

**MEETING OF THE REGIONAL INVESTMENT IN WALES STEERING GROUP  
MINUTES**

**Date:** Thursday, 3 September 2020

**Time:** 1.30 – 4.00 p.m.

**Annex A:** Attendees

**1. Welcome (1:30 – 1:35)**

- The Chair opened the meeting and welcomed everyone thanking them for their attendance.
- The Chair noted the purpose of the meeting was so Members can hear directly from the OECD on its final report findings and recommendations ahead of the formal launch of the report on 17 September, and welcomed Varinia Michalun from the OECD to the meeting.

**2. Minutes of the Previous Meeting (1:35-1.40)**

- The Chair noted the draft minutes from the meeting on 30 July. The Chair asked if Members had any comments on the draft minutes before they are published on the Welsh Government's web pages.
- There were no comments and the minutes were cleared for publication.

**3. General Update (1:40 – 2:00)**

- The Chair asked Rachel Garside Jones (RGJ) to provide an overview on latest developments including the work of the new Ministerial Working Group (MWG) and any discussions with and clarity from the UK Government on the UK Shared Prosperity Fund.
- RGJ updated Members that there had been two MWG meetings in August and a further two to be held in September. The purpose of MWG was to provide collective Ministerial direction on the structure and nature of replacement European funding to help inform a Cabinet paper on the Framework for Regional Investment due to be presented in mid-October.
- The first MWG meeting discussed the level of decentralisation for regional investment, with Ministers keen for it to be at the lowest appropriate level so that decision-making is closer to the citizen. The MWG Group decided that the CJsCs being established under the Local Government and Elections Bill currently with the Senedd would be the main mechanism for regional decision making. This

would be subject to CJs having the necessary wider decision-making partnerships in place with our key stakeholders to build on partnership working of delivering Structural Funds programmes. It would also require a transition period given the challenging timelines for their establishment and building of capacity in each region. The MWG's second meeting focused on the integration of funding with a results-based approach. There is further work and evidence needed on how regional allocations could work. We will be working closely with the WLGA on how to take this forward, but other stakeholders are welcome to feed in views. The remaining two meetings of the MWG will discuss the transition arrangements required to provide continuity of funding and structures and allowing time for the CJs to be established.

- On UK Government developments, the Counsel General and Minister for European Transition met with Scottish and Northern Ireland Ministers McKee and Murphy on 1 September to discuss shared concerns on the UK SPF ahead of their separate upcoming bilateral meetings with the Minister of State at the Ministry of Housing, Communities and Local Government Simon Clarke MP responsible for the SPF in September. It was hoped that this bilateral meeting would provide clarity on the SPF and would begin the level of engagement that was required prior to the Comprehensive Spending Review in November, where an announcement on the SPF was expected.
- Comments and questions from Members included:
  - The WLGA offered to share feedback from a meeting scheduled next week with the Local Government Association and UK Minister Simon Clarke MP.
  - The WLGA noted that it was happy to help inform and feed into discussions on future regional funding allocations, but stressed that this work should also involve wider discussions with the relevant regional partners prior to agreement by Ministers.
  - The importance of securing RD&I funds from the UK Government was stressed, due to the lack of spend on RD&I and the increased competition for funds, with London and Manchester, for example, being very successful. The SPF is not the only funding pot from the UK and it is important we have a Wales-wide / united approach and consider the wider issues affecting Whitehall relations and RD&I to help ensure Wales receives its fair share of RD&I funding.
- RGJ acknowledged that the issues around RD&I were wider than the UKSPF, but that views would be fed back to WG colleagues leading on RD&I to raise with Ministers.
- The Chair thanked Members for their comments.

**4. OECD (2:00 – 3.50)**

- The Chair noted that last week Members had received a copy of the nearly final OECD report. The Chair asked Varinia Michalun from the OECD to introduce the report and cover its key findings and recommendations.
- A number of issues were raised by Members and the OECD including, for example:
  - Members welcomed the opportunity to input into work of the OECD and the report, and asked about the timescales for implementation of the OECD recommendations.
  - The importance of streamlining or rationalising strategies, plans, boards and committees, rather than adding more structures / layering.
  - There are multiple definitions of co-production / co-creation, and there is an important distinction to be made between regionalism and regionalisation. The region should not be WG-led, but co-owned.
  - With very few exceptions, most responsibilities are shared among levels of government. Attributing to a regional level doesn't mean the local level doesn't have activity in it. The responsibility, tasks and expectations at each level must be clearly established and agreed so organisations know what they are accountable for and need to deliver.
  - A key skill for regional development is to learn by doing, giving more scope for bodies to grow their skills and expertise, releasing some control, but local bodies also being realistic about what they are capable of delivering. Iceland and Finland were noted as examples of regions being given the opportunity to develop their plans on a contractual basis. Piloting projects was a good way of testing things and learning by doing, increasing the capacity and skills of a region as a result.
  - Important for all parties to understand and agree levels of co-production to avoid the risk of confusion about what it will mean in practice. Also relevant players should be involved in the co-production early on, not just towards the end.
  - Structures or policies are not the only issue. Importance of quality of governance, the right people to lead, with responsibility at all levels.
  - Developing a long-term vision that can withstand political cycles of what a nation wants to look like 10-20 years into the future could be beneficial for setting effective regional strategy and policy. An example is the Australia 2020 summit, which developed a vision in 2000 for 2020, with many stakeholders feeding in and buying into the vision. Another example is Bilbao, which co-produced a vision with all political parties and was agreed by communities. However, it was recognised

that the ability of Wales to choose its own desired model is somewhat limited due to the role of the UK Government in many socio-economic areas.

