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Thank you for your letter regarding City and Growth deals in Wales.

We believe that the people who live, work and do business in each place know best and what their area needs to prosper and grow. The UK Government is engaging in an unprecedented programme of transferring decisions to local regions through City and Growth Deals. Over £700m of UK Government funding has been committed to Welsh City and Growth deals, with further funding to be made available for the mid Wales Growth Deal.

It is our ambition that all parts of Wales will be covered by a City or Growth Deal, which will act as a catalyst for regional working and to attract further investment to all parts of Wales. Each deal is different, reflecting the specific needs of each region, and each is at a different stage of development. I have set out below our approach to each deal.

Cardiff Capital Region City Deal

The Cardiff Capital Region City Deal was the first deal to be signed in Wales, and is rightfully ambitious for Wales Capital City and wider region. In return for generous government investment it places significant responsibilities and accountability on the ten partner authorities to deliver for the people living and working in the region. The UK Government is currently finalising how the 5 year Gateway will be conducted, and is working with the Welsh Government and other partners to ensure that all relevant parts of the deal are considered before the next tranche of money is released.

Swansea Bay City Region City Deal

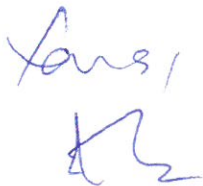
The Joint Independent Review of the Swansea Bay City Deal has now been published and provides us with a strong foundation upon which to move forward. We will work with the region over the coming weeks to implement its recommendations and to consider how best to ensure rapid delivery of those projects closest to approval. This includes considering the recommendations on assurance and evaluation alongside the draft monitoring framework which the region is working on.

North Wales Growth Deal

At Budget 2018 we announced £120 million for the North Wales Growth Deal which reflected the merits of the proposals brought forward. We hope that this figure will provide an impetus for all partners to get the deal over the line and produce a deal that will transform North Wales. There is a significant amount of work left to be done by local partners if we are to deliver a Heads of Terms which is ambitious for the region and we look forward to receiving robust plans to use this money to best effect alongside outline business cases.

Mid Wales Growth Deal

The Office of the Secretary of State for Wales is working with Powys and Ceredigion to help them consider what approach is best for mid Wales. There is not a one size fits all approach to growth deals, and it is important for the local area to consider for itself how a Growth Deal would be beneficial before negotiations with Government begin. Once firm proposals are received we will act quickly to ensure that Mid-Wales is able to benefit for the UK Government's City and Growth Deal programme as all other parts of Wales have done.



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