

Bwrdd Tyfu Canolbarth Cymru / Growing Mid Wales Board

Man Cyfarfod
Meeting Venue
By Zoom



Dyddiad y Cyfarfod
Meeting Date
Dydd Mercher 26 Mai 2021
Wednesday, 26 May 2021

Amser y Cyfarfod
Meeting Time
5.30 pm

I gael rhagor o wybodaeth
cysylltwch â
For further information please
contact
steve.boyd@powys.gov.uk

20/05/2021

AGENDA

1.	CROESO AC YMDDIHEURIADAU / WELCOME AND APOLOGIES
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2.	DATGANIADAU O FUDDIANT PERSONOL / DECLARATIONS OF PERSONAL INTEREST
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3.	COFNODION DRAFFT Y CYFARFOD DIWETHAF 11/03/21 / DRAFT MINUTES OF THE LAST MEETING 11/03/21
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(Pages 3 - 8) (Fersiwn Gymraeg i ddilyn)

4.	BARGEN DWF CANOLBARTH CYMRU: DATBLGYIAD PORTFFOLIO / MID WALES GROWTH DEAL: PORTFOLIO DEVELOPMENT
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- Adroddiad: cynllunio ac adnoddau ar gyfer cyflawni cytundeb bargaen lawn
- Report: planning and resourcing for achieving full deal agreement

(Pages 9 - 20) (Fersiwn Gymraeg i ddilyn)

5.	PARTNERIAETH SGILIAU RHANBARTHOL: DIWEDDARIAD CYNNYDD / REGIONAL SKILLS PARTNERSHIP: PROGRESS UPDATE
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Ar lafar / Verbal

6.	UNRHYW FATER ARALL / ANY OTHER BUSINESS
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7.	DYDDIADAU'R CYFARFODYDD NESAF / DATES OF FUTURE MEETINGS
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11 Mehefin / June 2021 – Rhithiol / Virtual
21 Medi / September 2021 – Rhithiol / Virtual
10 Rhagfyr / December 2021 - Rhithiol / Virtual

**MINUTES OF A MEETING OF THE BWRDD TYFU CANOLBARTH CYMRU /
GROWING MID WALES BOARD HELD BY ZOOM ON THURSDAY, 11TH MARCH
2021**

PRESENT

Powys County Council Cabinet Members:

Councillor Rosemarie Harris Leader of Powys County Council **(RH) (Chair)**
Councillor Aled Davies, Portfolio Holder for Finance, Countryside and Transport **(AD)**
Councillor Phyl Davies, Portfolio Holder for Education and Property **(PD)**
Councillor Heulwen Hulme, Portfolio Holder for Environment **(HH)**
Councillor Iain McIntosh, Portfolio Holder for Economic Development, Planning and Housing **(IM)**

Ceredigion County Council Cabinet Members:

Councillor Ellen ap Gwynn, Leader of Ceredigion County and Cabinet Member for Policy Performance, Partnerships and Democratic Services **(EAG)**
Councillor Dafydd Edwards: Cabinet Member for Highways and Environmental Services together with Housing **(DE)**
Councillor Catrin Miles: Cabinet Member for Learning Services and Lifelong Learning **(CM)**
Councillor Rhodri Evans: Cabinet Member for Economy and Regeneration **(RE)**
Councillor Gareth Lloyd, Cabinet Member for Finance and Procurement Services and Public Protection Services **(GL)**

Fiona Stewart, Chair of the Economic Strategy Group **(FS)**

Officers:

Eifion Evans, Chief Executive, Ceredigion County Council **(EE)**
Dr. Caroline Turner, Chief Executive, Powys County Council **(CT)**
Carwyn Jones-Evans, Strategic Manager Mid Wales Growth Deal **(CJE)**
Clive Pinney, Solicitor to the Council, Powys County Council **(CP)**
Lowri Edwards, Corporate Lead Officer: Democratic Services **(LE)**
Nigel Brinn, Corporate Director Economy & Environment, Powys County Council **(NB)**
Paul Griffiths, Advisor **(PG)**
Russell Hughes-Pickering, Corporate Lead Officer: Economy & Regeneration, Ceredigion County Council **(RHP)**
Stephen Johnson, Corporate Lead Officer: Finance & Procurement, Ceredigion County Council **(SJ)**

In attendance: Elgan Hearn, Powys Local Democracy Reporter

1.	CROESO AC YMDDIHEURIADAU / WELCOME AND APOLOGIES
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The Chair welcomed everyone to the meeting.

