

**Cardiff Capital Region
Regional Cabinet Meeting**

10.00am-11.00am on Monday 27 June 2022
Meeting Room 4, ICC Wales, Coldra Woods, The Usk Valley, Newport NP18 1HQ
and Microsoft Teams

Minutes

Leaders and Chief Executives

Cllr Stephen Thomas (MS Teams)	Leader	Blaenau Gwent CBC
Damien McCann	Interim Chief Executive	Blaenau Gwent CBC
Cllr Huw David OBE	Leader	Bridgend CBC
Mark Shephard	Chief Executive	Bridgend CBC
Cllr Huw Thomas (Vice Chair)	Leader	Cardiff Council
Cllr Sean Morgan	Leader	Caerphilly CBC
Christina Harrhy	Chief Executive	Caerphilly CBC
Cllr Geraint Thomas	Leader	Merthyr Tydfil CBC
Ellis Cooper	Chief Executive	Merthyr Tydfil CBC
Cllr Mary Ann Brocklesby (Vice Chair) (absent between 10:42-10:46)	Leader	Monmouthshire CC
Paul Matthews (MS Teams)	Chief Executive	Monmouthshire CC
Cllr Jane Mudd (Vice Chair)	Leader	Newport CC
Beverly Owen	Chief Executive	Newport CC
Cllr Andrew Morgan OBE (MS Teams)	Leader	Rhondda Cynon Taf CBC
Christopher Bradshaw	Chief Executive	Rhondda Cynon Taf CBC
Cllr Richard Clark (MS Teams)	Member	Torfaen CBC
Cllr Lis Burnett	Leader	Vale of Glamorgan Council

Officers

Jon Day	Economic Policy Manager	Cardiff Council
Frances O'Brien	Chief Officer	
Marcus Goldsworthy	Head of Regeneration and Planning	Vale of Glamorgan Council
Rachel Jowitt (MS Teams)	Chief Officer	Torfaen CBC
Christopher Lee (CL)	Section 151 Officer	Accountable Body
Gill Brown	Group Accountant	Accountable Body
Lindsey Yeoman	Accountant	Accountable Body
Gareth Gates	Accountant	Accountable Body
James Williams (MS Teams)	Solicitor	Accountable Body
Kellie Beirne (KB)	Director	Office of the CCR
Rhys Thomas (RT)	Chief Operating Officer	Office of the CCR
Hrjinder Singh	Head of Finance, Risk & Assurance	Office of the CCR
Nicola Somerville	Head of Inclusive Growth & Business Development	Office of the CCR
Jonathon Segarty	Corporate Governance Manager	Office of the CCR

EXTERNAL MINUTES

Steven Hazleton	Marketing & Communications Lead	Office of the CCR
Vikky David (MS Teams)	Social Media & Website Officer	Office of the CCR
Gemma Jones	Graduate Development Officer	Office of the CCR
Liz Fitzgerald (from 10:30)	Business Development & Partnership Officer	Office of the CCR

Observers

Sara-Jane Byrne (MS Teams) (SJB)	Audit Manager	Audit Wales
Phil Pugh (MS Teams) (PP)	Audit Manager	Audit Wales
Jenna Dillon (MS Teams)	Senior Project Delivery Manager – South East Wales	Welsh Government

Apologies

Cllr Anthony Hunt, Chair	Leader	Torfaen CBC
Stephen Vickers	Chief Executive	Torfaen CBC
Paul Orders	Chief Executive	Cardiff Council
Rob Thomas	Chief Executive	Vale of Glamorgan Council
Suzanne Chesterton	Head of Governance, Policy and Communications	Office of the CCR
Nicola Butler	Business Development & Partnership Officer	Office of the CCR

Recording of the meeting was started at 09:01

ACTION**1. Welcome and Apologies**

- (1) Cllr Huw Thomas opened the meeting and apologies were noted.
- (2) Cllr Huw Thomas congratulated Cllr Morgan and Cllr David who had both been awarded Officer of the Order of the British Empire (OBE) awards ahead of the 2022 Platinum Jubilee.

