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Economy, Trade, and Rural Affairs Committee

Inquiry: City and Growth Deals

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Evidence from: Growing Mid Wales









Tyfu
Canolbarth Cymru
Growing
Mid Wales

MID WALES GROWTH DEAL

**Written Evidence for the Welsh Parliament's
Economy, Trade and Rural Affairs Committee**

4 June 2025

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FOREWORD

This update builds on previous evidence (written and oral) in previous years and demonstrates that progress continues to be achieved with the Growth Deal, and our wider partnership to support economic growth and prosperity across Ceredigion and Powys.

This year has seen the Growth Deal starting delivery in earnest, with investment decisions late in 2024 leading to projects moving into delivery. The first Phase of the Elan Valley Lakes project is now getting underway, with Dŵr Cymru making progress at their site. We also recently saw the launch of the Mid Wales Commercial Property Investment Fund – a key fund for the leveraging of private sector investment to stimulate growth and job creation through new premises and expansion of existing premises.

We are grateful to the teams across our partner organisations that have been working hard to support and mobilise these major capital schemes. The economic and financial climate has been incredibly tough in recent years and has impacted the pace of delivery of large capital projects. This is particularly true in Mid Wales, where we do not have the economies of scale of larger regions. Our organisations must work that much harder to bring these business cases forward to a good standard and mobilise resources and attract investment.

One key area where we are continually disappointed however, is the ongoing lack of any revenue support from either Government to support the Deal. The funding is capital only. Despite escalating the issue with various Ministers across both Governments over many years, this remains the biggest challenge facing our Deal.

When the previous political administrations of Ceredigion and Powys agreed on the [Vision for Growing Mid Wales](#) – it was built on the premise of achieving greater outcomes through harnessing collective opportunity. Revenue funding is not only crucial to enable large-scale capital project delivery, but also to plugging skills and capability gaps and supporting skills development with the private sector.

Along that journey, we have utilised the momentum and vision built from establishing the Growth Deal to strengthen our partnership working – in Mid Wales and with other regions of Wales and further afield. Whilst the focus of the committee is specifically on the Growth Deal, we have also provided an update to members on the depth of achievements we have here that we have seen through our excellent partnership working to date.

Looking forward to the future, there will undoubtedly be a challenge in balancing the needs/priorities of future investment streams. Given the tools, we are well-placed to meet that challenge here in Mid Wales. We are delivering the funds we have access to, we have drawn in additional investment and have the governance and joint working arrangements to drive economic and skills growth.

Our one call of both Governments is to ensure flexibility of future funding streams and ensure parity of funding. Every Welsh region has its own distinctive strengths and opportunities, and the model they will want to work will be different. However, we must have flexibility to be able to tailor future funding streams to complement and add value to our current investments. We must build on the strong and meaningful engagement with the private sector – and deliver results.

We can only do that if we have an adequately funded and resourced model of working that can work to our regional strengths and opportunities.



**Cllr Bryan Davies,
Leader of Ceredigion
County Council**



**Cllr Jake Berriman,
Leader of Powys County
Council**

CONTENTS

1. Background.....	1
2. Progress	3
2.1 Key Changes to the Portfolio since 2024.....	3
2.2 Private Sector Investment	3
2.3 Portfolio Allocations.....	4
2.4 Portfolio Viability.....	5
2.4.1 Portfolio Viability - Key Challenges	6
2.4.2 Portfolio Viability - Mitigation.....	7
2.4.3 Portfolio Viability - Conclusion	7
2.5 Regional Impact	8
2.6 Governance and democratic accountability	9
2.7 Fit with the Wider Support landscape	9
3. Wider Regional Activity	10
3.1 Skills	10
3.2 Energy	11
3.3 Agri-Tech and Agri-Food.....	12

1. Background

The Mid Wales Growth Deal has been thoroughly scoped and planned in iterative stages, following advice and input from both UK and Welsh Government, engagement with the private sector, through economic analysis and prioritisation of schemes that stood the best chance of delivering a lasting economic legacy to the region.