Apologies received: Steve Hughson, Chief Executive of the Royal Welsh Agricultural Society.

2.	DATGANIADAU O FUDDIANT PERSONOL / DECLARATIONS OF
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PERSONAL INTEREST

There were no declarations of interest reported.

3. COFNODION Y CYFARFOD DIWETHAF/ MINUTES OF THE LAST MEETING 03/02/2021

The minutes of the last meeting held on 3rd February 2021 were agreed as a correct record.

4. MID WALES GROWTH DEAL: PORTFOLIO DEVELOPMENT

- **Report: Progress update and context for discussion**
- **Verbal: Feedback from the Economic Strategy Group**

CJE reported on the positive announcement from the UK Government's Spring Budget last week. CJE stated that instead of £15mil over 15 years for Growth Deal funding, the UK Treasury has decided that funding will be accelerated to be distributed over 10 years, which equates to £5.5mil per annum. The UK Government has not announced when the funding will begin and WG have not indicated whether they will be matching the funding profile as yet. CJE stated that this amendment does not result in any change to processes and fortnightly meetings are being had with WG and UK Civil Servants to maintain regular communication.

CJE provided a progress update from a pre-circulated report to Members on the formal development of the Mid Wales Growth Deal which included the draft Strategic Portfolio Business Case and the initial long-list of projects.

CJE stated that weekly officer meetings are being held to manage activity.

CJE stated that the Welsh European Funding Office have approved revenue funding at just over £1mil over 3 years which both Local Authorities have match funded and will help to establish the Portfolio Management Office (PMO). The structure will be discussed with both Chief Executives and will be concluded in the coming months.

CJE reported that the GMW website is now live and is being kept up to date with information on the Growth Deal and how businesses can engage. CJE explained that while the PMO is being established, business are being asked to approach the economy teams in both Local Authorities in the first instance for further discussion.

CJE stated that the Strategic Portfolio Business Case has been discussed at an informal joint Cabinet workshop between Ceredigion and Powys and has been discussed with the ESG. CJE stated that the Strategic Portfolio Business Case is the first formal document to be produced to both Governments to show the capacity and capability to deliver the Growth Deal.

CJE provided an update on the feasibility studies to all as outlined in the accompanying report. CJE stated that the current set of projects are still being scoped and will be communicated shortly once the long-list has been developed and further work has been undertaken to refine it into an initial short list.

CJE provided Members with the next steps as outlined in Section 5 of the accompanying report which will include sharing and publishing the feasibility studies to allow for more open, structured and detailed conversations. Further conversations will be had with both Leaders on strengthening communication and messaging as to how businesses can get involved in the development of the Deal.

PG stated that the team are working very closely with both UK and WG Governments which is providing confidence to both Governments that processes are being followed correctly and at the right pace. PG stated that capacity is having to increase as the workload increases and it is important to keep the pace as projects are being developed.

PG provided a brief update on the RLSP and stated that the work is moving at pace and will allow for opportunities on capital investment.

PG stated that feasibility studies are an important part of the work being done and the Board and the ESG will see them as an indication that projects are beginning to be developed and the change they will bring to communities.

PG stated that it will need to be made sure that the governance and assurance is in tandem with the expectations of both Governments, the Board and the ESG.

Following discussion, Members agreed to the two recommendations contained in the Report as follows:-

- To note the progress to date in developing the Deal, and the next steps outlined.
- To mandate the further development of the Portfolio Business Case as outlined, subject to additional views from the Board/ESG – so that initial programme and project proposals can be brought forward for consideration at pace.

- **Verbal: Feedback from the Economic Strategy Group**

FS provided feedback from the ESG meeting held on 3rd March 2021 and the discussion that was had on the initial long-list. FS stated that no decision was made by the ESG on the long-list and the ESG Members are looking forward to discussing the feasibility studies and decision making to come. The ESG Members felt that all projects were in the spirit of the Mid Wales Growth Deal. FS stated that the ESG Members are providing information to both Council's on the information they are looking for in order to work together.

