

MEETING, DOCUMENT

Strategic Forum for Regional Investment in Wales meeting, 27 February 2023: minutes

Minutes for the Strategic Forum for Regional Investment in Wales meeting, 27 February 2023.

First published: 28 July 2023

Last updated: 28 July 2023

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Annex A: list of attendees

1. Welcome

The Chair opened the meeting by thanking members for their attendance and welcoming representatives from local government – Derek James (RCT), Paul Relf (Swansea) and Sioned Williams (Gwynedd) – to provide an update on progress with the Shared Prosperity Fund (SPF) now that the UK Government had released in January 2023 financial allocations for 2022/23 to local authorities.

The Chair encouraged members from other sectors to also share their experience of engaging with the SPF and noted there would be an open discussion following the local government update.

The Chair also welcomed Maria-Varinia Michalun (MVM) from the Organisation for Economic Co-operation and Development (OECD) to the meeting to introduce and present the current phase of the OECD's work with the Welsh Government on regional economic development.

At the invitation of the Chair, the draft minutes of the previous meeting of 8 December were passed without further comment.

2. OECD update

MVM introduced the OECD's current project and noted its aim to take forward some of the recommendations in the earlier phase of work between the OECD and Welsh Government which produced the 2020 published report **The Future of Regional Development and Public Investment in Wales**.

The current phase of work will focus on reinforcing cross-sector approaches to regional policy and support the Welsh Government, regional bodies and local

authorities in Wales towards more integrated strategic planning for regional development.

In addition to completing a mapping exercise of Welsh Government strategies, the OECD carried out a citizen survey last year which sought feedback on priorities for different levels of government and future aspirations. The survey attracted around 1,500 responses.

MVM said that the next stage of the work will involve vision setting, planning and developing a long-term approach to regional economic development in Wales.

Over the coming months, the OECD will be visiting Wales to host a range of workshops for multiple stakeholder groups including Welsh Government, local authorities and regional delivery partners.

In response to the OECD's update, members made the following comments:

- The UK Government's intervention in devolved regional investment is compromising approaches to regional development in Wales.
- The UK Government states that it is open to new models but the experience has been that new funding streams have not been sensitive to devolved policy or established ways of regional working.
- The Shared Prosperity and Levelling-Up funds are short-term programmes aligned with the Spending Review cycle ending in March 2024/25. It is imperative that their replacements work better and are coordinated better with Welsh partners.

Following these comments, MVM presented the findings from the citizen survey and stakeholder workshops conducted last year.

In response to the presentation, members made the following comments:

 Tourism, connectivity, the green agenda and labour force skills are all key parts of Welsh policy.

- Very timely work from a local government perspective. Keen to align in each region rather than have individual local authority workstreams.
- Important that the work considers cross border connections and the economic integration with English regions.
- A Commission for post-16 education is being set up which from 2024 will be responding to some of the challenges identified in the citizen survey.
- This is a long-term strategic project which is important to Ministers. Important that stakeholder networks engage fully – it is a 'Wales' piece of work, not just a Welsh Government piece of work.

3. Welsh Government update

Peter Ryland (PR) said that last week's coverage of £1.6bn earmarked for Horizon Europe being withdrawn by the Treasury is disappointing for the R&D community.

He said Ministers were seeking clarification from the UK Government and also noted that the Minister for Economy is launching a new Welsh Government Innovation Strategy today.

David Heath (DH) said that the UK Government Department for Education (DfE) is in procurement for the £100m digital platform for the Multiply programme which is seen as the "front door" for numeracy skills learning. DfE hopes the platform will be operational by early 2024.

The Welsh Government has been working with Regional Skills Partnerships and the WLGA to set out its employability and skills offer to avoid duplication with Multiply as far as possible.

DH added that SPF skills projects tended to be local rather than regional and the Welsh Government has asked partners to take stock of the regional picture once

all projects have been approved.

In response to the Welsh Government update, members made the following comments:

- The short duration of the SPF creates a risk in what happens to participant cohorts when the funding ends.
- Important that data is used for monitoring and evaluation to support longerterm planning around provision.
- Multiply under-spends are a risk. DLUHC is being pressed to agree flexibilities so that unallocated funds can be released back into other SPF priorities such as People and Skills.