2. Declarations of Interest

Cllr Andrew Morgan declared an interest in Item 6 Annual Audit Plan 2021/22 because he knows PP and his family in a personal capacity.

3. Minutes of the meeting held on 14 March 2021

The minutes of the previous meeting on 14 March were agreed as a true and accurate record of the meeting.

4. Draft Statement of Accounts 2021/22 and Draft Annual Governance Statement – Controls, Ratings and Actions

- (1) CL introduced the report and confirmed that final versions would

be returned to Regional Cabinet by the end of November. CL thanked his team for their work developing the draft Statement of Accounts. A briefing session was requested on expenditure and profile.

ACTION: A briefing would be arranged to further discuss expenditure and profile. **KB**

(2) Cllr Huw Thomas received no questions and Regional Cabinet confirmed they accepted the recommendations of the report.

(3) It was resolved that the CCR Regional Cabinet:

(1) noted that the Draft Statement of Accounts for the year ended 31 March 2022 (attached as Appendix 1) had been:

- i. signed by the Section 151 Officer;
- ii. provided to Audit Wales to allow them to commence their audit of the statements;
- iii. will be made available for public inspection for a period of four weeks.

(2) noted that the Draft Annual Governance Statement document attached as Appendix 2 will be provided to Audit Wales as part of the audit and updated with further comments prior to finalisation.

5. 2021/22 Joint Committee Revenue Budget Final Outturn Position

(1) CL introduced the report and noted that Section 8 provided further information to the outturn; detail would be dealt with within the Statement of Accounts.

(2) Questions were raised around the variance with staffing costs; this was due to difficulties in recruiting to some positions and fixed term contracts. Agency workers had been appointed to fill some of the gaps. The future settled establishment of the CJC would help and would address recruitment concerns.

(3) Cllr Huw Thomas received no further questions and Regional Cabinet confirmed they accepted the recommendations of the report.

(4) It was resolved that the CCR Regional Cabinet:

(1) noted the final outturn position against the approved Joint Committee Revenue Budget for the year ending 31 March 2022.

6. Annual Audit Plan 2021/22

(1) KB introduced the item as Audit Wales colleagues had not yet

joined the meeting. The main focus would be on the CJC and Audit Wales had advised they were working on a Wales-wide piece of work. KB said that 2022/23 would include focusing on the investment framework and the adequacy of procedures of the approvals.

Phil Pugh and Sara-Jane Byrne joined the meeting at 09:58

- (2) PP highlighted some of the key risks on p151. A wide range of projects that had been improved were detailed on p152; work would include a review of the nature of the spend and the partners involved. SJB would be focusing on the investment programme performance and would be writing to the SEW CJC separately. There would be an increase in Audit Wales's fee due to the increase in complexity around the accounting arrangements.
- (3) Cllr Huw Thomas received no questions and Regional Cabinet confirmed they accepted the 2021/22 Annual Audit Plan.

7. 2021/22 Annual Business Plan - Quarter 4 Performance Report

- (1) KB introduced the report. There had been a change to the reporting requirements and the process had evolved and matured; for example, the report now demonstrated benefits realisation. The focus would be on building back fairer and better, scaling up, levelling-up the region, cluster and innovation-led growth and a stronger reliance on data to assist with future investments. KB provided an overview of current activity and investments. Leverage was positive and skilled roles had increased.
- (2) The report noted an increase in capital costs and inflationary pressures posed risks to delivery ie, supply chains, etc. An update on Metro Central would be brought forward to Regional Cabinet in due course. There had been a change in the delivery model for Apprenticeships. Leaders were interested in a forward projection of future leverage and KB confirmed that £2.1bn was anticipated in projected leverage. The Report stated the actual figure. Appendix 2, Table 4 set out the match against CCR capital investment; Leaders would like to see a timeline of income against spend.
- (3) Cllr Huw Thomas received no further questions and Regional Cabinet confirmed they accepted the recommendations of the report.
- (4) It was resolved that the CCR Regional Cabinet:
 - (1) noted the overall progress at Quarter 4 2021/22 included in Appendix 1 including the budget position reported at Appendix 2;
 - (2) considered and approved the Quarter 4 performance report and authorise the Director of the Cardiff Capital Region City Deal to formally submit the report, including supporting

information to both UK and Welsh Governments, and other stakeholders as required, on behalf of the Regional Cabinet;

- (3) noted the work on benefits realisation and impact assessment, alongside developing a new financial forecasting and profiling framework to enhance the overall CCR operating model, ensuring its fitness for purpose.

