of the key approaches of the Economic Growth plan – a cohesive approach that is underlined by policy collaboration and delivery partnerships.</p> <p>The programme clearly links to the P5 priority axis, acting as a catalyst to stimulate new regional solutions, planning and service models, the programme seeks to adopt an innovative and collaborative approach to tackle some of the major challenges faced in the delivery of public services, specifically within the three identified themes.</p> <p>Under the Welsh Government’s strategies Prosperity for All, the Economic Action Plan and the Employability Plan, the programme seeks to deliver on a range of priorities, including enhancing the foundational economy through improvement procurement processes, enhancing the digital agenda through a focus on developing data analysis and understanding skills, and enhancing</p>

	<p>R&D capacity and capabilities to ensure Wales remains competitive in the fourth industrial age.</p> <p>Links to LSKIP Employment and skills plan to deliver cross-cutting improvements in:</p> <ul style="list-style-type: none">• ICT/digital skills needs, including both generic and specialist skills such as data analysis and cyber security;• Encouraging the use of procurement processes to deliver improvements in local skills and the enhance opportunities within the local supply chain, and;• Enhancing research and development capabilities across a range of specialisms.
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<p><i>Relationship to other regional/national (including backbone) ESF/ERDF projects approved or in development</i></p>	<p>Existing discussions have taken place with a number of other projects, notably the Collaborative Innovation Networks that Swansea University are leading on, and also 'Building on the Foundational Economy' submission by Interlink. There is potential, and discussions remain ongoing, as to whether the BFE submission should fall under this operation. The two operations are closely aligned in terms of collaborative approaches, regional working, but with the BFE focus on the engagement between public service boards and third sector networks/organisations and social enterprises.</p>
<p><i>Engagement with other stakeholders/projects</i></p>	<p>Significant engagement has taken place to date, including:</p> <ul style="list-style-type: none"> • Discussions with representatives from Y Lab at Cardiff University, to consider the potential barriers and solutions to public service challenges. • Engagement with Nesta to establish methods of developing innovative solutions to challenges faced by the public sector. • Endorsement from CCR Programme Board to proceed with the WEFO OLT. • Engagement with all CCR local authorities, including agreement from Monmouthshire CBC to act as lead authority. • Ongoing discussions from WG on the provision of match funding / alignment of SBRI activity to the bid proposal.
<p><i>Delivery Mechanisms</i></p>	<p>The programme will be supported by programme management support and administration from a host local authority within the CCR City Deal, in addition to research and management expertise from an appropriate research body.</p>
<p><i>What added value does your project bring, including match funding contribution?</i></p>	<p>The operation is seeking £4m grant funding, with an additional £4m match funding sought from project partners including the Welsh Government as outlined above.</p> <p>Added value would be achieved from close alignment with the proposed Public Services Testbed in the Cardiff Capital Region, with this programme specifically focussed on skills development within public service organisations enabling the exploitation of the opportunities afforded by the proposed Public Services Testbed.</p> <p>One potential legacy of the scheme will be that improvements in the procurement processes in the region, with a greater</p>

	<p>awareness of the importance of the circular and foundational economy will encourage greater multiplier effects within the region.</p>
<p>Regional impact of your project</p>	<p>The proposed operation, within the three major thematic work areas, will:</p> <p>Research and Development:</p> <ul style="list-style-type: none"> • Enhance the research and development capabilities and capacity of public service organisations with in the Cardiff Capital Region; • Develop collaborative networks within the sector to deliver upon lessons learned and ensure that innovation in R&D and best practice are shared widely within the region; • Increase the numbers of R&D active public sector practitioners; • Enhance the R&D capabilities of each partner organisation, • Ensure that specific team members develop new R&D skills, at both a management and operational level, and: • Developing a legacy for R&D in the region, by improving the capacity and partnership working of public sector bodies with the university and wider research sector. <p>Data for Decision Making:</p> <ul style="list-style-type: none"> • Increase the decision making capabilities within two specific challenge areas across the region; • Enhance skills across a range of functional areas within the data analysis and interpretation fields; • Enhance the dynamic capabilities of public sector practitioners, improving responsiveness in decisions based on available data and information; • Raise efficiency savings through and enhanced decision making process, and; • Offer the opportunity for a virtual or physical Hub for improvements in analytics and the manner in which data analysis is utilised for decision making. <p>Procurement:</p> <ul style="list-style-type: none"> • Increased awareness and implementation of challenge led procurement, from both challenge owners and procurement specialists; • Supporting, through an extensive training programme, other initiatives and change programmes within public sector procurement in Wales;

	<ul style="list-style-type: none"> • Improvement in consistency of approach in procurement, with specific regard to the circular and foundational economy within the region; • Improvements in collaboration within the region, sharing lessons and best practice and overcoming problems, and; • Better engagement with WG and UK funding opportunities to support challenge led procurement, including opportunities for collaborative working.
<p>Potential legacy of your project</p>	<p>Should this operation succeed in delivering the associated outputs, there is a potential that:</p> <ul style="list-style-type: none"> • The three thematic work areas act as key enablers for alternative approaches to public sector provision. • In delivering change and improving capacity for different ways of working, these shifts can fundamentally shift the attitudes and approaches to the associated benefits that these areas of work can offer. • The pooling of resources, sharing of expertise and upskilling of staff can create an environment which is both collaborative and can foster greater efficiency savings and higher standards of quality in the public service arena. • Ultimately, this should enable the better delivery by public service providers, of the Well-being of Future Generations (Wales) Act 2015, by: <ul style="list-style-type: none"> ○ Delivering improvements in the provision and use of data in decision making throughout those organisations; ○ Putting active research at the heart of service improvements and efficiency gains in the public sector, and; ○ Creating a procurement culture which increasingly values challenge-led approaches and the importance of the circular and foundational economy within the region.
<p>Contact Details</p>	<p><i>Rhys Thomas, Cardiff Capital Region City Deal.</i> ThomasOR@cardiff.ac.uk</p> <p>Cath Fallon, Monmouthshire County Council cathfallon@monmouthshire.gov.uk</p>

If you have any queries on the completion of this template, please contact:

SE Wales Regional Engagement Team

Lisa.Jones@bridgend.gov.uk

01656 815081

Appendix 6a

ROLE PROFILE

ROLE TITLE: Programme Manager – InFuSe

POST ID: TBC

GRADE: Grade K SCP 39 – 43 £41,675 - £45,591 (Two year fixed term – December 2023)

HOURS: 37 per Week

LOCATION: Flexible, base will be at County Hall, Usk and Y Lab, Park Place, Cardiff

WELSH LANGUAGE ASSESSMENT:

Welsh language skills are desirable but not essential.

PURPOSE OF POST:-

In building a 'fitness for the future' approach, an enhanced and better supported operating model for public service delivery is needed. The Public Sector's work force and leadership must therefore develop new skills to enable them to adapt quickly when understanding and responding to future service demand.

This brand new thought leadership programme, working in partnership with the ten local authorities operating in the Cardiff Capital Region, Cardiff Capital Region City Deal and Y Lab, seeks to enable the Welsh Public Sector to develop new skills to scenario-plan, develop rapid prototypes, experiment and carry out research and development.

Although based with Monmouthshire County Council, the Lead Authority/Beneficiary, this role will work collaboratively with colleagues in Cardiff Capital Region City Deal Office and Y Lab, Wales' Public Service Innovation Lab, to challenge and support, design and manage this exciting new Programme. Your primary focus will be to ensure funding is managed in the best way to ensure the Programme maximises the long term impact for public sector bodies within the Cardiff Capital Region.

The purpose of the role therefore is to:

- Effectively manage the Infuse Programme to ensure it exceeds expectations and achieves overall success.
- Be 'the face' of the Infuse Programme, promoting the Programme to local authority and strategic regional partners to maximise opportunities for future engagement.

Should you require any further information regarding this post, please contact: Cath Fallon, Head of Enterprise and Community Animation, cathfallon@monmouthshire.gov.uk Tel: 07557 190969

Closing Date: TBC
Interviews: TBC

Please Note that we are not able to accept CVs

Application forms can be completed online or down loaded via:

www.monmouthshire.gov.uk/how-to-apply-for-council-jobs

Applications may be submitted in Welsh, and that an application submitted in Welsh will not be treated less favourably than an application submitted in English.

Completed paper application forms should be returned to the following address:-

People Services, Monmouthshire County Council, PO BOX 106,
CALDICOT, NP26 9AN

Monmouthshire County Council is an equal opportunities employer and welcomes applications from all sections of the community. All posts are open to job-share unless stated otherwise. Monmouthshire County Council operates a Smoke Free Workplace policy.

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POST ID: TBC

GRADE: Grade K SCP 39 – 43 £41,675 - £45,591 (Two year fixed term – December 2023)

HOURS: 37 per Week

LOCATION: Flexible, base will be at County Hall, Usk and Y Lab, Park Place, Cardiff

RESPONSIBLE TO: Monmouthshire County Council’s Head of Enterprise and Community Animation

SPECIAL CONDITIONS: N/A

WELSH LANGUAGE ASSESSMENT:

(c) Welsh language skills are desirable but not essential

Cardiff Capital Region City Deal Office, Y Lab and Monmouthshire County Council**Who are we?**

Our Purpose:-

The Cardiff Capital Region (CCR) City Deal is a programme agreed in 2016 between the UK Government, the Welsh Government and the ten local authorities in South East Wales to bring about significant economic growth in the region through investment, upskilling, and improved physical and digital connectivity. InFuSe is a collaborative Programme, led by Monmouthshire County Council, on behalf of the CCR City Deal (Strategic Lead) and its ten constituent local authority partners and is funded through

the Welsh European Funding Office. Priority 5: Public Services Reform and Regional Working.

Y Lab (Programme Supplier) is a team of social scientists and innovation experts working together to support innovation in Welsh public services. Established in 2015, Y Lab is the Public Services Innovation Lab for Wales, a partnership between Cardiff University and Nesta, with a mission to work closely with practitioners and policy makers to develop and test civic and public service innovations in a safe space.

Monmouthshire County Council has been reconsidering its role and purpose in a changing public sector landscape for a number of years and has been redesigning its operating model to meet the demands of future generations. Infuse offers the Council a real opportunity to consider the future delivery of its services through a Thought Leadership Programme which will identify and support the future skills needs of its workforce and Senior Leadership team.

The purpose of this role is to:

- Effectively manage the InFuSe Programme to ensure it exceeds expectations and achieves overall success.
- Be 'the face' of the InFuSe Programme, promoting the Programme to local authority and strategic regional partners to maximise opportunities for future engagement.

The activities associated with this role will ensure that the Programme delivers:

- A multi-faceted approach to building capacity and creating cultural change across public service delivery in the Cardiff Capital Region; and
- Tangible benefits and a strong legacy across the Public Services sector in the region, by delivering a range of approaches including extensive training and development programmes, which will enhance Public Service delivery and contribute to its efficiency and effectiveness.

Your responsibilities are to:

- Work with Monmouthshire County Council's Head of Enterprise and Community Animation, the Programme's Regional Strategic Board and Y Lab in the development, coordination and management of the Programme scoping content and timelines to ensure overall success;

- Provide line management support to the Council's Regional Programme Management team namely the Programme Engagement Manager and the Programme Finance and Administration Coordinator;
- Undertake research, analyse data and interpret public sector business need and future trends data to inform Programme activities;
- Develop relationships with the ten local authorities to assist in the identification of a suitable cohort of learners to the Programme;
- Provide the Programme management support and organisation capability and capacity that is required to deliver the objectives and outcomes of the Programme, including all document control information and associated backing documents that are needed to effectively manage the Programme;
- Monitor Programme expenditure and coordinate financial claims data with the team's Programme Finance and Administration Coordinator, providing regular updates to the Head of Enterprise and Community Animation and the Regional Strategic Board;
- To be the Cross Cutting Themes Champion for the Programme ensuring there is an open application and selection process for the Programme participants and that equality and diversification can be fully considered during the participant selection process;
- Consider and identify scope for integration of the Programme with other ESI and Transnational Operations and Programmes.
- Represent the Programme as required on matters relating to the deliver of the Programme to include Council and CCR scrutiny meetings, fora for Government policies, Government Agencies, University and Nesta liaison, etc; and
- Input, monitor and adjust the Programme Management Plan and manage the implementation of the resultant action plans, risk registers and performance information as needed.

Here's what we can provide you with in order to achieve your outcomes:-

- Full support of the Council and Programme partners as a valued colleague;
- Supportive and flexible line management from the Head of Enterprise and Community Animation;
- Support from the Programme's Strategic Board, collaborative working to achieve excellent outcomes, pooling resources and accessing internal and external expertise where possible; and
- A pleasant working environment with an ability and freedom to work on an agile basis.

What else you need to know.....Monmouthshire Values are:

Openness: We aspire to be open and honest to develop trusting relationships.

Fairness: We aspire to provide fair choice, opportunities and experiences and become an organisation built on mutual respect.

Flexibility: We aspire to be flexible in our thinking and action to become an effective and efficient organisation.

Teamwork: We aspire to work together to share our successes and failures by building on our strengths and supporting one another to achieve our goals.

And this role, will work with Monmouthshire to achieve these.

In addition:

All employees are responsible for ensuring that they act at all times in a way that is consistent with Monmouthshire's Equal Opportunities Policy in their own area of responsibility and in their general conduct.

The authority operates a Smoke Free Workplace Policy which all employees are required to abide to.

Person Specification

How will we know if you are the right person for the role? As the successful candidate you will have demonstrated:-

- Degree or equivalent in a related field with a minimum of three years relevant Programme management experience;
- A recognised Project Management Qualification such as Prince 2 (Practitioner Level) or equivalent.
- Chartered or hold a post graduate qualification in a related and/or relevant field;
- Experience of delivering medium to large projects (including the development of strategic project and procurement documentation);
- Excellent knowledge of project management principles including detailed knowledge in a specific related and/or associated field of expertise;
- Experience of undertaking the procurement of strategic contracts;
- Ability to lead an extensive and varied work programme and manage multiple priorities, whilst working to tight timescales and budgets;
- Ability to develop funding solutions for projects, set and manage financial budgets during implementation;
- Experience of managing, anticipating, processing and monitoring expenditure against designated cost centres;
- Experience of working with external partnerships and other organisations;
- Have a creative vision and an ability to enthuse others in order to quickly establish and assess positive working relationships and networks with representatives from a range of external agencies and/or organisations;
- You are an excellent team leader with demonstrable team recruitment and management experience and an ability to motivate and impassion staff;
- Excellent communication and people skills with the ability to effectively convey complex information at all levels, verbally and in writing;
- An ability to demonstrate good customer care and to communicate clearly, concisely and courteously with the public both face to face and over the telephone;
- An ability to influence, negotiate and constructively challenge to achieve innovative, productive and measurable solutions;
- You are focussed on delivery and have an ability to work independently but also to work in a team, galvanising people to develop and deliver shared purpose and common aims;
- An ability to set priorities, manage progress and work within competing deadlines;
- A strong feel for what the Cardiff Capital Region and Monmouthshire County Council is all about;

- Courage. Working in a permissive environment is liberating and fun – but it requires confidence, belief and an aptitude to get on and work with others to make things happen;
- A strong sense of purpose and ability to mobilise all those how share our purpose to deliver great things.
- Personal resilience, resourcefulness, a positive attitude and ‘can do’ mind-set;
- Quick thinking, a positive approach to late-presenting opportunities and changing circumstances. A splash of risk taking mixed with a detailed and determined attitude for successful delivery.

Should you require any further information regarding this post, please contact: Cath Fallon, Head of Enterprise and Community Animation, cathfallon@monmouthshire.gov.uk Tel: (07557) 190969

Closing Date: TBC

Interviews: TBC

HYSBYSEB RÔL

TEITL Y RÔL:

RHIF ADNABOD Y SWYDD:

GRADD:

ORIAU: 37 yr Wythnos

LLEOLIAD:

ASESIAD O’R IAITH GYMRAEG:

Mae sgiliau yn y Gymraeg yn ddymunol ond nid yn hanfodol

PWRPAS Y SWYDD:

Mae yna bwrpas deublyg felly gan y rôl hon:

Os ydych angen unrhyw wybodaeth bellach am y rôl hon, cysylltwch os gwelwch yn dda gyda: Cath Fallon, Pennaeth Mentergarwch a Datblygu Cymunedol, cathfallon@monmouthshire.gov.uk Ffôn: 07557 190969

Dyddiad Cau:

Cyfweliad:

[Gofynnir i chi nodi na allwn dderbyn CV](#)

Gellir llenwi ffurflenni cais ar-lein neu eu lawrlwytho drwy:

www.monmouthshire.gov.uk/how-to-apply-for-council-jobs

Gellir cyflwyno ceisiadau yn y Gymraeg ac ni chaiff cais a gyflwynir yn y Gymraeg ei drin yn llai ffafriol na chais a gyflwynir yn Saesneg.

Ar ôl eu llenwi, dylid dychwelyd ffurflenni cais ar-lein neu eu lawrlwytho drwy:

Gwasanaethau Pobl, Cyngor Sir Fynwy, Blwch SP 106,
CIL-Y-COED, NP26 9AN

Mae Cyngor Sir Fynwy yn gyflogwr cyfle cyfartal ac yn croesawu ceisiadau gan bob adran o'r gymuned. Mae'r holl swyddi'n agored i'w rhannu os na nodir fel arall. Mae Cyngor Sir Fynwy yn gweithredu polisi Dim Ysmygu yn y Gweithle

PROFFIL Y RÔL

TEITL Y RÔL:

RHIF ADNABOD Y SWYDD:

GRADD:

ORIAU: 37 yr Wythnos

**LLEOLIAD:
YN ATEBOL I:**

AMODAU ARBENNIG:

ASESIAD O'R IAITH GYMRAEG:

Mae sgiliau yn y Gymraeg yn ddymunol ond nid yn hanfodol

..Pwy ydym ni?:

Ein Pwrpas:-

Mae yna bwrpas deublyg felly gan y rôl hon:

Bydd y gweithgareddau sydd yn gysylltiedig gyda'r rôl hon yn sicrhau bod y Cyngor yn:

Bydd eich cyfrifoldebau yn cynnwys:

Dyma'r hyn y mae modd i ni ddarparu i chi er mwyn cyflawni eich amcanion:-

Beth arall sydd angen i chi wybod.....Dyma Werthoedd Cyngor Fynwy:

- **Tryloywder:** Rydym am geisio bod yn agored ac onest er mwyn datblygu perthynas lle y mae pobl yn medru ymddiried yn ei gilydd.
- **Tegwch:** Rydym am geisio cynnig dewis teg, cyfleoedd a phrofiad ac i ddod yn fudiad lle y mae'r naill yn parchu'r llall.

- Hyblygrwydd: Rydym am geisio bod yn hyblyg wrth feddwl a gweithredu er mwyn dod yn fudiad effeithiol ac effeithlon.
- Gwaith tîm: Rydym am geisio gweithio gyda'n gilydd er mwyn rhannu ein llwyddiannau a'n methiannau drwy adeiladu ar ein cryfderau a chefnogi ein gilydd er mwyn cyflawni ein hamcanion.

Yn ychwanegol at hyn:

Mae'r holl weithwyr yn gyfrifol am sicrhau eu bod yn ymddwyn bob tro mewn ffordd sydd yn gyson â Pholisi Cyfle Cyfartal Sir Fynwy yn eu meysydd perthnasol ac yn eu hymddygiad cyffredinol.

Mae Cyngor Sir Fynwy yn gweithredu polisi Dim Ysmygu yn y Gweithle a rhaid i'r holl weithwyr lynu at y polisi yma.

Manyleb Person

Sut y byddwn yn gwybod os mai chi yw'r person cywir ar gyfer y rôl? Fel yr ymgeisydd llwyddiannus, byddwch wedi arddangos:-

- Gradd neu gymhwyster cyfatebol mewn maes perthnasol gydag isafswm o dair blynedd o brofiad o reoli prosiectau;
- Cymhwyster cydnabyddedig o ran Rheoli Prosiect fel Prince 2 (Lefel Ymarferydd) neu gyfatebol.
- Yn Siartredig neu'n meddu ar gymhwyster ôl-radd mewn maes perthnasol/ priodol;
- Profiad o ddarparu prosiectau canolig/mawr (gan gynnwys datblygu dogfennaeth prosiectau strategol a chaffael)
- Yn arddangos gwybodaeth o ddeddfwriaeth allweddol sydd yn ymwneud ag Adfywio Canol Tref;
- Gwybodaeth ardderchog o egwyddorion rheoli prosiect gan gynnwys gwybodaeth fanwl mewn maes arbenigol penodol a/neu gysylltiedig;
- Profiad o gaffael Contractau Strategol;
- Y gallu i arwain rhaglen waith helaeth ac amrywiol a rheoli nifer o flaenoriaethau, tra'n gweithio o fewn amserlenni a chyllidebau heriol;
- Y gallu i ddatblygu datrysiadau cyllidol ar gyfer prosiectau a gosod a rheoli cyllidebau yn ystod y broses o weithredu;
- Profiad o reoli, rhagweld, prosesu a monitro gwariant yn erbyn y canolfannau cost dynodedig;
- Profiad o weithio gyda phartneriaethau allanol a mudiadau eraill gan gynnwys rhyngweithio gwleidyddol e.e. gweithio gyda Chynghorau Tref a Chymuned;
- Yn meddu ar weledigaeth greadigol a'r gallu i greu brwdfrydedd ymhlith eraill er mwyn medru sefydlu ac asesu perthnasau gwaith positif a rhwydweithiau gyda chynrychiolwyr o ystod o asiantaethau a/neu fudiadau allanol;
- Rydych yn arweinydd tîm ardderchog gyda phrofiad amlwg o recriwtio a rheoli tîm a'r gallu i ysgogi a chreu angerdd ymhlith staff;
- Sgiliau cyfathrebu a sgiliau pobl ardderchog gyda'r gallu i fynegi gwybodaeth gymhleth yn effeithiol, a hynny ar bob lefel yn ysgrifenedig ac ar lafar;
- Y gallu i arddangos gofal cwsmer da ac yn medru cyfathrebu yn eglur, yn gryno ac yn gwrtais gyda'r cyhoedd, wyneb i wyneb a dros y ffôn;
- Y gallu i ddylanwadu, negodi a herio'n adeiladol er mwyn sicrhau datrysiadau arloesol, cynhyrchiol a mesuradwy;
- Rydych yn ffocysu ar gyflenwi ac yn meddu ar y gallu i weithio yn annibynnol ond hefyd fel rhan o dîm, yn annog pobl i ddatblygu a darparu pwrpas ac amcanion sydd yn gyffredin;
- Y gallu i osod blaenoriaethau, rheoli cynnydd a gweithio o fewn terfynau amser sy'n cystadlu gyda'i gilydd;
- Ymdeimlad cryf o'r hyn yw Sir Fynwy a Chyngor Sir Fynwy;
- Dewrder. Mae gweithio mewn awyrgylch caniataol yn cynnig rhyddid ac yn hwyl – ond mae angen hyder, cred a'r gallu i weithio ag eraill gan sicrhau bod pethau yn digwydd;
- Ymdeimlad cryf o bwrpas a'r gallu i ysgogi eraill sydd yn rhannu ein pwrpas i gyflawni pethau gwych;
- Cadernid personol, dyfeisgarwch, agwedd positif ac agwedd sy'n fodlon bwrw ati er mwyn cyflawni pethau;

- Yn medru meddwl yn gyflym, yn bositif eich agwedd tuag at fanteisio ar gyfleoedd sydd yn dod i'r amlwg yn weddol hwyr ac amgylchiadau sydd yn newydd. Cyfuniad o gymryd risgiau gydag agwedd fanwl a phenderfynol er mwyn sicrhau bod pethau'n cael eu cyflawni.

**Os ydych angen unrhyw wybodaeth bellach am y rôl hon, cysylltwch gyda: Cath Fallon,
Pennaeth Mentergarwch a Datblygu Cymunedol,
cathfallon@monmouthshire.gov.uk Ffôn: 07557 190969**

**Dyddiad Cau: hannerdydd 12ebril 2019
Cyfweliad: 18ebril 2019**

ROLE PROFILE

ROLE TITLE: Programme Engagement Manager – InFuSe

POST ID: TBC

GRADE: Grade J SCP 35 - 39 £37,849 - £41,675 (Two year fixed term – December 2023)

HOURS: 37 per Week

LOCATION: Flexible, base will be at County Hall, Usk

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Welsh language skills are desirable but not essential.