The Mid Wales Growth Deal (MWGD) was initially scoped and planned from a Strategy, the [Vision](#) for Growing Mid Wales – which set out the wider context and needs of Mid Wales beyond the Growth Deal.

The Deal moved quickly from Heads of Terms (2020) to Final Deal Agreement (2022) with the focus throughout 2023,24 and 25 on project mobilisation.

It is a £110m capital-only Deal, that is funded equally from the UK and Welsh Governments.

Growth Deal is capital public funding for economic infrastructure, and therefore the Portfolio, Programmes and Projects need to follow all relevant guidance by HM Treasury and the Welsh Government (Better Business Case).

Whilst some initial pump priming support was provided from WG to help with costs in establishing the Portfolio Management Office, no further revenue support has been provided by either Government. Despite continued lobbying for a separate one-off revenue fund to assist with pump priming early and potentially abortive Project/Programme development costs, no such fund currently exists.

Release of the capital funding from Governments to the Deal is done on an annual basis and is contingent upon satisfactory progress of the Deal via the submission of the Strategic Portfolio Business Case and Private Sector Investment Strategy.

The release of each tranche of the £110m MWGD Capital funding is contingent on an annual submission of an updated Portfolio Business Case and an updated Private Sector Investment Strategy.

The strategic objectives for Growing Mid Wales and the Growth Deal continue to take full advantage of the opportunities available to create and support economic and social growth by overcoming its challenges to become a fairer, smarter region that contributes to its full potential to address its productivity challenge.

- **Broadening our Economy:** Developing new opportunities from our assets – focusing on high value and growth supporting opportunities.
 - To create between 1,100 and 1,400 net new Full Time Equivalent (FTE) jobs in Mid Wales through the Growth Deal by 2032
 - To support a net additional Gross Value Added (GVA) uplift of between £570 million and £700 million for the Mid Wales Economy through the Growth Deal by 2032
 - To deliver a total investment of £280 million to £400 million in the Mid Wales Economy through the Growth Deal by 2032
 - A minimum of £170 million in private sector investment
- **Strengthening our Economy:** Supporting our existing industries and workforce to become more resilient through capacity building and creating the right conditions for future growth.
- **Connecting our Economy:** Improving digital and connectivity within, across and outside the region to ensure the region is attractive to work, live and play.

The financial profile for the funding from Governments, is as follows:

Year		UK Government £'000	Welsh Government £'000	Total £'000	Status
1	2023/24	-	4,000	4,000	<i>Received</i> - 25/09/23
2	2024/25	7,857	4,000	11,857	<i>Received</i> - 25/03/25
3	2025/26	7,857	4,000	11,857	
4	2026/27	7,857	4,000	11,857	
5	2027/28	7,857	4,000	11,857	
6	2028/29	7,857	4,000	11,857	
7	2029/30	7,857	4,000	11,857	
8	2030/31	7,858	4,000	11,858	
9	2031/32	-	4,000	4,000	
10	2032/33	-	4,000	4,000	
11	2023/34	-	3,000	3,000	
12	2034/35	-	3,000	3,000	
13	2035/36	-	3,000	3,000	
14	2036/37	-	3,000	3,000	
15	2037/38	-	3,000	3,000	
Total		55,000	55,000	110,000	

The revenue costs of administering the Deal and running the Portfolio Management Office are derived from a permissible 4% top-slice of the Deal that is “topped up” by revenue contributions from Ceredigion and Powys Councils.

This means that there is a minimum of £105.6m available for the Capital delivery of the Portfolio over the 15-year period from 2023/24 to 2037/38

2. Progress

The Growth Deal continues to make progress and 4 projects have been approved for funding and into Delivery. Members will note that project approvals have continued at pace and there is improved confidence in the project pipeline for future approvals.