FS suggested that the ESG Members are provided with questions that require response ahead of ESG meetings to allow discussions to take place between the ESG Members beforehand.

Going forward, FS stated that the ESG might be broken down in to smaller groups to discuss matters.

PG stated that further discussion will be had with FS and CJE to discuss these points further.

FS asked if there was a Vision Statement in place for the long-list of projects? FS stated that we are also in a changing financial and economical situation worldwide to the Covid-19 pandemic and the target areas of the feasibility studies may change. CJE confirmed that there is a Vision Statement in place, which was discussed with ESG Members in March 2019, which is included in the draft Strategic Portfolio Business Case document.

NB stated that discussions are ongoing concerning providing support and assistance to bring projects forward.

CJE stated that a press release will be issued today inviting ideas for the Growth Deal and information will placed on the GMW website. Further communications will be undertaken post-Election in May 2021.

PG suggested that Members of the GMW Board and ESG Members inform contacts through their networks of the opportunities of the Growth Deal and to guide them to the PMO for further discussion.

EAG wished to congratulate officers for all the work that has been undertaken to date. A lot more work will be undertaken to define projects to place on the short list and with different funding streams developing going forward, there may be more funding streams available for projects that will not come under the Growth Deal.

EAG asked if there is a need to have a joint Audit Committee established to oversee the work in addition to a joint Scrutiny Committee?

CJE and CP stated that that the joint Scrutiny is being developed and Terms of Reference have been drafted which will be presented to Members at the next GMW Board (Joint Committee) meeting. Arrangements for a joint Audit Committee will be discussed in more detail.

EAG asked for further information on two ideas discussed at the Senedd Scrutiny Committee by Cardiff City Council being a Challenge Fund to put in place to bring forward to new ideas to tackle problems and using some funding to reinvest in giving loans rather than full investment.

CJE stated that the latter point is not possible for the Mid Wales Growth Deal as it is a different model to other Deals in Wales however, there may be

opportunities to ask for some of these elements if appropriate. With regards to the Challenge Fund, CJE stated that there may be opportunities to pilot something similar in Mid Wales.

- **Revised Inter-Authority Agreement**

Whilst the revised Inter-Authority Agreement (IAA) had been formally withdrawn from this evening's Agenda, CP provided a brief update. CP stated that work has been undertaken to amend the IAA and there is still some further work to be done and discussion with the Board will be delayed until the next meeting on the 11th June 2021. However, CP stated that there is a suggestion that the Board should agree to extend the IAA to allow for the development of the portfolio development business case pending a formal amendment at the next Board on 11th June 2021.

All Members agreed to the form of wording (shared on screen by CP) to extend the IAA to cover the future development pending a formal amendment to the IAA at the next meeting on the 11th June 2021.

5.	REGIONAL LEARNING AND SKILLS PARTNERSHIP (RLSP): PROGRESS BRIEFING AND NEXT STEPS
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NB provided a progress update on the establishment of the Regional Learning and Skills Partnership (RLSP). NB stated that applications for the RLSP Manager was shortlisted last week and interviews will be held this Monday, 15th March 2021.

NB stated that Expressions of Interest are being sought for the Chair of the RLSP and Expressions of Interest forms will be circulated to Members post-meeting which Members can circulate as they see fit.

NB stated that meetings are ongoing with WG to ensure the Mid Wales RLSP will be treated equally to others in Wales.

6.	UNRHYW FATER ARALL / ANY OTHER BUSINESS
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None.

The Chair thanked all for attending and for all the work being undertaken.

7.	DYDDIADAU CYFARFOD NESAF / DATES OF FUTURE MEETINGS
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11 June 2021 – Virtual
29 September 2021 – Virtual
10 December 2021 - Virtual

County Councillor Rosemarie Harris
Chair

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REPORT TO THE GROWING MID WALES BOARD

26th May 2021

TITLE:	Mid Wales Growth Deal – planning and resourcing for achieving full deal agreement
AUTHOR:	Carwyn Jones-Evans & Paul Griffiths

1. Purpose of the Report

- 1.1. To provide Members of the Growing Mid Wales with an update on progress in the formal development of the Mid Wales Growth Deal.
- 1.2. To seek the Board's endorsement for the approach outlined, to ensure timely conclusion of the development phase to the satisfaction of both Governments and with the region's endorsement – to secure Full Deal Agreement within the calendar year.