PURPOSE OF POST:-

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Although based with Monmouthshire County Council, the Lead Authority/Beneficiary, this role will work collaboratively with colleagues in Cardiff Capital Region City Deal Office and Y Lab, Wales' Public Service Innovation Lab, to help design, support, and manage this exciting new Programme. Your primary focus will be to work with the Programme Manager to support the delivery of InFuSe by managing the day to day operations and engaging and communicating with the ten local authorities and other bodies, to maximise the long term impact for public sector bodies within the Cardiff Capital Region.

The purpose of the role therefore is to:

- Manage the day to day delivery of the InFuSe Programme to ensure it exceeds expectations and achieves overall success;
- Engage and communicate with local authorities to help support the development and delivery of their future skills aspirations; and
- Promote the benefits of the Programme to the relevant audiences to disseminate best practice and maximise the opportunities for future engagement .

Should you require any further information regarding this post, please contact: Cath Fallon, Head of Enterprise and Community Animation, cathfallon@monmouthshire.gov.uk Tel: 07557 190969

Closing Date: TBC
Interviews: TBC

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HOURS: 37 per Week

LOCATION: Flexible, base will be at County Hall, Usk and Y Lab, Park Place, Cardiff

RESPONSIBLE TO: InFuSe Programme Manager

SPECIAL CONDITIONS: N/A

WELSH LANGUAGE ASSESSMENT:

(c) Welsh language skills are desirable but not essential

Cardiff Capital Region City Deal Office, Y Lab and Monmouthshire County

Council**Who are we?**

Our Purpose:-

The Cardiff Capital Region (CCR) City Deal is a programme agreed in 2016 between the UK Government, the Welsh Government and the ten local authorities in South East Wales to bring about significant economic growth in the region through investment, upskilling, and improved physical and digital connectivity. InFuSe is a collaborative Programme, led by Monmouthshire County Council, on behalf of the CCR City Deal (Strategic Lead) and its ten constituent local authority partners and is funded through

the Welsh European Funding Office. Priority 5: Public Services Reform and Regional Working.

Y Lab (Programme Supplier) is a team of social scientists and innovation experts working together to support innovation in Welsh public services. Established in 2015, Y Lab is the Public Services Innovation Lab for Wales, a partnership between Cardiff University and Nesta, with a mission to work closely with practitioners and policy makers to develop and test civic and public service innovations in a safe space.

Monmouthshire County Council has been reconsidering its role and purpose in a changing public sector landscape for a number of years and has been redesigning its operating model to meet the demands of future generations. InFuSe offers the Council a real opportunity to consider the future delivery of its services through a Thought Leadership Programme which will identify and support the future skills needs of its workforce and Senior Leadership team.

The purpose of this role is to:

- Manage the day to day delivery of the Infuse Programme to ensure it exceeds expectations and achieves overall success;
- Engage and communicate with local authorities to help support the development and delivery of their future skills aspirations; and
- Promote the benefits of the Programme to disseminate best practice and maximise the opportunities for future engagement .

The activities associated with this role will ensure that the Programme delivers:

- A multi-faceted approach to building capacity and creating cultural change across public service delivery in the Cardiff Capital Region; and
- Tangible benefits and a strong legacy across the Public Services sector in the region, by delivering a range of approaches including extensive training and development programmes, which will enhance public service delivery and contribute to its efficiency and effectiveness.

Your responsibilities are to:

- Work with the Programme Manager in the development, coordination and management of the Programme, scoping content and timelines to ensure overall success, deputising for the Manager as needed;

- Undertake research, analyse data and interpret Public Sector business need and future trends data to inform Programme activities;
- Develop relationships with the ten local authorities to assist in the identification of suitable cohorts of learners to the Programme;
- Develop a suitable recruitment programme to encourage engagement with the Programme which is open and transparent and ensures equality and diversification during the participant selection process.;
- Develop a marketing and communications plan to support the delivery and maximise publicity for the Programme;
- Procure contracts as needed in line with WEFO Priority 5 guidelines, including the development of procurement documentation, establishment and maintenance of clarification logs and dissemination of procurement documentation as directed.
- Monitoring and evaluation of contract performance to ensure works and services are carried out in accordance with the performance requirements and terms of the relevant contract or agreement, including verification of time and activity sheets;
- Provide effective project management support to deliver the objectives and outcomes of the Programme including all document control information and associated backing documents that are needed;
- Liaise with the Programme Finance and Administration Coordinator to ensure accurate financial data is maintained and Programme expenditure is monitored. Provide regular updates to the Programme Manager and the Regional Strategic Board to include the development and monitoring of financial spreadsheets in relation to grant income and Programme expenditure;
- Liaise with funding partners in a timely manner, as needed, to ensure project cash flow is monitored, project timesheets are collated and checked and Programme Update reports produced to a high standard;
- In association with the Programme Finance and Administration Coordinator, prepare financial reports, carry out financial reviews, prepare project claims, progress reports and issue risk reports as required throughout the year;
- To act as the main point of contact for advice (and specifically on matters relating to finance), support and guidance for all queries relating to the Programme from internal and external stakeholders including South Wales Regional Engagement Team; and
- Support liaison with other Sections, Departments and Members within the County Council, with Programme Partners and with external agencies such as the National Assembly for Wales (NAW), Welsh Government (WG), as well as with other Local Authorities with a view to collaborative working, to ensure co-ordination of projects, initiatives and strategies.

Here's what we can provide you with in order to achieve your outcomes:-

- Full support of the Council and Programme partners as a valued colleague;
- Supportive and flexible line management from the Programme Manager;
- Support from the Programme's Regional Strategic Board and Y Lab, collaborative working to achieve excellent outcomes, pooling resources and accessing internal and external expertise where possible; and

- A pleasant working environment with an ability and freedom to work on an agile basis.

What else you need to know.....Monmouthshire Values are:

Openness: We aspire to be open and honest to develop trusting relationships.

Fairness: We aspire to provide fair choice, opportunities and experiences and become an organisation built on mutual respect.

Flexibility: We aspire to be flexible in our thinking and action to become an effective and efficient organisation.

Teamwork: We aspire to work together to share our successes and failures by building on our strengths and supporting one another to achieve our goals.

And this role, will work with Monmouthshire to achieve these.

In addition:

All employees are responsible for ensuring that they act at all times in a way that is consistent with Monmouthshire's Equal Opportunities Policy in their own area of responsibility and in their general conduct.

The authority operates a Smoke Free Workplace Policy which all employees are required to abide to.

Person Specification

How will we know if you are the right person for the role? As the successful candidate you will have demonstrated:-

- Degree or equivalent in a related field with a minimum of two years relevant project management experience;
- Hold or working towards a recognised Project Management Qualification such as Prince 2 (Practitioner Level) or equivalent.
- Hold or working towards a post graduate qualification in a related and/or relevant field;
- Experience of working on medium to large projects (including the development of strategic project and procurement documentation);
- Knowledge of project management principles including detailed knowledge in a specific related and/or associated field of expertise.
- Experience of working with external partnerships and other organisations;
- Experience of working with a computerised general ledger and appropriate feeder systems, together with a general understanding of financial procedures;
- General understanding of financial systems and accounting principles in local government;
- Experience of preparation of funding applications;
- Experience of Contract Management;
- Experience of monitoring expenditure against designated cost centres;
- Excellent communication and people skills with the ability to effectively convey information verbally and in writing;
- An ability to demonstrate good customer care and to communicate clearly, concisely and courteously with the public both face to face and over the telephone;
- An ability to influence, negotiate and constructively challenge to achieve innovative, productive and measurable solutions;
- You are focussed on delivery and have an ability to work independently but also to work in a team, galvanising people to develop and deliver shared purpose and common aims;
- An ability to set priorities, manage progress and work within competing deadlines;
- A strong feel for what the Cardiff Capital Region and Monmouthshire County Council is all about;
- Courage. Working in a permissive environment is liberating and fun – but it requires confidence, belief and an aptitude to get on and work with others to make things happen;
- A strong sense of purpose and ability to mobilise all those how share our purpose to deliver great things.
- Personal resilience, resourcefulness, a positive attitude and ‘can do’ mind-set;

- Quick thinking, a positive approach to late-presenting opportunities and changing circumstances. A splash of risk taking mixed with a detailed and determined attitude for successful delivery.

Should you require any further information regarding this post, please contact: Cath Fallon, Head of Enterprise and Community Animation, cathfallon@monmouthshire.gov.uk Tel: (07557) 190969

Closing Date: TBC

Interviews: TBC

TEITL Y RÔL:

RHIF ADNABOD Y SWYDD:

GRADD:

ORIAU: 37 yr Wythnos

LLEOLIAD:

ASESIAD O'R IAITH GYMRAEG:

Mae sgiliau yn y Gymraeg yn ddymunol ond nid yn hanfodol

PWRPAS Y SWYDD:

Mae yna bwrpas deublyg felly gan y rôl hon:

Os ydych angen unrhyw wybodaeth bellach am y rôl hon, cysylltwch os gwelwch yn dda gyda: Cath Fallon, Pennaeth Mentergarwch a Datblygu Cymunedol, cathfallon@monmouthshire.gov.uk Ffôn: 07557 190969

Dyddiad Cau:

Cyfweliad:

[Gofynnir i chi nodi na allwn dderbyn CV](#)

Gellir llenwi ffurflenni cais ar-lein neu eu lawrlwytho drwy:

www.monmouthshire.gov.uk/how-to-apply-for-council-jobs

Gellir cyflwyno ceisiadau yn y Gymraeg ac ni chaiff cais a gyflwynir yn y Gymraeg ei drin yn llai ffafriol na chais a gyflwynir yn Saesneg.



Ar ôl eu llenwi, dylid dychwelyd ffurflenni cais ar-lein neu eu lawrlwytho drwy:

Gwasanaethau Pobl, Cyngor Sir Fynwy, Blwch SP 106,
CIL-Y-COED, NP26 9AN

Mae Cyngor Sir Fynwy yn gyflogwr cyfle cyfartal ac yn croesawu ceisiadau gan bob adran o'r gymuned. Mae'r holl swyddi'n agored i'w rhannu os na nodir fel arall. Mae Cyngor Sir Fynwy yn gweithredu polisi Dim Ysmygu yn y Gweithle

TEITL Y RÔL:

RHIF ADNABOD Y SWYDD:

GRADD:

ORIAU: 37 yr Wythnos

**LLEOLIAD:
YN ATEBOL I:**

AMODAU ARBENNIG:

ASESIAD O'R IAITH GYMRAEG:

Mae sgiliau yn y Gymraeg yn ddymunol ond nid yn hanfodol

..Pwy ydym ni?:

Ein Pwrpas:-

Mae yna bwrpas deublyg felly gan y rôl hon:

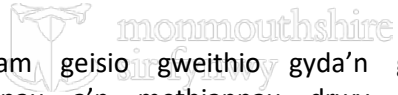
Bydd y gweithgareddau sydd yn gysylltiedig gyda'r rôl hon yn sicrhau bod y Cyngor yn:

Bydd eich cyfrifoldebau yn cynnwys:

Dyma'r hyn y mae modd i ni ddarparu i chi er mwyn cyflawni eich amcanion:-

Beth arall sydd angen i chi wybod.....Dyma Werthoedd Cyngor Fynwy:

- Tryloywder: Rydym am geisio bod yn agored ac onest er mwyn datblygu perthynas lle y mae pobl yn medru ymddiried yn ei gilydd.
- Tegwch: Rydym am geisio cynnig dewis teg, cyfleoedd a phrofiad ac i ddod yn fudiad lle y mae'r naill yn parchu'r llall.
- Hyblygrwydd: Rydym am geisio bod yn hyblyg wrth feddwl a gweithredu er mwyn dod yn fudiad effeithiol ac effeithlon.



- Gwaith tîm: Rydym am geisio gweithio gyda'n gilydd er mwyn rhannu ein llwyddiannau a'n methiannau drwy adeiladu ar ein cryfderau a chefnogi ein gilydd er mwyn cyflawni ein hamcanion.

Yn ychwanegol at hyn:

Mae'r holl weithwyr yn gyfrifol am sicrhau eu bod yn ymddwyn bob tro mewn ffordd sydd yn gyson â Pholisi Cyfle Cyfartal Sir Fynwy yn eu meysydd perthnasol ac yn eu hymddygiad cyffredinol.

Mae Cyngor Sir Fynwy yn gweithredu polisi Dim Ysmygu yn y Gweithle a rhaid i'r holl weithwyr lynu at y polisi yma.

Sut y byddwn yn gwybod os mai chi yw'r person cywir ar gyfer y rôl? Fel yr ymgeisydd llwyddiannus, byddwch wedi arddangos:-

- Gradd neu gymhwyster cyfatebol mewn maes perthnasol gydag isafswm o dair blynedd o brofiad o reoli prosiectau;
- Cymhwyster cydnabyddedig o ran Rheoli Prosiect fel Prince 2 (Lefel Ymarferydd) neu gyfatebol.
- Yn Siartredig neu'n meddu ar gymhwyster ôl-radd mewn maes perthnasol/ priodol;
- Profiad o ddarparu prosiectau canolig/mawr (gan gynnwys datblygu dogfennaeth prosiectau strategol a chaffael)
- Yn arddangos gwybodaeth o ddeddfwriaeth allweddol sydd yn ymwneud ag Adfywio Canol Tref;
- Gwybodaeth ardderchog o egwyddorion rheoli prosiect gan gynnwys gwybodaeth fanwl mewn maes arbenigol penodol a/neu gysylltiedig;
- Profiad o gaffael Contractau Strategol;
- Y gallu i arwain rhaglen waith helaeth ac amrywiol a rheoli nifer o flaenoriaethau, tra'n gweithio o fewn amserlenni a chyllidebau heriol;
- Y gallu i ddatblygu datrysiadau cyllidol ar gyfer prosiectau a gosod a rheoli cyllidebau yn ystod y broses o weithredu;
- Profiad o reoli, rhagweld, prosesu a monitro gwariant yn erbyn y canolfannau cost dynodedig;
- Profiad o weithio gyda phartneriaethau allanol a mudiadau eraill gan gynnwys rhyngweithio gwleidyddol e.e. gweithio gyda Chynghorau Tref a Chymuned;
- Yn meddu ar weledigaeth greadigol a'r gallu i greu brwdfrydedd ymhlith eraill er mwyn medru sefydlu ac asesu perthnasau gwaith positif a rhwydweithiau gyda chynrychiolwyr o ystod o asiantaethau a/neu fudiadau allanol;
- Rydych yn arweinydd tîm ardderchog gyda phrofiad amlwg o recriwtio a rheoli tîm a'r gallu i ysgogi a chreu angerdd ymhlith staff;
- Sgiliau cyfathrebu a sgiliau pobl ardderchog gyda'r gallu i fynegi gwybodaeth gymhleth yn effeithiol, a hynny ar bob lefel yn ysgrifenedig ac ar lafar;
- Y gallu i arddangos gofal cwsmer da ac yn medru cyfathrebu yn eglur, yn gryno ac yn gwrtais gyda'r cyhoedd, wyneb i wyneb a dros y ffôn;
- Y gallu i ddylanwadu, negodi a herio'n adeiladol er mwyn sicrhau datrysiadau arloesol, cynhyrchiol a mesuradwy;
- Rydych yn ffocysu ar gyflenwi ac yn meddu ar y gallu i weithio yn annibynnol ond hefyd fel rhan o dîm, yn annog pobl i ddatblygu a darparu pwrpas ac amcanion sydd yn gyffredin;
- Y gallu i osod blaenoriaethau, rheoli cynnydd a gweithio o fewn terfynau amser sy'n cystadlu gyda'i gilydd;
- Ymdeimlad cryf o'r hyn yw Sir Fynwy a Chyngor Sir Fynwy;
- Dewrder. Mae gweithio mewn awyrgylch caniataol yn cynnig rhyddid ac yn hwyl – ond mae angen hyder, cred a'r gallu i weithio ag eraill gan sicrhau bod pethau yn digwydd;
- Ymdeimlad cryf o bwrpas a'r gallu i ysgogi eraill sydd yn rhannu ein pwrpas i gyflawni pethau gwyh;
- Cadernid personol, dyfeisgarwch, agwedd bositif ac agwedd sy'n fodlon bwrw ati er mwyn cyflawni pethau;
- Yn medru meddwl yn gyflym, yn bositif eich agwedd tuag at fanteisio ar gyfleoedd sydd yn dod i'r amlwg yn weddol hwyr ac amgylchiadau sydd yn



newydd. Cyfuniad o gymryd risgiau gydag agwedd fanwl a phenderfynol er mwyn sicrhau bod pethau'n cael eu cyflawni.

Os ydych angen unrhyw wybodaeth bellach am y rôl hon, cysylltwch gyda: **Cath Fallon, Pennaeth Mentergarwch a Datblygu Cymunedol,**

cathfallon@monmouthshire.gov.uk

Ffôn: 07557 190969

Dyddiad Cau: **hannerdydd 12ebril 2019**

Cyfweliad: **18ebril 2019**

ROLE PROFILE

ROLE TITLE:	Programme Finance and Administration Coordinator – InFuSe
POST ID:	TBC
GRADE:	Grade G 23-27 £26,999 - £30,507 (Two year fixed term – December 2023)
HOURS:	37 per Week
LOCATION:	Flexible, base will be at County Hall, Usk

WELSH LANGUAGE ASSESSMENT:

Welsh language skills are desirable but not essential.

PURPOSE OF POST:-

In building a 'fitness for the future' approach, an enhanced and better supported operating model for public service delivery is needed. The Public Sector's work force and leadership must therefore develop new skills to enable them to adapt quickly when understanding and responding to future service demand.

This brand new thought leadership Programme, working in partnership with the ten local authorities operating in the Cardiff Capital Region, Cardiff Capital Region City Deal and Y Lab, seeks to enable the Welsh Public Sector to develop new skills to scenario-plan, develop rapid prototypes, experiment and carry out research and development.

Although based with Monmouthshire County Council, the Lead Authority/Beneficiary, this role will work collaboratively with colleagues in Cardiff Capital Region City Deal Office and Y Lab, Wales' Public Service Innovation Lab, to help support the delivery of this exciting new Programme. Your primary focus will be to work with the Programme Engagement Manager and to provide financial and administrative support to aid the delivery of the Programme, engaging and communicating with the ten local authorities and other bodies, to maximise the long term impact for public sector bodies within the Cardiff Capital Region.

The purpose of the role therefore is to:

- Coordinate the financial and administrative elements of the InFuSe Programme to ensure it's smooth delivery and overall success;
- Assist in engaging and communicating with local authorities to help support the development and delivery of their future skills aspirations; and
- Promote the benefits of the Programme to the relevant audiences to maximise the opportunities for future engagement.

Should you require any further information regarding this post, please contact: Cath Fallon, Head of Enterprise and Community Animation, cathfallon@monmouthshire.gov.uk Tel: 07557 190969

Closing Date: TBC

Interviews: TBC

Please Note that we are not able to accept CVs

Application forms can be completed online or down loaded via:

www.monmouthshire.gov.uk/how-to-apply-for-council-jobs

Applications may be submitted in Welsh, and that an application submitted in Welsh will not be treated less favourably than an application submitted in English.

Completed paper application forms should be returned to the following address:-

People Services, Monmouthshire County Council, PO BOX 106,
CALDICOT, NP26 9AN

Monmouthshire County Council is an equal opportunities employer and welcomes applications from all sections of the community. All posts are open to job-share unless stated otherwise. Monmouthshire County Council operates a Smoke Free Workplace policy.

ROLE PROFILE

ROLE TITLE:	Programme Finance and Administration Coordinator – InFuSe (working title)
POST ID:	TBC
GRADE:	Grade G 23-27 £26,999 - £30,507 (Two year fixed term – December 2023)
HOURS:	37 per Week
LOCATION:	Flexible, base will be at County Hall, Usk and Y Lab, Park Place, Cardiff
RESPONSIBLE TO:	Programme Manager

SPECIAL CONDITIONS: N/A

WELSH LANGUAGE ASSESSMENT:

(c) Welsh language skills are desirable but not essential

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The Cardiff Capital Region (CCR) City Deal is a programme agreed in 2016 between the UK Government, the Welsh Government and the ten local authorities in South East Wales to bring about significant economic growth in the region through investment, upskilling, and improved physical and digital connectivity. InFuSe is a collaborative Programme, led by Monmouthshire County Council, on behalf of the CCR City Deal (Strategic Lead) and its ten constituent local authority partners and is funded through

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Monmouthshire County Council has been reconsidering its role and purpose in a changing public sector landscape for a number of years and has been redesigning its operating model to meet the demands of future generations. Infuse offers the Council a real opportunity to consider the future delivery of its services through a thought leadership Programme which will identify and support the future skills needs of its workforce and Senior Leadership team.

The purpose of this role is to:

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The activities associated with this role will ensure that the Programme delivers:

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- Tangible benefits and a strong legacy across the public services sector in the region, by delivering a range of approaches including extensive training and development programmes, which will enhance public service delivery and contribute to its efficiency and effectiveness.

Your responsibilities are to:

- Work with the Programme Engagement Manager in the coordination and administration of the Programme to ensure overall success;

- Develop relationships with the ten local authorities to assist in the identification of suitable cohorts of learners to the Programme;
- Coordinate the delivery of a suitable recruitment programme to encourage engagement with the Programme;
- Coordinate the delivery of a marketing and communications plan to support the delivery and maximise publicity for the Programme;
- Provide effective programme management support to deliver the objectives and outcomes of the Programme including collation of all document control information and associated backing documents that are needed;
- Coordinate the collation of accurate financial data to ensure Programme expenditure is monitored. Provide regular updates to the Project Engagement Manager, the Programme Manager and the Regional Strategic Board to include the development and monitoring of financial spreadsheets in relation to grant income and Programme expenditure;
- Liaise with funding partners in a timely manner, as needed, to ensure project cash flow is monitored, project timesheets are collated and checked and Programme Update reports produced to a high standard;
- Prepare financial reports, carry out financial reviews, prepare project claims, progress reports and issue risk reports as required throughout the year;
- Support liaison with other Sections, Departments and Members within the County Council, with Programme Partners and with external agencies such as the National Assembly for Wales (NAW), Welsh Government (WG), as well as with other Local Authorities with a view to collaborative working, to ensure co-ordination of projects, initiatives and strategies.

Here's what we can provide you with in order to achieve your outcomes:-

- Full support of the Council and Programme partners as a valued colleague;
- Supportive and flexible line management from the Programme Manager;
- Support from the Programme's Regional Strategic Board and Y Lab, collaborative working to achieve excellent outcomes, pooling resources and accessing internal and external expertise where possible; and
- A pleasant working environment with an ability and freedom to work on an agile basis.

What else you need to know.....Monmouthshire Values are:

Openness: We aspire to be open and honest to develop trusting relationships.

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And this role, will work with Monmouthshire to achieve these.

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All employees are responsible for ensuring that they act at all times in a way that is consistent with Monmouthshire's Equal Opportunities Policy in their own area of responsibility and in their general conduct.

The authority operates a Smoke Free Workplace Policy which all employees are required to abide to.

Person Specification

How will we know if you are the right person for the role? As the successful candidate you will have demonstrated:-

- A minimum of two years relevant project and administrative experience;
- Hold or working towards a recognised Project Management Qualification such as Prince 2 (Practitioner Level) or equivalent.
- Hold or working towards a degree qualification in a related and/or relevant field;
- Some experience of working on medium to large projects (including the development of strategic project and procurement documentation);
- Knowledge of project management principles including knowledge in a specific related and/or associated field of expertise.
- Experience of working with external partnerships and other organisations;
- Experience of working with a computerised general ledger and appropriate feeder systems, together with a general understanding of financial procedures;
- General understanding of financial systems and accounting principles in local government;
- Experience of preparation of funding applications;
- Experience of monitoring expenditure against designated cost centres;
- Excellent communication and people skills with the ability to effectively convey information verbally and in writing;
- An ability to demonstrate good customer care and to communicate clearly, concisely and courteously with the public both face to face and over the telephone;
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- Courage. Working in a permissive environment is liberating and fun – but it requires confidence, belief and an aptitude to get on and work with others to make things happen;
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- Personal resilience, resourcefulness, a positive attitude and ‘can do’ mind-set;
- Quick thinking, a positive approach to late-presenting opportunities and changing circumstances. A splash of risk taking mixed with a detailed and determined attitude for successful delivery.

