

Senedd Cymru

Pwyllgor yr Economi, Masnach a Materion Gwledig

Ymchwiliad: Bargeinion Dinesig a Thwf

Cyf: CGD09

Ymateb gan: Cyngor Bwrdeistref Sirol Rhondda Cynon Taf

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Welsh Parliament

Economy, Trade, and Rural Affairs Committee

Inquiry: City and Growth Deals

Ref: CGD09

Evidence from: Rhondda Cynon Taf County Borough Council





Andrew RT Davies MS
Chair: Economy, Trade and Rural Affairs Committee
Welsh Parliament
Cardiff Bay, Cardiff
CF99 1SN

23rd June 2025

Dear Andrew,

Thank you for your letter dated 14th May 2025.

Progress to Date and Pace of Delivery

First and foremost, the advent of the City Deal and the establishment of CCR has meant that we work more closely together as a region. Officers from the 10 Councils in South East Wales and CCR now have mature working relationships with collaborative approaches to matters such as Creative Industries, People and Skills, etc. A typical example is the significant collaborative working across the region to deliver a 100% spend against the UK Government's Core Shared Prosperity Fund.

From an economic wellbeing point of view, CCR is working to ensure that the economic disparities that exist across the region are addressed as a priority. Undertaking research such as the Northern Valleys Deep Dive Competitiveness study shows that bespoke interventions in the coalfield communities will be necessary to avoid the gap between the most competitive areas of CCR and the north.

Investments to date have predominantly been in the south of the region but interventions such as the Housing Gap Viability Fund (designed to unlock sites blighted by coal mining and heavy industry legacy) and the Northern Valleys Initiative have the potential to deliver significant investment across the region as a whole and in particular in the South Wales valleys. As such, it is important that the delivery of these programmes is rolled out at pace.

CCR has taken a lead in place promotion and pursuing inward investment opportunities by developing a strong nationally and internationally recognizable brand and offer that would have been difficult to achieve as individual local authorities.

Consideration of some of the most significant projects and investments

RCT has been a significant beneficiary of the City Deal investment in Metro, Metro + and Valley Lines Electrification. RCT residents are already benefitting from increased rail services in higher quality trains. The investment in the South Wales metro is complimentary to the Placemaking Plans we have in our valleys towns and the increased services benefitting towns like Pontypridd promote increased investor confidence, land and property values and generally increased visitor numbers. CCR support has also been used to deliver innovative projects such as the Porth Transport Hub which is a high-quality bus/train interchange which facilitates an integrated public transport solution for the Rhondda Fawr and Rhondda Fach. Specific projects in RCT have benefitted from City Deal/CCR investment.

Zip World in the northern Cynon Valley received a loan from CCR to help establish a new tourism attraction at the former Tower Colliery site and this continues to be a successful venture bring much needed visitors to the area with a significant boost to the local economy.

The CCR Housing Gap Viability Fund has been used to support a local housebuilder to unlock the redevelopment of the former Aberdare Hospital site in the northern Cynon Valley. This is a strategic site in the Council's Local Development Plan but development became stalled by the presence of significant underground shallow mine workings. The CCR funding is being used to bridge the viability gap caused by the cost of dealing with the past mine workings to facilitate the delivery of up to 300 new homes in the Principal Town of Aberdare.

Understanding the impact of the deals

It is still relatively early to fully understand the full impact of CCR investment projects in RCT and the wider region. It will remain imperative to recognise that whilst there will certainly be benefits to RCT and the valleys from the spill-over effects of investment growth sectors and growth areas, accessibility and the transport network will still need to be improved to ensure that those opportunities are accessible to all.

Nevertheless, it is clear from the specific projects discussed above that CCR investment is making a difference by unlocking much needed new homes and creating jobs in key sectors such as Tourism.

Investment in Valley Lines Electrification will be a key enabler of the introduction of a 4tph service on the Aberdare and Treherbert Lines and a significant uplift in services between Pontypridd and Cardiff. The project means that there are significant increases in the number of RCT residents aged 16 and over within 15, 30, and 45- minute travel time of a 'key centre'. The investment has also resulted in improvements to a number of key stations along the network.

Governance and Democratic Accountability

CCR is democratically accountable to the Corporate Joint Committee, consisting of the ten Leaders from across the region. All of whom are actively engaged and providing strong political leadership for CCR. In addition, the work of the CCR is subject to scrutiny through Joint Overview & Scrutiny arrangements, and several sub-committees including governance and audit, standards, appointments regional transport and strategic development. To support effective scrutiny, this function is delivered on behalf of the CCR/CJC by Constituent local authority, who independently provide advice and secretariat support to the ten local authority non-executive members.

These arrangements provide for robust governance and meet the various statutory responsibilities of the CJC as a corporate legal entity. There is a need to ensure that, as these arrangements mature alongside the CJC, in addition to providing effective governance they are both proportionate and efficient.

Availability of Private Sector Investment

There is clear evidence that CCR investment in RCT is leveraging further private sector investment. The Housing Viability Gap Fund intervention in the former Aberdare Hospital Site was a mere fraction of the overall private investment needed from the developer to build the site out. Similarly, the loan given to Zip World has now been repaid meaning that the attraction has been developed largely through private sector investment with the CCR loan being integral to unlocking the initial potential of the site.

RCT Council is aware that a number of other businesses and investors are engaged with CCR around development opportunities in the area. It is important that this type of engagement remains slick and business friendly and the requirements of any funding application process need to be proportionate, simple and fit for purpose.

CCR remains best placed to promote the area on a national and international basis, with a view to securing private sector inward investment into all parts of the City Region.

How the Activities of the City Deal fits to the Wider Business Support activity

CCR has a key role in enhancing innovation capability and capacity, understanding where clusters can be enhanced and exploited and where best to support Research & Development, recognising that the culture and network of enterprise and entrepreneurship is relatively weak and underdeveloped in the Northern Valleys and developing interventions that systematically address this disparity.

CCR provides an added tier to already complex business support ecosystem in South Wales so it is important to ensure that its activities compliment the work of Local Authorities and Welsh Government's Regional Economic team and ensures that all businesses in the region have clarity on how best to seek the advice and support they need.

Regards,

A. Morgan

Andrew Morgan OBE

Arweinydd ac Aelod o'r Cabinet ar faterion Isadeiledd a Buddsoddi

Leader of the Council and Cabinet Member for Infrastructure and Investment

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