2. Decision(s) Sought

- 2.1. To note the progress in developing the Growth Deal to date.
- 2.2. To support the outlined approach and the recommendation made to commission external temporary capacity to finalise the development of the documentation required to underpin Full Deal Agreement.

3. Introduction

- 3.1. Members will be aware that after successfully agreeing Heads of Terms at the end of 2020, work is currently ongoing to develop the necessary documentation, processes and detail required to secure the next milestone (Full Deal Agreement).
- 3.2. The broad overview of the key milestones in Growth Deal development is as follows:

Milestone	Pre-Requisites*	Key Documents*	Status
Heads of Terms	<ul style="list-style-type: none"> • Established Governance Structures • Clear proposition for a Deal (affirming the context, mandate and scope of the potential deal). • Establishing a structure and outline for the Deal Portfolio 	<ul style="list-style-type: none"> • Inter-Authority Agreement • Vision for Growing Mid Wales • Heads of Terms Agreement 	Achieved December 2020
Full Deal Agreement	<ul style="list-style-type: none"> • Evolved Governance Structures (for delivery phase) • Capacity (PMO) • Growth Deal Portfolio (proposed) 	<ul style="list-style-type: none"> • Revised IAA • Full* Portfolio Business Case (with sufficient detail for Government to have a clear understanding 	Ongoing – target by region of achieving within 2021 calendar year.

	<ul style="list-style-type: none"> Assurance – key documents and reviews undertaken (to the satisfaction of both Governments) 	<p>of the potential Programmes/Projects that will be brought forward – with robust metrics in terms of outputs and financials).</p> <p>Documentation to underpin FDA*:</p> <ul style="list-style-type: none"> Communications Protocol M&E Plan Benefits Realisation Strategy IAAP Change Management Strategy Benefits Cost Ratio Assessment Financial Plan Procurement Strategy Implementation Plan <p>Assurance*:</p> <ul style="list-style-type: none"> Project Validation Review (PVR) Accounting Officer Review (AOR) 	<p>NOTE: Timings subject to addressing capacity constraints (the purpose of this report).</p>
Grant Offer Letter(s)	To be confirmed	To be confirmed	Post FDA

**Information/guidance on expected level of detail of content, timings and expectations are the subject of ongoing discussion with both Governments. This table forms the regions' current understanding of requirements at the time of writing this report.*

- 3.3. Members will be aware from previous report that the length of time Growth Deals move from Heads of Terms to Full Deal Agreement are on average 12 months – but are variable. At the point of signing, no two Deals are at the same stage in their evolution – and both Governments have been supportive throughout of the Mid Wales Growth Deal in following a realistic and achievable timescale in the context of our emerging Portfolio.
- 3.4. The political mandate and drive from the GMW Board (Joint Committee) has been consistently clear: - to work towards achieving Full Deal Agreement within the calendar year (2021). This also has been strongly echoed from the private sector (Economic Strategy Group), to move from development to delivery in the shortest realistic timeframe to ensure the Growth Deal delivers tangible benefits for the region.
- 3.5. From April '21 onwards, officers from the region have begun to meet the civil servants in both Governments on a fortnightly basis to ensure regular dialogue on

progress, and to continue to clarify expectations and detail required. Both Governments are clear in their support and commitment to bringing the Growth Deal to fruition – at a realistic and achievable pace.