Caveat: *the evidence provided in this section is based on working information available to the Portfolio Management Office (PoMO). The annual refresh of the Strategic Portfolio Business Case (SPBC) is underway and will complete by June. The information within this response has therefore been derived from a mature draft of working documents.*

2.1 Key Changes to the Portfolio since 2024

The Portfolio is largely unchanged since the previous edition of the business case, with three notable exceptions:

- 1) The aims and objectives of the National Spectrum Centre has been incorporated into larger initiatives within the Green Futures Innovation Park.
- 2) A new project, Mid Wales Commercial Property Investment Fund (project cost of £4.4m), aims to distribute grants to increase demand for commercial and industrial space. This was launched at the beginning of May – and has seen a positive reception from the private sector to date¹.
- 3) The Sites and Premises Programme has been assimilated into the delivery of the two strategic projects (AMC/FMIC), with £4.4m allocated to the Mid Wales Commercial Property Investment Fund, £8.1m allocated to the Food Manufacturing Centre Horeb site, and £9.4m allocated to the Advanced Manufacturing Centre Newtown site. The remainder of the funding remains for future allocation.

2.2 Private Sector Investment

The Mid Wales Growth Deal has previously reported on its arrangements in relation to its private sector board and the Investment Strategy² that is in place. The Economic Advisory Group continues to meet in a voluntary capacity and provided critical friend advice and challenge throughout the early stages of Strategy, Portfolio and now, project development.

The direct investment leveraged from the Growth Deal projects is outlined in the table in section 2.4 below. These figures are still subject to change as the Portfolio matures when the project business cases evolve. Projects continue to strengthen and develop their approach to private sector investment through targeted funding strategies and early conversations around developing an investment proposition that could be considered alongside other regional opportunities outside of the Growth Deal.

Direct private sector engagement in the Deal is limited owing to its public sector nature (capital only and 5 case business model). However, we have this year established a new Mid Wales Commercial Property Investment Fund¹ – which has created a vehicle that can directly engage with private sector businesses to support their growth ambitions. The fund launched at the beginning of May and is showing strong interest. The design of the fund means that the private sector must contribute a minimum of 55% (max grant rate of 45%) – which will further strengthen the Growth Deal's impact and leverage.

¹ [Mid Wales commercial property fund launches to boost business growth - English - Growing Mid Wales](#)

² [230328_GMW-Board_Paper 5.3 Appendix 2 - GMW_PSiS_V0.2 Rev 0_EN.pdf](#)

2.3 Portfolio Allocations

The distribution of funding across the Programmes and Projects within the Growth Deal is as follows:

Programme / Project	Sponsor / Lead Local Authority	Total Estimated Project Cost	MWGD Notional Allocation	Latest Status
Cynefin The Green Heart of Wales	Centre for Alternative Technology	£25.3m	£13.2m	<i>OBC Developing Phase 1</i>
Elan Valley Lakes	Dwr Cymru	£21.7m	£7.2m	<i>OBC Approved WP1 BJC approved (In Delivery). WP2 FBC in development</i>
Mid Wales Advanced Manufacturing Campus	Powys CC	£45.2m	£18.9m	<i>Developing OBC</i>
Montgomery Canal Restoration to Navigation	Canal & River Trust	£22.0m	£8.0m	<i>Developing OBC</i>
Aberaeron Harbour	Ceredigion CC	£5.3m	£1.7m	<i>SOC Approved – reconsideration of OBC viability/next steps</i>
Food Manufacturing Innovation Centre	Ceredigion CC	£21.6m	£10.9m	<i>Developing OBC</i>
Green Futures Innovation Park	Aber University	£51.9m	£14.3m	<i>Developing OBC</i>
Tir Glas	University of Wales Trinity St Davids	£13.4m	£5.2m	<i>SOC Approved – reconsideration of OBC viability/next steps</i>
Mid Wales Commercial Property Investment Fund	Ceredigion CC	£4.5m	£4.5m	<i>BJC approved (In Delivery)</i>
Digital Programme - Mobile Coverage & Connectivity	Ceredigion CC	£4.5m	£3.7m	<i>OBC approved</i>
Digital Programme - Business Park FTTP	Ceredigion CC	£0.8m	£0.8m	<i>BJC approved (In Delivery)</i>
Digital Programme - LoRaWan Project		£0.5m	£0.5m	<i>BJC approved (In Delivery)</i>
Digital Programme – Very Hard to Reach (Broadband)		£4.3m	£4.1m	<i>Developing OBC</i>
Digital Programme – Digital Hubs		TBC	TBC	<i>Developing BJC</i>
Subtotal		£221m	£93m	
Balance Unallocated		-	£12.6m	
TOTAL		£221m	£105.6m	

*Balance Unallocated – owing to project-level changes in-year.

