

**Andrew RT Davies MS**

Chair: Economy, Trade and Rural Affairs Committee  
Senedd Cymru  
The Senedd Pierhead St  
Cardiff  
CF99 1SN

27 October 2025

Dear Andrew,

**RE: Welsh City and Regional Growth Deals**

Thank you for your correspondence on behalf of the Economy, Trade and Rural Affairs Committee regarding the performance and future of the Welsh City and Regional Growth Deals.

The four Welsh Growth Deals - Cardiff Capital Region City Deal, Swansea Bay City Region Deal, Mid Wales Growth Deal, and North Wales Growth Deal - represent a landmark collaboration between governments, local authorities, and regional stakeholders. These Deals are designed to deliver long-term, transformational economic change through large-scale capital investments. While these investments take time to reach full maturity, they have already delivered thousands of jobs and significant projects across Wales.

The UK and Welsh Governments have each committed substantial funding to these Deals and jointly monitor their progress through established governance mechanisms, including quarterly oversight boards and annual assurance reviews. We remain committed to supporting the Deals in delivering investment where it is most needed.

In line with the Welsh Government's response, we remain committed to working collaboratively to ensure the Growth Deals deliver maximum benefit for communities across Wales. Both governments have provided the necessary tools to support delivery, and we continue to monitor progress closely to ensure that performance improves where needed.

We acknowledge the Committee's concerns regarding the North Wales Growth Deal. Both governments have taken steps to improve delivery, including appointing Non-Executive Directors and a senior investment specialist to strengthen governance and bring private sector expertise. We continue to engage regularly with Ambition North Wales and the Portfolio Management Office to provide support and oversight. I recently met with the Chair of the Deal this week to receive an update and to re-emphasise the need for rapid progress with delivery. Funding decisions are made annually based on performance and assurance outcomes, and we are working closely with partners to ensure future funding aligns with delivery expectations.

Regarding the Cardiff Capital Region, we recognise the importance of clear job creation metrics and transparency in delivery. The Welsh Government is working with CCR to review and, if necessary, revise these metrics to reflect current conditions. We also support efforts to monitor job distribution across the region to ensure equitable outcomes. On the Aberthaw project, we welcome CCR's steps to clarify development costs and secure private investment, and we continue to monitor spending to ensure best value for public money. The innovative Wider Investment Fund is already delivering returns, which is encouraging.

For the Swansea Bay City Deal, we acknowledge the distinct governance and funding structures compared to other Deals and are mindful of inflationary pressures affecting delivery. However, we welcome the work by the Deal to mitigate these issues through innovative value engineering within their projects and programmes. We remain open to discussions on mitigation strategies and additional support where appropriate.

In Mid Wales, we respect the decision not to transfer management of the Growth Deal to the Corporate Joint Committee and continue to monitor governance effectiveness. We are committed to supporting the region's unique challenges, including economic diversity and access to private investment. It is encouraging to see the Deal move swiftly into delivery, applying lessons learned from other Welsh Growth Deals to maximise impact.

Both governments encourage collaboration and knowledge sharing across all Deals to ensure lessons are learned and best practices adopted, especially during transitions in political leadership.

We welcome the Committee's engagement on this important agenda. Economic growth remains our top priority, and we expect each City and Growth Deal to deliver meaningful outcomes for the people of Wales.

Yours sincerely,



**Anna McMorris MP**

UK Government Minister for Wales  
Gweinidog Llywodraeth y DU dros Gymru