

Cardiff Capital Region City Deal (CCR)

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Director



November 2017

January 2017

- Regional economy **lagging behind** UK average and most other city regions in UK
 - Low productivity (£7billion economic output gap)
 - Low employment (35,000 “in-work” gap)
 - CCR GVA per capita : £18,063
 - UK average GVA per capita : £24,958
 - London GVA per capita: £42,666
- **Infrastructure investment historically weaker** than other UK regions



November 2017

- To **accelerate development, support jobs growth** and create a more **productive economy**
- To work with **business** community to establish best models for regional economic leadership.
- To create conditions for a more competitive economy
- To create the opportunity for **further City Deals**, greater devolution of powers to the region and to deliver some services regionally.



November 2017

A £1.229bn fund to grow GVA by investing in economic fabric of the region

- £734m of £1.229bn to be invested in Metro
- £495m wider investment fund from HMT and 10 Local Authorities for other ambitions such as housing and site regeneration
- Target to bring in £4bn of private sector funding



- **Agreed Heads of Terms Document signed by all leaders and both governments for :**
- **Investment in regional infrastructure**
- **Co-ordination of transport planning and investment**
- **Innovation and improving the digital network.**
- **Developing a skilled workforce and tackling unemployment.**
- **Supporting enterprise and business growth.**
- **Housing development and regeneration.**



November 2017

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- **Established Independent Growth and Competitiveness Commission**

- Evidence based
- Robust
- Independent
- Recommendations all accepted by the City Deal Shadow Cabinet



November 2017

- **Transportation**

- **Metro** – new lighter, faster, modern trains with Wifi and integrated ticketing with bus companies
- Opportunities to expand Metro to other communities;
- Opportunities to develop large **Park and Rides** to alleviate pressure at key interchanges;
- **Highways improvements** – increasing the capacity for future growth;
- **Bus improvements across the Region**, in particular to communities not served by the rail network – focus on cross valley routes as well as the direct routes to the city and town centres.

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- **Housing Investment Fund** – could create opportunities to develop “dormant” brownfield sites attracting significant private sector funding;
- Opportunities to develop **Industrial Estates and Enterprise Zones** as a key regional economic hubs through investing in new commercial premises;
- Local companies could benefit from an investment to **expand international trade** and improve international competitiveness of our key sectors to support job creation;
- **Apprenticeship programme** could deliver significant placements for residents over the next 5 years;
- Exploring opportunities to **develop FE College provision** in the South East Wales

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- **Cardiff Capital Region Cabinet** - a Joint Committee – comprising the 10 Leaders, from each of the 10 Councils;
- **Regional Transport Authority** – to coordinate transport planning and investment;
- **Skills and Employment Board** – to ensure skills and employment provision is responsive to the needs of businesses and communities;
- **Economic Growth Partnership** – brings together business, HE, FE and local authorities to advise the Cabinet on the regional economic strategy and project development;
- **Regional Business Organisation** – to provide a strong business voice across the business community;

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- Management of the CCR Wider Investment Fund;
- Any additional devolved funding to the CCR;
- The Regional Transport Authority – strategic transport planning and co-design of the Metro;
- Strategic economic development planning, including housing, transport and land use. (Development Control functions would remain with councils);
- Influencing skills and employment programmes;
- Inward investment and marketing the region;
- Delivery of an integrated business support delivery unit;
- Subject to WG approval, control over business rate income above an agreed growth forecast.

November 2017

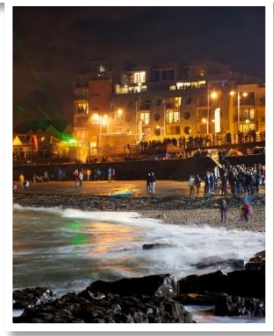
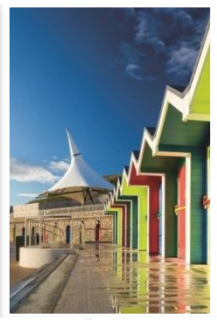
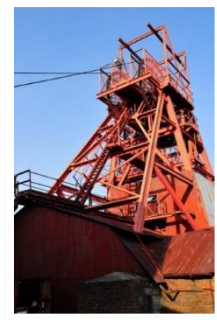
- Councils' collective contribution is £120m;
- UK Govt contribution is £10m per year for years 1-5 and approx £21m per year until 2036;
- If councils spend the money earlier they have to carry the costs of the debt;
- Total max cost to 10 councils - £210.8m to release £1bn of UKG/WG funding and £4bn of private sector funding. Over £23 return on each £1 we spend.

November 2017

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- On St David's Day, the Joint Working Agreement between the 10 councils was signed setting out:-
 - their Financial contributions
 - the establishment of the Joint Committee
 - the Assurance Framework that governs how Joint Cabinet will develop and prioritise programme
 - the Implementation Programme

On 2 May, the first Investment decision of £38.6m was made in the Compound Semi-Conductor Cluster development.



November 2017

- Gaining approval of the high Level 5 Yr JWA Strategic Business plan from all 10 councils before 28 Feb 2018
- Securing the release of the “reserved matter” to enable Council borrowing to fund proposals for investment
- Pushing ahead with the development of investment proposals underpinning the 4 Key themes

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