- 3.6. These conversations have been constructive and useful in developing the understanding in the officer team of the requirements for achieving FDA. However, there remains a degree of uncertainty and subjectivity on the detail of the requirement, and on the possible timescales.
- 3.7. This is primarily due to there no being written template/instruction to follow – more of plotting a course somewhere between the Portfolio approach advised (which is still largely formative in terms of any clear guidance), and what North Wales recently achieved (which was a programme and project led, with the formation of a Portfolio alongside).
- 3.8. Each Deal is different, and the onus is very much on the region to develop key documentation, alongside the development of robust governance, assurance and audit arrangements to a standard satisfactory to both Governments.
- 3.9. It is important to note that both Governments' civil servants have been extremely helpful and engaging throughout. However, it is clear that formal feedback on the documentation and arrangements established can only realistically be expected upon formal submission of the proposition to Governments.
- 3.10. There is therefore a balance to strike between ensuring the logical and iterative development of the Deal through close engagement with both Governments and moving progressively from Portfolio to Programme to Project, against ensuring that the timescale does not become locked in a continual loop of engagement – with no formal trigger or signal to submit to Governments.
- 3.11. Work is underway to develop the Portfolio in the manner expected by Government – however, capacity and capability constraints in the region have also become acutely apparent in recent weeks, with both Local Authorities local teams juggling their continued response to Covid and business support, new funding opportunities and ever increasing expectations locally.
- 3.12. This report therefore sets out in detail, the situation and progress achieved to date, the work remaining to be undertaken – and a recommendation for the Board to consider.

4. Progress To Date

4.1. This section provides an update on progress achieved since the last update to the GMW Board on 11th March.

THEME		Situation Update	Next Milestones/Tasks
Governance (Development)		<ul style="list-style-type: none"> IAA in place, with established Joint Committee, Economic Strategy Group and Officers Management Group 	<ul style="list-style-type: none"> Extension/evolution of IAA to cover remaining development phase.
Governance (Delivery)		<ul style="list-style-type: none"> Consideration of IAA2 needs to start in earnest (not started) 	<ul style="list-style-type: none"> Determination of IAA2 requirements and consideration against emerging legislation (CJCs) – set out pathway and transition plan.
Finance		<ul style="list-style-type: none"> LA budget contributions for 2021/22 revenue secured (£100k each). 	<ul style="list-style-type: none"> Deal delivery arrangements and resource implications need to be identified and resolved.
Management		<ul style="list-style-type: none"> Tools and key documents for the PMO are being developed (risk registers and milestone trackers) 	<ul style="list-style-type: none"> Further development of tools/processes (once PMO is in place)
Assurance		<ul style="list-style-type: none"> Initial PVR undertaken Early IAAP drafted 	<ul style="list-style-type: none"> Identify Assurance needs from both Government in advance of FDA (PVR, AOR) – currently unclear.
Communications		<ul style="list-style-type: none"> Communications Protocol in place Action plan in place, with communications sub-group established 	<ul style="list-style-type: none"> Protocol and action plan to be review by GMW Board in advance of FDA – and then again post FDA
Resourcing		<ul style="list-style-type: none"> Strategic Lead Officer on temporary secondment alongside Lead Advisor. Officer resource across Local Authority teams in the form of workstreams. PMO architecture agreed by the Management Group, and being recruited (5 roles initially). Capacity to further develop Portfolio/Programme Business Cases urgently required. Project development capacity limited across proposing bodies. 	<ul style="list-style-type: none"> Transition from existing lead officers to PMO will continue until PMO established (existing arrangements will continue until PMO is established). PMO recruitment underway (May-July 2021) Resolve immediate capacity shortage to conclude Portfolio development for FDA, with associated Programme-level cases. (Section 5 of this report). Ensure sufficient capacity for project development to outline-stage to inform Portfolio/Programme cases, as required (in lead/partner organisations).

<p>Growth Deal Portfolio Development</p>		<ul style="list-style-type: none"> • Strategic Portfolio Business Case in place (agreed by GMW Board 11/03/21). • Programme Scoping/Development underway (see below) • Project discovery underway – establishing more information on potential project proposals. Workstream leads working with proposed projects to seek their development to SOC stage. 	<p><u>Portfolio (high-level actions):</u></p> <ul style="list-style-type: none"> • Economic Case development: <ul style="list-style-type: none"> ○ Long-List Review ○ Short List Development & Refinement ○ Relevant ESG engagement & Board decisions • Completion of Management, Financial and Commercial Cases. • Revisit of Strategic Case – update economic baselines/information & headline metrics (outputs/investment objectives). <p><u>Programme-level:</u></p> <ul style="list-style-type: none"> • Completion of current feasibilities/programme scoping activity underway. • Development of relevant programme-level business cases to sufficient level of detail to inform the Portfolio. <p><u>Project-level:</u></p> <ul style="list-style-type: none"> • Identify options (initial long-list developed) and open invite for further expressions of interest. • Scope options (invite details and explore tangible/viable options). • Long-list review – take advice from Board & ESG on forming a short-list that will form the initial Portfolio for consideration by both Governments. • For FDA - ensure development of project information to outline stage.
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4.2. The following table provides an update on each workstream for each of the 8 strategic thematic priorities set out in the Vision for Growing Mid Wales and the early Growth Deal Portfolio:

