



REPORT TO THE GROWING MID WALES BOARD
15th December 2021

TITLE:	Mid Wales Growth Deal Progress Report
AUTHOR:	Cathy Martin, Operations Manager – Mid Wales Growth Deal

1. Purpose of the Report

1.1. The purpose of this report is to set out the progress and next steps relating to :

- Update on the milestones remaining on the strategic development of the Growth Deal (up to FDA)
- Update and next steps as the Growth Deal moves into the next phase of planning for delivery (FDA and beyond)

2. Decision(s) Sought

2.1. None – report for information

3. Background

3.1. Members will be aware from regular reporting to GMW Board, that there have been multiple steps on the journey to secure the Mid Wales Growth Deal with both Governments. The following table provides an update of what has been completed to date, what is currently ongoing, and what remains:

Milestone	Purpose	Where considered	Status
Engagement workshops and business breakfasts	A range of business breakfasts and regional discussions on the early proposals for the Growth Deal as part of the AECOM work, subsequent workshops in 2019.	Across region	2018-2019
Inter-Authority Agreement 1	Established the early governance arrangements to develop the Growth Deal.	LA Cabinets	Completed (March 2019)

AGENDA ITEM 4.1
GROWING MID WALES BOARD
15/12/21

Vision for Growing Mid Wales	Strategy document – starting point to negotiate context and roadmap for formal development of the Growth Deal.	GMW Board (decision), ESG (strategic advice)	Completed (April 2020)
Project Validation Review (PVR)	First formal assurance of the Growth Deal – establishes whether the Portfolio is being set up to succeed.	Senior Responsible Owners (SROs)	Completed (October 2020)
Heads of Terms	Political agreement – 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 Deal.	GMW Board (decision), ESG (strategic advice)	Completed (December 2020)
Inter-Authority Agreement 2	Amended scope to cover governance arrangements up to Final Deal Agreement (FDA), and revisions to include the Regional Skills Partnership.	GMW Board (steer), LA Cabinets (decision)	Completed (July 2021)
Strategic Portfolio Business Case (v0.3)	Set out the foundation for the Portfolio, long list and formal mandate for further development.	GMW Board (decision), ESG (strategic advice)	Completed (March 2021)
Resourcing (Portfolio Management Office - PoMO)	Developed resourcing model for the PoMO – through ESF P5 (EU funding).	GMW Board (steer), LA Cabinets (decision and formal agreement on ESF P5)	Established July-August 2021
Portfolio Business Case (v1)	Draft for submission to Govt. to underpin FDA – further iterations will be developed/considered by Board prior to key decisions, as set out below.	ESG (strategic advice on strategic + economic case long list options only at v0.3) GMW Board (decision to submit draft for review)	Submitted to Govts October 2021
Accounting Officer	Assurance: government-led review of the Portfolio	Commissioned and considered by	Completed: Report

AGENDA ITEM 4.1
GROWING MID WALES BOARD
15/12/21

Review (AOR)	Business Case and supporting documentation. Formal review that will provide region/Government with an assurance report – with recommendations	Welsh City & Growth Deals Implementation Board (on basis of information submitted by GMW Board)	received 5 th November 21
<i>Underway now (December 2021)....</i>			
Inter-Authority Agreement 3	To set out arrangements for the delivery of the Deal & include ToR for new private sector advisory group.	GMW Board (steer), Local Authority Cabinets (decision/approval)	Considered at today's meeting of GMW Board Powys & Ceredigion Cabinets to agree IAA3 and subsequently sign.
Economic Advisory Group	Establishment of a new private sector advisory group (subject to GMW Board approval of Terms of Reference within above IAA3)	GMW Board (decision)	Underway: November – December 2021
Final Deal Agreement (FDA)	A standalone, legally binding, agreement (“Common Terms Agreement”) to be entered into between the deal parties which will contain numerous generic provisions intended to apply and be observed by all deal partners in relation to the overall deal framework. For example, confidentiality, dispute resolution and so forth (i.e. this agreement will be an overarching agreement and will not be specific to any particular project or programme).	GMW Board (decision – within scope of provisions set out in IAA2)	Drafted & approved by GMW Board 11 th November – target to complete in December 2021, subject to UKG/WG processes.
<i>Remaining milestones (January-April 2022)....</i>			
Portfolio Business Case (v2)	Revised draft, taking account of:	GMW Board (decision)	Target: March 2022