- The Chair thanked Varinia Michalun for the presentation and noted that the report will be launched formally on 17 September as part of a virtual event with stakeholders. He noted that the Counsel General and Minister for European Transition and the Minister for the Economy and Transport and North Wales will be delivering the key note speeches at these events. Following the RIWSG's advice at a previous meeting, there will also be four regional webinars held between 28 September and 1 October to help start conversations within the regions on their strengths and to understand the challenges they face. The Welsh Government will be considering the recommendations with stakeholders over the coming weeks and months, recognising that the OECD's report highlights immediate and longer-term actions in regional development and public investment practices.

#### **5. Any other business and concluding remarks (3:50 – 4.00)**

- The Chair suggested for the Group to next meet after the Cabinet meeting in mid- October so that Members could be updated on the outcome of that Cabinet discussion and next steps. A diary marker for an online meeting will be issued when the Cabinet meeting date is confirmed.
- There was no other business.
- The Chair thanked Members for their attendance and closed the meeting.

## LIST OF ATTENDEES

**Chair**

Huw Irranca-Davies MS

**OECD**

Varinia Michalun

**Members**

<b>Organisation</b>	<b>Name and role</b>
Colleges Wales	Lisa Thomas, Head of The College, Merthyr
WLGA	Lowri Gwilym, Manager – Europe and Regeneration, Regeneration and Environment
Grahame Guilford (Independent)	Grahame Guilford, Owner, Grahame Guilford and Company Ltd
Wales Council for Voluntary Action (WCVA)	Matthew Brown, Assistant Director of Investments
Professor Kevin Morgan (Independent)	Professor Kevin Morgan, Governance and Development, Cardiff University
Wales TUC	Nisreen Mansour, Policy Officer
Higher Education Funding Council Wales	Olivia Jones, Head of Research, Innovation and Engagement
Cardiff Capital Region	Frank Holmes, Chair
CBI Wales	Nick Speed, Public Affairs Director, BT
Natural Resources Wales	Alan Hunt, Senior Specialist Advisor
Universities Wales	Amanda Wilkinson, Director
FSB Wales	Ashley Rogers, Director, Gill and Shaw
South East Wales Partnership	Kellie Beirne, Director, Cardiff Capital Region City Deal
FSB Wales	Ben Cottam, Head of External Affairs
South West Wales Partnership	Cllr David Simpson, Leader, Pembrokeshire Council
Growing Mid Wales Partnership	Cllr Ellen ap Gwynn, Chair
Wales Co-operative Centre	Glenn Bowen, Programme Director

North Wales Partnership	Cllr Dyfrig Siencyn, North Wales Economic Ambition Board
Wales Rural Network	Eirlys Lloyd, Community Partnerships/Food Centre Wales Manager, Ceredigion Council
North Wales Economic Ambition Board	Alwen Williams, Programme Director
Growing Mid Wales Partnership	Cllr Rosemarie Harris, Leader, Powys Council

### Welsh Government attendees

Name	Role and department
Peter Ryland	Chief Executive, WEFO
Rachel Garside-Jones	Deputy Director – Regional Investment, WEFO
Rhodri Griffiths	Chief Regional Officer, Mid and South West Wales – Economy, Skills and Natural Resources
David Rosser	Chief Regional Officer, South East Wales – Economy, Skills and Natural Resources
Gwenllian Roberts	Chief Regional Officer, North Wales – Economy, Skills and Natural Resources
Alison Sandford	Head of Partnership Working, WEFO
Sheilah Seymour	Head of Research and Analysis, WEFO
Geraint Green	Head of Programme Management (ESF and ETC), WEFO
Nadine Young	Head of Employability Policy, Economy, Skills and Natural Resources
Anton Orzel	Head of Regional Investment, WEFO
Ceri Edwards	Senior Policy Manager, WEFO
Tom Brown	Senior Policy Manager, WEFO
Mike Griffiths	Senior Delivery Advisor, WEFO
Justine George	Economic Interventions Senior Manager – Economy, Skills and Natural Resources

Bryn Richards	Head of Regional Planning, Economy, Skills and Natural Resources
Jonathan Fortune	Senior Strategy Manager – Economy, Skills and Natural Resources
Simon Tew	Head of Risk Management and Readiness – Economy, Skills and Natural Resources
Ashley Davis	Policy Officer, WEFO