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## REGIONAL CABINET MEETING: 10 JUNE 2019

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### Regional Cabinet Members Present:

Cllr Nigel Daniels, Leader	-	Blaenau Gwent Council
Michelle Morris, Managing Director	-	Blaenau Gwent Council
Cllr Hywel Williams, Deputy Leader	-	Bridgend Council
Cllr David Poole, Leader	-	Caerphilly Council
Christina Harrhy, Interim Chief Exec	-	Caerphilly Council
Cllr Huw Thomas, Leader	-	Cardiff Council
Paul Orders, Chief Exec	-	Cardiff Council
Cllr Kevin O'Neill, Leader	-	Merthyr Tydfil Council
Cllr Peter Fox, Leader	-	Monmouthshire Council
Paul Matthews, Chief Exec	-	Monmouthshire Council
Cllr Mark Whitcutt, Deputy Leader	-	Newport Council
Will Godfrey, Chief Exec	-	Newport Council
Cllr Andrew Morgan, Leader (Chair)	-	Rhondda Cynon Taf Council
Chris Bradshaw, Chief Exec	-	Rhondda Cynon Taf Council
Cllr Anthony Hunt, Leader	-	Torfaen Council
Alison Ward, Chief Exec	-	Torfaen Council
Cllr Neil Moore, Leader	-	Vale of Glamorgan Council
Rob Thomas, Chief Exec	-	Vale of Glamorgan Council

### Officers:

Chris Lee	-	Accountable Body
Liz Weale	-	Accountable Body
Hrjinder Singh	-	Accountable Body
Gareth Gates	-	Accountable Body
Jonathan Parsons	-	Bridgend Council
Rhian Kyte	-	Caerphilly Council
Kellie Beirne	-	City Deal Office
Rhys Thomas	-	City Deal Office
Nicola Somerville	-	City Deal Office
Matt Swindell	-	City Deal Office
Alistair Milburn	-	Effective Communications
Alyn Owen	-	Merthyr Tydfil Council
Victoria Robinson	-	Vale of Glamorgan Council

### Invited Guests:

Phil Pugh	-	Wales Audit Office
Sara-Jayne Byrne	-	Wales Audit Office
Angharad Penny-Evans	-	Welsh Government

## **1. Welcome and Apologies for Absence**

Cllr Morgan welcomed colleagues to the meeting, welcoming Cllr Neil Moore and Chris Lee to their first Regional Cabinet meeting in their respective new roles as Leader of the Vale of Glamorgan Council and Section 151 Officer for the Cardiff Capital Region City Deal.

At the commencement of the meeting, Cllr Andrew Morgan handed over to Kellie Beirne to Chair the initial part of the Annual General Meeting.

## **ANNUAL GENERAL MEETING MATTERS**

### **2. To Elect the Chairperson for the Regional Cabinet 2019/20**

*The Joint Working Agreement in relation to the delivery of the Cardiff Capital Region City Deal provides that the Chairperson of the Joint Committee shall be an elected Member representative of a Council appointed to the Joint Committee (Regional Cabinet) and shall rotate amongst the Councils on an annual basis*

Kellie asked colleagues for nominations for the Chair for the Regional Cabinet for the year 2019/20. Cllr Fox nominated Cllr Morgan to continue as the Chair for a further year, noting continuity and consistency were important for the initial years of City Deal as the development of processes and moves to delivering new proposals gathered pace, which nomination was seconded by Cllr David Poole.

It was noted that the Joint Working Agreement stipulated that the Chair would rotate amongst the Council's on an annual basis. Colleagues agreed to waive this stipulation for the present municipal year.

**RESOLVED** that:

- (i) the JWA stipulation on rotation of the Chair of the Regional Cabinet would be waived for the present municipal year ;
- (ii) Cllr Morgan should be re-appointed as Chair of the Regional Cabinet for the year 2019/20.

### **3. To Appoint the Vice Chairpersons**

*To facilitate the efficient workings of the Regional Cabinet it is proposed to appoint two Vice Chairpersons, from the elected Members representatives of the Regional Cabinet*

Kellie asked colleagues for nominations for the Deputy Chairpersons for the Regional Cabinet for the year 2019/20.

Councillors Peter Fox and Huw Thomas were nominated by Cllr Poole to continue in their roles from the previous year in support of Councillor Morgan; seconded by Cllr Morgan.