WORKSTREAM		Situation Update	Next Milestones/Tasks
Agriculture, Food and Drink		<ul style="list-style-type: none"> Outline projects being scoped (by project proposers). Project proposals taking time to develop (capacity and time consideration by leads). 	<ul style="list-style-type: none"> Continue to work with emerging project proposals – ensure proposals are developed at page. Lead proposers need to ensure sufficient capacity/priority in their organisation to ensure development is brought forward. Review of proposed projects against emerging Portfolio – and review of long-list/short-list formation.
Applied Research and Innovation		<ul style="list-style-type: none"> Vision for Applied R&I (programme feasibility) underway. Outline projects being scoped (by project proposers). 	<ul style="list-style-type: none"> Completion of the Vision for Applied R&I (June 2020) Review outline projects against the Feasibility, and set a plan to engage & agree on the potential projects.
Digital		<ul style="list-style-type: none"> Digital Programme – being scoped, with phase 1 development of a SOC nearly complete. Significant engagement and programme shaping, with potential projects being identified. 	<ul style="list-style-type: none"> Recruitment of a Programme Manager (underway). Completion of the Phase 1 of the Digital work (May 2020) Proceed with Phase 2 and ensure detail is ready for next iteration of Portfolio development.
Energy		<ul style="list-style-type: none"> Regional Energy Strategy agreed and adopted. Draft Terms of Reference for Energy Advisory Group in place. Hydrogen Study Commissioned (underway). 	<ul style="list-style-type: none"> Hydrogen Study – will be undertaken now until September 2021. Advisory Group – will be established over the Summer. Potential projects may emerge from the work ongoing/steering group – but this will be kept under continual review.
Strengthened Tourism Offer		<ul style="list-style-type: none"> Outline projects being scoped (by project proposers). 	<ul style="list-style-type: none"> Engagement/work underway to consider the scope of any potential feasibility/sector focused piece of work. Continue to work with emerging project proposals – ensure proposals are developed at page. Lead proposers need to

		<ul style="list-style-type: none"> Recognised need for wider consideration of sectoral needs in relation to covid recovery and sector development. 	<ul style="list-style-type: none"> ensure sufficient capacity/priority in their organisation to ensure development is brought forward. Review of proposed projects against emerging Portfolio – and review of long-list/short-list formation.
Skills & Employment		<ul style="list-style-type: none"> RSP Manager recruited. Regional Skills Partnership established, Chair recruited (1st meeting 12/05/21). No capital projects identified/proposed as yet. No lead officer/resource established to consider potential capital needs. 	<ul style="list-style-type: none"> Work will continue to establish RSP and develop plan. This will lead to a better understanding of needs assessment – and potential capital needs. At this stage, it is unlikely capital proposals will come forward for Growth in the short term – however, priority remains in scope of the Portfolio, should options come forward, or further funding is made available.
Supporting Enterprise		<ul style="list-style-type: none"> 3 stage assessment completed. Outline for a potential programme drafted – initial projects/sites and fund potential identified, but requires further work. 	<ul style="list-style-type: none"> Recruitment of a Programme Manager in the PMO (underway). Engage with WG Property team – and evaluate findings/develop initial action plan (underway). Review outline projects against the Feasibility and ensure detail is ready for next iteration of Portfolio development. Establish programme board/structure to form and take activity forward.
Transport		<ul style="list-style-type: none"> No existing avenue for transport projects to be funded within current funding envelope (Growth Deal) - however, work is continuing through existing regional mechanisms (TraCC) to maintain awareness. Cross-border collaboration underway on a rail connectivity study “Marches, Mid Wales & Cheshire- West Midlands Connectivity Assessment” – will identify service options post HS to Birmingham and Crewe. 	<ul style="list-style-type: none"> Completion of the rail connectivity study – will help inform options for Mid Wales on cross-border routes. Unlikely capital proposals will come forward for Growth Deal in the short term – however, priority remains in scope of the Portfolio, should options come forward, or further funding is made available.