2.4 Portfolio Viability

A Portfolio Health Check was undertaken between December 2024 and February 2025 to provide a transparent and concise overview of the current status and viability of the Growth Deal portfolio. This exercise included a full categorisation of projects and programmes, alongside the development of actionable recommendations to support effective delivery.

The Health Check was conducted through a series of structured workshops involving Programme & Project Managers and SROs. These sessions were designed to assess delivery progress, identify key challenges, and inform the strategic direction of the portfolio.

Projects were rated Red, Amber, Green - reflecting both the level of risk and the clarity of mitigation strategies.

Green-rated projects (totalling **20%** of capital requirements) are considered low risk, with minor challenges and well-defined mitigation strategies. These include:

- **Mid Wales Commercial Property Investment Fund** – £4.5m (4%),
- **Digital Programme** – £10.3m (10%)
- **Elan Valley** – £7.2m (7%)

Amber-rated projects (totalling **51%** of capital requirements) face moderate risks that require further attention due to significant challenges or only partially clear mitigation strategies. These include:

- **Green Futures Innovation Park** – £14.3m (14%)
- **Advanced Manufacturing Campus** – £18.9m (18%)
- **Aberaeron Harbour** – £1.7m (2%)
- **Food Manufacturing Innovation Centre** – £10.9m (10%)
- **Montgomery Canal** – £8.0m (8%)

Red-rated projects (totalling **17%** of capital requirements) are high risk, with critical barriers and currently unclear or insufficient mitigation strategies. These include:

- **Cynefin** – £13.2m (13%)
- **Tir Glas** – £5.2m (5%)

MWGD Capital Costs by Project or Programme (2025), coloured by Health Check RAG Rating

Strategic Growth Priorities	Project / Programme	Total Capital Costs (£m)	Growth Deal Allocation (£m)	Confirmed Private Sector Match Funding (£m)	Confirmed Public Sector Match Funding (£m)	Residual Gap (£m)
Applied Research & Innovation	<i>Green Futures Innovation Park</i>	51.9	14.3	4.3	15	18.3 -35.18%
	<i>Mid Wales Advanced Manufacturing Campus</i>	45.2	18.9	0	0	26.3 -58.17%
Agriculture, Food & Drink	<i>Food Manufacturing Innovation Centre</i>	21.6	10.9	2	0	8.6 -40.05%
		13.4	5.2	5.3	0	2.9

	<i>Tir Glas (on hold)</i>					-21.64%
Strengthened Tourism Offer	<i>Elan Valley Lakes</i>	21.7	7.2	7.2	0	7.3 -33.50%
	<i>Aberaeron Harbour Development (on hold)</i>	5.3	1.7		0	3.6 -67.92%
	<i>Montgomery Canal – Restoration to Navigation</i>	22	8	1	2.4	10.7 -48.68%
	<i>Cynefin – The Green Heart of Wales</i>	25.3	13.2	2.2	0	9.9
						-38.97%
Digital	<i>Digital Programme</i>	10.2	9.2	0	1	0 0%
	<i>Digital Programme (unallocated)</i>	TBC	1.1	0	0	0
Supporting Enterprise	<i>Mid Wales Commercial Property Investment Fund</i>	4.5	4.5	0	0	0 0%
	<i>Sites and Premises (unallocated)</i>	TBC	6.8	0	0	0
Other	<i>Currently unallocated funding (due to project changes)</i>	TBC	4.6	0	0	0
Total	-	£221.10	£105.60	£22.00	£18.40	£87.60

2.4.1 Portfolio Viability - Key Challenges

The full detail of the health check relating to the individual projects will be available as part of the updated SPBC. Each project has its own set of challenges that will be bespoke to it. However, a handful of key issues that give rise to the Red/Amber ratings can be summarised at a Portfolio level:

- **Capital cost inflation** – the inflationary pressures affecting large-scale capital projects has put significant pressures on the cost estimates across all projects. Early strategic outline cases were first developed in 2020/21 – with 24/25 prices greatly increased from those original estimates.

