

## SUMMARY SHEET TO CCR CITY DEAL SCRUTINY COMMITTEE – Q4 PERFORMANCE 2018/19

### PURPOSE

The purpose of the quarterly monitoring report is to inform key stakeholders – Regional Cabinet and UK and Wales governments of progress with performance against the Annual Business Plan, thus discharging the requirements of the Assurance Framework.

### KEY AREAS OF CONTENT

The report provides a 'balanced scorecard' approach to performance and a summary perspective on key areas of progress and reporting. This further includes:

- The detailed work programme update
- The Annual Governance Statement update
- Internal Audit action plan
- Wider Investment Fund budget update

### HEADLINE ISSUES AND POINTS OF PROGRESS:

In September 2018, the ten point plan to evolve the City Deal, in the light of new challenges and opportunities, was implemented. In the intervening seven months, strides forward have been made in 2018/19, the most notable of which include:

- The undertaking of comprehensive **sectoral analysis** by Prof Max Munday at Cardiff University, which has established a clear evidence base, knowledge of key sectoral strengths and priorities and potential for comparative advantage. Coupled with this has been success in securing two KESS PhD studentships to develop the CCR data competency and dashboard facility via Cardiff University. Two additional MSc students (Data Science and Analytics) will join the City Deal Office for the summer to work on specific projects;
- The first city region in UK Government's City Deal Cohort 2 participants to have a full and agreed **Local Evaluation Framework** in place and receipt of the first 'Baseline Report' which indicates progress is being made in key areas, namely around i) impact: delivery of the Compound Semiconductor project which, in City Deal investment profile terms is 87% delivered and ahead of target on job creation and ii) progress: the view of key stakeholders that City Deal is making a difference and that key foundations are being laid.
- Industrial leadership of CCR's first **Economic and Industrial Growth Plan** which sets out priority sectors for intervention, signals the importance of inclusive economic growth and commits to growing eco-systems and industrial scale clusters. The Plan was launched in three locations (Caerphilly, London and Cannes) to a diverse audience of investors, businesses, public bodies, community organisations;
- The development of the **Investment and Intervention Framework** in close collaboration with the Regional Economic Growth Partnership in order to complete the Assurance Framework; establish three funds for priority intervention (Innovation, Infrastructure and Challenge) and set out the way in which City Deal intends to do business and grow its investment potential through the principles of 'evergreen', co-investment and challenge-led approaches
- Extending **reach and influence** – developing closer links with Innovate UK through co-investment; UKRI Board through membership of the WG Science Advisory Council,

links with the Royal Society and the Wales Government's London Office; the UK2070 Commission and, stepping up substantially social media reach and press reports, marketing activity and creating the CCR brand and reaching new audiences and investors through keynote addresses at scores of conferences, events and networks;

- **Accelerating delivery:** successful notification of Strength in Places Wave 1 for the Compound Semiconductor Cluster; development of medical tools and diagnostics bid for Wave 2 SIPF (and potentially, support for Fintech Wales); development and launch of CCR Graduate Scheme, approval of the case for Metro Plus and the energy, skills and digital model to support it (Low Vehicle Emissions, on-site renewables and Electric Vehicle Infrastructure). Two successful SBRI bids and three successful Govtech bids as well as the initial procurement work on a Housing Catalyst Fund. CCR has also received successful notification via WEFO for its first stage submission under the Institutional Capacity Call for a Public Services Testbed;
- **Progress against targets:** with the first investment made by City Deal in the CSC Foundry, 60 new high-skill jobs have been created and recruited, with a further 55 in the CSA Catapult Centre. According to the UK Competitive Index 2019, Cardiff Capital Region is the second most improved region in competitiveness terms and ONS figures published on workplace analysis through the Annual Population Survey (April 2019) shows there are now c700,000 jobs in the Cardiff Capital Region;
- Establishing the **City Deal Office** with a new base in Tredomen, agreement of a new fit for purpose resourcing plan and the development of expertise, resources and assets across multiple partners, collaborations and networks. This includes approved plans to imminently appoint both a Chief Operating Officer and a Chief Investment Officer. The 'City Deal Team' extends beyond the office and the partnership support through the Regional Economic Growth Partnership, the Business Council and Skills Partnership continues to grow and develop;
- **Strengthening the back office** – City Deal budget is on target; performance monitoring is consistently demonstrating key points of progress; the local evaluation framework is agreed; the Annual Governance Statement is in place as well as a comprehensive Risk Register and regular reports and updates are provided to government colleagues and partners;
- **Withstanding key governance tests** - City Deal has committed to developing a Strategic Development Plan – a first regional land use framework. This will be reported to Regional Cabinet in June 2019;
- **Partnership support** – The Regional Economic Growth Partnership has provided invaluable business leadership on the Industrial Growth Plan and the Investment and Intervention Framework in 2018/19;
- **Internationalisation** – a good deal of focus has been spent on building the brand and developing a profile through engagement in shaping Wave 3 of Ser Cymru, launching the Industrial Growth Plan at Wales in London Week, sponsorship of the CS Mantech and Co-Innovate conferences in the US and participating in MIPIM 2019. Added to this are the developing links with the South West of England and membership of GW4 and a developing network with Scotland and N Ireland; and,
- **Building a region** – City Deal as seen against the backdrop of new challenges and tests takes on a greater significance. Beyond delivering a funding programme, developments such as Brexit and the loss of EU funding means that City Deal is our key means through which to build a sustainable, resilient and more self-reliant future for the region. In this respect, City Deal has started to carve out new principles and

ways of working (co-investment, evergreen and challenge led investment) the practice for which is being sought after and replicated by others. CCR officers are in knowledge transfer discussions with several other City Deals ongoing across all parts of the UK, including both Swansea Bay and the SW of England regions; are informing the approach to planning new frameworks for regional investment and plans are afoot with Wales Government to co-deliver significant programmes of shared strategic importance.

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