- 4.3. **Projects:** as noted in previous updated to the GMW Board – projects are being explored and scoped informally only at this stage.
- 4.4. The process set out by Government is iteratively developing the Strategy, Portfolio and Programmes – before moving on to decide and agree on our projects.
- 4.5. What we are undertaking currently are conversations with the project proposers in each case, and encouraging the development of their proposals to a level of detail that can help the Board and ESG to start making informed decisions against the emerging Portfolio – on determining the mix of projects that will be put forward for initial consideration by Governments in the Autumn.
- 4.6. Officers have undertaken conversations with the proposals that were put forward in the long-list, and are entertaining conversations with additional options being proposed.
- 4.7. This approach is deliberately undertaken, as the onus on developing the detail of the proposal is on the proposer – not the region. Success in project delivery is directly related to the capacity and capability of the proposing organisation – and this current approach is a good way of determining the organisational ability to deliver these schemes. The five case business model process aids in this regard, as the proposers need to be able to develop their proposals to a strategic outline stage – to set out what they intend to do, how they are thinking of funding and deliver it. This is the sort of information officers will need to make recommendations to the Board.
- 4.8. The current list of projects being explored at this stage are as follows:

***IMPORTANT NOTE:** it is important to note that this is a developmental list – and does not form officer opinion or decision on whether or not these projects should be taken forward for consideration. That decision ultimately lies with the GMW Board, and upon seeking appropriate advice and challenge from the ESG. The projects all need to be able to demonstrate fit and alignment with the regional strategy, and early Portfolio Business Case - and clear alignment and need for Growth Deal funding. Growth Deal is not a general grant fund – but rather an investment vehicle for economic infrastructure.*

Supporting Enterprise:

- Aim to establish a strategic programme of direct public investment to secure delivery of essential employment property & infrastructure to meet current and stimulate future demand and complementary measures to stimulate investment by the private sector. Strategic site options being considered, alongside potential delivery mechanism (fund or direct intervention in individual sites).

Digital

- Options being scoped across 3 distinct packages – in development, engagement on options underway Summer 2021:
 - **Build:** Projects that directly build new infrastructure, including ducts digging, fibre laying, mast construction or re-purposing, and other asset creation or re-use
 - **Enable (Process, Policies and Engagement):** These projects focus upon putting in place the mechanisms that are needed to help accelerate Digital Infrastructure build, for example, easing supply side issues by removing or minimising typical deployment barriers; and

addressing demand side issues by actively raising citizen awareness of services and encouraging changes in consumer behaviour, to stimulate demand, for example by encouraging and helping citizens or businesses to apply for grants or voucher schemes.

- **Skills:** to ensure that Mid Wales has access to the specific knowledge and expertise needed to grow our Digital Infrastructure footprint. Note: will be a key consideration for emerging Regional Skills Partnership.

Strengthened Tourism Offer

- Centre for Alternative Technology – Cynefin
- Ceredigion Harbours

Applied Research and Innovation:

- National Spectrum Centre
- Innovation Park
- Advanced Manufacturing Cluster (concept in development, possibly linked to the Sites and Premises review)

Agriculture, Food & Drink

- Food Retail Experience Centre
- University of Gastronomy
- Food Manufacturing Innovation Centre

Organisations currently in dialogue with Local Authority teams about potential proposals:

- Montgomery Canals Trust
- Dwr Cymru
- Green Man Festival
- National Library of Wales
- Black Mountains College
- Riversimple

