



**Cardiff Capital Region City Deal
Regional Cabinet Meeting**

10.30am-12.30pm on Monday 15 July 2019
Ebbw Room, Penallta House, Caerphilly County Borough Council,
Tredomen Park, Ystrad Mynach, CF82 7FQ

Minutes

Present

Leaders and Chief Executives

Cllr Nigel Daniels	Leader	Blaenau Gwent CBC
Michelle Morris	Managing Director	Blaenau Gwent CBC
Cllr Huw David	Leader	Bridgend CBC
Mark Shepherd	Chief Executive	Bridgend CBC
Cllr David Poole	Leader	Caerphilly CBC
Christina Harray	Chief Executive	Caerphilly CBC
Cllr Caro Wild	Cabinet Member	Cardiff Council
Paul Orders	Chief Executive	Cardiff Council
Cllr Kevin O'Neill	Leader	Merthyr Tydfil CBC
Cllr Peter Fox	Leader	Monmouthshire CC
Paul Matthews	Chief Executive	Monmouthshire CC
Cllr Debbie Wilcox	Leader	Newport CC
Cllr Andrew Morgan, Chair	Leader	Rhondda Cynon Taf CBC
Chris Bradshaw	Chief Executive	Rhondda Cynon Taf CBC
Cllr Anthony Hunt	Leader	Torfaen CBC
Alison Ward	Chief Executive	Torfaen CBC
Cllr Neil Moore	Leader	Vale of Glamorgan Council
Carys Lord	Head of Finance / Section 151 Officer	Vale of Glamorgan Council

Officers

Christopher Lee	Section 151 Officer	Accountable Body
Gareth Gates	Accountant	Accountable Body
Elizabeth Weale	Solicitor	Accountable Body
Jenna Walters	Solicitor	Accountable Body
Kellie Beirne	Director	City Deal Office
Rhys Thomas	Strategic Lead	City Deal Office
Nicola Somerville	Strategic Lead	City Deal Office
Liz Fitzgerald (minutes)	C&P Support Officer	City Deal Office
Bev Owen	Strategic Director - Place	Newport CC

Guests and Observers

Sara-Jane Byrne	Performance Audit Manager	Wales Audit Office
Ian Phillips	Performance Auditor	Wales Audit Office
Alastair Milburn	Managing Director	Effective

Apologies

Hrjinder Singh	Accountancy Manager	Accountable Body
Cllr Huw Thomas	Leader	Cardiff Council
Cllr Emlyn Dole	Leader	Carmarthenshire CC
Cllr Rob Stewart	Leader	City & County of Swansea
Gareth Chapman	Chief Executive	Merthyr Tydfil CBC
Will Godfrey	Chief Executive	Newport CC
Rob Thomas	Chief Executive	Vale of Glamorgan Council

1. Welcome and Apologies

Cllr Morgan opened the meeting and apologies were noted as above.

2. Declarations of Interest

No declarations of interest were raised.

3. Minutes of the meeting held on 10 June 2019

The minutes of the meeting held on 10 June were agreed.

4. 2019-20 Annual Business Plan - Quarter 1 Performance Report

1. Kellie introduced the report and confirmed that changes had been made to make it easier to read and more comprehensive. From Q2 onwards there would be a pipeline scheme tracker and a progress tracker of principal projects. It represented a more comprehensive and lighter touch. Cllr Morgan welcomed the report and the new format and asked for comments.
2. Cllr Wilcox said it was good to see that overall performance was good and noted that they needed to demonstrate a wider range of activities. Cllr Wilcox said she would like to understand the position with Nesta better. Kellie said a report had been shared with the CCR RSP and a further update would come to Regional Cabinet post Skills Plan being drawn up in the autumn.

It was **RESOLVED** that the CCR Regional Cabinet:

- a) noted the overall progress at Quarter 1 2019/20, including the budget position reported at Appendix 5;
- b) considered and deemed acceptable to approve the Quarter 1 performance report;
- c) authorised the Director of the Cardiff Capital Region City Deal to formally submit the Quarter 1 performance report, including supporting information to both UK and Welsh Governments, and other stakeholders as required, on behalf of the Regional Cabinet.