8. Administration of CCR Project Payments to Cardiff Council

- (1) KB introduced the report; Cardiff Council acted as the Accountable body for the CCR. The entire balance sheet, finance etc, sits with Cardiff Council on the CCR's behalf. However, Cardiff Council was also a recipient of CCR funding which resulted in a potential conflict of interest which the report set out to address.
- (2) Cllr Huw Thomas received no questions and Regional Cabinet confirmed they accepted the recommendations of the report.
- (3) It was resolved that the CCR Regional Cabinet:
 - (1) appointed Monmouthshire County Council to act on its behalf in respect of administering and awarding the funding to Cardiff Council that it has successfully received under the Housing Viability Gap Fund, Metro Plus and the Challenge Fund as detailed in this report.

9. CCR Headquarters and Registered Office

- (1) KB introduced the report which covered the re-designation of offices to sbarc|spark and changing the registered offices for the CCR and the SEW CJC. This would be part of a more agile approach in order to have a presence across the region.
- (2) Leaders discussed the report, including the rising headcount of staff - 10 were permanent and 20 were on fixed term contracts – although this fluctuates with project staff in addition. It was agreed that staff numbers would rise. The relocation to sbarc|spark was seen as positive; it was a strategic decision and would impact on how partners viewed the region and its work. It was also suggested that Regional Cabinet meetings should rotate around the region. It would be important to maintain and develop relationships with other HE institutions.
- (3) Cllr Huw Thomas received no further questions and Regional Cabinet confirmed they accepted the recommendations of the report.
- (4) It was resolved that the CCR Regional Cabinet:
 - (1) approved sbarc|spark as the new Head Quarters / Operating Base and Registered Office for the CCR team, with outposts in Bridgend as detailed in paragraph 15 of this report and to

continue to contract with Caerphilly CBC around the use of Tŷ Penallta as detailed in paragraph 16 of this report – alongside the flexible use of space across the whole region;

- (2) noted the budget implications, which fall within the operational and financial designations of the CCR Director;
- (3) noted and approved the proposals to grow the Invest in CCR brand with consolidation of some key branding material into the Invest in Cardiff Marketing Hub at Cardiff Castle and approves Invest in CCR occupying a small space alongside Invest in Cardiff at the Marketing Hub Cardiff Castle;
- (4) delegated authority to the CCR Director to approve the terms of and arrange execution of any legal agreements to occupy the accommodation detailed in recommendations (1) and (3) with authority for the CCR Director to further sub-delegate that authority to another Officer within the Accountable Body.

Recording of the meeting was stopped at 11:20

The reports and discussions below are exempt from publication because they contain information of the kind described in paragraphs 14 (information relating to the financial or business affairs of any particular person) and 21 (public interest test) of parts 4 and 5 of Schedule 12A to the Local Government Act 1972 and in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information

10. Report of the Investment Panel: Recommendations Logs, Strategic Outline Case and Project Updates

- (1) RT introduced the report.

Cllr Brocklesby left the meeting at 10:42 and returned at 10:46

- (2) Cllr Huw Thomas received no questions and Regional Cabinet confirmed they accepted the recommendations of the report.
- (3) It was resolved that the CCR Regional Cabinet accepted the recommendations of the exempt report.

11. Case for Loan to Human Data Science (HDS)

- (1) RT introduced the report.
- (2) Cllr Huw Thomas received no questions and Regional Cabinet confirmed they accepted the recommendations of the report.
- (3) It was resolved that the CCR Regional Cabinet accepted the recommendations of the exempt report.

The meeting ended at 11:10