Should you require any further information regarding this post, please contact: Cath Fallon, Head of Enterprise and Community Development, cathfallon@monmouthshire.gov.uk Tel: (07557) 190969

Closing Date: TBC

Interviews: TBC

HYSBYSEB RÔL

TEITL Y RÔL:

RHIF ADNABOD Y SWYDD:

GRADD:

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PWRPAS Y SWYDD:

Mae yna bwrpas deublyg felly gan y rôl hon:

Os ydych angen unrhyw wybodaeth bellach am y rôl hon, cysylltwch os gwelwch yn dda gyda: Cath Fallon, Pennaeth Mentergarwch a Datblygu Cymunedol, cathfallon@monmouthshire.gov.uk Ffôn: 07557 190969

Dyddiad Cau:

Cyfweliad:

Gofynnir i chi nodi na allwn dderbyn CV

Gellir llenwi ffurflenni cais ar-lein neu eu lawrlwytho drwy:

www.monmouthshire.gov.uk/how-to-apply-for-council-jobs

Gellir cyflwyno ceisiadau yn y Gymraeg ac ni chaiff cais a gyflwynir yn y Gymraeg ei drin yn llai ffafriol na chais a gyflwynir yn Saesneg.

Ar ôl eu llenwi, dylid dychwelyd ffurflenni cais ar-lein neu eu lawrlwytho drwy:

Gwasanaethau Pobl, Cyngor Sir Fynwy, Blwch SP 106,
CIL-Y-COED, NP26 9AN

Mae Cyngor Sir Fynwy yn gyflogwr cyfle cyfartal ac yn croesawu ceisiadau gan bob adran o'r gymuned. Mae'r holl swyddi'n agored i'w rhannu os na nodir fel arall. Mae Cyngor Sir Fynwy yn gweithredu polisi Dim Ysmygu yn y Gweithle

PROFFIL Y RÔL

TEITL Y RÔL:

RHIF ADNABOD Y SWYDD:

GRADD:

ORIAU: 37 yr Wythnos

**LLEOLIAD:
YN ATEBOL I:**

AMODAU ARBENNIG:

ASESIAD O'R IAITH GYMRAEG:

Mae sgiliau yn y Gymraeg yn ddymunol ond nid yn hanfodol

..Pwy ydym ni?:

Ein Pwrpas:-

Mae yna bwrpas deublyg felly gan y rôl hon:

Bydd y gweithgareddau sydd yn gysylltiedig gyda'r rôl hon yn sicrhau bod y Cyngor yn:

Bydd eich cyfrifoldebau yn cynnwys:

Dyma'r hyn y mae modd i ni ddarparu i chi er mwyn cyflawni eich amcanion:-

Beth arall sydd angen i chi wybod.....Dyma Werthoedd Cyngor Fynwy:

- **Tryloywder:** Rydym am geisio bod yn agored ac onest er mwyn datblygu perthynas lle y mae pobl yn medru ymddiried yn ei gilydd.
- **Tegwch:** Rydym am geisio cynnig dewis teg, cyfleoedd a phrofiad ac i ddod yn fudiad lle y mae'r naill yn parchu'r llall.

- Hyblygrwydd: Rydym am geisio bod yn hyblyg wrth feddwl a gweithredu er mwyn dod yn fudiad effeithiol ac effeithlon.
- Gwaith tîm: Rydym am geisio gweithio gyda'n gilydd er mwyn rhannu ein llwyddiannau a'n methiannau drwy adeiladu ar ein cryfderau a chefnogi ein gilydd er mwyn cyflawni ein hamcanion.

Yn ychwanegol at hyn:

Mae'r holl weithwyr yn gyfrifol am sicrhau eu bod yn ymddwyn bob tro mewn ffordd sydd yn gyson â Pholisi Cyfle Cyfartal Sir Fynwy yn eu meysydd perthnasol ac yn eu hymddygiad cyffredinol.

Mae Cyngor Sir Fynwy yn gweithredu polisi Dim Ysmygu yn y Gweithle a rhaid i'r holl weithwyr lynu at y polisi yma.

Manyleb Person

Sut y byddwn yn gwybod os mai chi yw'r person cywir ar gyfer y rôl? Fel yr ymgeisydd llwyddiannus, byddwch wedi arddangos:-

- Gradd neu gymhwyster cyfatebol mewn maes perthnasol gydag isafswm o dair blynedd o brofiad o reoli prosiectau;
- Cymhwyster cydnabyddedig o ran Rheoli Prosiect fel Prince 2 (Lefel Ymarferydd) neu gyfatebol.
- Yn Siartredig neu'n meddu ar gymhwyster ôl-radd mewn maes perthnasol/ priodol;
- Profiad o ddarparu prosiectau canolig/mawr (gan gynnwys datblygu dogfennaeth prosiectau strategol a chaffael)
- Yn arddangos gwybodaeth o ddeddfwriaeth allweddol sydd yn ymwneud ag Adfywio Canol Tref;
- Gwybodaeth ardderchog o egwyddorion rheoli prosiect gan gynnwys gwybodaeth fanwl mewn maes arbenigol penodol a/neu gysylltiedig;
- Profiad o gaffael Contractau Strategol;
- Y gallu i arwain rhaglen waith helaeth ac amrywiol a rheoli nifer o flaenoriaethau, tra'n gweithio o fewn amserlenni a chyllidebau heriol;
- Y gallu i ddatblygu datrysiadau cyllidol ar gyfer prosiectau a gosod a rheoli cyllidebau yn ystod y broses o weithredu;
- Profiad o reoli, rhagweld, prosesu a monitro gwariant yn erbyn y canolfannau cost dynodedig;
- Profiad o weithio gyda phartneriaethau allanol a mudiadau eraill gan gynnwys rhyngweithio gwleidyddol e.e. gweithio gyda Chynghorau Tref a Chymuned;
- Yn meddu ar weledigaeth greadigol a'r gallu i greu brwdfrydedd ymhlith eraill er mwyn medru sefydlu ac asesu perthnasau gwaith positif a rhwydweithiau gyda chynrychiolwyr o ystod o asiantaethau a/neu fudiadau allanol;
- Rydych yn arweinydd tîm ardderchog gyda phrofiad amlwg o recriwtio a rheoli tîm a'r gallu i ysgogi a chreu angerdd ymhlith staff;
- Sgiliau cyfathrebu a sgiliau pobl ardderchog gyda'r gallu i fynegi gwybodaeth gymhleth yn effeithiol, a hynny ar bob lefel yn ysgrifenedig ac ar lafar;
- Y gallu i arddangos gofal cwsmer da ac yn medru cyfathrebu yn eglur, yn gryno ac yn gwrtais gyda'r cyhoedd, wyneb i wyneb a dros y ffôn;
- Y gallu i ddylanwadu, negodi a herio'n adeiladol er mwyn sicrhau datrysiadau arloesol, cynhyrchiol a mesuradwy;
- Rydych yn ffocysu ar gyflenwi ac yn meddu ar y gallu i weithio yn annibynnol ond hefyd fel rhan o dîm, yn annog pobl i ddatblygu a darparu pwrpas ac amcanion sydd yn gyffredin;
- Y gallu i osod blaenoriaethau, rheoli cynnydd a gweithio o fewn terfynau amser sy'n cystadlu gyda'i gilydd;
- Ymdeimlad cryf o'r hyn yw Sir Fynwy a Chyngor Sir Fynwy;
- Dewrder. Mae gweithio mewn awyrgylch caniataol yn cynnig rhyddid ac yn hwyl – ond mae angen hyder, cred a'r gallu i weithio ag eraill gan sicrhau bod pethau yn digwydd;
- Ymdeimlad cryf o bwrpas a'r gallu i ysgogi eraill sydd yn rhannu ein pwrpas i gyflawni pethau gwyb;
- Cadernid personol, dyfeisgarwch, agwedd bositif ac agwedd sy'n fodlon bwrw ati er mwyn cyflawni pethau;

- Yn medru meddwl yn gyflym, yn bositif eich agwedd tuag at fanteisio ar gyfleoedd sydd yn dod i'r amlwg yn weddol hwyr ac amgylchiadau sydd yn newydd. Cyfuniad o gymryd risgiau gydag agwedd fanwl a phenderfynol er mwyn sicrhau bod pethau'n cael eu cyflawni.

**Os ydych angen unrhyw wybodaeth bellach am y rôl hon, cysylltwch gyda: Cath Fallon,
Pennaeth Mentergarwch a Datblygu Cymunedol,
cathfallon@monmouthshire.gov.uk Ffôn: 07557 190969**

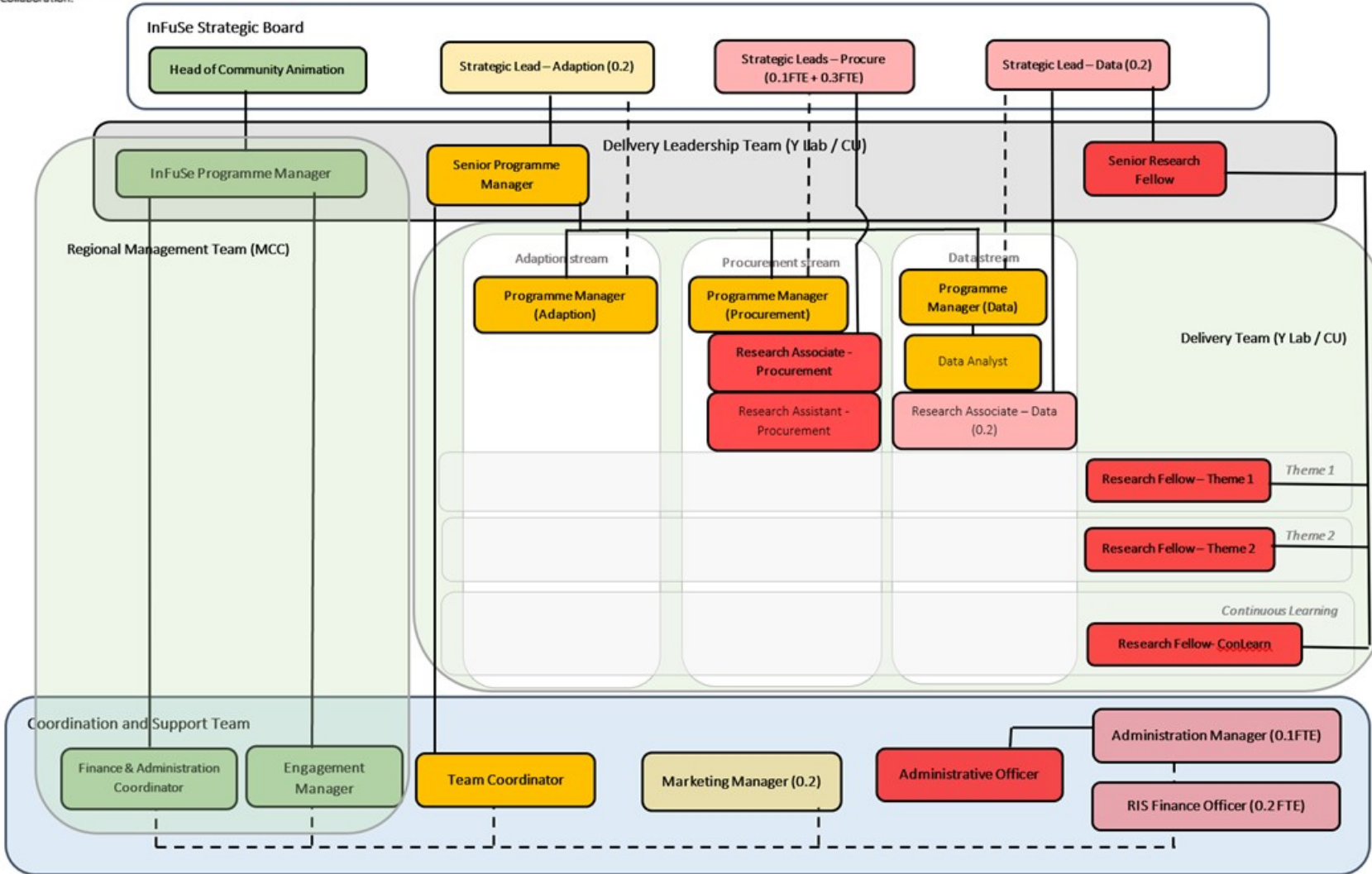
**Dyddiad Cau: hannerdydd 12ebril 2019
Cyfweliad: 18ebril 2019**

Appendix 7 - Organograms: InFuSe

All roles 1 FTE unless stated

Line Management: ———

Collaboration: - - - - -



Future Generations Assessment

<p>Name of the Officer completing the evaluation:</p> <p>Kellie Beirne</p> <p>Phone no: 07826 919286 E-mail: kellie.beirne@cardiff.gov.uk</p>	<p>Please give a brief description of the aims of the proposal</p> <p>Responding to the COVID-19 economic fallout via challenge-led development</p>
<p>Proposal: FBC Challenge Fund – building local wealth post COVID-19</p>	<p>Date Future Generations Evaluation form completed: September 2020</p>





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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.

<p>Well Being Goal</p>	<p>Does the proposal contribute to this goal? Describe the positive and negative impacts.</p>	<p>What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?</p>
<p>A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs</p>	<p>The proposal is for a challenge-driven approach to creating prosperity. Therefore the problem is known and understood – but not the outcomes. Based on £0.5bn invested to date there is ROI and significant prosperity impacts through new market creation.</p>	<p>Through the various stages of the R&D process</p>
<p>A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)</p>	<p>One of the potential challenge areas identified is around acceleration of transport decarbonisation, a differentiated transport strategy and more general rapid attempts to decarbonisation.</p>	<p>Resilience is referenced as the key goal of the fund – building wealth at a local level</p>

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood	The new priorities emerge directly in response to COVID-19 and sustainability challenges and opportunities	Discrete proposals that will emerge from this framework will make more of a direct impact upon this as the challenges develop
A Wales of cohesive communities Communities are attractive, viable, safe and well connected	The priority seeks to make a direct contribution to local wealth building, in order to support key local foundational economies.	
A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	The proposal shows how the CCR can lead the way in pioneering new solutions and showing the foresight to get ahead.	
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	N/A	
A more equal Wales People can fulfil their potential no matter what their background or circumstances	The new priority set is about levelling across the region and ensuring a balance across interventions that will support the wider region and those which will be locally specific.	

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?
 <p>Long Term</p> <p>Balancing short term need with long term and planning for the future</p>	<p>The programme is over 3 years. However the solutions that could be developed could be features of the medium and long-term</p>	<p>This will be under constant review.</p>
 <p>Collaboration</p> <p>Working together with other partners to deliver objectives</p>	<p>The report sets out the different partners and sectors engaged in this work – both as challenge sponsors and responders</p>	<p>We want to encourage all participants to come forward – if supply exceeds demand consideration will be given to successive waves of the programme</p>
 <p>Involvement</p> <p>Involving those with an interest and seeking their views</p>	<p>Successful SBRI shows that hundreds of stakeholders get involved with the process. It is not just about challenge ‘winners’ either – but the companies throughout the process that show promise and strike up new relationships and potential</p>	<p>How we work with ‘unsuccessful companies’ to signpost support and further direct them to other opportunities</p>
 <p>Prevention</p> <p>Putting resources into preventing problems occurring or getting worse</p>	<p>The focus of this is around providing economic support and resilience measures which will support local economies in the area hit hardest by the economic fallout of COVID-19 – public transport, food, tourism and retail/ leisure and hospitality</p>	<p>These sectors are key to the local economy – as the programme develops, if further interventions are needed and become apparent this will inform wider parts of CCR policy.</p>

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?
 <p>Considering impact on all wellbeing goals together and on other bodies</p>	<p>The challenge programme is entirely compatible with WFG and wellbeing goals as well as the five ways of working. It focuses on understanding and solving problems; the art of the possible; re-framing public procurement and focusing on sharing and spreading prosperity at a local level.</p>	<p>A key risk here is the availability of revenue funds in the CCR programme to support further challenge-led approaches.</p>

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	<p>Problem owners and solvers will be drawn from those who can sponsor a challenge and those who can solve them. Particular challenges as they are selected and chosen may have more in common with one age group than another and this will be addressed and highlighted at the time so positive impacts can be scaled and optimized and any negative impacts, appropriately mitigated.</p>	<p>As per 'positive' comment</p>	<p>Monitoring data and evidence required as part of challenge selection</p>

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?
Disability	The process is open to all and anyone can engage – there are no barriers to doing so. In this age of remote working – accessibility of briefing sessions and events will be given appropriate consideration.	As per 'positive' comment	Project management arrangements across all partners with central co-ordination via CCR office will ensure all risks and issues are managed through a risk process and all benefits are maximized wherever possible. For example, challenges may emerge that could have resonance for one specific social group more than another.
Gender reassignment	As above	As above	
Marriage or civil partnership	As above	As above	
Pregnancy or maternity	As above	As above	
Race	As above	As above	
Religion or Belief	As above	As above	
Sex	As above	As above	
Sexual Orientation	As above	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?
Welsh Language	As above	As above	

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

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

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

<ul style="list-style-type: none"> • Economic evidence data and insight • SBRI review data • Govtech and Sivtech data • The original submission for the Public Services Testbed • Challenge Hack responses

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

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

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

The impacts of this proposal will be evaluated on:

Quarterly via the IIF reports to Cabinet and quarterly performance monitoring.

14 SEPTEMBER 2020

REVIEW OF REGIONAL BUSINESS COUNCIL & REGIONAL BUSINESS ENGAGEMENT

REPORT OF CARDIFF CAPITAL REGION DIRECTOR

AGENDA ITEM 8

Reason for this Report

1. To present the report and associated recommendations of the recent independent review of the Regional Business Council (RBC).
2. To seek endorsement to implement an action plan delivering the preferred option from the report which is to re-purpose the Regional Business Council.
3. To note that future reports, will be presented to Regional Cabinet in the run-up to the Gateway Review, that will perform 'fitness checks' for both the Regional Transport Authority and Economic Growth Partnership. These will be lighter touch assessments and limited to ensuring Terms of Reference remain relevant and up-to-date given the effectiveness of the groups to date.

Background

4. The JWA sets out the purpose and remit of the Regional Business Council (RBC) as one which provides a strong business voice to guide both the design and delivery of economic development across the region. This is coupled with a role in business engagement: articulating the regional needs of business, identifying regional priorities for existing business support services, and designing future support programmes.
5. It became apparent that the RBC was not wholly fulfilling its remit. This was reinforced by the SQW baseline report of May 2019, which identified the need for improved business engagement. A number of factors have contributed to this situation – none of which are down to any one party or organisation. The Regional Business Council was an early commitment and began life before other partnerships and ahead of some of the core structures, processes and policies being put in place. As the City Deal evolved, implemented these processes and adapted to a different pace, it became difficult for the RBC to align and adjust – in particular, due to membership changes and departure of the Chair. In addition, there was a view held by some that the RBC should be independent and autonomous whilst others felt it should be guided in terms of

'what to do'. At the same time, as City Deal was 'starting up' and requiring an evidence base, plan and investment framework, it was inevitable that much of this work would fall under the remit of the Regional Economic Growth Partnership (REGP).

6. Since the departure of the chair in January 2020, the group has withheld recruiting into the position. In the intervening period, Regional Cabinet requested a full scale review of the Regional Business Council. This independent review was commissioned by the City Deal office in Spring 2020 and was undertaken by Professors Kevin Morgan and Robert Huggins, both of whom are part of the School of Economic Geography at Cardiff University.

Findings of the review

7. The methodology employed to undertake the study (Appendix 1) primarily consisted of the collection and analysis of data via a series of 22 interviews with relevant stakeholders and the integration of international examples of useful practice relating to regional/city business engagement arrangements as a means of informing any future development.
8. The report identifies a series of key themes, with the following being a summary of some the key headline findings:
 - Rationale and Accountability - there is a common view that the RBC lacks purpose, with the main driver of activity coming from the REGP
 - Communication and Dialogue – there is strong view that current governance and communication arrangements between the CCR and the RBC are inadequate
 - Business Voice - there is a shared perception that many stakeholders, such as micro firms and small firms, are effectively “voiceless” because both the RBC and the REGP are biased towards big firms and organisations.
 - Representation – despite limitations with regards to representation, it is considered that with robust leadership and a clear mandate, the RBC could easily be re-purposed into a much needed vehicle of business engagement to complement the REGP.
 - Priorities and Thematic Focus - any re-purposing of the RBC must ensure a clear strategic focus and a genuine business partnership with the City Deal Office and the REGP
9. Further findings of the review highlight that as it is presently constituted, the RBC whilst enjoying some successes, currently operates sub-optimally. However, an Options Appraisal which considered three main options: Maintain the Status Quo, Abolition and Re-purposing, concluded that Re-purposing was the most supportable option. Abolition was felt to carry unintended consequences that could impact the commitment to business engagement in the region. In addition, given the more strategic and policy-oriented role of REGP and their remit in assessing investment proposals, it was felt too great an incompatible burden for REGP representatives to simultaneously 'represent business'.
10. Re-purposing was seen as the best option given the goodwill that existed and the examples of effective business councils in other parts of the world, whose economic geographies shared similarities to the CCR. Re-purposing should be focussed around three priorities:

- Leadership – appointing a chair with time, talent and energy to drive the RBC in a strategic direction
 - Purpose – vesting the RBC with a clear sense of purpose, involving a new ‘division of labour’ with RBC and a clear set of duties for its members
 - Centrality – moving the RBC closer to the thinking and action
11. The independent review also highlighted some additional food for thought for CCR beyond the more focussed parameters of the review and will merit wider consideration as CCR continues to evolve. These relate to:
- Narrow vs broad business engagement. CCRCD has limited funds and resources and so engagement as regards ‘pipeline’ will be by its nature limited. However, as the City Deal evolves into a City Region – wider engagement and involvement will be an increasing priority.
 - Capacity plays into this as staffing resources relate to the job of work in delivering a City Deal. Partnership support is more than just administrative and project support and experience shows is more nuanced and resource-intensive
 - The Hub and Spoke model and alignment with REGP to co-ordinate around strategic direction and policy development would be complementary and offer significant scaffolding support to the RBC as it begins its new journey. The Hub and Spoke model was seen as offering a ‘core’ purpose to the group as well as sub-sets around themes such as innovation and/or priority sectors and clusters.
 - The new chair and team assembled must be clear about the independence vs direction balance and clearly communicate its needs and requirements. The review recognises that the right membership and representation is critical and will determine the success or failure of the RBC.
12. The RBC has been fully involved with the review, have received feedback from the independent reviews outlining recommendations and have had opportunities to offer views and comments. Engagement has also taken place with the REGP and other key stakeholders.

Next Steps

13. The review offers a blueprint for implementation. However, this needs to begin with the recruitment of a new Chair who is able to commit time and effort and can implement the plan in their own way; learning and developing and finding the right fit and ways of working as the process beds in. The City Deal Office has learnt that the key to effective partnerships is an effective, engaged and engaging chair and so it would seem appropriate that this level of autonomy is given, to instil ownership and encourage the RBC to be independent in its outlook.
14. As a result, the first critical step will be to update the recruitment pack and role specification and appoint an executive search agency to source a chair. It is proposed this is done in conjunction with the two Business Cabinet Portfolio

holders – Cllrs Huw Thomas and Peter Fox and given the need for closeness and alignment across the RBC and REGP – the chair of the latter, Frank Holmes. It is envisaged a budget of c £5,000-7,500 will be required to support this.

15. The other key issue that will need to be resolved as part of the recruitment pack update relates to whether or not the role should be remunerated and if so, at what level? There is an established line of thought, which suggests that remunerating roles such as these may actually deter potential candidates from applying, as the some may view the remuneration package as an indication of their self-worth, which is not the purpose for such roles. Therefore, this sensitive issue will need to be worked through with careful consideration. It suggested that the working group referred to above are given a delegated capped sum of up to £20,000 (plus any applicable employer on-costs) to work within, as part of their consideration of this matter. The agreed way forward will be subject to HR advice (and supporting implications), which will need to be fully set out in a further report to Cabinet at the appropriate stage of the process.
16. It is further envisaged that the next 12 months of activity need to be developed with the chair. Given the timeframes for recruitment, it is expected that this will be set out in the RBC Business Plan for 2021/22 which will be brought to Cabinet in February/ March 2021 and under the auspices of the new Chair.