4. Local government update

The Chair introduced Paul Relf (PRe), Sioned Williams (SW) and Derek James (DJ) to provide an update on the progress of the SPF in each of the regions of Wales. He noted that Carwyn Jones-Evans (CJE) was unable to attend on behalf of Mid Wales but had provided a written update which was circulated to the Forum prior to the meeting.

PRe said that in the South-West, parts of the SPF programme are based around "anchor" projects linked back to local manifesto commitments and the Regional Economic Framework.

He noted that a ring-fenced open call for skills-based projects that refer to Regional Skills Plans was due to open imminently and added that expectations were being managed due to the pressures for funding coming from the winding down of the EU programmes.

SW said that in North Wales partners had been invited to submit proposals in

January. There had been an enormous response in the region and local authorities were now in the process of assessing and prioritising the bids.

Priority projects will then be invited to the second stage of the application process and a cross-sector partnership group had been established to help with the prioritisation process.

SW added that deliverability was key given that all projects need to be concluded by the end of 2024 and she hoped all successful projects would receive offer letters by May.

DJ said the experience in South-East Wales echoed much of what had been covered by PRe and SW. He said that legal agreements with other local authorities in the region and the Cardiff Capital Region were being established.

Local authorities in the South-East have developed individual plans and the speed of roll-out will vary, however community grant funds are all now open. Rhondda Cynon Taf is shortly announcing a competitive funding round for businesses and other local authorities will be delivering similar schemes over the coming months.

DJ added that Business Wales had been very helpful in duplication of provision being avoided, but clarity from UK Government over flexibility with the Multiply scheme was needed as soon as possible.

In response to the local government update, members made the following comments:

- The third sector is experiencing variation within regions in how local authorities are working with the sector and the communication channels being used.
- It would be useful to have a coordinating function in place so that good and bad practice is shared and lessons are learned.

 Local authorities all at different stages of implementation is causing frustration amongst organisations seeking funding.

5. Any other business

The Chair thanked members for their comments on the Forum's new Terms of Reference which will now be presented to Ministers for clearance before they are published on the Welsh Government website.

No further business was raised and the Chair advised that the next meeting would take place during the summer.

Annex A: list of attendees

Chair

Huw Irranca-Davies MS

Members

Eirlys Lloyd, Chair (Wales Rural Network)

Grahame Guilford (Grahame Guilford and Company Ltd)

Nisreen Mansour - Policy Officer, Wales TUC (Trade Unions)

Amanda Wilkinson - Director, Universities Wales (Higher Education)

Ashley Rogers, Director – Gill and Shaw (Federation of Self Employed and Small Businesses Wales)

James Gibson-Watt, Leader, Powys County Council (Growing Mid Wales Partnership)

Tim Peppin, Director of Regeneration and Sustainable Development (WLGA)

Lowri Gwilym, Team Manager, Europe and Regeneration (WLGA)

Rhianne Jones, Lead Specialist Advisor EU Exit and Land Management (Natural Resources Wales)

Glenn Bowen, Director of Enterprise, Cwmpas (Third Sector - Social Enterprise)

Leighton Jenkins, Assistant Director, CBI Wales (CBI (Business)

Matt Brown, Director of Operations, WCVA (Third Sector -Partnership)

Rob Hunter, Head of Strategy (Development Bank of Wales)

Cllr Dyfrig Siencyn, North Wales Economic Ambition Board (North Wales Partnership)

Professor Rachel Ashworth, Dean and Head of Cardiff Business School, Cardiff University (Future Generations Commissioner)

Derek James, Rhondda Cynon Taf County Borough Council (Local Government)

Paul Relf, Swansea Council (Local Government)

Sioned Williams, Gwynedd Council (Local Government)

Maria Varinia Michalun, Head of Governance and Planning for Regional Development (OECD)

Alexis Durand, Regulatory Policy Division (OECD)

Welsh Government attendees

Peter Ryland - WEFO - CEO

Geraint Green - WEFO – Head of Programme Management (European Social Fund and European Territorial Co-operation)

Alison Sandford - WEFO – Head of Policy and Partnership Working

Mike Richards - WEFO – Communications Manager

Thomas Mallam-Brown - WEFO – Senior Policy Officer (Regional Policy)

Sarah Govier - Welsh Treasury - Head of Intergovernmental Relations

David Rosser - Business and Regions – Chief Regional Officer (South)

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