

10 January 2020

**CARDIFF CAPITAL REGION REGIONAL ECONOMIC GROWTH
PARTNERSHIP – INITIAL INDUSTRIAL AND ECONOMIC
GROWTH PLAN**

REPORT OF CCR DIRECTOR

AGENDA ITEM: 4

Reason for this Report

1. To set out the scope and substance of CCR's initial Industrial and Economic Plan - as developed by the Regional Economic Growth Partnership in conjunction with the City Deal Office – and endorsed by Regional Cabinet in February 2019.

Background

2. The Regional Economic Growth Partnership was established, amongst other things, to advise the Regional Cabinet on its funding decisions from the Wider Investment Fund. To this end the Regional Economic Growth Partnership, in conjunction with the City Deal Office, has developed an Industrial and Economic Plan that takes the principles and themes within the JWA Five Year Business Plan, the Welsh Government Economic Action Plan, and the UK government Industrial Strategy, and articulates a strategic industrial and economic framework for the region. This will guide and influence future investment recommendations made by the Regional Economic Growth Partnership to Regional Cabinet and provides a proactive means of engaging with both governments and its economic investment programmes, in line with documented competitive strengths.
3. The development of the Industrial and Economic Plan has been led by the Economic Growth Partnership and builds upon the Growth and Competitiveness Commission Report (2016), and more recently, input from a comprehensive 'Analysis of Priority Sectors' (2018) led by Professor Max Munday at Cardiff University. It has involved consultation and input from stakeholders across the region from Business, Academia and the Public Sector, including CBI, FSB, Chambers of Commerce and the IoD. The Plan was approved by Regional Cabinet in February 2019 and was launched at the Wales in London week event in February 2019 and re-presented to a wider global audience at MIPIM 2019, Cannes in March 2019.

4. The Industrial and Economic Plan (contained in Appendix 1) is consistent with the JWA Five Year Business Plan, Assurance Framework and contextualises recent developments around the Investment and Intervention Framework. The Plan sets out a bold and ambitious approach to driving economic and inclusive growth in the region and provides a framework in which the City Deal programme can advance and deliver. It provides the foundations for the development and operation of the Intervention and Investment Framework, in order that programme and investment decisions are made in line with identified 'sweet-spots'. Whilst local leadership has been a central feature of its development, the Plan is industry led, evidence-based and grounded in furthering the competitive strengths of the region
5. The document is an initial one in that it provides a framework for further engagement and work with UK and Wales Governments to align with the Industrial Strategy (and Industrial Strategy Challenge Fund) and Economic Action Plan, respectively. This sends clear signals of intent about the approach to leveraging in wider investment, positioning for co-investment and additional value, opportunities and networks, demonstrating the role of City Deal as a catalyst and pump-primer. There is potential for a further iteration of the Plan in order to fit with Wales Government's emerging Regional Economic Frameworks – the first planning seminar for which takes place on 24 January 2020.

Legal Implications (as reported to Cabinet 18/02/19)

6. The Cardiff Capital Region Industrial and Economic Plan ('the Plan') refers to proposals to establish an investment and intervention framework that will contain three designated and interconnected investment priorities (Innovation, Infrastructure, and Challenge). Detailed legal advice will be required on the proposed framework as it is developed to ensure that it accords with the provisions of the Joint working agreement in relation to the delivery of the Cardiff Capital Region City Deal. It is understood that further reports on the proposed investment and intervention framework will be submitted to Regional Cabinet for approval.

Wellbeing of Future Generations Act (Wales)

7. 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.

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 (Well –being of future generations assessment) for member's consideration.

Financial Implications (as reported to Cabinet 18/02/19)

8. There are no direct financial implications arising from this report. Any future report brought forward in respect of funding decisions relating to the Cardiff Capital Region Wider Investment Fund will need to give due regard and consideration to matters set-out in the Joint Working Agreement and its associated Schedules, as well as Welsh Government's funding terms and conditions in respect of the HM Treasury Contribution.

Recommendations

It is recommended that the Cardiff Capital Region Scrutiny Committee:

- i.) Note the scope and content of the publication and the work now ongoing to co-develop approaches around Welsh Government's new regional economic arrangements and frameworks.

Kellie Beirne

Cardiff Capital Region Director

Appendices:

Appendix 1 – CCR Industrial and Economic Growth Plan

Appendix 2 – CCR Investment and Intervention Framework