Reasons for Recommendations

17. The purpose and value of the RBC has been comprehensively reviewed on account of evidence of performance. The independent review has been commissioned and has concluded with clear findings and recommendations. This report sets the path for these to be effectively implemented.

Financial Implications

18. The one-off and ongoing costs of funding Regional Business Council (RBC) objectives and any administrative or officer support will need to be costed at part of the development of the future work programme to be agreed through RBC business plan to be developed in February/March 2021 and annually thereafter. Any expenditure commitments and resourcing requirements will need to be managed within existing CCRCO operational budgets set as part of its annual business plan or any other sources of income identified to support the RBC objectives.

Legal Implications

19. The CCRCO has the power to take any of the three actions set out in this report, under the Scheme of Delegations set out in Appendix 1 of the JWA, including re-purposing the role and remit of the Regional Business Council. There are no other legal implications for this report.

Well-Being of Future Generations

20. 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 CCRC) 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.

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

RECOMMENDATIONS

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

- a) notes and approves the review;
- b) approves the recommendation to re-purpose the role and remit of the Regional Business Council, with specific emphasis on:
 - i. **Leadership:** appointing a chair who has the time, talent and energy to drive the RBC in a strategic direction;
 - ii. **Purpose:** investing the RBC with a new sense of purpose, which will involve a new division of labour with the REGP and a new set of duties for each of its members; and,
 - iii. **Centrality:** means moving the RBC to the mainstream of CCR thinking and action.
- c) endorses the engagement of an executive recruitment agency to facilitate the search part of the process and ensure suitable candidates are attracted to the role with an indicative budget of up to £7,500;
- d) approves that if deemed appropriate, the role be eligible for remuneration of up to £20,000 (excluding any employer related on-costs), subject to full HR advice and related implications.

Kellie Beirne
Director, Cardiff Capital Region
14 September 2020

Appendices

Appendix 1 Independent Regional Business Council Review – Full Report
Appendix 2 Well-being of Future Generations Assessment

A Report Prepared for the Cardiff Capital Region

Robert Huggins and Kevin Morgan
June 2020

Business Engagement in the Cardiff Capital Region

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Executive Summary:

This report examines the nature and dynamics of the business engagement landscape in the Cardiff Capital Region (CCR), with the focus of analysis being the CCR's Business Council (BC), in terms of its role and efficacy, as well as allied entities, in particular the CCR's Economic Growth Partnership (EGP).

The methodology employed to undertake the study primarily consisted of the collection and analysis of data via a series of 22 interviews with relevant stakeholders and the integration of international examples of useful practice relating to regional/city business engagement arrangements as a means of informing any future development.

The report identifies a series of key themes, with the following being a summary of some the key headline findings:

- Rationale and Accountability - there is a common view that the BC lacks purpose, with the main driver of activity coming from the EGP.
- Business Voice - there is a shared perception that many stakeholders, such as micro firms and small firms, are effectively "voiceless" because both the BC and the EGP are biased towards big firms and organisations.
- Communication and Dialogue – there is strong view that current governance and communication arrangements between the CCR and the EGP on the one hand and the BC on the other are woefully inadequate.
- Representation – despite limitations with regards to representation, it is considered that with robust leadership and a clear mandate, the BC could easily be re-purposed into a much needed vehicle of business engagement to complement the EGP.
- Priorities and Thematic Focus - any re-purposing of the BC council must ensure a clear strategic focus and a genuine business partnership with the CCR Executive and the EGP.

The report recommends that the BC is repurposed with reforms addressing issues of: *Leadership*; *Purpose*; and *Centrality*.

It is further recommended that the core members of the Business Council should be configured as a 'Hub' mandated to be responsible for a sub-group network of business members (Spokes).

It is concluded that shorn of a re-purposed Business Council– predicated on an inclusive and networked approach to business engagement - the CCR runs the risk of being divorced from the wider business community in the city-region.

1. Introduction

The historical role of the business community in civic society in Wales since 1945 has been conspicuously limited compared to many other mature industrial regions largely on account of two factors: (i) the traditional industries of coal and steel were nationalized by the state and controlled by London-based bureaucracies and (ii) many of the new industries were fashioned through foreign inward investment and consisted of externally-controlled branch plants, where branch managers had little or no connection with or commitment to the regional economy.

But with the demise of the nationalised industries and the growing emphasis on indigenous firms, local entrepreneurs and the organised business community are assuming a more prominent role in the regional economy and they are understandably seeking a stronger voice in the way economic development policy is designed and delivered.

In the Cardiff Capital Region (CCR) there are two dimensions to the organised business community: on the one hand there are the general business associations that are common throughout the UK (the CBI, FSB, Chamber of Commerce, Institute of Directors) and on the other hand the particular organisations established to enable the regional business community to engage with the Regional Cabinet of the CCR.

Given the above, the aim of this report is to examine the nature and dynamics of the business engagement landscape in the Cardiff Capital Region and to furnish an evidence base of current activity and future engagement scenarios to help the business community to play a more pro-active role in shaping the destiny of the region. Research suggests that the most dynamic regions can draw on the sustained support of a robust business ecosystem in which business associations of various types – be they place-based chambers of commerce or sector-focused trade bodies – supply a wide array of business support services designed to keep local firms on an innovative footing.

In the context of this report, the focus of analysis is the CCR's Business Council (BC), in terms of its role and efficacy, as well as allied entities, in particular the CCR's Economic Growth Partnership (EGP). According to the CCR, the BC is responsible for articulating the regional needs of business, identifying regional priorities for existing business support services, and designing future business support programmes. Similarly, the EGP is considered to be responsible for reviewing the region's economic strategy, making recommendations with regards to how the City Deal is implemented, and advice on investment decisions throughout the Cardiff Capital Region.

The methodology employed to undertake the study consisted of: (1) an agreement of the terms of reference between the report authors and the client, in this case CCR executives; (2) the formulation of a series of key questions to be addressed; (3) the collection of data via a series of 22 interviews with relevant stakeholders, including current and former members of the BC, the EPG as well as individuals who were identified as being relevant stakeholders, including business representatives from key industries forming part of the CCR's development strategy, local authorities and business support providers; (4) the collected data was analysed through a range of themes that form the main body of the report; and (5) the integration of international examples of useful practice relating to regional/city business engagement arrangements as a means of informing any future development.

The report is structured so that it initially reviews the evidence in relation to the key identified themes – consisting of: rationale and accountability; business voice; communication and dialogue; representation; and priorities and thematic focus – which are followed by the discussion of the international practice examples, and finally the recommendations.

2. Rationale and Accountability

The international evidence suggests that one of the common denominators of dynamic regions is the fact that the business community is not only well represented in policymaking circles, but that its expertise is viewed and valued in such a way that business support systems are effectively co-produced by public and private sectors working in concert. As well as helping to frame public policy for regional development – which includes business support and innovation services, transport infrastructure and education and training – the active involvement of the business community is necessary to hold the CCR accountable to one of its key stakeholders.

There is a common view that, in its current form, the Business Council (BC) lacks purpose, and the main driver of activity comes from the Economic Growth Partnership (EGP). A number of current and former members of the BC indicated that they have run out of patience with the group, at least in its current form and configuration. Furthermore, the relationship between the BC and the EGP has been weak with a lack of information flows and dialogue more generally. A similar situation exists with regards to the relationship with the Skills Partnership, which has remained poor and lacking in meaningful interactions. Indeed, members of the BC generally consider that there has been a lack of accountability by the CCR of the actions they have undertaken, coupled with the lack of any evaluation of these activities.

A key problem that appears to have emerged for the BC is that its rationale somewhat overlaps with a number of existing business representation organisations, and indeed some members of the BC are also prominent members and participants within these other fora. This duplication is partly due to there not being a clear rationale for the BC from the outset, which by default has tended to mimic and mirror the discussions undertaken within the Chamber, FSB, CBI and others. A number of interviewees suggested that a clear role for the BC could have been to undertake further work on the clusters and strategic sectors identified by the CCR. For example, this work could ensure that there is a clear understanding of the current stage of development and growth potential of these sectors, as well as ensuring that they represent the ‘right’ mix for the city-region as a whole. Although some work has been undertaken in this respect, most notably in the case of the compound semiconductor sector, evidence of growth potential investment readiness remains patchy for a number of the other sectors.

It was indicated that part of the role of the BC should be to work more with EGP to undertake part of the risk analysis of the various sectors that are to be supported, as well as the evaluation and analysis of progress, but again this has not been advanced in any substantive way. In this sense, there are clear gains that could be made if the BC, and its undoubted expertise, formed a stronger part of the process of delivering the strategy laid out by the EGP. On the other hand, it could be argued that it should remain somewhat at arm's length so that it acts as a voice for the business community across the city-region. In reality, these two roles are not necessarily incompatible, and indeed they fit with the aims of an entity such a business council by providing an interface between the inner machinations of the organisation it reports to – in this case the CCR – and the world of external stakeholders.

3. Business Voice

When the CCR was established there was a genuine attempt to involve a wide cross section of businesses. This aim was partially accomplished in the composition of the EGP and the BC. For example, some members of the EGP are SME business owners and the eleven members of the BC exhibit a very diverse sectoral spread. Despite the good intentions of the CCR, there is a widely shared perception that micro firms and small firms are effectively “voiceless” because both the BC and the EGP are biased towards big firms (like Admiral and Arup) and big organisations (like universities). The small firms that make up the membership base of the FSB, for example, do not see the relevance of the CCR and its strategy, and this view seems to be shared by many of the small firms that make up the membership of the Chamber of Commerce.

Similarly, rather than imitate the work of organisations such as the Chamber of Commerce and the FSB, their existing knowledge base should be harnessed through strong information flows between the CCR and these organisations. Some respondents indicated that flows should occur at a more local level to account for geographical diversity and specificity. Also, a large proportion of businesses across the city region remain quite voiceless as they tend not to be members of any existing business representation organisations. In particular, the city-region has many microenterprises, often with significant growth potential, that are not engaged with any of the existing business representation channels. It was argued by some interviewees that configuring activity at more local level could provide a conduit to ensure stronger engagement by businesses that may represent a small level of economic activity at present but will be the lifeblood of city-region’s economic future.

Some respondents thought that, with better coordination, the BC and the EGP could secure a better mix of business voices in spatial and sectoral terms – spatially by having better representation from the sub-regions of the CCR; sectorally by having a better division of labour as to who was responsible for what as regards the different sectors involved in the cluster strategy, such as compound semiconductors, med-tech, fin-tech, cyber security, and the creative cluster. Another business organisation thought that the CCR was devoting far too much attention to its core clusters, with the result that the wider business community was being neglected and this narrow cluster focus helped to explain why so many people in the business community were either unaware of or indifferent to the CCR strategy. The challenge here, in other words, is how to secure a judicious balance of voices as between geography, technology and industry.

4. Communication and Dialogue

One of the strongest and most widely shared criticisms of the current governance arrangements was that the communications between the CCR and the EGP on the one hand and the BC on the other were woefully inadequate. Two radically different interpretations were proffered by different people to explain the poor dialogue between the CCR/EGP and the BC.

The first might be described as *benign neglect* in the sense that it was based on the belief that the CCR Executive was seriously under-resourced and did not have the time or the capacity to engage in dialogue with the BC, with poor communications being the unintended result. As one member of the BC argued, the CCR's marketing and communication services need to be improved and increased to ensure that the work of the CCR and its functions are more transparent both within the city-region as well as externally. It is telling that some interviewees indicated that the BC is duplicating the activities of fora such as the Cardiff Breakfast Club, since whilst this club has an important role within the local business community, its terms of the reference should be quite distinct from those of the CCR's BC.

The second interpretation can only be described as *conscious neglect* in the sense that it attributed poor communications to the belief that the BC was “utterly surplus to requirements” as one major player put it because it served no useful purpose and added no value inasmuch as it was an institutional hangover from the pre-City Deal era of the CCR. The harshest critics of the BC suggested that it had ‘no substance and no clarity’, with part of the problem being that over its lifetime it has continually sought to reinvent itself, which has led to a ‘stop-start’ mentality that has lacked consistency. For some interviews this is a manifestation of a wider issue across the CCR relating to its relatively weak connections with businesses in the city-region, due to a lack of visibility and understanding of the role and aims of the CCR. As one interviewee stated ‘the CCR does not speak to, or for, businesses’, which may be a harsh assessment given that numerous events have been undertaken that have sought to connect with the business community. However, there appears to be little evidence of actual actions stemming from these events, which has led to some disillusionment from business community participants.

These interpretations clearly carry radically different implications for the future of business engagement in the CCR and it is worth spelling them out here. Adherents of benign neglect fully accepted that the BC, as it is presently constituted, serves very little purpose and adds little or no value to the CCR. But they argue that the BC needs to be re-purposed rather than abolished because it could become a value-adding body if:

- (a) the CCR recognised that the EGP could not possibly carry the full burden of business engagement throughout the region;

(b) the EGP saw the BC as a partner rather than a rival; and

(c) the CCR/EGP treated the BC with more respect and began to share information at an earlier stage.

Common words used by members of the BC are 'frustrating' and 'talking shop', and one particularly sensitive issue that emerged when speaking to members is that some individuals had louder voices than others given different backgrounds and experience. This is potentially an issue associated with any forum of this kind, but it is worthy of noting as all organisations seek greater equity across their membership and ensuring that agendas are not driven by only a small number of representatives. One interviewee further stated that they considered there to be a lack of equity across the CCR fora, especially arguing that the EGP considered itself to be 'untouchable'. The veracity of this statement can be questioned, but any interpretation suggests a lack of harmony due to perceptions regarding the distribution of strategic power. More generally, some respondents perceive CCR as a whole as being rather fragmented and lacking a central point.

The implications of conscious neglect of the BC are clear and simple: since it is alleged to serve no useful purpose, the BC should be abolished as soon as possible because its continuing existence only serves to confuse the regional business community as to which business body does what. Although this view has the virtue of clarity, it may also carry some unintended consequences that we address later (eg overloads the EGP with all the business engagement responsibilities and reduces the spaces of deliberation in which business can be involved in and contribute to the evolution of the CCR).

A more positive narrative emerged from discussions with some respondents who suggested that the BC could play a role mediating the relationship between the strategies and goals of the Welsh Government and that of the CCR, with the BC also acting as a sounding board for the EGP, but in practice this has not occurred to any great extent. An effective BC could act as the glue between the internal and external components of the organisation's network.

5. Representation

Time and again interviewees argued that a key factor underpinning the success or failure of an entity such as the BC or similar is having the right representatives in terms of their credibility and ability to speak on behalf of a wider group of stakeholders. This is not surprising given that the nature of business representation tends to be a highly contested subject in every country, particularly as regards the balance between large and small firms; between urban and rural regions; and between businesses who speak in their own capacity as prominent business leaders and business associations who speak on behalf of their membership. Each of these representational dilemmas has surfaced as an issue in the short history of the CCR.

One of the members of the BC said that there had been a lot of ambiguity from the very beginning about the nature of business representation on the council. This primarily concerned the question as to whether business leaders or business associations should sit on the council. The early signals from the BC were that the former rather than the latter were the preferred choice, but the end result was a mixture of both types. This ambiguity was doubly unfortunate according to another member of the BC because, apart from sending mixed signals to the regional business community about the basis on which members had been selected, the business association members were somewhat unsure as to whether they were speaking for themselves or representing their membership.

The quality and consistency of representation have also emerged as issues to be resolved if the council is to have a viable future and both of these dimensions were said to be closely related to the calibre of leadership of the BC. Some respondents compared the current BC unfavourably to the Cardiff Business Council that predated the CCR and the main difference was said to be the quality of leadership. The Cardiff Business Council was chaired by Nigel Roberts and he was said to have the time and the authority to commit to the council and provide the leadership and purpose that was said to be conspicuously absent from the current BC. The lack of leadership and direction of the BC is symbolised by the fact that it has not had a chair for at least six weeks, ever since Neil Brierley stepped down due to his professional work commitments, and there is no apparent process underway to appoint a successor.

Current members of the BC view this as a deeply demoralising state of affairs because it suggests that the CCR attaches little or no value to the continued existence of the council. This helps to explain the high degree of churn in the BC membership, with some current members having little or no institutional memory. However, these same members feel that, with robust leadership and a clear mandate, the BC could easily be re-purposed into a much needed vehicle of business engagement to complement the EGP.

An issue that was raised by a number of interviewees in terms of both sector/cluster choice and representation within CCR processes, including the nature of the BC, is a perceived lack of representation from all localities across the city-region. One interviewee argued that discussions and activities are biased toward the compound semiconductor and fin-tech sectors. A common approach to the development and strategic management of the key sectors/clusters is required, with a strong leader in place for each. Although this is already the case for some areas, such as the compound semiconductor cluster, this is not always so, and these leaders should be identified and integrated into the governance structure of the CCR.

Again, in the case of the compound semiconductor sector, representative leadership may appear naturally in an organic manner, but in a sector like the creative industries that is dominated by micro enterprises, it requires significantly more effort to identify and empower this leadership. Nevertheless, it is vital for effective business representation to be embedded within governance structures.

It was also felt that more geographical diversity is needed to reflect the variety of industries that underpin many local economies. As one respondent eloquently put it, the CCR requires better and wider reach in order to understand the value chains of all businesses across its patch. Local authorities pointed to the positive experience of engaging with the CCR through the apprenticeship work, but there is also a view by some authorities that, more generally, there is a greater requirement to account for industrial and economic variety across authorities, with larger authorities having a disproportionate voice in agenda setting within the city-region. A number of interviewees suggested that a potential solution to this issue would be to establish a series of sub-groups within the CCR that would allow adjacent authority areas to combine around a common strategic agenda, such as the Heads of the Valleys authorities.

It is further suggested that such groups should go beyond representation from the business sector to also encompass local communities more broadly, as well as local public policymakers. Such geographic sub-groups could provide greater and more direct contact between the CCR and local communities. As one interviewee stated, all parts of the city-region are seeking to achieve similar outputs, but different paths are required by different local areas. Without these networks it is likely that the impact of the CCR will be diluted as it may not effectively fulfil its role as a facilitator and catalyser of economic development.

Finally, such is the structure and composition of the EGP that it is not well positioned to lead the strategic agenda of the cadre of smaller high growth potential firms in the city-region. This is no criticism of the EGP, as its goal requires a different focus, but it would still be highly advantageous to establish stronger links with, for example, the growing band of tech-based firms across the city-region, the views and requirements of which are not necessarily captured by chambers of commerce, local business clubs or the FSB. The issue to be resolved is who should take responsibility for such engagement? One respondent stated that it was 'an issue for the micros to mobilise themselves', which is probably the case, but it could also be argued that part of the CCR's role is to catalyse and facilitate such mobilisation.

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6. Priorities and Thematic Focus

Assuming the CCR wants the BC to have a future, what kind of future should it be? What, in other words, should be the priorities and focus of a re-purposed council? Of the ten “key responsibilities” that were allocated to the BC at its inception (all of which are listed on the CCR home page), it is hard to think of any that are wholly irrelevant to a re-purposed council. But if these nominal responsibilities are to be part of a more purposeful agenda, they need to be accompanied by two major reforms: (a) they need to be rendered part of a more strategic focus and (b) they need to be underwritten by and be a part of a genuine business partnership with the CCR Executive and the EGP. This issue of strategic focus is a contested one, with one example being the focus given by the BC on visibility and attendance at MIPM, the international annual property market conference held annually in Cannes, the relevance of which was questioned by some BC members. As a counterbalance, others were of the view that the MIPM initiative did at least provide some focus for the BC members to interact and coalesce around.

In terms of the relationship with the EPG, one interviewee argued that the EPG and Investor Panel is itself spreading its expertise a little too thinly, with sometimes a lack of detailed knowledge and capability to undertake high level due diligence across the breadth of the key sectors it covers. It was further suggested that a remedy for this could be the introduction of sub-groups to cover the primary key sectors, which would provide a greater granularity of intelligence and an expert sounding board for each, especially understanding the longer term trajectories and likely evolution of these industries globally, nationally and locally.

The BC has engaged in some useful developments such as the apprenticeship programme, but these have been rare. A more strategic focus for the BC could take a number of forms, one of which was suggested by a member of the council. This would involve some members of the council assuming responsibility for linking with firms in each of the CCR clusters – semiconductors, med-tech, fin-tech, cyber security and the creative cluster. Forging a genuine partnership between the BC and the CCR/EGP would be much more challenging because it involved totally recasting the relationship – from one that is basically transactional and low trust to one that is a high trust partnership.

According to a prominent representative from one the key sectors, there is a challenge to ensure that projects stemming from the CCR fit with the national structure for the development of their industry. A related issue raised by respondents is the need to also consider cross-fertilisation between sectors, with new technologies ensuring the greater porosity of knowledge and innovation capability across industry sectors. Existing or new platforms within the CCR structure may wish to consider the means by which such knowledge flows can be fostered.

Whatever the future holds, the BC clearly requires more focus, with a robust mandate to address key economic challenges across the city-region. As one interviewee rightly recognised, without focus 'the jam will become too thinly spread', and there is a need to concentrate on the long-term drivers of economic growth. For example, some interviewees pointed to the innovation, energy and procurement agendas, covering challenges such as the need to improve the uptake of engagement of businesses in the city-region with initiatives such as R&D tax credits; zero-carbon policies; and policies to improve supply-chain readiness and associated logistical infrastructure.

Across respondents a theme emerged around 'taking innovation more seriously', and it can be concluded from the interviews that a priority for the city-region as a whole is to develop an effective business support ecosystem primarily focused on facilitating innovation. Although it is a reflection on the Welsh Government rather than the CCR, the business support system in Wales is a 'shambles' and 'not fit for purpose' according to one respondent. The common denominators that need addressing include not only innovation but talent and skills, scale-up support, access to markets, and networks and supply-chains. It was noted that the human capital and skills agenda is perhaps the most visible area of CCR intervention, which is mainly due to the existence and work of the skills partnership. In terms of sector coverage, some respondents noted that the potential of the Circular Economy does not appear to form a significant component of the CCR's strategy, with the implication that it should.

There is also a concern that smaller and micro firms with significant scale-up potential are being overlooked, and there are already a number of such firms within the city-region that could be championed by the CCR as successes from which lessons can be learned. A number of fora in London, for example, undertake exactly this role as a means of pushing innovation and business development. Although there are cultural issues often associated with either firms or individuals, evidence from the interviews indicates that giving greater visibility to success stories from across the city-region can act as a valuable business support development tool through learning from good practice.

7. What Works Elsewhere

Although the CCR cannot clone the business engagement systems of other regions, because these are place-dependent as well as path-dependent institutional arrangements, it can certainly monitor what other cities and regions are doing and try to distil the locally relevant lessons. With this aim in mind, we offer the following examples of business engagement arrangements drawn from the US, Canada and the UK.

7.1. Joint Venture Silicon Valley, United States

Silicon Valley's Joint Venture provides a neutral forum for collaborative regional thinking and leadership from both the public and private sectors. It aims to build the framework for regional thought, analysis and action by assembling Silicon Valley's leaders in business, government, academia, labour and the non-profit sector to assess our challenges, reach consensus on the best strategies for response and work on solutions together. Its history goes back to 1993, when the semiconductor industry found itself facing competitive challenges from other rising tech regions in the U.S. and abroad for the first time. The concern was that Silicon Valley was falling behind and needed better ways to change, adapt and reinvent itself to compete. The region needed to be as creative in the civic realm as it had been in the entrepreneurial world.

By bringing together business, government and civic leaders, Joint Venture has established itself as a regional convener committed to enhancing the economy and quality of life in Silicon Valley. As a convener, it has brought together leaders from business, government (elected officials as well as high-level employees), education and large non-profits to identify and then address regional issues. Joint Venture undertakes a diverse range of projects, such as economic studies, regional assessments, educational reform, business incubation, building technological infrastructure and tax reform. By engaging regional decision-makers, using solid data to inform its decisions, and measuring its progress, Joint Venture has focused a culture of trust and social capital across the region through:

- A myriad of individuals and organisations throughout the region adopting a common vision, often informally.
- Building deep relationships that have facilitated new programmes and projects through close personal and professional relationships.
- Making decision-makers more willing to work together across different sectors. Often, these leaders do not know each other, but by creating a common forum for these

leaders, Joint Venture increases private, public and non-profit sectoral leaders' willingness to work at a regional level.