- **Match Funding** – the economic landscape in Mid Wales is uniquely challenged. Access to private sector investment is disadvantaged compared to the economic diversity along the M4 and A55 corridors and the English border. There are only a small handful of large business in the region, and the dynamics of the private sector varies across the geography. Projects have been put forward to drive consequential investment in key economic sectors – where the public sector has to front load some of that investment to pump prime/attract/leverage private investment. This is a challenging fiscal environment for the projects in securing match funding. There has been a significant reduction in available public sector funds, exacerbated by a lack of policy and institutional alignment on available funding streams. Furthermore, increasing project costs give rise to additional pressure on match funding availability. Both in the public and private sector, the availability and appetite of additional investment has shifted considerably – requiring significant re-thinking in some projects.
- **No Revenue Funding** – the lack of any revenue funding to support the early development phases of projects has meant a slower than desired pace to achieving delivery. Project Sponsors have had to carry significant financial risk. The Local Authorities have supported projects where possible with other sources of funding and continue to look at de-risking early activity where appropriate. The lack of revenue funding also puts pressure on having adequate capacity and capability within projects to oversee the early project management/development.

2.4.2 Portfolio Viability - Mitigation

The Projects within the Growth Deal Portfolio are making reasonable progress in resolving and mitigating these challenges:

- **Securing Alternative Funding:** significant effort is being placed on exploring alternative funding sources, including private sector investment.
- **Scope Review:** projects will continue to keep in view the balance of scope and ambition in relation to affordability and viability. The Portfolio's headline outcomes remain unchanged, but Projects are working hard to manage the increased cost pressures, anticipated outcomes and ensure Value for Money. This is especially true of the Tir Glas project, where recent events require a re-look at the strategic intent and what is possible moving forward.
- **Robust Project Management:** arrangements across the Projects and within the Portfolio Management Office (PoMO) have been strengthened in recent months – with robust project management discipline embedded across the Portfolio. This means that the PoMO has confidence in its management information and reporting upwards to Government. This ensures that any issues that cannot be resolved or are without and acceptable tolerance – can be identified early and corrective action taken.

2.4.3 Portfolio Viability - Conclusion

The Growing Mid Wales Board will be considering the updated Portfolio Business Case at its meeting in June.

The key recommendations they will consider will be that:

- The overall Portfolio remains broadly viable and achievable at present.
- It is already delivering in some key areas, and there are several key projects imminently expecting approval.
- The PoMO is broadly comfortable with the mitigation strategies and actions currently in place to address challenges identified.
- For those projects that face more substantive concerns (red rated), there is a recovery plan in place – with a review proposed for the Autumn.
- For any currently unallocated funding – the proposal will be that we review progress on the current projects and plans in place, with a view to allocating in the Autumn. This gives time any the recovery plans in place for lagging projects to be actioned. It also

gives the Portfolio time to evaluate the success of the recently launched Mid Wales Commercial Property Investment Fund.

2.5 Regional Impact

The Growth Deal continues to aim to provide the following benefits to the Mid Wales region through the delivery of capital economic projects in key areas of regional strength and opportunity:

- Growth in regional prosperity
- Creation of better-quality jobs for the local labour market
- A more skilled workforce within the region
- Improvements in standards of living across the region

As part of the full Strategic Portfolio Business Case published in 2024, a full economic appraisal was undertaken, providing a benefit-cost ratio for each of the programmes and the portfolio as a whole.

Given the varying degree of maturity and deliverability between projects, the decision was taken not to undertake a full economic re-appraisal, and instead the results of the 2024 appraisal are taken to still be the best estimate of costs and benefits of the portfolio at present.

Even though some projects have been subsumed into larger ones, this has been done on the basis that their benefits will be retained, irrespective of an increase in MWGD funding.