**RESOLVED** that:

- (i) Councillors Peter Fox and Huw Thomas would be re-appointed as Vice Chairpersons for the Regional Cabinet for the year 2019/20.

## **FORMAL MEETING MATTERS**

### **4. Declarations of Interest**

Cllr Morgan asked that all Members declare any relevant interest, in accordance with the Members Code of Conduct.

Cllr David Poole advised that he had an interest in Agenda Item 10 concerning the Strength in Places Fund item, and would leave the room when the report was due to be heard.

No further declarations of interest were made at this time.

### **5. Draft Minutes of Regional Cabinet held on 18<sup>th</sup> February 2019.**

The draft minutes of the meeting held on the 18<sup>th</sup> February 2019 were accepted as an accurate record.

### **6. 2018-19 Annual Business Plan - Quarter 4 Performance Report**

The Regional Cabinet considered a report on behalf of Kellie Beirne, Cardiff Capital Region Director regarding the 2018-19 Annual Business Plan - Quarter 4 Performance Report for consideration and approval. The Regional Director informed the meeting that the recommendation 1, as written in the report, required amendment and should have ended after the words, 'Appendix 5'.

**RESOLVED:** it was agreed that the Cardiff Capital Regional Joint Cabinet:

1. Noted the overall progress at Quarter 4 2018/19, including the budget position reported at Appendix 5.
2. Considered and deemed acceptable to approve the Quarter 4 performance report.
3. Authorised the Director of the Cardiff Capital Region City Deal to formally submit the Quarter 4 performance report, including supporting information to both UK and Welsh Governments, and other stakeholders as required, on behalf of the Regional Cabinet.

### **7. 2018/19 Joint Committee Revenue Budget Final Out-Turn and Proposal to Create Earmarked 'Reserves'**

The Regional Cabinet considered a report on behalf of Chris Lee, Section 151 Officer, Cardiff Capital Region City Deal regarding 2018/19 Joint Committee Revenue Budget Final Out-Turn and Proposal to Create Earmarked 'Reserves' for consideration and approval.

**RESOLVED:** it was agreed that the Cardiff Capital Regional Joint Cabinet:

- a) Noted the final out-turn position against the Joint Committee Revenue Budget for the year ending 31st March 2019;
- b) Approved the creation of two specific Earmarked Reserves amounting to £85,495 to meet specific costs identified in this report in future years in respect of the 'Gateway Review' process and to support the 'CDO Senior Officer Restructure and Recruitment' process;
- c) Following the approval of recommendation (b), delegated authority to the Joint Committee s151 Officer to manage the two specific Earmarked Reserves and to approve any expenditure that is to be met from specific Earmarked Reserves, subject to following the policies and procedures of the Accountable Body in respect of reserves and provisions of the Joint Working Agreement in relation to the delivery of the Cardiff Capital Region City Deal ('JWA');
- d) Following the approval of recommendation (b), approved that the underspend of -£123,498 in respect of the 2018/19 Joint Committee Revenue Budget is retained as a Joint Committee General Reserve to assist with general budget management in future years;
- e) Following the approval of recommendation (d), delegated authority to the Joint Committee s151 Officer in consultation with the Joint Committee Chair, to manage the Joint Committee General Reserve and to approve any expenditure that is to be met from the General Reserve subject to following the policies and procedures of the Accountable Body in respect of reserves and provisions, relating to expenditure, of the JWA.

**8. 2018/19 Unaudited Statement of Accounts including Annual Governance Statement**

The Regional Cabinet considered a report on behalf of Chris Lee, Section 151 Officer, Cardiff Capital Region City Deal regarding the 2018/19 Unaudited Statement of Accounts including Annual Governance Statement for consideration and approval.

**RESOLVED:** it was agreed that the Cardiff Capital Regional Joint Cabinet:

1. Authorised the Joint Committee Section 151 Officer to sign the Chief Financial Officer's Statement of Responsibilities on page 11 of the unaudited Statement of Accounts;
2. Noted that having had an opportunity to review and provide comments, the unaudited Statement of Accounts for the year ended 31st March 2019 (attached as Appendix 1) will be:
  - i. Formally provided to the Wales Audit Office to allow them to commence their audit of the statements;
  - ii. Will be made available for public inspection for a period of four weeks as per the indicative dates outlined in this report.