Strong leadership has been instrumental to Joint Venture's success at three levels:

- On the individual level, a former state senator first led Joint Venture, and this provided a credible and powerful means of establishing the forum.
- The Board was originally comprised exclusively of senior executives from the business and education/public sectors. By attracting a strong cadre of senior professionals willing to lead the region in assessing and addressing its issues in a novel way, Joint Venture's endeavour was understood as worthwhile.
- Joint Venture's public image promoted its status as a successful leadership organisation, and it deliberately crafted its public image and ensured that its results were widely publicised.

Joint Venture's organisational structure is premised upon its clear mission as a convener and a facilitator of change for regional leaders. Two components of its structure make the organisation. The structure is responsive to the organisation's goals; if the goals are not being furthered by a certain activity, the structure allowed the activity to be easily disbanded. Second, it has maintained its focus on being a leadership forum and ensured that its expectations, activities and results continually engaged the highest strata of leadership.

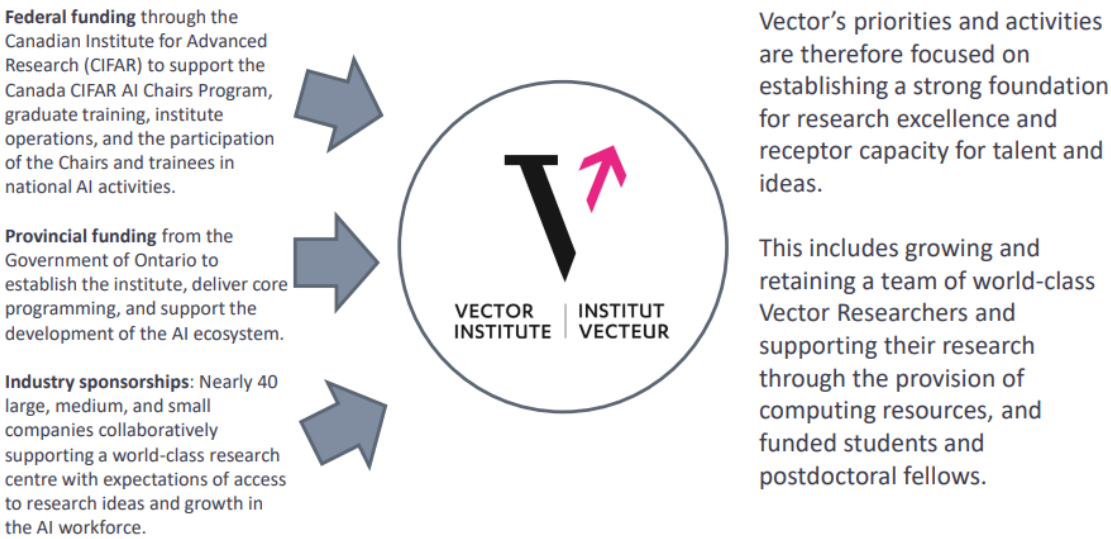
7.2. The Vector Institute, Toronto, Canada

The Vector Institute describes itself as a leader in the transformative field of artificial intelligence, excelling in machine and deep learning – an area of scientific, academic, and commercial endeavour that will shape our world over the next generation. It is building on a well-established and respected foundation of globally recognized talent and learning that exists today in Toronto and the wider province of Ontario, Canada. Its researchers are at the leading edge of deep learning and machine learning in a diverse set of areas, including neural networks, probabilistic models, statistical theory, computational biology, computer vision and natural language processing.

The VI is an example of a cluster strategy that has been crafted around the work of Geoffrey Hinton, the “godfather of neural networks”, a much derided and minority approach to AI until it took off after 2012 with the aid of big data sets and huge computing power. Hinton was poached by Google, but he decided to stay on at the University of Toronto and to combine his work in the VI with being a vice-president of technology at Google, which decided to move part of its “Brain Team” to Toronto when Hinton refused to move to California –an example of talent attracting capital rather than vice versa.

Launched in 2017, the VI is designed to serve as both beacon and magnet – to attract and retain talent to fill the needs of local businesses, support AI startups and show Toronto is serious about capitalizing on its reputation as a global leader in deep learning to push the science towards the next made-in-Canada breakthrough. Among other things, Vector funding will help train a huge new contingent of PhD students – some say the most of any institution anywhere – to fill booming demand. Located in the Toronto-Waterloo innovation corridor, which employs 205,000+ tech workers, this tech cluster is second only to Silicon Valley in North America.

Funding sources: \$135 million in the first five years*



*Total does not include funding received by the Government of Ontario for infrastructure.

The VI is an example of an advanced technology ecosystem that is both territorially grounded in Toronto and relationally connected in a network of AI centres throughout Canada. It brings together the Triple Helix partners of government (national, provincial and city governments), university researchers and business partners. In other words, its business engagement strategy is to provide spaces and connections through which AI applications can be generated and commercialised within Canada – and a means of stemming the drift of tech talent from Canada to the US.

The VI carries important lessons for other city-regions that aspire to nurture advanced technology clusters, one of the main lessons being the critical importance of inter-organisational collaboration and good communications between business, government and universities.

7.3. Cambridge Network, Cambridge, UK

Cambridge Network (CN) is a membership organisation based in the high technology cluster of Cambridge, UK. It aims to bring people together - from business and academia - to meet and share ideas, encouraging collaboration and partnership for shared success. CN's mission is to encourage collaboration for shared success by fostering closer relationships and sharing ideas between businesses, academia and individuals; facilitating peer learning groups and sharing high quality training; connecting people and companies for research and partnering through knowledge of local expertise; and to act as a focal point for organisations in the Cambridge region. Deliberately mixing sectors and ideas, CN has been the trigger for many productive relationships as business in the region has grown.

CN was founded in 1998 by a number of influential representatives to promote and support the further development of the city's cluster and generally 'take the city forward'. Initially formed around influential support organisations, including the university and the city and county councils, the network has grown rapidly over the years. From the outset CN made a unique contribution to the local foment of ideas in the form of the Cambridge 2020 report (Cambridge Network, 1998), produced by the Cambridge-based telecommunications consultancy Analysys in collaboration with others, including Sir Alec Broers (then vice chancellor of Cambridge University) and members of the Cambridge Futures team. Based on a comparison between the Cambridge area and Silicon Valley, the main thrust of Cambridge 2020 is that investment in information and communications technology (ICT) is central to realising the high-tech growth potential of the area without damaging the character of Cambridge.

CN has generally been considered a major force for good within the overall support structure of the city's ecosystem and it serves the local community as an information gateway for firms outwards for Cambridge. Its importance assisting the progress towards sub-regional and community coherence has been very significant. Leadership was again crucial in the success of the network in the shape of Hermann Hauser and David Cleevly, who were instrumental in setting up the Cambridge Network to raise the global profile and increase local networking by Cambridge IT firms. Hauser has been instrumental in setting up a number of influential technology companies, including Acorn Computers, and Cleevly has a similar track record and he is currently chairman of the Raspberry Pi Foundation.

8. Recommendations

Our recommendations draw on two different sources of evidence: (a) intensive interviews with twenty-two key informants who play a major role in the field of business support in the CCR region and (b) extensive research on a wide range of cities and regions in Europe and North America which provides an insight into business engagement in comparative perspective. To arrive at our key recommendations concerning the future of the Business Council we consider three possible scenarios: Status Quo, Abolition and Re-purposing.

8.1. Status Quo

Of the three scenarios under consideration here, the Status Quo is the one that generated the greatest consensus. That is to say, while opinions were divided on the other two scenarios, everyone strongly agreed that the status quo was not a viable option for the future. As it is currently constituted, the reality is that the Business Council is languishing in limbo land – it is without a chair, it is devoid of direction and it is marginal to the work of the CCR Executive and the EGP business group. Given this sad state of affairs, one can readily understand why one highly placed respondent dismissed the Council as being “utterly surplus to requirements”. In view of the fact that it currently lacks leadership, direction and centrality, we conclude that the Status Quo is most certainly not a viable option for the future and therefore this option should be dismissed as a matter of urgency because it wastes the time and talent of current BC members and its existence sends confusing signals to the wider business community in the CCR region.

8.2. Abolition

Given what has been said above it should not be surprising that a number of respondents called for the outright abolition of the Business Council with immediate effect. Although this is a logical response to the current situation, we believe that abolition carries a number of unintended consequences that could adversely affect the CCR’s status in the regional business community and compromise its capacity to effectively engage with the firms, sectors and clusters in that business community. As regards the current status of the CCR, many of our respondents were of the opinion that it needs to be enhanced because large swaths of the regional business community are either indifferent to or ignorant of the CCR strategy.

To the extent that this is the case, it is too much to expect the members of the EGP to shoulder the extra burden of business engagement because they have neither the time nor the capacity to do so. In other words, the outright abolition of the Business Council would create an enormous vacuum in the regional business community and, with the best will in the world, the EGP would be unable to fill it. This is the most important unintended consequence of abolishing the BC and it is the main reason why we cannot and do not recommend outright abolition.

8.3. Re-Purposing

All the most dynamic and innovative regions in Europe and North America find multiple ways of harnessing the energies, talents and resources of their business communities. As we said in the introduction, the business community in South Wales has historically been unable or unwilling to assume a public role in the development of the regional economy. Fortunately, this situation has begun to change in recent years and we are now witnessing more and more men and women volunteering to play a role in shaping the future of their region. If this is the case, what does it say about the CCR region if it cannot find roles for senior business leaders and if it is unable or unwilling to harness their energies and talents?

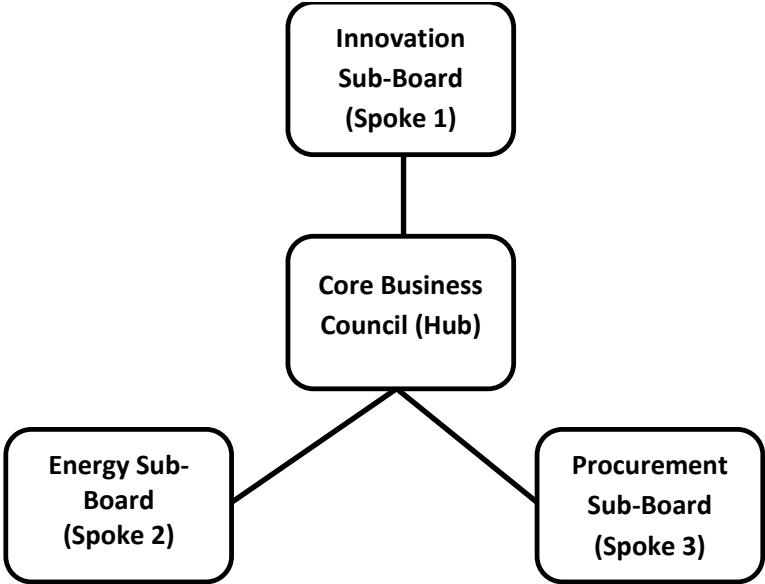
For these reasons it is our considered view that the Business Council urgently needs to be re-purposed rather than abolished. Re-purposing involves reforming the BC in at least 3 ways:

- **Leadership:** it means appointing a chair who has the time, talent and energy to drive the BC in a strategic direction in the manner that Nigel Roberts was said to drive the former business council in the pre-CCR era;
- **Purpose:** it means investing the BC with a new sense of purpose, which will involve a new division of labour with the EGP and a new set of duties for each of its members;
- **Centrality:** it also means moving the BC from the margins to the mainstream of CCR thinking and action, rather than it being left to wither on the vine on the margins of the CCR.

All these things are possible and they urgently need to be addressed if the CCR wants to raise its status in the regional business community and create the engagement mechanisms that will enable this to happen. Our evidence suggests that the Business Council needs to be reformed in such a way as to boost involvement, focus and purpose, and we conclude by suggesting how all three of these objectives can be secured through a Hub and Spoke model of business engagement.

As illustrated below, the core members of the Business Council (Hub) could be mandated to be responsible for a sub-group network of business members (Spokes) and the latter would consist of business stakeholders who have expertise in and commitment to a particular theme that was pertinent to the CCR. Through this networked approach to business engagement, sub-groups could be organised around such themes as innovation, energy, public procurement, for example, all of which were consistently mentioned by our respondents. Skills are another theme that was regularly mentioned, but this theme is already adequately addressed by the Skills Partnership and the CCR should not seek to duplicate such work. In addition to these functional themes, it is also worth considering whether a geographical theme could be included, such as a Heads of the Valleys sub-group for example.

Indicative Design of a Re-Purposed Business Council



The main point to remember about the re-purposing agenda is that it is basically designed to increase the *involvement* of the regional business community in the activities of the CCR. But to achieve this goal the Business Council must be reformed to give it strategic focus and institutional purpose, without which it will fail to recruit and retain the talent that is necessary for a dynamic and inclusive form of business engagement.

Shorn of the kind of Business Council that we recommend here – predicated on an inclusive and networked approach to business engagement - the CCR runs the risk of being divorced from the wider business community. Although the CCR Executive could point to the EGP to counter this charge, the perception of the regional business community is that the EGP is too small a constituency to convince the public, or indeed the governments in Cardiff Bay and London, that the CCR has done enough on the business engagement front.

Finally, it is important to acknowledge a number of operational issues that could potentially impact on the implementation of the above recommendations:

- The narrow versus broad business engagement dilemma needs to appreciate the dual context of the agendas of the CCR and the CCR City Deal, which tend to be conflated. It also needs to be remembered that the BC members have always expressed a strong desire to retain their independence from the CCR City Deal. As a result, the CCRC D Programme Team has respected this desire and given the BC significant autonomy. Unfortunately, this has sometimes been misconstrued by the BC membership as a sign that they have been neglected by the Programme Team, when this was never the intention.
- It is clear that the re-purposing of the BC could have some unintended consequences that are not addressed in the above recommendations, like putting extra demands on the Programme Team when its capacity is already over-stretched. We appreciate this issue but consider that the value of a re-purposing exercise may well pay dividends beyond the resource required by this broader business engagement exercise.
- The Hub and Spoke system could be operationalised in a number of different ways. For example, the REGP could act as the Hub and the Spokes could consist of the thematic groups listed above. This would clearly create a broader form of business engagement, and yield two advantages: (i) it would overcome the perception that the REGP operates as a closed network/shop and (ii) it would help to address the dual context of the CCR, which is larger than the City Deal, and make it a more suitable vehicle for business agendas that are outwith the City Deal projects.

Future Generations Assessment Evaluation

(includes Equalities and Sustainability Impact Assessments)

<p>Name of the Officer completing the evaluation:</p> <p>Kellie Beirne</p> <p>Phone no: 07826 919286 E-mail: kellie.beirne@cardiff.gov.uk</p>	<p>Please give a brief description of the aims of the proposal</p> <ol style="list-style-type: none"> 1. To present recommendations of a recent independent review of the Regional Business Council (RBC). 2. To seek endorsement to implement an action plan delivering the preferred option from the review – which is to re-purpose the Regional Business Council
<p>Proposal: Review of the Regional Business Council</p>	<p>Date Future Generations Evaluation form completed: 26 August 2020</p>

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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?
<p>A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs</p>	<p>The purpose and remit of the Regional Business Council is to provide a strong business voice to guide both the design and delivery of significant economic development and regeneration activities across the region. Along with being responsible for articulating the regional needs of business, identifying regional priorities for existing business support services, and designing future business support programmes.</p>	<p>A review of the business council has been undertaken</p>

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 resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)	The Regional Business council will endeavor to engage with and encouraging businesses to engage more fully with Grand Challenges of the Industrial Strategy Challenge Fund. One of these challenges is Clean Growth and opportunities for business to pioneer the green and clean growth agendas.	Continuous review of environmental impact of new initiatives that are taken forward
A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood	Developing the conditions, through new links and networks – and opportunities for future engagement – will make a contribution to prosperity, which in turn will support wellness and wellbeing.	Inclusive growth and sharing prosperity are key principles of all activity and engagement that takes place.
A Wales of cohesive communities Communities are attractive, viable, safe and well connected	The RBC seeks to position our region and its competitive strengths – economic and wider and will seek to yield demonstrative legacy benefit for the country as a whole.	ROI assessments and expert advice on how to leverage opportunities and build on local social capital whilst at the same time, scanning the world for experts who can help grow high potential ideas
A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	Representation at International events to promote the CCR will see us play a stronger part in developing the economic wellbeing of our region and country, thus impacting social and community objectives. Investing in an internationalisation strategy will enable the region to be more globally responsible.	Develop the legacy impact of international events, sustaining new connections, sharing great practice and potentially securing propositions and deals that support economic growth.
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	Our City Deal is uniquely Welsh – but pitches towards being world leading in areas of competitive strength. This enables a strong reflection on our rich culture and heritage.	

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 more equal Wales People can fulfil their potential no matter what their background or circumstances	City Deal is about delivering as far as possible across 10 LAs and a population of 1.5m people. It is about economic gains – but importantly how this will convert as tools for improving people’s lives.	The ‘spread’ and targeting of City Deal benefits in a place-based and place-led way – as reflected by the proposals.

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?
 <p>Long Term</p> <p>Balancing short term need with long term and planning for the future</p>	<p>Attendance at MIPIM/ WiL Week and other events and activities starts to build and enhance the reputational profile of the region – the benefits of which should demonstrate longevity and added value</p>	<p>Continued work on data/ evidence and generating in equal measure, insight and foresight.</p>
 <p>Collaboration</p> <p>Working together with other partners to deliver objectives</p>	<p>The report sets out the different partners and sectors engaged in this work</p>	<p>City Deal will be delivered by a multiplicity of diverse partners.</p>
 <p>Involvement</p> <p>Involving those with an interest and seeking their views</p>	<p>The Regional Business council Is made up of sector and report sets out the different partners and sectors engaged in this work</p>	

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?
 <p>Putting resources into preventing problems occurring or getting worse</p>	<p>The framework operationalizes the process for stimulating economic activity in the region creating opportunities to engage people in work and develop the prosperity needed to ensure people are more economically self-reliant and self-sufficient.</p>	
 <p>Considering impact on all wellbeing goals together and on other bodies</p>	<p>This will be undertaken on a case by case basis through the new assessment process.</p>	

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4. 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	As with all those categories below – the impacts will relate to specific delivery that underpins the execution and operation of this Plan	None arising at this time.	
Disability	As above	As above	
Gender reassignment	As above	As above	
Marriage or civil partnership	As above	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?
Pregnancy or maternity	As above		
Race	As above		
Religion or Belief	As above		
Sex	As above		
Sexual Orientation	As above		
Welsh Language	As above		

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

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

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

- Independent review of the Regional Business council, which included interviews, appraisal and overarching review.
- CCR Priority Sectors analysis 2019

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

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

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

The impacts of this proposal will be evaluated on:

September 2021

14 SEPTEMBER 2020

GATEWAY REVIEW – COMPLEMENTARY REPORT

REPORT OF CCR CITY DEAL DIRECTOR

AGENDA ITEM 9

Reason for this Report

1. The 'One Year Out' report by National Evaluation Panel leads SQW was received and considered by Regional Cabinet at its meeting of 18 May 2020. The report also set out that the 'Final Report' under the National Evaluation Framework process would be completed by SQW in mid-autumn 2020. The purpose of this report is to set out that this work is now underway and to seek Regional Cabinet's endorsement of a draft 'Complementary Report' or self-evaluation to be submitted to SQW to inform and feed into the process. In view of accelerated delivery underway under the auspices of the Investment Framework; continued shifts and changes in both the micro and macro- economies as a result of COVID-19; and, corresponding policy changes, this document will be continually updated and reviewed with a view to it being formally submitted into the Gateway Review process, anticipated to commence in March/ April 2021.

Background

2. As set out in previous reports, SQW is leading the National Evaluation Panel, undertaking an independent evaluation of local growth interventions across the UK. These interventions are funded through investment funds devolved to 11 localities in cohort 2, including the Cardiff Capital Region City Deal Wider Investment Fund. Their ongoing assessments of progress will be submitted to inform the UK Government's first Gateway Review of the Wider Investment Fund, which is due to take place in March/April 2021.
3. The scope of the evaluation relates to the City Deal signed in March 2016 across the ten CCR Councils, the Welsh and UK Governments for c£1.2bn. This comprises £734m for the SW Metro (outside of the SQW work but likely to be in scope for Gateway) and £495m for the Wider Investment Fund which is in direct scope and the focus of the Locality Framework.
4. Within the original heads of terms agreed in March 2016, a range of potential interventions were highlighted, including transport schemes, investment to unlock housing and employment sites, and the development of R&D facilities. The heads of terms also specifically stated that CCR "will prioritise interventions

that support the development of an internationally competitive compound semiconductor cluster”. No funds were ‘designated’ to specific projects within the City Deal itself.

5. Four projects have been fully approved to date – CSC Foundry Project; Homes for all the Region; CCR Graduate Scheme; and, the Creo Plasma Technology investment. All these schemes are currently incurring programme spend, albeit at varying levels according to stages of deployment. In addition, there are two transport schemes - Metro Plus and Metro Central that have received part-approvals, in keeping with WeLTaG development process and are spending on detailed design, feasibility and full business case development. Further, there are a number of schemes now at OBC-FBC stages and it is anticipated that there will be further full approvals of significant investment proposals, ahead of the commencement of Gateway #1 in March/ April 2021.

Complementary Report

6. The Complementary Report has been developed as a means of shaping and informing the Final Report under the National Evaluation Panel process. It must be noted however, that this is very much a working document since in the time that will elapse between production of the Final Report and commencement of Gateway, CCR will want to demonstrate continued progress and evolution.
7. The Complementary Report is critical from a number of perspectives. Firstly, because it tells, in our words, the story of the evolution of the CCR City Deal and the demonstrable advancements and outcomes achieved. This is critical since the direction adopted is distinctive and often, the narrow and prescriptive formulae applied to performance evaluation doesn't capture this. The Complementary Report is also the opportunity to begin framing the longer-term vision and ambitions for the Cardiff Capital Region. This latter should be highlighted as a significant step forward given that in reality, the CCR City Deal came before the Cardiff Capital Region – but it is the wider potential of building a future for a whole region, that is now the real ambition.
8. The Complementary Report covers the first five year period in which CCR City Deal has been live and in particular, focuses on the important pivot point in September 2018, when the 10-point plan to evolve and adapt the City Deal, was introduced. The process thereafter has been characterised by operationalising the foundation stones put in place – JWA, 5 Year Business Plan, Partnerships & Governance and Assurance Framework – whilst at the same time, adapting and updating mechanisms to ensure fitness for purpose. Key examples of this include co-production of the Economic and Industrial Growth Plan, re-purposing partnerships, developing the policy-data-thought leadership role and co-development of the Investment Framework.
9. The Complementary Report sets out the strong sense of purpose underpinning the CCR City Deal; the importance of the networked and distributed leadership approach adopted by Regional Cabinet; the mantra of ‘no place gets left behind’; and, the need to balance economic aims with social outcomes. It further reflects on the macro and micro-economic backdrop; and, the evolution of CCR City Deal into the Cardiff Capital Region.