3. WAO Review of Governance Arrangements for the Cardiff Capital Region for Audit Year 2018-19

1. Ian Phillips confirmed he had conducted some one-to-one meetings and had also observed some RSP and RBC meetings. He recognised the region's progress and developments; the industrial plan was important and the region had a performance management framework in place. He noted that the Well-being of Future Generations work did need to be strengthened but understood this work was in train. The report noted issues that required further work such as transparency, public engagement and scope for advisory bodies to link up better. Overall progress had been made.
2. Cllr Wilcox noted that the issue on public engagement was not congruent just to the CCR body, it applied to other public bodies. There was a general discussion around the issues relating to public engagement.
3. Cllr Fox said that more could be done on public engagement. For example, some of the public may choose to want to watch through live streaming of the meetings. This option could be a healthy step forward. He queried if www.gov.uk could be utilised in some way.
4. Alison Ward asked if the Chief Executive Programme Board meetings should also include declarations of interest; it was confirmed that this was a good idea. Cllr Poole pointed out that declarations did not just apply to councillors but officers as well.
5. Cllr David welcomed the progress that had been made. He asked if the Regional Cabinet could have a report in, say, 6 months to indicate if the actions had been completed so that the Regional Cabinet could assure themselves they had complied.
6. Kellie Beirne endorsed all the proposals for improvement raised in the report. She noted that once the City Deal office had the Marketing & Communications Lead in place it would help with public engagement; job creation and the housing catalyst fund would also help demonstrate what they can do.
7. It was **RESOLVED** that the CCR Regional Cabinet:
 - a) noted the findings of the WAO Review of the Governance Arrangements of the CCRC for the Audit Year 18-19 and endorsed the corresponding actions put in place/already underway to address and implement them in full.

4. Cardiff Capital Region Business Council - 2019/20 Business Plan

1. Kellie Beirne introduced the report that set out the proposed plan for the RBC for 2019/20. The Business Plan focusses on areas around communications, engagement and visibility, doing business in the CCR and promoting challenge-led investment. It demonstrated the growing maturity of the RBC but there was some way to go in upping the ante.

Beyond MIPIM there would be much more focus on sectors and clusters with RBC members actively engaging and leveraging its networks. This would be a key area of focus and a key test of the RBC. One of the gateway review areas highlighted was around business engagement; an investment ask of £24k to support activity was therefore included; some sponsorship targets had also been set for the RBC to help leverage their networks. Kellie Beirne noted that in December 2019 SQW, on behalf of the National Evaluation Forum, would begin the 'one year out' report to inform Gateway Review.

2. Cllr Fox appreciated the work undertaken and said that the gateway review was an ideal time to reflect on how things were evolving. Originally, it was hoped that the RBC would stand on their own two feet and he felt that they were approaching that position. He was happy to support the report and the recommendations.
3. Cllr Morgan confirmed he was happy to support the report and the recommendations but was mindful of the £24k ask; he advised that they should remind the RBC that they were a regional body and not Cardiff-centric. He was pleased that the business engagement events were happening but expected more than one or two events. There were many smaller SMEs who should be engaged and he queried if the RBC were capturing them. Cllr Fox suggested he and Cllr Moore engage with the Chair of the RBC more closely.
4. It was **RESOLVED** that the CCR Regional Cabinet:
 - a) approved the Business Plan of the Regional Business Council 2019/20 and associated expenditure of £24,100 representing the contribution required of the City Deal to realising the objectives set out in the plan;
 - b) noted the in-kind contributions and sponsorship targets of £31,000 to be made by the Regional Business Council – representing good leverage and exemplifying the value of the commitment and engagement of the Regional Business Council.

5. **Strength in Places Fund - Wave 2**

1. Kellie Beirne introduced and went through the report.
2. Cllr Wilcox said that medtech was very important to the region; the proposal would be an important way of stimulating this sector of the economy. Cllr Fox agreed and said the key thing was projects that could drive the whole region; the report demonstrated it was a highly important area. Cllr Morgan was also happy to support it but suggested an ethical policy was required given the nature of the work. Kellie said it was not essential at this stage but would need to be considered as matters progressed. Cllr David said that even if the SIPF bid was not successful they were still developing a cluster and an ecosystem for that cluster which would be of great value to the region.

