



## **FULL COUNCIL REPORT**

Date Written	11 <sup>th</sup> February 2016
Report Author	Gareth Chapman
Service Area	Chief Executive's
Exempt/Non Exempt	Non Exempt
Committee Date	24 <sup>th</sup> February 2016

*To: Mayor, Ladies and Gentlemen*

## **THE CITY DEAL**

### **1.0 SUMMARY OF THE REPORT**

- 1.1 The purpose of this report is to update Members on the progress made since the report of 2<sup>nd</sup> December 2015 which set out fully what a "City Deal" was expected to achieve and the component parts which make up a Deal.
- 1.2 To advise Members of the formation of a "Core Team" to present the proposals of the Deal to the UK Government and Welsh Government at challenge sessions and to note the timescales in which these sessions will be undertaken.
- 1.3 To confirm that even if a Deal is agreed by the UK Government and Welsh Government there will be no financial commitment upon the ten South East Wales Local Authorities until such time as the details of individual projects are agreed, governance and financial agreements are signed off and that each constituent Authority thereafter signs up to the Deal. The timescale for this is between 6 – 18 months.

### **2.0 RECOMMENDATIONS that**

- 2.1 The contents of this report be noted.
- 2.2 In the event that the Deal is agreed by the UK Government and the Welsh Government at the outcome of the challenge sessions, the Leader of the Council be authorised to sign the formal "City Deal" offer document on the basis that it does not commit the Council until such time as the detailed proposals are negotiated and agreed between the constituent Authorities.

### **3.0 INTRODUCTION AND BACKGROUND**

- 3.1 Since the report to Council in December 2015 a tremendous amount of work has been undertaken in such a short timescale.
- 3.2 Officers with advisors (who have worked on previous City Deals) have been preparing a “Business Case – Proposals 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.
- 3.3 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 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.
- 3.4 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 consistence manner it was agreed by the ten Leaders that a “Core Team” of five be constituted. The Core Team would be made up of three Leaders – Cllrs Morgan (RCT – Chair), Bale (Cardiff) and Fox (Monmouthshire) together with a senior representative from the Business and Higher Education sector. Briefing sessions with the Core Team will be taking place over the coming weeks in the lead up to the challenge sessions.
- 3.5 It is anticipated that an agreed Business Case – Proposals Document will be finalised by the week commencing 8<sup>th</sup> February whereupon it will be signed off by the Leaders.
- 3.6 Welsh Government have indicated that their challenge session is likely to take place week commencing 15<sup>th</sup> February and that the UK Government’s challenge session is to take place week commencing 22<sup>nd</sup> February.
- 3.7 If the Deal is successful then a formal announcement may be made the week commencing the 7<sup>th</sup> March with the signing of the Deal agreement taking place quickly thereafter. The Deal would certainly get a mention in the Budget proposals to be announced by UK Government week commencing 14<sup>th</sup> March.

### **4.0 THE DEAL AGREEMENT**

- 4.1 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. As mentioned above this could take between 6 to 18 months.

## 5.0 FINANCIAL IMPLICATION(S)

5.1 There are no additional financial implications in the lead up to the submission of the Business Case – Proposals Document, however if there is a successful outcome to the Deal then a further report to Members will be necessary to establish a dedicated Project Team to take the Deal forward.

## 6.0 SINGLE INTEGRATED PLAN AND SUSTAINABILITY IMPACT SUMMARY

6.1 The Single Integrated Plan has Prosperity as a key theme. The City Deal could have a significant impact on realising the Prosperity targets in the SIP.

## 7.0 EQUALITY IMPACT ASSESSMENT

7.1 An Equality Impact Assessment (EqIA) form has been prepared for the purpose of this report. It has been found that a full assessment is not required at this time. The form can be accessed on the Council's website/intranet via the 'Equality Impact Assessment' link.

12.2 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.

**GARETH CHAPMAN**  
**CHIEF EXECUTIVE**

**COUNCILLOR BRENDAN TOOMEY**  
**LEADER OF THE COUNCIL**

<b>BACKGROUND PAPERS</b>		
<b>Title of Document(s)</b>	<b>Document(s) Date</b>	<b>Document Location</b>
<b>Does the report contain any issue that may impact the Council's Constitution?</b>		

***Consultation has been undertaken with the Corporate Management Team in respect of each proposal(s) and recommendation(s) set out in this report.***