10. The Report also covers progress made in relation to the key symbols of progress: data/ policy development; co-development of Industrial Growth Plan; co-production of the Investment Framework and deployment of the delivery pipeline; good governance and partnerships; creation of the City Deal Office; influence and leverage; connecting local and business leadership; promoting internationalisation and challenge-driven approaches; and, building the future of the region.
11. More importantly, the report highlights the ‘so what’s?’ and the outcomes, effects and changes delivered and engendered as a result. It further reflects on some of the new challenges and dilemmas presented; as well as the opportunities to further consolidate progress and maintain forward momentum.
12. The section on conclusions is important. It highlights some of the risks and challenges inherent in the evolution of the agenda – continued impact of COVID-19 economic downturn; the devolved context and economic policy differences; the changes anticipated via Regional Investment in Wales and the policy commitment to Corporate Joint Committees.
13. It further reinforces the distinctiveness of the CCRCD – the unique direction adopted by Regional Cabinet in relation to distributed leadership, the principles of an ‘evergreen’ open and competitive investment fund; portfolio development; and, why this different path is necessary in contributing to a new more sustainable and resilient future for the CCR. Equally, it highlights the ways in which some of the standard formulas for assessing ‘progress’ don’t always fit this ethos and approach and why, some of the policy changes at HMT-level could have profound implications for the mind-set and cultural changes CCRCD is seeking to embed.
14. Finally, the report concludes by looking forward to some of the big issues of the day and sets out why, in taking the approach that it has, CCRCD is able to make a contribution to them. These include, Western Gateway, ‘levelling-up’, making R&D work for the whole of the UK and the post-COVID-19 recovery. Good progress has been made in the first 5 years, but in reality, this is just the start and the platform created is one which will grow the strength, profile and resilience of the region and see it evolve beyond the delivery of a City Deal funding programme.
15. It is clear that all these key points start to set the tone and direction for the next five years and that CCR must position to be key opinion-formers; policy leads and delivery agents in this context. It is also clear that in terms of devolved freedoms and flexibilities, the changing economic backdrop and policy context, CCR must take the opportunity to set a new direction and one in which it is able to shape its own destiny and create the conditions for the approach to scale and further develop.
16. With the Cabinet Away Planning Day now set for 16 October 2020, all of these will be posed as key considerations for shaping the future; the next iteration of the JWA; and, the development of the next 5 Year JWA Business Plan. But more than this, the next period will be key in defining and setting the agenda for the

Cardiff Capital Region. City Deal will remain an important element of this and will make a key contribution to the aims and ambitions of the region. However, it is increasingly clear that shaping and framing a new, more relevant future is a task broader and more significant than the impact of any one funding programme. It must therefore focus on urgently bringing together the future purpose and longer-term vision for the Cardiff Capital Region supported by a clear blueprint or roadmap for how this can best be realised.

Reasons for Recommendations

17. The reasons for recommendations relate to:

- the need to submit our own self-assessment into the National Evaluation Framework;
- the opportunity to ‘tell the story’ from the CCR’s own learning journey perspective;
- to begin preparation of our final evaluative submission into the Gateway Review – set to commence in March/ April 2021;
- the need to outline key points of progress outside of the prescriptive requirements of the National Evaluation Panel process.

Financial Implications

18. The total cost of SQW’s work over the period from 2018/19 to 2020/21 is £217,000, of which, £124,000 has been charged to date, with an outstanding balance of £93,000 to be incurred in 2020/21. These costs are included in the Joint Committee Revenue Budget and Regional Cabinet will be updated via the regular Joint Committee Budget Monitoring Reports throughout 2020/21.

19. It is important to note that funding for 2021/22 and beyond is conditional on CCRCDC successfully passing this Gateway Review, whilst any unspent funding up to this time may be subject to repayment if Gateway Review is not passed.

Legal Implications

20. In considering its endorsement of this complementary One Year Out report the Regional Cabinet must have regard to, amongst other matters:

- (a) the obligations set out in the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards;
- (b) the public sector duties under the Equality Act 2010 (including specific Welsh public sector duties). Pursuant to these legal duties, when making decisions, public bodies must have due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics, which are set out in section 4 of the Equality Act 2010;
- (c) the Well-being of Future Generations (Wales) Act 2015. The Well-being of Future Generations (Wales) Act 2015 (‘the Act’) is about improving the social, economic, environmental and cultural well-being of Wales. The Act

places a 'well-being duty' on public bodies aimed at achieving 7 national well-being goals for Wales - a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language and is globally responsible. In discharging their respective duties under the Act, each public body listed in the Act (which includes the Councils comprising the CCRC) must set and published wellbeing objectives. These objectives will show how each public body will work to achieve the vision for Wales set out in the national wellbeing goals. When exercising its functions, the Regional Cabinet should consider how the proposed decision will contribute towards meeting the wellbeing objectives and in so doing achieve the national well-being goals.

21. The well-being duty also requires the CCRC to act in accordance with a 'sustainable development principle'. This principle requires CCRC to act in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs. Put simply, this means that Regional Cabinet must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, Regional Cabinet must:

- look to the long term;
- focus on prevention by understanding the root causes of problems;
- deliver an integrated approach to achieving the 7 well-being goals;
- work in collaboration with others to find shared sustainable solutions;
- involve people from all sections of the community in the decisions which affect them.

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

RECOMMENDATIONS

23. Regional Cabinet is asked to:

- a) note and endorse the evolving draft Complementary Report for submission to SQW to inform the development of the Final Report, due mid-autumn 2020.

Kellie Beirne
Director, Cardiff Capital Region City Deal
14 September 2020

Appendices

Appendix 1 Draft Complementary Report
Appendix 2 Well-being of Future Generations Assessment



Complementary Report
CCR City Deal Self-Evaluation
September 2020



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This report gives a full and comprehensive summary of the history, context, activity, progress made to date and outlines the scale of opportunity that exists for evolution of the city deal into a more holistic city region approach.

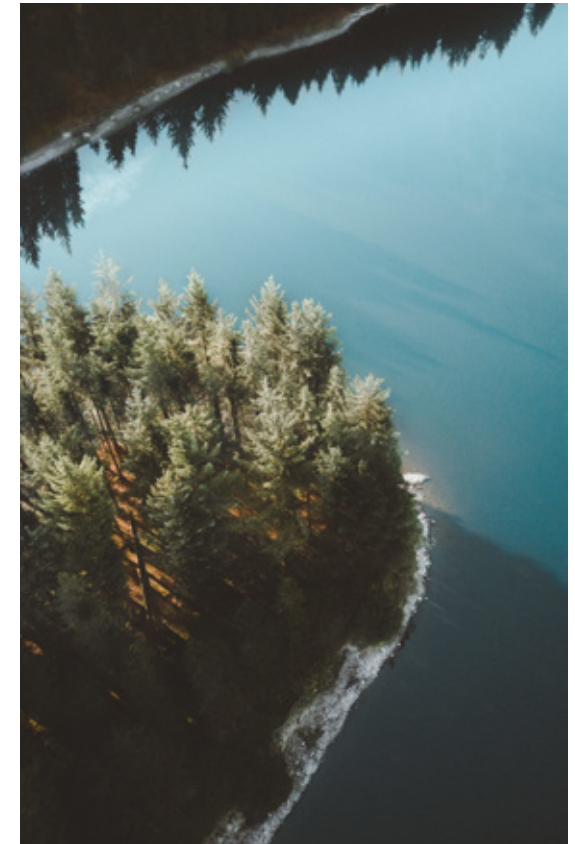
In summary, in line with our 10 point plan we have:

- Developed a rich seam of data and insight to facilitate quality assessments and decision making.
- Created an integrated, fact based regional industrial growth plan and robust leadership capability that has been evolved and adapted for Covid-19 impact.
- Created an investment assessment framework and a delivery pipeline based on agreed priorities.
- Approved projects worth approx. £101.5m (as of July 2020) with leverage of c£1.5BN and have a further £120m+ in the immediate pipeline with similar forecast levels of investment leverage.
- Created and implemented a solid, effective governance framework.
- Extended our voice, reach and influence beyond expectation and play a proactive integral role on all relevant business forums/ panels/committees.
- Restructured the internal team building new capabilities, new contracts, and new collateral to assist the next stage of our journey.
- Implemented effective working partnerships with REGP and Investment panel both of which have transformed the ways of working and made a huge contribution to the big picture debates on matters of policy, economic and social reform.
- Embraced the concept of Challenge funding, developed a comprehensive partnership network and created a £10m challenge fund to stimulate local and foundational economies post Covid-19.
- Expanded our international reach via networking events, partnerships and participation in initiatives such as Western Gateway.
- Articulated the limitations of the existing structure and progressed the debate on the manifest opportunity of a City Region approach.

We have built firm foundations, we have solid plans for the next stage of our journey and we have effective local leadership but we do not underestimate the size of the challenges ahead.

A complex political landscape, the levelling up agenda, green revolution and post covid-19 economic imperatives combined with the structural limitations of our current modus operandi make for a complex and very challenging environment.

However, we are confident that we have the right leadership in place and the right plans in progress. We take confidence from our notable successes to date and are 100% committed to making a success of this programme.



Purpose of Report

The purpose of this report is to supplement information provided for the review with a full synopsis of the history, context, activity and progress made to date.

Context

In the period prior to September 2019, work was focused upon putting the foundations in place including setting up the following; JWA, JWA Business Plan, Accountable Body, Assurance Framework & partnerships/ governance all of which required operationalising. However, throughout the period many significant things were changing including; Brexit, establishment of UKRI and new policy approaches to regional development at both UK and Welsh Government levels.

Therefore, a key part of the job was to re-purpose and re-set the direction of CCR City Deal at the same time as implementing the operating protocols. This involved a re-empowering of existing partnerships, enhancing governance & relationships, production of an outward facing economic growth plan, the development of an Investment & Intervention Framework to give practical effect to the Assurance Framework and the creation of a 10 point plan to structure and focus the agenda.

Structure

The content of this report is aligned to that “10 point plan” introduced by the current Director, Kellie Beirne, in September 2019 as this represented a pivotal point in the evolution of City Deal. These 10 points, with their significant breadth and depth of focus provide a useful framework for assessment, fit well with an operating environment that has to continually adapt and flex to prevailing conditions to ensure continued relevance, and have been used previously for self evaluation and reflection.



Kellie Beirne
Director, Cardiff Capital Region City Deal

A strong sense of Purpose

What is the City Deal?

CCR City Deal is a 1.3bn fund provided by a combination of UK Gov, Welsh Gov and the 10 CCR Local Authorities.

3 Primary Goals:

- 25,000 jobs
- 5% uplift in GVA
- £4bn additional investment leverage

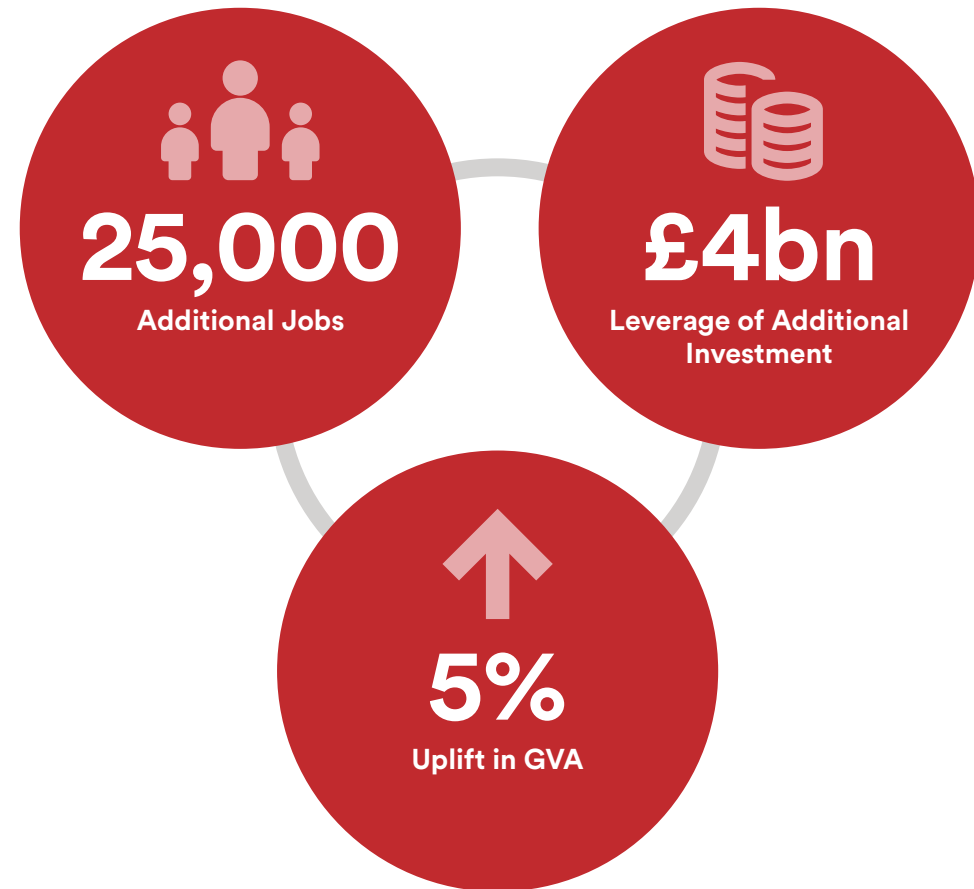
Inclusive Growth

It is important to note that our local political leaders are clear that they see little gain in hitting targets that miss “the point”. Growth strategies sometimes exacerbate inequality which is especially critical in a region in which the least and most competitive areas co-exist

What is “the point”? ultimately it is about;

- Creating general prosperity – where no one place gets left behind
- Fostering innovation in business, public services and local and foundational economies
- Ensuring that economic ambition is matched with progressive social policies

Core Objectives of the Cardiff Capital Region City Deal



Challenge & Opportunity

We live in Challenging times

Multiple macro factors at play; EU Exit, fiscal uncertainty and Covid-driven economic downturn.

We are strategically well positioned to be a catalyst for a new approach

We have clear opportunities to create a post covid-19 positive legacy and we are increasingly developing the confidence & maturity to not just compete in new world, but to play a key role in defining the new economy. This is frequently about doing the right things not the easy things and this means often, taking a longer-term perspective.

There is local political will to embrace a more progressive state role

This means moving beyond de-risking or just enabling to proactively convening around solutions to the big industrial and societal problems of the day. This will involve a real commitment to a different type and scale of interaction between public and private sectors but is a direction we are committed to moving toward.



From City Deal to City Region

New ends require new means

There is significant opportunity to use the platform created by the CCR City Deal to build out the future of the Region. Levelling-up, 'build back better', trade opportunities, green economy and wellbeing must all be part of the approach.

There is opportunity for a more collaborative and distinctive approach but this will require time to create the right conditions, build the right networks and to develop a more distributed leadership model.

The time is right to purposefully shift from a dependency culture to a focus on resilience and "living off the interest not spending down the capital" and to shift to a concept of regionalism that is more about collaboration and less about top down structures.

Integrated programmes

Whilst the City Deal came first and will always remain important, it needs to sit alongside other programmes and opportunities and the goal must be to align, co-ordinate and leverage the potential of common purpose, shared resources and integrated working.



1

Data, Evidence & Policy



2

Regional Economic Growth Plan



3

Investment Framework & Delivery Pipeline



4

Governance



5

Influence & Engagement



6

Create City Deal Office



7

Enhance balance of local and industrial leadership



8

Challenge focussed & mission driven



9

Boosting our international credentials



10

Building a more sustainable & resilient Cardiff Capital Region



1. Data, Evidence & Policy

Challenges

- Low-levels of data capability
 - insight & foresight
- A need to be able to determine where best to place our investments
- A need to improve our ability to assess the value of our interventions, decision-making and evaluation
- Being fully prepared for National Evaluation Framework & Gateway Review.

Achievements

- Conducted an Analysis of Priority Sectors
- Adopted National Evaluation Framework
- Developed a Local Evaluation Framework
- Delivered 1st Baseline Report
- Delivered a “One Year Out” report
- Secured 2 x KES PhD studentships in Data Science and Analysis
- Submitted Full Economic Impact Assessment for CS Connected to Strength in Places Fund
- Retained Cardiff Uni to work on economic intelligence database and dashboard- data observatory
- Placed 2 MSC Data Science Students within the team
- Utilised Nesta – Skills for Future research to inform Future Ready Skills Framework
- Deployed Savills to conduct Regional Housing Market Review
- Developed good relationships with ONS, WG, Universities
- Conducted 4 Renewable Energy studies for Metro Plus
- Appointed Kevin Gardiner, Rothschild economist to take the lead on a REGP Data and Research sub-group
- Achieved 1000+ responses to our Covid-19 Business Survey
- Produced 3 ‘State of the Region’ reports:



- Provided advisory support to other City and Growth Deals
- Submitted evidence to numerous UKRI research projects, submission of evidence to inquiries and most recently, inputted to BEIS Task Force on levelling up and skills
- Made a key contribution to OECD work - future regional economic governance in Wales
- Active contributors to and participants in UK2070 Commission on regional economic inequality.

Outcomes

- Good evidence & data key has enabled more robust decision making
- Introduction of logic model evaluation in place on all live projects ensures what gets measured gets done.
- Extending involvement beyond a project only focus and making an active contribution to higher-level policy goals (e.g. CS Connected)
- Increased confidence in our strategy & execution
- Developing a robust thought leadership & opinion forming role
- Introduction of more impactful Communications and Engagement:
 - [2019 Roundup Newsletter](#) »
 - [Summer 2020 Newsletter](#) »
 - [Latest Publications \(Q1 2020\)](#) »
 - [Latest Publications \(Q2 2020\)](#) »
- Key participants in debates on Corporate Joint Committees and future of Regional Investment post Brexit – SPF
- Contributed toward Devolution White Paper.

We have developed a rich seam of data and insight to facilitate quality assessments and decision making.

2. Regional Industrial & Economic Growth Plan

Challenges

- Medium term Planning gap - no 5 year business plan
- No succinct outward facing growth statement and plan
- A desire to be vision and values-led
- A need to address relatively low levels of influence (UKRI)
- A need to be clear about priorities and focus.

Achievements

- Co-produced with REGP a Regional Economic and Industrial Growth Plan—
Undertook a REGP leadership and local-UK-global launch to a wide-range of stakeholders
- Ensured alignment with WG Economic Action Plan & UK-wide Industrial Strategy—
Embedded sectoral analysis & wider evidence-base into plan
- Planning activity endorsed by Chambers, CBI, FSB, IoD
- Agreed priorities. Fewer but with a deeper focus
- Proven planning flexibility to respond to change and adapt priorities
- Evidence based Post **Covid-19 addendum** added with 10 updated priorities:

1. **Helping CCR businesses navigate the funding support packages available and identifying gaps in provision.** This includes communicating information, getting feedback, and raising awareness of arising issues.
2. **Building a strong evidence base to enable ongoing assessment of regional economic health.** This includes working with the School of Economic Geography at Cardiff University to create a regional data dashboard of Key Performance Indicators, and getting feedback from stakeholders to identify issues and opportunities.
3. **Reviewing current City Deal initiatives to make sure they align with CCR economic and social imperatives in a post-Covid 19 world.** This will include accelerating our Digital Infrastructure programmes on full fibre connectivity and 5G and considering the application of a broader reskilling/ HE/ FE support programme to mirror the changing sector dynamics.
4. **Ensuring entrepreneurs and start-ups get the support they need.** This includes facilitating access to mentoring programmes and network groups, unlocking routes to obtain seed capital and influencing the potential creation of a bespoke shared prosperity funding programme.
5. **Setting up a new Rebuilding Local Economies Challenge Programme, to capitalise on the business innovation and ingenuity seen during the crisis.** Two or three challenges such as healthy ageing, foundational economy renewal, future mobility or decarbonisation, will form the focus for the new challenge funds.
6. **Developing new, targeted funding interventions and new investment application support mechanisms.** This includes working with investment partners to create an SME Co-investment Fund to help scale up business in priority sectors.
7. **Supporting key businesses in the CCR priority clusters to increase their resilience and capacity for growth through increased flexibility on lending/investments.** This includes consideration of alternative funding mechanisms such as convertible equities, greater flexibility in ways of assessing debt capacity, and increased use of guarantees and asset-backed securities.
8. **Accelerating the development of our medtech cluster through encouraging and supporting investment opportunities in medtech innovation.** This will allow us to build upon the strategic opportunities for the sector and the region presented by the scale of businesses diversifying their manufacturing bases to accommodate the production of medical tools and equipment.
9. **Expediting the creation of resilient industrial clusters with thriving regional ecosystems.** This includes creating formal cluster bodies in priority sectors, and prioritising investment support to complement strategic cluster company inward investment activities.
10. **Increasing our overall competitiveness and wealth creation as a region by improving the financial performance of medium-sized businesses.** This will include focused interventions such as facilitating greater networking opportunities between CEOs, for the sharing of best practice advice and guidance.

Outcomes

- Proven CCR Industrial Plan not static – able to flex to remain up-to-date & relevant
- Covid revised plan proved to be able to convert to action quickly. Examples: Creo Plasma Technology Investment made in weeks & Challenge Fund launched for re-building local wealth post-Covid
- Review gave opportunity to review existing schemes and proposals and provide added assurance our current activities were fully aligned
- Achieved good stakeholder engagement. Partners fully bought into the revised Plan and which received widespread endorsement.
- Process and ensuing debate has begun to position the asks of ‘levelling up’
- The planning tasks have brought into focus some of the dilemmas around regional frameworks and investment. WG also moving to a regional investment approach with new Regional Investment Frameworks. Has raised key policy questions about ‘who’ or ‘what’ is the region, who leads and what ‘empowering regions’ means in Welsh context? This will be a critical dimension as plans for new regional Corporate Joint Committees develop.

We have created integrated, fact based, flexible regional industrial growth plans and robust leadership capability.



REGIONAL INDUSTRIAL & ECONOMIC GROWTH PLAN →

3. Investment Framework & Delivery Pipeline

Challenges

- Medium term planning gap - no 5 year business plan
- No succinct outward facing growth statement and plan
- A desire to be vision and values-led
- A need to address relatively low levels of influence (UKRI)
- A need to be clear about priorities and focus.

Achievements

- Co-produced the Investment and Intervention Framework with REGP
 - Developed Three funding priorities – innovation, infrastructure & challenge
- Established evergreen, revolving, co-investment principles
- Introduction of Investment Panel as an advisory body to Regional Cabinet
- Good use of REGP leadership & experience
- Established a more formal process role for CEX Group (now Programme Board)
- Identified 5 priority sector Clusters
- Established a Common Assessment Framework for transport and infrastructure projects
- Commissioned local partnerships to work on Proportionate Business Case development – vital where innovation and challenge programmes don't always precisely fit the Green Book.

Investment & Intervention Framework



[Download The Cardiff Capital Region Investment Framework »](#)

Key Sectors of Interest



Achievements - Delivery Pipeline

March 2020 Cabinet Decisions:

- Full approval of Homes for all the Region (£45m) fund comprising:
 - Viability Gap Fund
 - SME Finance Fund
- Full approval of phase 1 Metro Central – design & business plan with DfT (first £4m of £40m scheme)
- Full approval of CCR Graduate Scheme (£1.5m)
- Early stage approvals on 5G Wales, Full Fibre to Premise Scheme for 330k properties and Coryton Life Sciences Park

July 2020 Cabinet Decisions:

- 8 proposals at SOC – e.g. med-tech, pharma, energy & £100m Clusters Fund
- 7 proposals at OBC/ FBC – e.g. £26m Coryton Life Sciences Park, £50m Strategic Premises Fund & £16m Local Wealth Building Challenge Fund
- 5 schemes at legal completion – £45m Housing Fund, £38m CSC Foundry, £2m Cool Plasma, £2m Graduate Scheme and £7m LFFN with Metro Central in design phase £4m and Metro Plus schemes in various stages of design and delivery £15m
- Under NDA on several significant transformational programmes

Achievements - CS Connected



- Confirmation from UKRI Strength in Places full funding award £25.6m leveraging a further £18m to total £44m for CS Connected – compound semi-conductor cluster
- One of only 7 UK regions to secure funds – partners include IQE, CSC, Catapult, HEIs, NWF, Microchip, SPTS & WG
- Includes – Front of House facility in Newport mega-Foundry (£3.5m CCR), Skills Programme, inward investment support, a Collaborative R&D programme and establishment of trade body CS Connected
- Full backing and support of CSC Foundry Ltd.

Outcomes

- Investment and Intervention Framework and Investment Panel has been operational for just 10 months
- Significant progress has been made in short space of time
- As at July 2020 projects in wider pipeline total £390m investment ask, leveraging c.£4.05bn with job creation potential in the order of c.33,500 – with more to come
- External government funds also secured – 5G Wales DCMS £5m, SIPF for CS Connected UKRI £44m and WEFO £4m InFuSe
- Hierarchy of advice to Regional Cabinet focussed around Investment Panel is working well
- Regional Cabinet has matured and bonded well, undertaking a steering role whilst placing trust in others to advise and coming together to make decisions via the WIF to benefit the region

- We have a mixed portfolio of projects – with ROI potential to support ‘evergreen’ principles
- Covid impact is being felt – more emphasis on need for quality delivery at pace, capable of building resilience
- October 2020 we undertake a review of 12 months of operating IIF. What has gone well, what hasn’t? Does our investment strategy need to change or adapt? External Audit work will help inform this
- CCR now in full scale-up and delivery phase and this means evolving governance structures, greater emphasis on programme management and optimisation, monitoring and evaluation and assurance, audit and risk
- “Logic models” are now in place for all ‘live’ projects with delivery/ approvals status in IIF
- Important next step is our ‘Levelling up’ prospectus.