	<ul style="list-style-type: none"> • AOR report and recommendations • Further developed programme and project detail 		
PAR / Gateway 0	Assurance: combined government-led assurance review of the Portfolio Business Case and supporting documentation – will provide a combined Project Assurance Review (PAR) and a formal “Gateway 0” ¹ review of the Portfolio pre-delivery, and a tailored deep-dive into any remaining issues/concerns after the AOR. It will provide a final assurance review, before any funding is agreed to the region.	Commissioned and considered by Welsh City & Growth Deals Implementation Board (on basis of information submitted by GMW Board)	Target: March 2022
Grant Offer Letter (Annual)	<p>Decisions as to the release of annual funding to the Deals are taken by Ministers of the WG and UKG. These decisions are informed by recommendations made by the WCGIB².</p> <p>Notwithstanding that the monitoring / evaluation of the progress of each C&GD will be an ongoing activity, an annual review of progress is required prior to the release of annual funding. This will take the form of an assessment of a range of documentation and presentation to WCGIB by each C&GD Regional Delivery Partner.</p>	GMW Board (agrees annual report – upon which funding is then reviewed/agreed by the WCGIB)	Target: April 2022 (although will depend completely on outcome of the PAR/Gate 0, and ability of region to develop and agree programme /project detail).

¹ Further information on the UK Government’s Infrastructure Projects Authority (IPA)’s assurance review process and options are available here: [Infrastructure and Projects Authority: assurance review toolkit - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/97822/infrastructure_projects_authority_assurance_review_toolkit_-_gov.uk)

² Welsh City and Growth Deals Implementation Board (Joint UK and Welsh Government Board)

4. Growth Deal Progress

Accounting Officer Review (AOR)

- 4.1. The Accounting Officer Review (AOR) of the Portfolio Business Case (PBC) and supporting documents has now been completed and a final report received by the SROs. Overall the report was very positive with only 10 recommendations intended to strengthen the PBC, assist with the mitigation of risks and improve the prospect of successful delivery.
- 4.2. The report recognises that the PBC is at an early stage of development and effectively provides a direction of travel, and that the identified constituent programmes and projects are at the outset of the business case development process. As such, the project-level information contained in the PBC, in particular on capital costs and funding assumptions, was recognised as highly indicative.
- 4.3. An Action Plan has been developed and agreed with SROs for the implementation of the recommendations. This has been circulated to UK and Welsh Governments and we are awaiting for feedback regarding which revisions need to be incorporated pre-FDA, and what can be done afterwards.
- 4.4. Taking on board observations from the AOR, the PBC is currently being updated where required as part of the FDA process. A more substantive review will take place over the next year as the projects develop and further information is available to inform the process.

Final Deal Agreement (FDA)

- 4.5. Following approval by the GMW Board on 11th November 21 both UK and Welsh Governments are currently reviewing the FDA document and will be collectively sending requested amendments prior to the meeting of the Welsh Cities and Growth Deals Implementation Board (WCGIB) on 14th December.
- 4.6. Subject to WCGIB approval, a virtual signing event will be held with both Leaders and relevant Ministers. Provisional dates have been discussed however this is dependent upon the availability of Ministers.

Economic Advisory Group (EAG)

- 4.7. A call for interested parties to come forward to join this group was issued mid-November and applications are being considered with a view to confirming appointments in the New Year.

Recruitment (Portfolio Management Office)

- 4.8. Recruitment is underway to appoint a Programme Manager for the Energy theme, with recruitment for a Communications & Engagement Officer following in the New Year.

5. Next Steps

Planning for delivery of the Deal

5.1. Significant work lies ahead, and the PoMO are mapping out the key steps and actions to transition from FDA to Deal delivery. The PoMO will be working to ensure that for the next Board meeting, Members:

- are clear on progress against the AOR recommendations and the main aspects of the Portfolio Business Case that will require updating for the next iteration (by February/March 2022).
- are briefed, and are clear on the assurance and approval process for the Portfolio Business Case and how the grant offer letters are awarded (estimated timing of March/April 2022).
- Are clear on the forward work plan of the GMW Board and anticipated pathway and timescales for the Programme Business Cases to come forward, followed by Project Business Cases (anticipated from after April 2022).

Programme Development

5.2. Digital Programme Development: an implementation plan is being developed for the Digital Programme, which will set out the steps for establishing a programme board and bringing forward the programme business case to the GMW Board in the New Year.

5.3. Work has been undertaken recently by the steering group to establish and test out an assessment and prioritisation methodology for the 80 or so projects on the long-list.

5.4. Sites and Premises Programme: Through the initial work twelve potential strategic sites for Mid Wales have been identified. A plan is being put in place to review these key sites - deliverability, restraints and more detailed discussions with land owners to determine initial priorities in terms of the GD intervention.

Project Development

5.5. The majority of projects have submitted a progress update form and these are in the process of being reviewed. The next stage is for projects to submit revised SOCs for formal review.

5.6. The approval and assurance process is currently being mapped out, and will be discussed by GMW Management Group initially, before approval of the approach by GMW Board.

6. Legal Implications

6.1. There are no legal implications arising from this report.

7. Human Resources Implications

7.1. There are no HR implications arising from this report.

8. Financial Implications

8.1. There are no financial implications arising from this report.