



## REPORT TO THE GROWING MID WALES BOARD

5<sup>th</sup> February 2025

<b>TITLE:</b>	Mid Wales Growth Deal – Strategic Portfolio Update
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### 1. Purpose of the Report

- 1.1. The purpose of the report is to provide a strategic update to the Board on the Mid Wales Growth Deal Portfolio.
- 1.2. The report is for information. However, Members are asked to note the salient points within the report and provide comment/direction as relevant.

### 2. Current Situation

- 2.1. The MWGD Portfolio will imminently move into delivery phase with the approval of the Local Intervention Fund at the last GMW Board meeting in December, and subject to a positive decision on the Elan Valley Lakes Phase 1 proposal today.
- 2.2. As set out in the last report to GMW Board, much of the focus of the Portfolio Management Office during the last period has been on delivery readiness.
- 2.3. Internal arrangements within the Portfolio Management Office have been reviewed and are in the process of being implemented. Resourcing proposals are being progressed and consulted upon, to ensure that the Growth Deal has the right capacity and capability to respond to the challenges of managing a complex, multi-million-pound capital Portfolio that is about to enter into delivery phase.
- 2.4. The key achievement since the last meeting of the GMW Board in December, is the positive outcome from the Welsh City and Growth Deal Implementation Board (WCGIB). The Portfolio SRO and the Section 151 Officer for the Mid Wales Growth Deal provided the annual update report to both UK and Welsh Governments. The report was received very positively, and the next tranche of funding (circa £11.5m) is anticipated to be released imminently (subject to Ministerial advice).
- 2.5. We therefore began 2025 with renewed confidence in the Deal, affirmation on our proposed changes and renewed commitment from our Government sponsors.

2.6. There has been significant work on reviewing the Deal and its projects:

**Strategic Portfolio Business Case Review:** the Growth Deal must update its Portfolio Business Case every year, with a view to submit to Government around March/April. This year, a thorough health check and evaluation review of all the projects is being undertaken. External specialists (Hatch Ltd) are providing additional support and expertise to assist the Portfolio Management Office with the validation work – with the key objective of determining the overall affordability and viability of the Mid Wales Growth Deal, as it currently stands. There is a workshop planned for informal engagement of Members and Private Sector Board representatives in February. This work will be brought back to Members at the Growing Mid Wales Board in April.

Whilst it would not be appropriate to provide a commentary on the outcomes of the work undertaken to date at the meeting today, I would refer members to some of the detail provided in item 6 (Highlight Report) which indicates that there is emerging confidence that a significant part of the Growth Deal remains viable and on track for delivery. Indeed, we are working towards expediting at least two projects within the Digital Programme and are hopeful these will be submitted for consideration at April Board.

There is recognition however, that most projects will require significant attention and support to remain viable; further funding will be required to ensure affordability and robust programme, planning and risk management discipline will be required to ensure effective delivery. There is also a minority of projects that require more substantive review and re-framing – these will be discussed at the workshop to obtain views and steer from Members.

The timeline has not been updated for the meeting today, owing to the above review.

### **3. Legal Implications**

3.1. None.

### **4. Human Resources Implications**

4.1. None.

### **5. Financial Implications**

5.1. None.

### **6. Appendices**

6.1. None.