The table below, outlines the employment and GVA benefits of the Portfolio, classified by Strategic Growth Priority, following an economic appraisal undertaken on the 2024 SPBC³.

Table: Indicative Net and Gross Economic Benefits (2024)

Strategic Growth Priority	Gross GVA (£m)	Gross Jobs Created (FTEs)	Net Additional GVA (£m)	Net Additional Jobs Created (FTEs)
Applied Research & Innovation	£570 (£515-630)	545 (495-600)	£210 (£190 – 230)	230 (210 – 255)
Agriculture, Food & Drink	£90 (£85-100)	195 (175-215)	£35 (£30 – 40)	85 (75 – 90)
Strengthened Tourism Offer	£350 (£315-385)	515 (460-565)	£135 (£120 – 145)	215 (190 – 235)
Digital	£215 (£195-235)	495 (445-545)	£75 (£70 – 85)	210 (190 – 230)
Supporting Enterprise	£705 (£635-775)	1,610 (1,450-1,770)	£275 (£250 – 305)	680 (615 – 750)
Total	£1,930 (£1,740-2,125)	3,360 (3,025-3,695)	£735 (£660 – 805)	1,420 (1,275 – 1,560)

Source: Hatch calculations based on programme and project material as of February 2024

The impact of the Growth Deal will be reviewed regularly, with the 2026 update of the Portfolio Business Case projected to provide much greater clarity on the actual progress against those early and indicative targets.

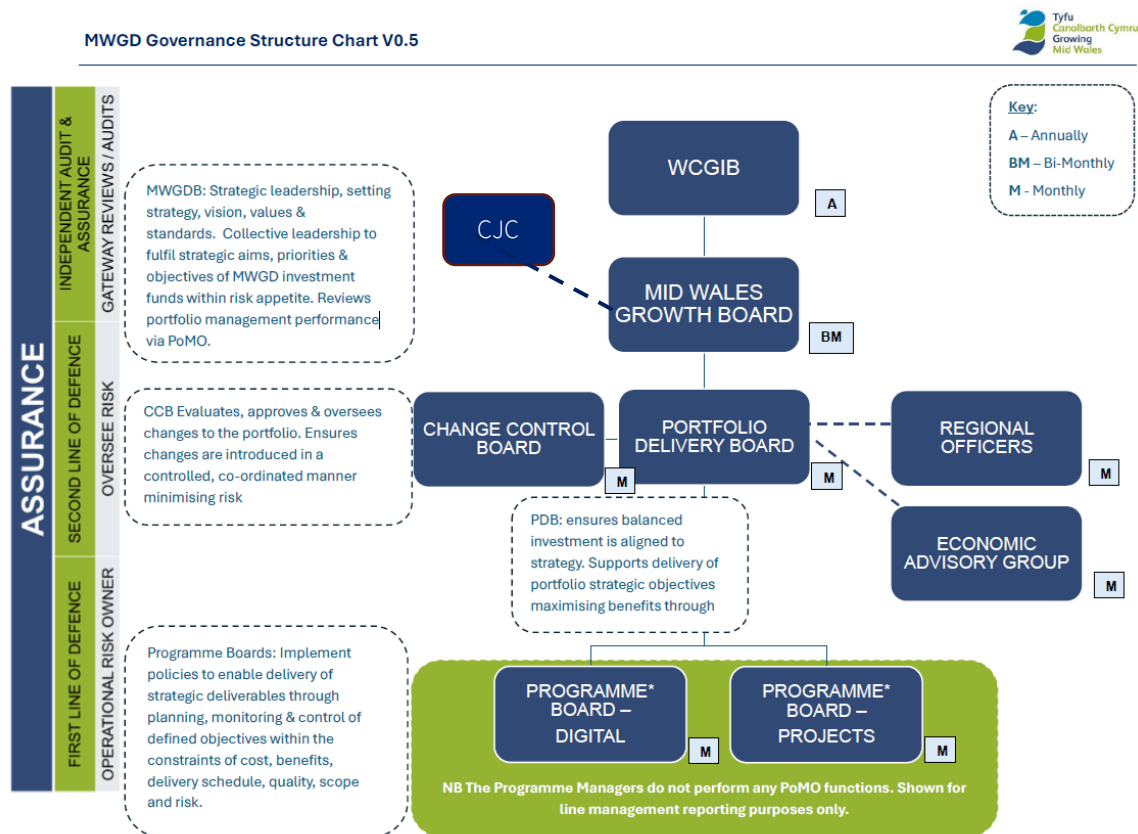
³ [240419_GMW-Board_P5.5_Appendix 4 - Strategic Portfolio Business Case v3.pdf](#)