- 4.9. At this juncture, it is important to note that these are the sum of proposals that have come forward for consideration from both within the Local Authorities - and the external partners in the region. The officer teams in both Local Authorities are willing to have a conversation with any interested stakeholder – as was set out in recent press releases and on the website.
- 4.10. All of these options are being considered on their merit – and if not appropriate for Growth Deal funding, officers will work to determine the best avenue for funding.
- 4.11. The ongoing feasibilities will help shape our collective understanding of the needs and opportunities in each area of focus – and will help provide information on the fit of potential projects being considered. There may well be gaps in proposals as they stand – because capacity may not exist in the public/private (or even third sector) to bring solutions/proposals forward.
- 4.12. For the Autumn, officers working on the detail of the Deal are confident there will be sufficient proposals in a position to ensure delivery and securing the funding.
- 4.13. The Board will be able to consider the project options available – and make informed decisions on the scope and focus of the Growth Deal Portfolio in the context of the available short-medium term options – and set out a strategic steer for developing proposals in collaboration for the medium-long term to address our regional needs.

This may involve putting further capacity and capability into local authorities/external partners, in order to develop strong proposals in future years of the Growth Deal.

- 4.14. However, significant short term capacity constraints exist within the Local Authority teams working on developing the Growth Deal in order to achieve Full Deal Agreement by the end of 2021.

5. ISSUE – SHORT TERM CAPACITY CONSTRAINTS

- 5.1. Development of the Growth Deal to date has largely relied on officers from across the two Local Authority teams, working alongside both Governments and key partners in the region.
- 5.2. The appointment of a strategic lead, alongside an experienced advisor has gone some way to inform and shape the workload across the two teams, and has ensured the establishment and recruitment of a Portfolio Management Office.
- 5.3. Transition arrangements are underway to establish the PMO, with the existing arrangements of lead officer and adviser continuing until such time the PMO will be established and underway.
- 5.4. Post Heads of Terms, the workload has significantly increased – as the detail of the requirements have become known from both Governments, and the detail of recent submissions of similar Deals in North Wales and developing the Borderlands have become known.
- 5.5. Work is progressing on a number of fronts to try and move the Growth Deal forward – however, competing pressures (Covid initially, then new funding streams) across both local teams are having an increasing and continuing impact on the region's ability to meet its own ambition of achieving Full Deal Agreement within the calendar year.
- 5.6. It is clear the work needs to be undertaken at local level to develop the detail of Programmes and Projects, however significant resource and skills are required in a central team to pull all available information together, assess and help build the Portfolio and Programme Cases to a standard that will be to the satisfaction of both Governments.
- 5.7. The approach to date has been one of an iterative development and engagement with both Governments – however, this risks continuing indefinitely – unless the region can provide a significant injection of resource to project manage, and package the bid for submission to achieve FDA within the desired timescale.
- 5.8. The officers that have worked on the bid to date have increasing, competing priorities locally in both Local Authorities – and time and resource is thin on the ground.
- 5.9. The recruitment of the PMO will mean that the team will not be in place until at least July, and will not be an effective solution to the short term capacity problem.

6. RECOMMENDATION – SOURCE COMMISSIONED CAPACITY

- 6.1. Other Deals (North Wales & Borderlands) came across a similar capacity and capability issue when it came to preparing/packaging their Deal for submission to both Governments.

- 6.2. We are therefore seeking the support of the Board to urgently commission external capacity to help programme-manage the remaining work to FDA, further develop the Portfolio Business Case and associated Programme Business Cases.
- 6.3. It will be imperative that we can bring in an experienced team, that have directly relevant experience in achieving similar works in other Deals.
- 6.4. We envisage the value of the works to be in the order of £80,000.
- 6.5. For 2021/22 – it is anticipated the Board will have a defined revenue budget consisting of annual contributions from the two Local Authorities – this will enable the current team, and the incoming PMO to be able to adequately resource the evolving work programme.
- 6.6. In lieu of the Board not yet having confirmed its budget for 2021/22 – it is proposed this work taken forward under the delegated authority of the Chief Executives to authorise direct contributions to fund this work.

7. Legal Implications

- 7.1. There are no legal implications arising from this report.

8. Human Resources Implications

- 8.1. There are no HR implications arising from this report.

9. Financial Implications

- 9.1. Both Chief Executives have previously indicated the availability of budget from both Local Authorities to fund this additional work.

10. Appendices

- None

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