## **9. Proposals for a Strategic Development Plan (SDP)**

The Regional Cabinet considered a report on behalf of Councillors David Poole and Neil Moore regarding Proposals for a Strategic Development Plan (SDP) for consideration and approval. Discussion was had regarding the points raised in paragraphs 9 and 10 of the report.

**RESOLVED:** it was agreed that the Cardiff Capital Region Joint Cabinet noted the content of this report and subject to the following points, the draft template report at Appendix 1 was endorsed for use as the basis for a report to each Council comprising the Cardiff Capital Region, seeking approval to proceed with a Strategic Development Plan (SDP) for the Cardiff Capital Region. The draft report be amended such that (i) Option C (Costs split on the basis of Strategic Planning Panel Member Votes) in Appendix 2 (Options Paper on cost apportionment for SDP) be stated as the recommended way forward as regards sharing costs, with provision built in for review and (ii) and that as regards recommendation 4 of the draft template report, this should be amended such that 1 member from each constituent Council is nominated to represent their Council and their vote is weighted to reflect the figures given in the table set out in recommendation 4 of the draft report (that is, weighted votes).

Rhian Kyte left the meeting.

## **10. Strength in Places Fund – WAVE 1 – CS Connected**

*Cllr David Poole had earlier declared an interest in this item and left the meeting at this time.*

The Regional Cabinet considered a report on behalf of Kellie Beirne, Cardiff Capital Region Director regarding Strength in Places Fund – WAVE 1 – CS Connected for consideration and approval.

**RESOLVED:** it was agreed that the Cardiff Capital Regional Joint Cabinet:

- 1) noted the success of the CCR consortium in securing seed corn funding and being invited by UKRI to progress the initial Expression of interest ('EOI') application into a full business case or detailed proposal;
- 2) endorsed the approach – as described in this report – to developing the full business case and detailed proposal;
- 3) agreed to receive the full business case and detailed proposal at the Regional Cabinet meeting in September 2019 ahead of its submission to UKRI.

## **11. Investment and Intervention Framework and Toolkit**

The Regional Cabinet considered a report on behalf of Councillors Peter Fox and Huw Thomas regarding Investment and Intervention Framework and Toolkit for consideration and approval.

**RESOLVED:** it was agreed that the Cardiff Capital Regional Joint Cabinet:

1. approved the establishment of the Investment and Intervention Framework ('IIF') and the priority investment strands of Infrastructure, Innovation, and Challenge on the basis set out in this report;
2. endorsed the initial investment apportionment across the three investment priorities as set out in paragraph 17 of this report which will be reviewed annually as part of the annual business plan process;
3. approved the conclusion of the Overarching Funding Agreement (a draft of which is attached at appendix 2 to this report) and delegate authority to the City Deal Director to finalise the Overarching Funding Agreement and associated documentation, including completion of the following:
  - Investment Manual – in development – to follow;
  - KPI assessment model – to ensure that across the portfolio of projects funded from the IIF that appropriate and proportional contribution is made to the overall aims and objectives of the City Deal;
  - Sift Questionnaire – weightings and scores for each question, and

subject to such delegation being exercised:

- (i) in consultation with the Chair of Regional Cabinet and the S151 Officer for Regional Cabinet; and
  - (ii) such that the substance of the Overarching Funding Agreement and IIF process shall not differ in any material respect to that outlined in this report.
4. Approved the establishment of the Investment Panel as an advisory board to the Cardiff Capital Region Director, as detailed in paragraph 26 of this report and delegate authority to the City Deal Director to appoint, from time to time, the members of the Investment Panel, in accordance with the nomination process set out in paragraph 27 of this report and subject to such delegations being exercised in consultation with the Chair and Vice Chairs of Regional Cabinet.
5. Approved the proposed revised Regional Cabinet Portfolio Roles as set out in Appendix 5 to this report.

IT WAS FURTHER AGREED; that with Regards Recommendations 4 and 5, a further report would be submitted to Regional Cabinet noting the appointments made and allocation of portfolios.