We have created an investment assessment framework and a delivery pipeline based on agreed priorities and have approved projects worth approx. £101.5m with a further £120m at an advanced stage with potential for combined leverage of >£3bn.



4. Governance

Challenges

- A need for a consolidated governance process
- Improvement needed to assurance process
- 'Application forms needed simplifying' and making more user friendly
- More effective alignment of skills
- Delegations
- Single agent v regionalism.

Achievements

- Investment & Intervention Framework in place with SIFT process implemented
- Regional Skills Partnership now hosted by Newport City Council
- Performance reporting improvements in line with Gateway Review
- CSC Foundry Ltd reporting and Logic Model aligned
- Cabinet maturity beyond City Deal – approach taken to skills, Strategic Development Plan and Valleys Regional Park
- WAO 2019/20 governance report rated good
- Informed OECD work on Economic Governance and were key contributors to Regional Investment Wales
- New chair, Cllr Anthony Hunt elected at AGM 2020.

- Vice chairs – Cllr Peter Fox (Innovation, Business & Research) & Cllr Huw Thomas (Business & Internationalisation)
- Full-scale independent review of Regional Business Council undertaken
- **New portfolio responsibilities agreed »**
- Refresher reviews of Economic Growth Partnership & RTA undertaken
- Core staffing team now in place on a permanent basis.
- Robust procedures in place across all 8 partnerships for Disclosure of Interest
- All back office process work well with all partnerships consulted on investment proposals post-Investment Panel and pre-Regional Cabinet
- Communications and engagement scaled-up considerably.



Achievements - Communications & Engagement: Q1 2020 Results

Produced, distributed and promoted:

- 8 podcasts
- 9 “Board” opinion/ thought leadership pieces
- 8 Industry specific features
- 7 News releases incl 3 all media releases
- 3 Brochures – Connected, Competitive, Resilient

Achieved a:

- 50% increase in overall website visitor traffic
- 130% increase in traffic to our news pages
- 167% increase in engagement with our twitter account
- 100% increase in Linked In followers
- 290% increase in engagement with our linked in account

Responded to covid-19 and our Business Impacts survey by:

- Launching a dedicated Covid-19 web section with FAQ’s, handy links, and guidance notes
- Posting key updates daily via social channels
- Switching media focus to ensure a Covid dimension to all thought leadership and industry features including a series profile corporate responses to Covid in our key sectors.

Achievements - Communications & Engagement: Q2 2020 Results

Produced, distributed and promoted:

- 17 “Board” thought leadership articles
- 18 industry features covering fintech, medtech, manufacturing and automotive
- 7 Press release
- 5 graduate profiling articles
- 5 podcasts including 3 Business Wales podcasts and 2 of the CCR “Lockdown to Delivery” series

Achieved a:

- 70% uplift in new web site visitors
- 147% uplift in news page consumption
- 140% uplift in twitter engagement and gained 90 new followers
- 76% uplift in Linked In followers
- 98 new Facebook followers

In addition we have:

- Produced a summer newsletter
- Created a bespoke graduate recruitment campaign with dedicated landing pages and bespoke collateral for each of the technology/manufacturing and Life sciences sector - launched in July.

Outcomes

- Governance rated as ‘good’ in 2019/20 Annual Governance Statement recognising growing maturity and shift to scale-up phase
- New arrangements for scrutiny have also been enacted – new leads RCT County Borough Council
- All partnerships subject to refresh reviews with major independent review of Regional Business Council undertaken
- Issues are however emerging around underlying structures. CCR is supported by a Joint Cabinet. No legislative base in Wales for Combined Authorities
- JVs, partnerships, loan agreements all have to sit on Council balance-sheets with back to back legal agreements which isn’t sustainable in long-term?
- Future shape of delivery entity needs consideration
- Played a key input role in CJC debate and future of regional investment in Wales
- In addition, it is acknowledged the structure is partnership-heavy. This must be reviewed to ensure CCR can maintain high-reach but reduce significant call on capacity.

We have created and implemented a solid, effective governance framework.



5. Influence & Leverage

Challenges

- Wider Investment Fund is only £495m
- Need to improve track record of bringing in new money (UKRI - £6.4bn annual budget) —
- Low influence and representation
- Wave 3 Industrial Strategy – poor show from Wales
- Under-developed competitiveness
- Need to develop and better mobilise networks.

Achievements

- UKRI Board relationships improved with meeting and events in the CCR
- CCRCD Director now formally appointed to the Board of Research England, UKRI
- Innovate UK engagement strengthened – senior officer now seconded to City Deal Office
- REGP pioneered formal partnership with Global Welsh:
 - Global city hubs (Dublin and USA)
 - MyMentoring scheme for businesses
 - SME performance Research Programme in collaboration Uni of Tokyo
- Supported Wales in London Week
- Made contributions to Shared Prosperity Fund consultations and Regional Investment Wales
- Agreed membership of the Western Gateway
- Established knowledge exchange network with Belfast, Glasgow, Oxford, Cambridge, Manchester & other Welsh regions
- Secured external funding from UKRI (SIPF), DCMS (LFFN & 5G RCC) and WEFO (INFUSE)
- SIPF Wave 2 successful at EOI stage on Clwstr (Creative Industries)

Became Members of:

- Research England Council, UKRI
- GW4
- Basque region network
- Science Advisory Council
- Innovation Advisory Council
- Cyber Wales
- Fintech Wales
- CS Connected
- SBRI Accelerator
- Ford Taskforce & sub-groups
- Regional Investment Board & sub-groups
- Valleys Taskforce
- Valleys Regional Park Forum
- Foundational Economy Advisory Board
- UK-French Mayors Project

Contributions made to:

- What works commission
- OECD work on economic governance in Wales
- UK2070 Commission
- National Evaluation Steering Panel
- Princes Trust
- Social Business Forum
- Social Mobility Foundation
- Built Environment
- CITB
- Scores of conferences, events and workshops
- CBI, FSB, IoD and Chambers
- Digital Tuesdays
- Royal Society, RSA, Research England, HeFCW and Learned Society.

Outcomes

- We are continuing to effectively develop our influencing role
- We have become central to big debates and research programmes informing opinion alongside influential organisations & institutions
- Strong network built enabling ability to mobilise resources of others and expand via a virtual ‘CCR team’
- UKRI position is key in terms of impacting our long stated goal to get closer to hub of science, research/development and innovation
- Recognition and support from Cabinet Office – personal visit by Alex Aiken
- Ministerial support – roundtable with DCMS Minister on 5G and digital
- Participation in BEIS post-Covid recovery events and networks
- However, to build upon this good work, we must now develop a core function within CCR team that focuses on data, policy & influencing. This is a key connector into wider discussion about shifting from CCR City Deal to CCR.

We have extended our voice, reach and influence beyond expectation and play a proactive integral role on all relevant business forums/panels/committees.

6. Create a “City Deal Office”

Challenges

- ‘Programme Office’ nomenclature feels outdated and lacks meaning to investors
- No ‘front of house’ facility, branding and/or visibility
- Insufficient range and mix of skill-sets
- Needs a permanent staffing structure to mitigate risks around short-term resources to support long-term plan.

Achievements

- Created a new City Deal Office in heart of region – Tredomen, Caerphilly
- New structure created and approved by Regional Cabinet – with a focus on a blend of public sector, commercial, deal-making, data & community orientated skills
- Resourcing arrangements and delegations are in place with a permanent core team structure agreed as at June 2020
- Secured External secondment from Innovate UK, WG/SBRI and CS Connected
- Appointed a Comms and Marketing professional
- Updated and improved our Website with a new iteration to follow later this year
- KPMG and Pinsent Masons appointed advisors
- Accountable Body arrangements reviewed and working well.

Outcomes:

- Key risk has been mitigated by core structure of 7 key posts now having permanent status thus ensuring long-term aims met by long-term resource commitments.
- Reinforces pledge by Regional Cabinet & government partners to the need for a long-standing approach
- However, we will have to supplement and enhance this to ensure team is fit for purpose for the work in the second Gateway period. This will need to reflect the increased focus on delivery (investment focus), assurance, performance and programme management
- Branding is moving consistently towards CCR (as opposed to just CCR City Deal) which is symbolic of maturity & commitments
- Core issues to address include; revenue/capital optimisation, top-slice component to support revenue ‘running’ needs, maximising available resources and preparing for reinvestment of funds.



We have restructured the internal team building new capabilities, new contracts, and new collateral to assist the next stage of our journey.

7. Enhance balance of local/industrial leadership

Challenges

- More co-operation & co-production required
- SQW Baseline report highlights need for improved business engagement
- Leverage true value of REGP
- Risk taking and rewards
- Focus on key industrial scale clusters
- Empower business leadership.

Achievements

- REGP chair appointed to chair Investment Panel which has become a key and effective advisory board to the Regional Cabinet, changing the way we operate
- Appointed a cluster lead and work is underway on a cluster strategy and fund
- Put in place a continuous programme of Business events and workshops.
- Submitted EOIs through cluster engagement on SIPF programmes for Clwstr, Cyber, Fintech and Med-tech
- Awarded specific support via Investment Framework to Fintech Wales
- REGP fully delivered on its milestone plan:
 - Co-produced state of Region work Connected, Competitive and Resilient which has proved influential;
 - Economist, Kevin Gardiner taken an effective lead role on the research and data sub-group
 - Co-produced an Industrial and Economic Growth Plan
 - Co-developed an Investment and Intervention Framework
 - Fronted up publicity campaigns, evidence submissions and participation in committees, groups and partnerships
 - Secured our Global Welsh partnership
 - Provided advisory support to other City and Growth Deals
 - Has become a key point of contact with trade bodies and business groups

- Advised on our Post-Covid reform and reimagination work
 - Manufacturing ‘Made in Wales’ initiative underway – driven by REGP members
 - Conducted an Independent Review of the Regional Business Council
- Why we commissioned a review?**
- RBC needs to more purposefully enact remit set out in City Deal heads of terms
 - City Deal evolved significantly in last 2 years – but RBC operation pre-dated that and so gap opened up
 - Make-up of group has also changed
 - Always been a bit of tension between the independence agenda – which CDO has tried to respect – versus the ‘tell us what to do’ ask
 - Need to ensure we are solving the right problem rather than just assuming case for a Regional Business Council

Important Considerations:

- Narrow versus broad business engagement. CCRCD is a small programme with limited funds so engagement to drive deals will always be fairly limited. However CCR is a different proposition altogether and is about broader principle of business support and engagement on wider issues
- Capacity needs – already under resourced – but need to make a commitment as support is more than admin – more complex and nuanced. Any investment should therefore be seen as such – an investment not just in the RBC but the wider programme – driving deal flow and inv readiness
- Hub and spoke and the opportunity for REGP centrality – good consideration given the traction and grip REGP has as strategic body and if they could now align with business council with broader remit – helps spread the message, word and impact

- Independence v ‘tell us what to do’ needs clarity

Recommended way forward?

- Repurposing into a “hub and spoke” approach, anchored more to the REGP

Next steps

- Present findings to Cabinet in September 2020 along with implementation plan and specification for Chair recruitment.



Outcomes

- Learning - our operating context is forever changing and the scale/nature of public-private interaction must also be capable of continuous adaptation.
- Experience – the big debates of the day require a strong voice on issues such as Western Gateway, levelling up, post-Covid economic recovery & making R&D work for whole of UK
- Delivery - REGP has:
 - Delivered on its Ph.1 plan – hungry to do more
 - High-order pro-bono support
 - True goodwill and genuine shared purpose.
- RBC has:
 - Recognised need to refine scope
 - Reached to localities – but must do more
 - Worked closer with REGP to enact policy and strategic direction with business for business
- However, succession planning is an issue for both at a time when we need continuity around cluster implementation and funds .
- Team capacity to support must also be considered. Not ‘admin’ support – more nuanced and developmental
- Business engagement. Narrow but deep v. wide but shallow? Again, comes back to clarity of focus – single programme or regional engagement.

We have implemented effective working partnerships with REGP and Investment panel both of which have transformed the ways of working and made a huge contribution to the big picture debates on matters of policy, economic and social reform.



8. Challenge Focussed & Mission-led

Challenges

- Historic grant culture needs to change
- New way of securing £ is through problem framing & solving
- Competitive process brings new challenges
- Solely economic focus not enough
 - must focus on public value and solving societal problems.

Achievements

- Informed Wave 3 of Industrial Strategy Challenge Fund
- Developed a £16M challenge fund for local wealth building post-Covid. £6M of this WEFO-funded to run InFuSe – Innovative Future Services aimed at public service innovation and a £10M challenge fund to focus on how we stimulate local and foundational economies post-Covid
- Partnered with Cardiff University, Nesta and SBRI Challenge Prize Centre
- Partnered with SBRI Centre on the Wales Vaccinations Challenge
- Contributed to a £100k ‘war-chest’ to seed innovative thinking to mitigate worse of economic fallout post the Bridgend Ford closure
- Provided Support for various submissions to ISCF – advanced propulsion, future mobility & energy revolution.

Outcomes

- Developing role of public sector in framing the big industrial and societal challenges of the day
- Building up capacity for innovative future public services and increasing productivity of the state as contribution to CCR aims and CCRCD targets
- But challenge-driven approaches are different and don’t typically tend to feature in City Deals. We are following a tried and tested SBRI format to ensure compliance with HMT Green Book but despite this it still exposes some of the Green Book shortcomings
- We have learned that for a City Deal that has developed in the way CCR has – standard infrastructure projects and appraisal processes do not fit. We have subsequently fed this and more into the HMT review of the Green book
- HMT interaction becoming increasingly key on both fiscal and economic policy fronts – for example – HMT review of PWLB and impact on City and Growth Deals...especially those like CCR with an investment and ROI-emphasis.



We have embraced the concept of Challenge funding, developed a comprehensive partnership network and created a £10m challenge fund to stimulate local and foundational economies post Covid.

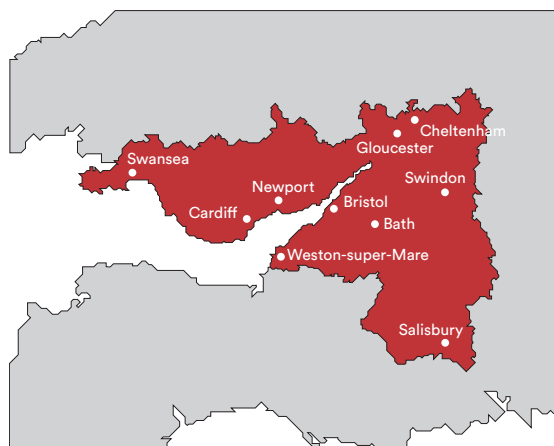
9. Boosting international credentials

Challenges

- Our City Deal has a domestic UK focus
- As yet, lacks investor readiness/ relations & clear investable offer
- It needs to grow its own network beyond UK
- Partnerships and networks need to be developed on global scale
- Key to which is the FDI offer and component.



**GLOBAL
WELSH**



Achievements

- Contributed to WG draft International Strategy
- Sponsored Wales Week London in both 2019 & 2020 Week and full participation with business partners
- Participated in MIPIM 2019 and MIPIM UK 2019 (MIPIM 2020 cancelled)
- Established a partnership with Global Welsh Partnership
- Undertook knowledge exchange and learning with the Basque region
- Co-developed and delivered CCR sessions with DIT
- Featured in DIT international prospectus
- Co-hosted Xiamen, Singaporean CS Cluster and Taiwanese Govt delegation
- Connected with CS Connected Minneapolis and British America Project
- Become leads for innovation and internationalisation on the Western Gateway programme
- Currently undertaking a strategic role in supporting FDI such as Britishvolt

Western Gateway

- CCR Cabinet 'signed up' as partners to emergent Western Gateway
- Potential to explore key cross-border challenges – connectivity, transport, R&D spend, business clusters & internationalisation
- Governance Review concluded
- Independent Economic Review – led by Prof Greg Clarke
- CCR leads on innovation and internationalisation
- Key role for FDI.

Outcomes

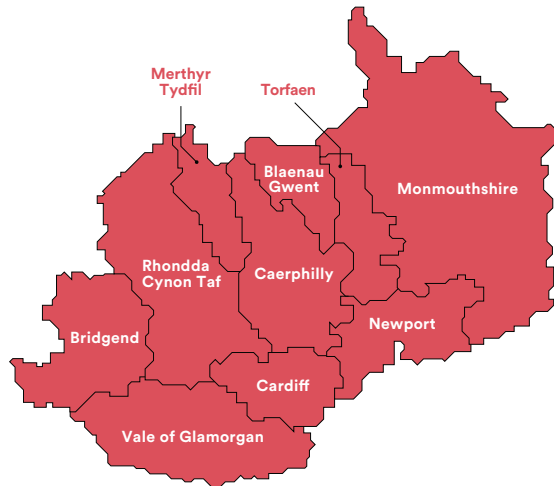
- We have a growing presence and visibility in areas where evidence-base shows we could be globally competitive. E.G. Compound semiconductors, insuretech and medical devices & diagnostics
- We have acknowledged the importance of growing global network/ diaspora and have partnered with Global Welsh
- Knowledge sharing – we have followed and learnt from the journeys of others – E.G. Basque region plus other City Deals and Regions in UK
- In post-Covid world with prospects of trade wars and post-Brexit trade deals, more needs to be done to link FCO/ DIT with City/ Growth Deals many of which are working with affected companies at local level
- Illustration – significance of the Enterprise Act & application to UK sovereign interests.

We have proactively expanded our international reach via networking events, partnerships and participation in initiatives such as Western Gateway.

10. Towards a more self-reliant & sustainable CCR

Challenges

- Focus on City Deal as single investment tool is limiting opportunities
- Had a City Deal before a City Region
- City Deal is significant – City Region is fundamental
- Better leveraging WFG
- Helping to build a more resilient economic future for the region is the key aim
- Developing an investment prospectus is critical to these aims.



Achievements

- Narrative now evolved to one of CCR
- Framework for future regional economic development taking shape
- Taking on more programmes of regional significance – skills, Valleys Regional Park and the Strategic Development Plan
- Planned legislation around Corporate Joint Committees is significant development – we continue to influence
- Global investment strategy produced for MIPIM 2020
- Contributed to OECD work on regional investment frameworks and members of the Regional Investment Wales Steering Group
- Early thinking developing around CCR-delivery entity that addresses some of the limitations of the current model
- Embedded principles of WFG through assessment process and work to develop complementary and supplementary measures to GVA
- Pipeline and strength of the Investment Framework demonstrates that there is more opportunity and potential than there is City Deal Funds.

Outcomes

- Growing maturity is evident
- Still more to do – but knowing what needs to come next is a key feature of progress
- Critical that early work is done to inform future role/ remit/ 'fit' of CCR and this could involve establishing development entity – especially in overcoming some of structural challenges
- The opportunity is great. The marketing, engagement and activity around the investment fund shows more potential than resources available
- This is beyond lists of 'shovel ready' projects... and more strategic approach needed to support region in post-Covid recovery
- Some tensions across focus on wellbeing/ sustainability and GVA-driven approach. Alternative measures being considered but needs support at all levels because there will be implications...
- Fiscal levers and wider incentives also need further exploration given flexibilities set out in CCR heads of terms.

We have articulated the limitations of the existing structure and progressed the debate on the manifest opportunity of a City Region approach.

1. We have a robust route map for the journey ahead

CCR City Deal has made it to Basecamp and we have a robust route-map for journey ascent. We have solid future plans, which revolve around optimising the potential of the region and recognise that City Deal has been instrumental in catalysing this effect. We have shown we can adapt, apply foresight and have trusted partners and networks that are all part of Team CCR. Five years in, we understand the future challenges and opportunities and are ready to take bold steps to address and exploit them.

2. Our Core purpose is strong and compelling

This remains strong and compelling. The economic imperatives around Covid are significant and effects likely to be sustained. We see this as an opportunity to build on what has been achieved and take opportunities to redefine what we mean by sustainable and resilient local economies. This poses some urgent challenges – such as transit & public transport, office-local-home work, future of our high streets & retail, food resilience and more of a rapid drive for decarbonisation. We are fortunate to work with and be supported by excellent public bodies who want to look at opportunities to relocate resources to town centres, reviving high streets and developing mechanisms through which to procure innovation to collaboratively solve problems.

We further understand that:

- Industrial clusters need more focussed support especially as localisation of supply chains is a priority to avoid disruption and global market volatility and hence proposals developed for Strategic Sites Fund and a Clusters Growth Fund
- We can take confidence from what we've achieved – SIPF, DCMS & UKRI external funds - but this external show of confidence is just the start and there is more to do

- The economic effects of Covid will disproportionately impact CCR as a region in which socio-economic disparities already exist, we need to focus more on economic inclusion if we're to improve societal as well as economic outcomes. There are already dots across the map of CCR, which is a strong sign
- To be successful in the long-term and in light of the policy changes through a new approach to regional investment in Wales, we need to now begin to build a different kind of institutional capability
- We must maintain self-awareness on the things requiring modification & improvement – examples such as the Business Council review, reinforced scrutiny arrangements and risk review all demonstrate this
- Mistakes are made and failure occurs. However, its how we move on and extract value from this that matters. The more we do and learn, the more there is to do and learn – but this is a signal of progress
- Gateway 1 is a significant milestone – with much to do the other side to inform next 5 years for CCR City Deal – in the context of the things that need to be done in the region over the next 20 years.

3. There are inherent risks and challenges ahead

These include consideration of:

- Managing regional economic disparities arising from and exacerbated by Covid
- The fact that Welsh and UK Govts context & direction on economy often differ. The Wellbeing of Future Generations Act is one such example. The push for 'wellbeing economy' & alternative GVA measures is something we support and see a growing body of support for at UK-level. However, it can sometimes be a cause of tension especially when CCR targets are wholly GVA, jobs and growth-led. This cannot be allowed to drive perverse outcomes

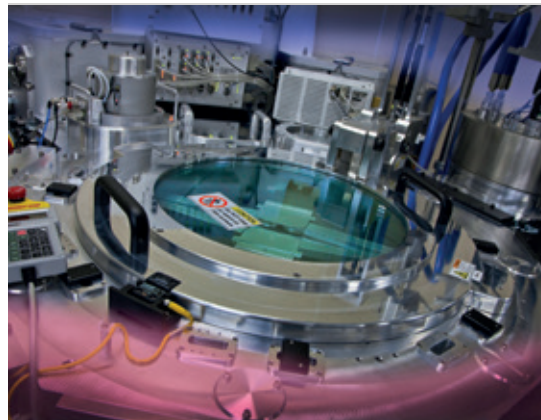
- There is currently no Combined Authority legislation in Wales which constrains delivery
- Regional Investment Wales changes are on the cards. This poses a whole set of complex questions about who the region is and is led by. CCR favours the term 'regionalism' to 'regionalisation' as it emphasises a spirit and culture of collaboration and shared endeavour
- This brings both challenges and opportunities around the creation of Corporate Joint Committees and who does what. This is especially acute around ensuring we have the right kind of institutional capability moving forward
- There are specific challenges to Wales and CCR around the Research and Innovation/ R&D deficits. These must be acted upon in light of ARPA, R&D Roadmap and levelling-up.

4. We must create greater capacity and capability

To create a new kind of "fit for future" capacity and capability, we must consider:

- The Metro aspect of CCRCD is delivered by WG company Transport for Wales with growing strategic and delivery planning remit
- At this time, there is no parallel or complementary agency to deliver & optimise the CCR economic, regeneration and land-use benefits through innovative JVs and PPPs
- There is a gap in CCR power to act as only a joint committee structure. Means we have to keep asking Councils to 'host' schemes, take risks on JVs, sit funds on balance sheets and enact back to back arrangements
- The economy is a market-facing function and CCRCD has a dedicated focus on this and investment processes to intervene
- Must ensure we continue to maintain strong local regeneration presence – but also take opportunity wherever possible to pool resources and expertise around scale proposals and regionally significant propositions.

- In terms of Transport itself – need to do more strategic-developmental work to get the best out of TfW & maximise economic benefits (top 20% schemes, station hubs, co-working spaces and community development)
- Time to think about how we prepare for and inform CJs by giving some initial consideration to creating a new kind of institutional capability – CCR Economic Development entity
- Arms-length but with clear democratic legitimacy - by the region, for the region WITH the region.