Whilst there have been some changes to the Portfolio this year, there has been no indication of a downgrade in benefits. More will be known as the business cases mature, costings are affirmed, and benefits further quantified.

2.6 Governance and democratic accountability

The Mid Wales Growth Deal continues to be governed by a Joint Committee constituted via an Inter-Authority Agreement between Ceredigion and Powys Councils.

The governance landscape of the Growth Deal is as follows:



The Mid Wales CJC has been established, with the CJC Economic Wellbeing Sub-Committee receiving reports from the GMW Board on its work.

Mid Wales currently has no plans to “lift and shift” the Growth Deal into the CJC. This is because the current arrangements are deemed to be appropriate for the administration and delivery of the Growth Deal. The transfer of the Growth Deal into the CJC would incur significant costs and implementation challenges (owing to the fact that the CJC is a separate legal entity) and is currently not deemed to be a beneficial step for the region.

2.7 Fit with the Wider Support landscape

The Growth Deal is capital programme that is delivered as part of the wider regional vision and strategy. There has traditionally been a strong working relationship with Business Wales/Welsh Government at the operational level both regionally and locally.

We do not believe we have been formally made aware of the review of the business support landscape by Welsh Government. We would like to work with partners to understand more and evolve the conversations in this space to ensure that businesses in Mid Wales have adequate access and visibility of support and determine if our regional arrangements can support/deliver support into the future.

3. Wider Regional Activity

It is important to highlight that the Mid Wales Growth Deal does not operate or deliver in isolation in Mid Wales. As has been previously noted, it has been scoped and planned as capital Portfolio within the context of the Vision for Growing Mid Wales.

The Vision for Growing Mid Wales set out 8 strategic growth priorities:



The Mid Wales Growth Deal with £110m of capital funding would not be able to deliver the entirety of that Strategy, neither would Growth Deal funding be suitable for some requirements (skills or revenue-based activity).

The region therefore utilised the Vision for GMW as a Strategy, to help:

- Ensure Growth Deal investments are targeted on the appropriate interventions in the region (a lot of this context is set out in the Strategic Case of the MWGD Strategic Portfolio Business Case).
- Ensure alignment with other funding streams. The Regional Investment Plan for the UK Shared Prosperity Fund was brought forward from local assessments of wellbeing in tandem with the Vision for GMW. Ensuring strong alignment regionally/locally.

The Vision is therefore utilised as a guiding framework (aligned with Welsh Government's Regional Economic Framework) to help inform and guide regional activity.

3.1 Skills

Our Regional Skills Partnership continues to grow from strength to strength. It has four key deliverables:

- Produce and analyse labour market intelligence (LMI) to inform current and future priorities.
- Review regional skills provision
- Influence decisions on skills, training, and education.
- Act as a strategic body that represents regional interests.

It has significant representation across all sectors, but notably the private sector on its Board and cluster groups. These cluster groups map to our regional priorities:

- Advanced Manufacturing & Engineering
- Agriculture
- Construction and Energy
- Digital
- Food and Drink
- Health and Social Care
- Public Sector
- Tourism and Leisure
- Transport & Logistics

There are also another two cluster groups that support the RSP:

- The **Provider Cluster** offers an insight into work and classroom-based learning and employability programmes in the region. It focuses on the strategic direction for current and future provision and employability within the context of Welsh Government skills priorities, LMI and our industry cluster groups.
- The [Young Person's Guarantee \(YPG\) Cluster Group](#) brings together YPG representatives across the public sector, skills training provision, employability and Third Sector delivery partners in an advisory capacity to sense check RSP activity supports our young people especially those who are or at risk of not being in employment, education or training. The RSP works with this group to look for opportunities, collaborations and innovative ideas within the region to engage this cohort of young people with the labour market and prevent long term social exclusion.

