

URGENT ITEM

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2015/16

COMMITTEE: COUNCIL	AGENDA ITEM 10 URGENT ITEM
24TH FEBRUARY, 2016	THE CARDIFF CAPITAL REGION CITY DEAL

REPORT OF THE CHIEF EXECUTIVE

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1. PURPOSE OF THE REPORT

The purpose of the report is to update Members on the progress made to agreeing a “City Deal” with the Welsh and UK Governments.

2. RECOMMENDATIONS

It is recommended that Council:-

- 2.1 Note the contents of this report.

3 REASONS FOR RECOMMENDATIONS

The timescales to complete the City Deal for the Cardiff Capital City Region are very short when compared to other City Deals across the UK, and it is therefore essential that local authority Members are kept up to date of the progress being made, and understand how the City Deal mechanism works in practice.

4. BACKGROUND

- 4.1 Since the report to Council on 25th November 2015, a considerable amount of work has been undertaken in a short timescale.

- 4.2 Officers with advisors (who have worked on previous City Deals), have been preparing a “Business Case - Proposal Document” for the forthcoming challenge sessions, which will be held with both the UK

Government and the Welsh Government, to test the robustness and deliverability of the proposals set out within the document.

- 4.3 The document will set out a strategic statement, the governance structure that will be at the core of any Deal, to ensure that each of the constituent authorities (once they agree the Deal), are committed to its delivery for the duration of the Deal, the make-up of the finance that is required and a series of asks and offers from the local authorities to the two governments.
- 4.4 In order that the Business Case - Proposals Document for the Cardiff Capital Region City Deal can be delivered at the challenge sessions in a very focused and consistent manner, it was agreed by the ten Council Leaders, that a "Core Team" of five be constituted. The Core Team will be made up of three Leaders - Councillor Morgan (Rhondda Cynon Taf - Chair), Councillor Bale (Cardiff) and Councillor Fox (Monmouthshire), together with a senior representative from the Business sector and another from the Higher Education sector.
- 4.5 It is anticipated that an agreed Business Case - Proposals Document, will be finalised shortly, whereupon, it will be signed off by the Leaders.
- 4.6 Welsh Government has confirmed that their challenge session will be on Monday 22nd February 2016, with the challenge session with UK Government ministers the following day in Westminster.
- 4.7 If the Deal is successful, then a formal announcement may be made the week commencing 7th March 2016, with the signing of the Deal agreement taking place quickly thereafter. The Deal would certainly be included in the Budget proposals to be announced by UK Government week commencing 14th March 2016.

5. THE DEAL AGREEMENT

In the event that a Deal is successful, the agreement will set out what finance is available and the principles of any Deal. It will only commit the constituent authorities to explore ways of delivering the principles and strategic objectives. Only once each constituent authority is in full agreement to the proposals being put forward and is content to sign up to the Deal document will it become binding. The development of the legal agreement could take between 6 to 18 months after the announcement of the agreement of the City Deal in March 2016.

6. EQUALITY AND DIVERSITY IMPLICATIONS

The City Deal is currently in its infancy and no decisions have yet been taken on areas of investment. Equality Impact Assessments will be

undertaken on a regional basis as City Deal decisions are brought forward in the future.

7. CONSULTATION

A key element of the City Deal will be consulting and engaging businesses, higher and further education, all local authority members and the wider community. Initial information sharing meetings have already been undertaken to brief business and higher and further education providers in the Region in order to seek their views and ideas on how we maximise the benefits of a City Deal. If the City Deal is agreed next month, greater consultation will be undertaken with a range of stakeholders,

8. FINANCIAL IMPLICATION(S)

There are no additional financial implications in the lead up to the submission of the Business Case - Proposals Document.