5. Our Partnership approach is delivering strong, mature leadership

- Our Regional Cabinet are demonstrating effective networking and distributed leadership. There is now a:
 - Strong sense of purpose & remain focussed on WHY CCRCD significant to long-term success of region
 - Focus is on steering ship and trusting others to bring expertise to table to inform decision-making
 - Bond is strong. Coming together to make decisions through WIF reinforces shared endeavour and sense of partnership
- The CCRCD is distinctive. It is not about trying to win same race as others or narrowly invest in public sector projects. It is genuinely about doing things that will have the absolute BEST impact for the region.
- However, the National Evaluation Framework formula for assessing progress not always conducive to this way of working...
- We also need more engagement in higher-level policy changes – PWLB proposals, NNDR review, Green Book review & optimisation of fiscal levers and incentives. For example, Crossrail funded through 1p on £1 of business rates.



6. We have made an extensive contribution to the Policy Agenda

City Deal has contributed extensively to the policy agenda and actions and interventions are underpinned by good data and evidence:

- The CCR investment programme not about good single projects – although this is important – rather, it is a means to meet higher level policy goals and move the whole region forwards e.g. clusters
- Our Complementary balance of local political and industrial leadership is key to thought leadership role and balance of views, perspectives & experiences
- We are working closely with private sector & HEIs reflects on maturing ‘convening’ power
- We need a strong and collective voice on the key challenges of our times especially; Western Gateway, levelling-up, making R&D work for the UK, green revolution and post-Covid economic recovery
- We are developing a growing reputation as opinion-formers reinforcing the importance of our policy and partnerships role.



Web: www.cardiffcapitalregion.wales
Email: info@cardiffcapitalregion.wales

Contact Us

Future Generations Assessment Evaluation

(includes Equalities and Sustainability Impact Assessments)






Name of the Officer completing the evaluation: Kellie Beirne Phone no: 07826 919286 E-mail: kellie.beirne@cardiff.gov.uk	Please give a brief description of the aims of the proposal To set out the key areas of progress and noteworthy advancements to complement assessment of SQW and their final report.
Proposal: Complementary Report to the Gateway Review	Date Future Generations Evaluation form completed: 4 Sept 2020

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 core targets against which progress is assessed are set out in relation to specific goals in the Plan – GVA uplift; jobs and leverage and broad progress against them as well as wider achievements.	This is captured as part of individual projects and investments.
A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)	Progress is reported in relation to work on future energy systems and investment proposals.	Support engaged through WGES work on regional energy strategy.
A healthier Wales People’s physical and mental wellbeing is maximized and health impacts are understood	The emphasis on place based and social justice is writ clear in the report with a specific focus on proposed around inclusive growth.	Report comments on new structures and resources in place to maximize impacts

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 Wales of cohesive communities Communities are attractive, viable, safe and well connected	The report showcases projects such as the challenge fund for local wealth building which has an explicit community and foundational economy focus	A greater contribution will be made to this by the aforementioned data capability, sectoral analysis and place assessments.
A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	MIPIM, DIT events, Wales Week London and the Western Gateway all help promote the CCR and will see us play a stronger part in developing the economic wellbeing of our region and country, thus impacting social and community objectives. It will help make our country feel more connected and outward looking.	Develop the legacy impact of the event, sustaining new connections, sharing great practice and potentially securing propositions and deals that support economic growth as detailed in report.
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	Our City Deal is uniquely Welsh – but pitches towards being world leading in areas of competitive strength. This enables a strong reflection on our rich culture and heritage.	
A more equal Wales People can fulfil their potential no matter what their background or circumstances	City Deal is about delivering as far as possible across 10 LAs and a population of 1.5m people. It is about economic gains – but importantly how this will convert as tools for improving people’s lives. Some of the specific interventions around skills and housing – will seek to make a more direct contribution to equity of access and equal opportunity for all.	

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?
 <p>Long Term</p> <p>Balancing short term need with long term and planning for the future</p>	<p>The report describes performance target and interventions in the round. It sets out short-term interventions and balances these against the long-term delivery of major programmes. It also reflects on the first five years of operation and looks ahead to the next five for City Deal and the next 10-15 years for the Capital region.</p>	<p>Proposal to consider building future institutional capacity to deliver on a wider scale.</p>
 <p>Collaboration</p> <p>Working together with other partners to deliver objectives</p>	<p>A cornerstone of our process is the strength of partnership working for which specific objectives are set</p>	<p>Industry-led production and promotion of the EG Plan helps to maximize the contribution. IIF is co-designed and delivered –post COVID-19 work has been done in unison with all key stakeholders.</p>
 <p>Involvement</p> <p>Involving those with an interest and seeking their views</p>	<p>Communications and engagement remain a feature of our work.</p>	<p>Report son comms plan and successes and reach and influence is extended.</p>
 <p>Prevention</p> <p>Putting resources into preventing problems occurring or getting worse</p>	<p>The long-term approach advocated moves beyond city deal to focus on building the future for a region</p>	<p>This will be an increasing focus of scheme and programme delivery.</p>
 <p>Integration</p> <p>Considering impact on all wellbeing goals together and on other bodies</p>	<p>City Deal seeks to make a contribution on place and to improving the life chances of people in the region.</p>	

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 report is an overview of performance in all of the relevant aspects of projects, partnership, governance and investment. The protected characteristic assessments related to specific proposals will need to be drawn out in the relevant business cases and proposal documents.	None arising at this time.	As plans develop and unfold as discrete activities requiring decisions – impacts will be comprehensively assessed.
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		
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?

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- Evidence and input contributed by theme leads
- Outcomes of assessments such as audit reports
- Delivery against targets set out in individual business cases/ approved project documentation
- IIF successes and delivery
- COVID-19 data and new priority set
- Previous self-assessment

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 areas requiring attention and focus are set out and follow-up actions will be assessed and monitored ongoing through the quarterly reporting mechanism. .

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:	Gateway Review April 2021
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14 SEPTEMBER 2020

**REPORT OF THE INVESTMENT PANEL: RECOMMENDATIONS LOGS,
STRATEGIC OUTLINE CASES AND PROJECT UPDATES**

REPORT OF CCR CITY DEAL DIRECTOR

AGENDA ITEM 10

Appendices 1-5 to this report are exempt from publication because they contain information of the kind described in paragraphs 14 (information relating to the financial or business affairs of any particular person) and 21 (public interest test) of parts 4 and 5 of Schedule 12A to the Local Government Act 1972 and in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Reason for this Report

1. To seek approval of the recommendations made by Investment Panel at its meetings, held remotely, on 7 July 2020 and 8 September 2020 in respect of SIFT 1A's and specifically for a Strategic Outline Case for an investment in an outdoor adventure tourism business.

Background – The Investment and Intervention Framework

2. The Investment and Intervention Framework (IIF) was approved by Cabinet in June 2019 as a means of providing a comprehensive assessment toolkit for evaluation and approval of proposals received into the City Deal Wider Investment Fund. The IIF builds upon the sectoral, cluster-driven and place-based priorities set out in the Industrial and Economic Growth Plan (endorsed by Cabinet in February 2019). It further provides a clear means of originating projects and proposals that resonate with core priorities; developing a meaningful pipeline and deal flow; robust assessment criteria; and, accenting key decision-making points that support an agile but strong governance approach.
3. The IIF gives practical effect to the Assurance Framework and ensures Regional Cabinet is supported to enact its strategic decision-making role. The IIF has established an Investment Panel which comprises five members of the Regional Economic Growth Partnership and five members of the Chief Executive's/Programme Board. The Investment Panel is an advisory panel and considers detailed technical matters and provides a means of impartial advice to Regional Cabinet as core decision-makers in the process. As of 8 September, Investment Panel has met on twelve

occasions within its first 12 months of operation which indicates the pace and momentum now within the system.

4. In line with good practice and good governance, the Investment Panel supported by the CCR City Deal Office will be undertaking a self-evaluation of the Investment and Intervention Fund during the autumn of 2020, reflecting and reviewing what has worked well and where there is scope of enhancements to the overall process based on the first twelve months experience. A report will follow to Regional Cabinet in due course with the outcome including an action plan for implementation of any changes/enhancements recommended.

Making Progress – Stage 1a Proposals

5. Investment Panel met on 7 July 2020. It should be noted that this meeting was held remotely. Reports to Investment Panel were as follows with the associated recommendations and the exempt Recommendation Log attached at Appendix 1.
 - Report of CCR Director SIFT 1a – engine manufacturer – Private Proposer. This proposed to take forwards a pre-revenue business which owned intellectual property in hot water engines and wished to develop a manufacturing base in South Wales. Investment Panel concluded that this was **NOT** a suitable proposition since it was a high risk investment with limited security available.
 - Report of CCR Director SIFT 1a – optimised retrofit of homes – Private Proposer. This proposed to scale-up and deliver significant decarbonisation of new and existing homes across Wales. Investment Panel concluded that this was **NOT** a suitable proposition as currently structured as it lacked focus and was deemed high risk due to the start-up stage of the business.
 - Report of the CCR Director SIFT 1a – outdoor adventure tourism – Private Proposer. This proposed to create a major new tourist destination at the Heads of the Valleys preserving and regenerating an old mining site. Investment Panel concluded that this **SHOULD** proceed to the next stage (development of a SOC).
6. All of the SIFT applications can be accessed by members of Regional Cabinet on request to the City Deal Office and on the cessation of lockdown, a secure folder will be made available, containing all of the original applications.
7. Investment Panel met again on 8 September 2020. It should be noted that this meeting was held remotely and that in addition to the below, the CCR Challenge Fund Full Business Case was considered which is subject to a separate report. Reports to Investment Panel were as follows with associated recommendations and the exempt Recommendation Log attached at Appendix 2.
 - Report of CCR Director SIFT 1a – co-working spaces in town centres – Private Proposer. This proposed a JV arrangement with CCR to establish ten co-working hubs across the region creating a network of start-up hubs providing entrepreneurial space and support. Investment Panel concluded that this proposal does not wholly fit the Investment Framework criteria and that further information was needed in respect of this proposal to understand the investment needs and the details behind the proposed JV and the local need/demand and view on this proposal vis a vis the fit with current local provision. At this stage, and although welcoming further refinement from the applicant, this is **NOT** a suitable proposition.

- Report of CCR Director SIFT 1a – shared apprenticeship programme – Public Sector Proposer. This proposed to build upon a shared apprenticeship scheme already in successful operation and offer a region-wide solution to ensure industries of the future have access to skilled workers in a post COVID-19 world. Investment Panel concluded that the current scheme is small and without direct comparison is difficult to make a meaningful assessment of value for money. A targeted piece of work should be undertaken to set out clearly the purpose and requirements in the CCR regarding apprenticeships including an options appraisal. Once this is complete the proposal should be brought back to Investment Panel for further **REVIEW** and consideration.
 - Report of CCR Director SIFT 1a – Fibre to the Premise project – Private Proposer. This proposed engaging with CCR to leverage its fully funded project to rollout fibre to the premise to 150,000 properties across the region (phase 1) to address CCR priorities such as tackling notspots and ensuring connectivity to key industrial cluster locations (phase 2). Investment Panel concluded that this **SHOULD** proceed to the next stage of discussion whilst i) exploring the opportunities and challenges with other digital projects under consideration, and ii) understand in further detail the investment requirements and the economic priority focus of phase 2.
 - Report of CCR Director SIFT 1a – CCR Cluster Fund – Public Sector Proposer. This proposed to support the development of a Fund to provide scale-up funding for businesses in targeted clusters in the region – indigenous and inward investment businesses. Investment Panel concluded that there was a clear strategic alignment with CCR priorities and timely proposal in terms of the region's response to the economic challenges posed by COVID-19 and therefore **SHOULD** proceed to the next stage of development.
8. In parallel with the preparation of the Sift 1a – CCR Cluster Fund, initial discussions have commenced with the British Business Bank regarding co-investment in the fund. In addition, it recognised that specialist advice and support is required to develop the proposal and associated business case. Therefore, it is requested that an initial £100,000 is approved from the Wider Investment Fund (In-Principle Projects budget) to meet these costs, and to develop the proposal further.
9. All of the SIFT applications can be accessed by members of Regional Cabinet on request to the City Deal Office and on the cessation of lockdown, a secure folder will be made available, containing all of the original applications.

Strategic Outline Case – Outdoor Adventure Tourism

10. At the Investment Panel meeting on 8 September, a Strategic Outline Case (SOC) for an investment into an outdoor Adventure Tourism business was presented.
11. The proposer is a large and growing company with 450 employees, a turnover of £15.5M in 2019 and headquartered in Wales. They are a Sunday Times Fast Track 100 company, and are a recognisable national and international brand, who wish to expand and add a significant site to their adventure and experience tourism operational portfolio in the Cardiff Capital Region.
12. The proposal is concerned with creating a major new tourist destination at the Heads of the Valleys, preserving and regenerating an old mining site. It aims to be a premier adventure attraction for South Wales with six iconic adventures complimented by a high-quality food and beverage facility. The project will be delivered over 5 phases in

5 years requiring a total capital investment of over £7.4M, attracting over a million visitors in the initial 5 year period generating c.£23m in turnover.

13. Their current operation in North Wales added £250M+ to the economy between 2013 and 2018 through visitor spend at their locations, with the wider economic impact across other businesses and communities the impact is significantly greater. A similar and greater impact can be expected from the project in the CCR due to better access to a wider range of UK markets and customer segments. Consideration as to how this might be leveraged to attract more visitors to the region and as such provide support for a wider and diverse range of visitor attractions should also be taken into account. This investment could act as a catalyst to make the region a destination within the UK.
14. The proposal is for a £4.4M loan investment from CCR with the remaining £3M being leveraged into the project to support the capital expenditure required to build out the site in the region. The nature and structure of the investment will need to be tested through the next stages of the due diligence.
15. In order to move the SOC forwards to an OBC/FBC, project development, early due diligence costs and legal advice to support the development of the business case will be required and it is therefore suggested that an initial £35,000 is required to be met from the CCR Programme Development Fund.
16. The Strategic Outline Case for the proposed investment, as endorsed by Investment Panel, is attached as a confidential and exempt document at Appendix 3. At its meeting on 8 September, Investment Panel recommended approval of the SOC to Regional Cabinet.

Wider Projects Update

8. In a short space of time, the Investment Framework has come alive and Investment Panel is committing a significant amount of time to proposals coming forward. The attached exempt IIF Tracker at Appendix 4 gives an overall picture of the number and positioning of projects and programmes as at the time of writing. Appendix 5 gives more detailed narrative and a status update on the projects that are currently progressing. In overview terms, there are currently:
 - c20 known proposals that CCR is actively talking to proposers about, in the wider Pipeline – and yet to formally submit
 - 4 proposals are at SIFT 1a
 - 4 proposals are at SIFT 1b
 - 7 are at SOC
 - 6 are at OBC/FBC
 - 5 projects are at legal completion/delivery
9. This sets out the projects in process – however – regular reports to Cabinet such as this, demonstrate the work and effort that goes into all proposals, including those that do not progress.
10. The Investment & Intervention Framework process requires that regular updates are provided to Investment Panel and Regional Cabinet on all projects, as they progress through the investment process. In this regard, Regional Cabinet should note that the valuation report for the Life Sciences Innovation Park project presents

challenges to the current investment structure as it has been impacted by COVID-19 volatility. The project team has re-opened negotiations with the project proposer to look at alternative mechanisms to make the project deliverable. An update report will be brought to the next Regional Cabinet meeting, along with options for further consideration.

Reasons for Recommendations

11. Given the phases and sequence set out for approvals in the IIF, this report provides progress on the proposals deemed to be in a sufficient state of readiness to progress including the SOC outlined in paragraphs 9 to 15 above. It further provides a status update on the wider IIF Pipeline.

Financial Implications

12. Following the Investment Panel meetings of 7 July and 8 September 2020, this report seeks the approval of £35,000 for the OBC/FBC for the Outdoor Adventure Tourism project and £100,000 for the development of the CCR Clusters Fund proposal.
13. If approved, the City Deal financial contribution to specific projects and any on-going support can be met from sums set aside in respect of the CCR 'In-Principle Project' budget allocation.
14. All approvals will be subject to periodic financial and performance reports throughout the year. Access to funds will need to be through agreed criteria which align to the requirements of the Investment & Intervention Framework itself. This includes the requirement to produce acceptable business cases in line with the funding requirements set out by HMT and Welsh Government as well as best practice. This is key, to ensure that City Deal funding terms and conditions are observed at all times and the risk of costs proving to be abortive at a later stage are minimised.

Legal Implications

15. The report seeks authority for further work to be carried out to develop proposals for the various projects referred to.
16. When developing proposals for individual projects, the provisions of the Joint Working Agreement in relation to the delivery of the Cardiff Capital Region City Deal ('the JWA'), (in particular the provisions of the Assurance framework), and the terms attaching to the funding provided by HMT to the CCRCD must be complied with. To ensure compliance with the JWA, business cases will be developed for each project and the approach taken will be consistent with the HM Treasury Green Book and business case appraisal process, applied in a manner that is proportionate to the project in question.
17. It is important that the due diligence and development of the business cases involve consideration of the legal issues raised by the proposals to ensure that the proposals, as developed, meet all legal requirements. It should be noted that developing the business cases is likely to require significant legal resource, which will need to be funded by the CCRCD, as part of the costs of developing the full business cases. By way of example only, consideration will need to be given to;

- a) the legal powers available to the Councils and the Regional Cabinet to provide the various forms of investment under consideration;
- b) the governance arrangements that should be put in place to administer the Funds (how and by whom decisions will be taken to award grants, loans, provide guarantees etc. at varying financial thresholds);
- c) the terms and conditions that should attached to the various proposed funding arrangements; and
- d) consideration of any planning law issues, state aid and procurement law implications.

Well-being of Future Generations

44. 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 CCRC) 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.

45. Regional Cabinet must be satisfied that the proposed decision accords with the principles above. To assist Regional Cabinet to consider the duties under the Act in respect of the decision sought, an assessment has been undertaken, which is attached at Appendix 6.

RECOMMENDATIONS

46. It is recommended that the Cardiff Capital Region Regional Cabinet:

- a) notes the Recommendation Logs from the meetings of Investment Panel on 7 July and 8 September 2020 respectively;
- b) approves the recommendations made by the Investment Panel in respect of SIFT 1As;
- c) approves the £100,000 project development budget for the CCR Clusters Fund and approves to receive the SOC at its next meeting;
- d) approves the SOC for the Outdoor Adventure Tourism project and agrees the next step to develop a OBC/FBC at a cost of £35,000 and approves to receive the business case at its next meeting;
- e) notes the status update on the IIF tracker and the projects and proposals provided in the confidential appendices and that an update report in respect of the Life Sciences Innovation Park project will be brought to the next meeting.

Kellie Beirne
Director, Cardiff Capital Region City Deal
14 September 2020

Appendices

Appendices 1-5 to this report are exempt from publication because they contain information of the kind described in paragraphs 14 (information relating to the financial or business affairs of any particular person) and 21 (public interest test) of parts 4 and 5 of Schedule 12A to the Local Government Act 1972 and in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

EXEMPT Appendix 1 Investment Panel Recommendation Log – 7 July 2020
EXEMPT Appendix 2 Investment Panel Recommendation Log – 8 September 2020
EXEMPT Appendix 3 SOC Outdoor Adventure Tourism
EXEMPT Appendix 4 IIF Pipeline Status
EXEMPT Appendix 5 IIF Projects Update
 Appendix 6 Well-being of Future Generations Assessment

Future Generations Assessment Evaluation

(includes Equalities and Sustainability Impact Assessments)






<p>Name of the Officer completing the evaluation:</p> <p>Kellie Beirne</p> <p>Phone no: 07826 919286 E-mail: kellie.beirne@cardiff.gov.uk</p>	<p>Please give a brief description of the aims of the proposal</p> <p>Setting out the recommendations of the Investment Panel in respect of potential projects in the IIF and specific recommendations on:</p> <ul style="list-style-type: none"> i. Strategic Outline Case for an outdoor adventure tourism business
<p>Proposal: Investment and Intervention Framework Report</p>	<p>Date Future Generations Evaluation form completed: 4th September 2020</p>

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?
<p>A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs</p>	<p>The IIF sets out the framework for testing, assessing and appraising proposals in an independent, fair and balanced way, in order to ensure the proposals that develop are those that best contribute to wealth creation and prosperity. The projects in the pipeline now seek to make a major contribution to this.</p>	<p>Maximising potential for added value and meeting City Deal targets is enshrined within the assessment process.</p> <p>In relation to the specific recommendations, we are mindful of the opportunity afforded by the COVID-19 crisis, to rethink the balance across our economy of business opportunities and the impact of home-office-local working and this will be reflected in the work, as will the need and opportunity to roll-out an approach across the whole of CCR.</p>
<p>A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)</p>	<p>The IIF is underpinned by the four Industrial Strategy Grand Challenges, included in which is clean growth.</p> <p>In any proposals that are brought back to Cabinet – and subject to approval of a final</p>	<p>This will be pertinent on a business case by business case basis.</p>

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?
	business case – biodiversity, environmental and sustainability implications will be considered in detail.	
A healthier Wales People’s physical and mental wellbeing is maximized and health impacts are understood	Developing the conditions, through new links and networks – and opportunities for future engagement – will make a contribution to prosperity, which in turn will support wellness and wellbeing.	Inclusive growth and sharing prosperity are key principles and some of the conditions proposed to be set by Panel.
A Wales of cohesive communities Communities are attractive, viable, safe and well connected	The IIF seeks to position our region and its competitive strengths – economic and wider and will seek to yield demonstrative legacy benefit for the country as a whole.	ROI assessments and expert advice on how to leverage opportunities and build on local social capital whilst at the same time, scanning the world for experts who can help grow high potential ideas
A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	The IIF has regard to the wider factors required to support a vibrant and responsible economy	
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	Our City Deal is uniquely Welsh – but pitches towards being world leading in areas of competitive strength. This enables a strong reflection on our rich culture and heritage.	
A more equal Wales People can fulfil their potential no matter what their background or circumstances	City Deal is about delivering as far as possible across 10 LAs and a population of 1.5m people. It is about economic gains – but importantly how this will convert as tools for improving people’s lives.	The ‘spread’ and targeting of City Deal benefits in a place-based and place-led way – as reflected by the proposals.

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?
 <p>Long Term Balancing short term need with long term and planning for the future</p>	<p>The IIF is relevant to today, but focused on foresight and what comes, tomorrow.</p>	<p>Continued work on data/ evidence and generating in equal measure, insight and foresight.</p>
 <p>Collaboration Working together with other partners to deliver objectives</p>	<p>The report sets out the different partners and sectors engaged in this work</p>	<p>City Deal will be delivered by a multiplicity of diverse partners.</p>
 <p>Involvement Involving those with an interest and seeking their views</p>	<p>The report sets out the different partners and sectors engaged in this work</p>	
 <p>Prevention Putting resources into preventing problems occurring or getting worse</p>	<p>The framework operationalizes the process for stimulating economic activity in the region creating opportunities to engage people in work and develop the prosperity needed to ensure people are more economically self-reliant and self-sufficient.</p>	
 <p>Integration Considering impact on all wellbeing goals together and on other bodies</p>	<p>This will be undertaken on a case by case basis through the new assessment process.</p>	

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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	As with all those categories below – the impacts will relate to specific delivery that underpins the execution and operation of this Plan	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		
Religion or Belief	As above		
Sex	As above		
Sexual Orientation	As above		
Welsh Language	As above		

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

	Describe any positive impacts your proposal has on safeguarding and corporate parenting	Describe any negative impacts your proposal has on safeguarding and corporate parenting	What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?
Safeguarding	Not directly relevant –however, building the future economy should have a profoundly positive impact on ability to safeguard the future of our residents		

Corporate Parenting	Not directly relevant – however building strength in the economy should create opportunities for all of the young people entrusted in our care		
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5. What evidence and data has informed the development of your proposal?

- Individual SIFTs and accompanying documents
- SOC and underpinning research and evidence base for the investment in the outdoor adventure tourism business
- CCR Priority Sectors analysis 2019

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

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

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

The impacts of this proposal will be evaluated on:	Quarterly via the IIF reports to Cabinet and via emergence of individual business case developments
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