3. It was **RESOLVED** that the CCR Regional Cabinet:
- a) noted the progress being made in developing a strong consortium to develop a Wave 2 Strength in Places Expressions Of Interest (“EOI”) around the theme of Medical Devices and Diagnostics;
 - b) approved up to £50,000 from the CCRCW Wider Investment Fund’s Programme Development & Support budget to meet the costs associated with the compiling of a project team as outlined in the report;
 - c) delegated authority to the Director of the Cardiff Capital Region City Deal (in consultation with the Portfolio Member and Joint Committee s151 Officer) to finalise and submit the EOI on 9 October 2019;
 - d) agreed that if the EOI is successful and Strength in Places Funding is awarded to develop the proposal (‘the Detailed Proposal’) that:
 - i. CCRCW, (with the partners to the bid and within the limits of the funding awarded), undertakes the work required to develop the Detailed Proposal; and
 - ii. a further report (with supporting business case) be submitted to Regional Cabinet to seek approval of the Detailed Proposal to be submitted, including approval of any financial contribution required from the CCRCW Wider Investment Fund as part of the Detailed Proposal.
 - e) agreed that if the EOI is unsuccessful, to delegate authority to the Director of the Cardiff Capital Region City Deal to work with the consortium partners to submit further EOI under successive rounds of the Strength in Places Fund programme (in line with the approach and principles set out in this report).

4. **Report on Digital Interventions in Cardiff Capital Region**

1. Kellie introduced and went through the report that provided an update. The City Deal Office would need to take the work done to date by Cube Ultra forward but future activity would change fundamentally. The LFFN bid under Wave 2 had been submitted and taken forward by Newport, Monmouthshire, Blaenau Gwent and Torfaen local authorities. Originally, the intention had been to use a standalone network of school buildings that would have been of use to business customers. Following discussions with Welsh Government and DCMS, this was no longer possible. The new project provides base level connectivity across the region. The Deputy Economy Minister had instigated a PSBA review and CCR were included in those discussions. They now intended to develop one digital plan for the region. They had engaged extensively with the market who had indicated they would look to work on an ROI basis. CCR had now agreed with Welsh Government that they could have a joint investment fund with them for digital projects on a payback basis if public funding was unavailable.

2. Cllr Wilcox referred back to her previous comments about what was happening in England; she was disappointed by the report as it showed how far the region still had to go in terms of full fibre connectivity. She supported the proposal to support investment but felt it was somewhat sub-optimal. She felt that the strategy had been driven by funding rather than what was needed. In reality, they did not have many options but they needed to support the action. KB agreed it was sub-optimal in relation to the original proposal but the options were constrained and no other avenues were available in relation to the funds.
3. Cllr David said that it reflected the fast-moving world of digital. Pace was increasing and changing all the time. He said it was important the report reflected that rather than continue to progress plans on a digital world that had moved on. Digital connectivity was at the heart of everything. If they were able to secure other investment, it would be positive and allow them to reprioritise other funding.
4. It was **RESOLVED** that the CCR Regional Cabinet:
 - a) noted the work completed in respect of the original proposed business case for digital infrastructure attached at Appendix 1;
 - b) approved the change in direction set out in this report around digital infrastructure, specifically around the re-positioned LFFN bid;
 - c) noted the development of one shared digital infrastructure plan for CCR with Wales Government and the principle of the development of a business case for a joint 'bridging fund' with WG, which will be the subject of a further report following key foundational work and will be submitted as a proposal to the Investment Framework;
 - d) approved the emphasis on shaping the wider digital agenda in line with the priorities outlined in the Industrial Growth Plan and via the forthcoming Investment Prospectus;
 - e) agreed to fund the costs associated with LFFN development to date, noting:
 - i. that the costs of £91,000 expended to date with the further £15,000 needed to finalise the revised bid, which, when offset against the resources available from the original digital business case work, totals £59,000; and
 - ii. the revised DCMS LFFN Wave 2 submission attached at Appendix 2;
 - f) agreed to delegate authority to the Director of the Cardiff Capital Region City Deal (in consultation with the Portfolio Member and Joint Committee s151 Officer) to finalise the re-positioned bid, within the financial parameters outlined in this report;
 - g) approved to re-position the lead for the revised LFFN whole-region scheme from Newport City Council to the City Deal Office and note that an update report will be brought back in due course.

5. Updated Regional Cabinet Portfolios

1. Kellie introduced the report and went through the proposed Cabinet portfolio allocations. **KB**
2. It was **RESOLVED** that the CCR Regional Cabinet:
 - a) noted and endorsed the Lead Cabinet Portfolio holders as set out in the report.

Date of Next Meeting

Monday 9 September 2019 in the Ebbw Room, Penallta House, Caerphilly County Borough Council, Tredomen Park, Ystrad Mynach, CF82 7FQ

This document is available in Welsh / Mae'r ddogfen hon ar gael yn Gymraeg