6. Approved proposals for the launch and marketing of the Investment and Intervention Framework during the Wales Festival of Innovation.
7. To facilitate the effective operation of the IIF, delegated authority to the City Deal Director to:-
  - (i) identify or establish a framework agreement from which external advisors can be procured as and when required, to provide in-depth specialist due

diligence advice covering legal, financial, Page 15 of 15 commercial and technical advice in order to assess a project that is being considered for CCRCD funding;

- (ii) engage any individual, person, firm, partnership or company (and determine the terms of the contract), where the estimated value of appointments for any one project proposal does not exceed £100,000 and costs can be met from within approved budgets and note that the delegation set out in Schedule 1 of the Joint working Agreement (Delegations Policy) paragraph 27 is so amended; and
- (iii) carry out such tasks as are required and allocated to the Director under the Overarching Funding Agreement,

subject to such delegations being exercised: (i) in consultation with the Chair of Regional Cabinet and the S151 Officer for Regional Cabinet; and (ii) any resultant costs incurred being within approved budgets.

8. Noted and endorsed the work of the Cardiff Capital Region City Deal Director in undertaking a review of the process and procedures for Declarations of Interest.

## **12. Proposal for MIPIM 2020**

The Regional Cabinet considered a report on behalf of the Chair of the Regional Business Council regarding Proposal for MIPIM 2020 for consideration and approval.

IT WAS FURTHER NOTED; that the figure of £47k quoted in Paragraph 5 is incorrect. The cost breakdown was £30k in Regional Business Council contributions and £17k in additional costs (travel, accommodation, etc.)

**RESOLVED:** it was agreed that the Cardiff Capital Regional Joint Cabinet:

- 1. Noted the overview of experience, key benefits and lessons learnt from MIPIM 2019.
- 2. Agreed in principle participation of the CCR at MIPIM 2020, in line with the objectives set out in this report (see The Proposal for MIPIM 2020), to develop a partnership approach between the CCR and Cardiff Council, primarily funded through partner contributions.
- 3. Agreed to set aside £50,000 of the Wider Investment Fund as the CCR contribution to securing a space, position and profile at MIPIM 2020, alongside Cardiff Council, and key partners, and delegate authority to the City Deal Director to put in place the associated arrangements within the approved budget.

## **13. Local Evaluation Plan for the Cardiff Capital Region & Baseline Report for First Evaluation of the Wider Investment**

The Regional Cabinet considered a report on behalf of Kellie Beirne, Cardiff Capital

Region Director regarding Local Evaluation Plan for the Cardiff Capital Region & Baseline Report for First Evaluation of the Wider Investment for consideration and approval.

**RESOLVED:** it was agreed that the Cardiff Capital Regional Joint Cabinet:

1. Noted and endorsed the co-produced Locality Evaluation Plan for the Cardiff Capital Region – as a means of guiding the process of evaluating the impact of interventions on local economic growth.
2. Noted the first Baseline Report and support the City Deal Director in addressing the issues which require improvement around business and civic engagement, synchronising performance report and marketing and communications – all of which are set out in the Annual Business Plan – but will now need reinforcement and strengthening.
3. Noted the cost implications and budget provisions made as set out in financial implications above in 2019/20 and for which provision has been made in the Wider Investment Fund in 2019/20.

#### **14. 2019 Audit Plan – Cardiff Capital Region City Deal Joint Cabinet**

The Regional Cabinet considered a report on behalf of Wales Audit Office regarding 2019 Audit Plan – Cardiff Capital Region City Deal Joint Cabinet for consideration and approval.

*Phil Pugh declared a personal interest in this item. Phil Pugh referred to Paragraph 25 of the report where this declaration is stated. Councillor Andrew Morgan declared a personal interest (but not prejudicial) noting a previous professional relationship and ongoing friendship between Mr Pugh's wife and his Mother. Both remained present in the meeting.*

**RESOLVED:** it was agreed that the Cardiff Capital Regional Joint Cabinet noted the contents of the Report of Wales Audit Office.

#### **15. Appointment of Chief Operations Officer**

*Rhys Thomas of the City Deal Office declared a personal interest in this item and left the meeting whilst this item was discussed.*

The Regional Cabinet considered a report on behalf of the CCR City Deal Appointments Committee for consideration and approval.

**RESOLVED:** it was agreed that the Cardiff Capital Region Joint Cabinet confirmed and ratified the recommendation of the Appointment's Panel in respect of the appointment of candidate 342842, on a secondment basis, to the fixed term post of Chief Operations Officer.

Cllr Morgan thanked colleagues for attending and the meeting concluded.