The Chairs of each cluster group sit on the Mid Wales RSP Board which in turn reports directly to the Growing Mid Wales Board.

The team work as part of the regional Growing Mid Wales team, working across all areas of regional work – including the Mid Wales Growth Deal.

3.2 Energy

Energy is a key theme within the Vision for Growing Mid Wales, and Mid Wales has been working with the Welsh Government Energy Service and other providers to bring forward regional work to develop a strategy and action plan. An advisory group has led a significant body of work to develop Local Area Energy Plans in Powys and Ceredigion.

Growing Mid Wales have been successful in applying to Welsh Government's Whole Systems Research and Innovation in Decarbonisation (WSRID) challenge fund.

1. **Severn Wye Energy Agency – Smart Local Energy Systems for Industrial Parks**
This project explores how industrial and business parks in Powys and Ceredigion can reduce grid demand by generating solar energy and storing it in batteries. The aim is to align local energy generation with usage, enabling technologies like agrivoltaics and electric farm machinery.
2. **Centre for Energy Equality – HARVEST (Holistic Agricultural and Rural Virtual Energy System Transition)**
HARVEST proposes a decentralised, community-owned virtual power plant linking homes, farms, and businesses using solar panels and batteries. Based in Llanidloes, it aims to empower rural communities to manage their own energy systems.

3. **Challoch Energy – Village Rural Energy in Mid Wales**

This project evaluates the feasibility of community-based integrated energy systems across villages in Powys and Ceredigion. It seeks to decarbonise local energy use while delivering financial benefits through affordable, locally generated power.

4. **Lafan & Coleg Sir Gâr – Sustainable Slurry Utilisation**

Focused on Felinfach, this study investigates converting livestock slurry into renewable energy while recovering nutrients and improving grid efficiency. It aims to turn a waste product into a sustainable energy and nutrient source.

5. **Water to Water – First Welsh Net Zero Milk**

In partnership with First Milk, this project explores how dairy farms in Ceredigion can become energy self-sufficient using Smart Local Energy Systems. The goal is to support net zero milk production while enhancing rural energy resilience.

For further information: www.growingmid.wales/wsrid

3.3 **Agri-Tech and Agri-Food**

Mid Wales is playing a leading role in the delivery of a pan-regional Agri-tech and Food-tech Cluster, supported by £5 million of Innovate UK funding through its UK-wide Launchpads programme. This investment recognises the region's strategic potential to drive innovation in agriculture and food production—two sectors that are not only economically significant but also central to the UK's long-term food security and net zero ambitions.

The Launchpad in Mid and North Wales is one of only a handful selected across the UK. Growing Mid Wales hosts the Cluster Management Organisation, in collaboration with two key innovation partners: M-SParc (Menai Science Park) and AberInnovation - together with the Ambition North Wales coordinating support for businesses and research institutions across the region.

The cluster is designed to stimulate innovation-led growth by supporting SMEs and start-ups to develop and commercialise new technologies in areas such as precision agriculture, automation, biotechnology, and sustainable food processing. It also provides a platform for collaboration between academia, industry, and government, ensuring that innovation is aligned with regional economic priorities and national policy objectives.

Mid Wales' leadership in this initiative is both deliberate and strategic. The region has long been underrepresented in UK innovation funding, despite having significant sectoral strengths and a strong base of rural enterprises. The Launchpad provides a mechanism to address this imbalance by anchoring investment in place-based innovation and enabling local businesses to scale and compete nationally and internationally.

The Launchpad has generated strong interest from businesses across the region, with a growing number of collaborative R&D proposals and innovation projects in development. It is also helping to raise the profile of Mid and North Wales as a centre of excellence in agri-tech and food-tech, attracting attention from investors, policymakers, and research institutions across the UK.

For further information, please see: www.growingmid.wales/agritechfoodtech