



REPORT TO THE GROWING MID WALES BOARD

10th November 2020

TITLE:	Mid Wales Growth Deal – Progress Update
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1. Purpose of the Report

- 1.1. To provide a written briefing on progress to Members of the Growing Mid Wales Board in relation to the formal development of the Mid Wales Growth Deal.

2. Decision(s) Sought

- 2.1. None. Report provided as a written briefing in advance of the meeting on 10/11/20.

3. Progress Update (July-October 2020)

- 3.1. The GMW Board last met formally on 23rd July 2020. At the time, the region was still awaiting the formal response from both Governments on the publication of the Vision for Growing Mid Wales document, and officers were proceeding to progress the work through the GMW Management Group and with civil servants from both Governments.
- 3.2. This consisted of a significant programme of activity (key headings of which were communicated at the last Board meeting), to progress:

Strategic Development

- Officers continuously work with Government officials to seek clarity on the critical path to develop the Deal (expectations, process and key milestones).

Governance & Assurance

- Conduct a Project Validation Review (PVR) – to help inform the operational development of the supporting governance and management arrangements of the Deal in the run up to Delivery. Recommendations and actions will be considered by the Chief Executives and designated officers as the Deal develops.
- Early planning work started to initiate the development of the second governance agreement required to underpin the delivery of the Growth Deal (Inter-Authority Agreement 2).

Communications & Engagement

- Continue to engage and update key stakeholder and decision making groups (GMW Board, GMW Partnership and the Economic Strategy Group). Meeting with the ESG held in September to ensure close engagement with developments.

- Work ongoing with key stakeholders to ensure continued engagement and involvement of key groups as the process enters the next phase.
- Develop and soft-launch of the website: www.growingmid.wales (now live).

Capacity and Capability:

- Plan for and progress the funding to establish a regional Portfolio Management Office (PMO).
- Secure training for regional officers on the 5 case business model.
- Establish interim officer capacity to lead on the Growth Deal for its development phase.

Developing the detail

- Portfolio Development: organise and conduct the first set of workshops with Joe Flanagan and officials from both Governments to scope and map out process.
- Continue to develop the detail on the feasibility studies already commissioned and underway (Sites & Premises, Energy).
- Progress further areas for feasibility (Digital, Hydrogen, Applied Research & Innovation).

3.3. All of the above work has progressed as planned. Officers across both Local Authorities have managed to support the process, as well as progress arrangements for the recruitment of the lead officer.

4. Progress Towards Securing Heads of Terms

4.1. Members will recall the two distinct phases of securing a Growth Deal.

- Heads of Terms Agreement: the first document signed by the Political Representatives of the Region and both Governments – outlining the broad scope and funding envelope of the deal, governance and assurance arrangements, and the joint commitments agreed to by all parties to bring forward the full development of the Mid Wales Growth Deal.
- Full Deal Agreement: the legally-binding agreement following Heads of Terms that confirms detailed expenditure and operational detail on the implementation of the Deal. (It is only after Full Deal Agreement that funding and delivery begins).

4.2. On 13th October 2020, the formal joint response from both the UK and Welsh Governments on the document submitted back in May, was received. A copy of the correspondence is found in Annex A of this report.

4.3. The letter outlines a clear acceptance of the case having been made in Mid Wales for a Growth Deal, and positive confirmation of the approach undertaken by the region to date – and affirmation of the way forward.

4.4. The letter three main areas of focus to further develop the Growth Deal:

- Governance & Assurance
- Portfolio Business Case Development
- Communications & Engagement

- 4.5. Members will note the progress already achieved in Mid Wales relating to the above headings, in Section 3 of this report.
- 4.6. The Leaders of both Powys and Ceredigion Councils have responded to the Ministerial Correspondence, requesting a meeting is scheduled late in the Autumn – to ensure the agreed aspiration of securing Heads of Terms in the Autumn is achieved.
- 4.7. Meetings are arranged in the coming weeks between officers and officials to develop the scope and underpinning detail of the initial Heads of Terms agreement.
- 4.8. It is envisaged the process to agree Heads of Terms would be as follows:
 - Officers to scope the initial detail and draft agreement (early November).
 - Members to provide a view at the next Joint Committee/Board meeting on 4th December 2020 (pending good tripartite progress by officials).
 - Ministerial meeting with both Leaders (scoping to be held immediately after the Board meeting 4th December) – to agree/sign.
- 4.9. At this point, it is pertinent to re-iterate that the Heads of Terms agreement is only the first part of the formal agreement process – and is not a legally-binding document.
- 4.10. The governance arrangements we have in place through the current governance agreement (Inter-Authority Agreement 1) – is clear that the Joint Committee/Board is the designated vehicle with the authority to take us up to the point of agreement on Heads of Terms.
- 4.11. The Heads of Terms agreement is not legally-binding, and will not be envisaged to contain any level of detail that will not have been discussed by Members - or with the private sector through the ESG.
- 4.12. Further engagement and input will be required at key stages as the work develops to lead up to the Full Deal Agreement next year.

5. Legal Implications

- 5.1. There are no legal Implications arising from this report.

6. Human Resources Implications

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

7. Financial Implications

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

8. Appendices

- Annex A: Letter to Cllrs Rosemarie Harris and Ellen ap Gwynn from Ken Skates MS and David TC Davies MP
- Annex B: Reply to the above letter by Cllrs Harris and ap Gwynn