

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

Date: Wednesday, 24 March 2021

Time: 10:00 – 11:00 (via TEAMS)

Annex A: Attendees

1. Welcome (10:00)

- The Chair welcomed Members to the meeting and noted that this was the final opportunity to meet before the Welsh Government pre-election period commenced.
- He added that the meeting provides an opportunity to discuss developments since the UK Government published further details on the pilot Shared Prosperity Fund (called the Community Renewal Fund) in the 3 March UK Budget, and that there had been developments at Welsh Government level including a recent Cabinet meeting.
- The Chair noted the draft minutes from the meeting on 25 February and asked if Members had any comments. There were no comments and the minutes were accepted and will be published on the Welsh Government website.

2. Welsh Government update (10:05)

- The Chair invited Peter Ryland (PR) and Rachel Garside-Jones (RGJ) to provide an update based on recent announcements from the UK Government, a meeting of the Ministerial Working Group on regional investment (9 March) and a Welsh Government Cabinet discussion (22 March).
- PR said that little more detail about the schemes has been available during recent meetings with the UK Government. The Welsh Government is concerned about the methodologies that have been used to prioritise funding for local areas, for example, with Bridgend and Caerphilly not being on the priority list for the Community Renewal Fund, given that these areas were eligible for the highest level of support under EU funding arrangements. PR stated that officials have been told that the priorities were set by UK Ministers. Welsh Government researchers were currently analysing it and to help with that analysis, the Welsh Government had requested further information from the Ministry of Housing, Communities and Local Government (MHCLG), which is leading on the funds.
- PR added that MHCLG is now recruiting a team of civil servants to be based in Cardiff to run the schemes in Wales.

- RGJ said that at the Cabinet meeting on 22 March, Welsh Ministers were pragmatic about stakeholders maximising funding despite the approach the UK Government has taken and the very small amount of Community Renewal Funding available this year. Ministers were still strongly supportive of the Regional Investment for Wales Framework and believe it has a function beyond this year's Community Renewal Fund.
- RGJ added that the longer-term UK Investment Framework for the Shared Prosperity Fund is expected in July and we will be seeking the opportunity post-election for the new Welsh Government and stakeholders to influence that. This will provide the opportunity to raise a number of concerns as a result of UK Government plans, including strategic delivery and funding gaps for sectors and strategic projects.
- PR added that Ministers were acutely aware of the funding gaps emerging across sectors in Wales, and that management of the transition from EU Structural Funds is something to consider post-election.
- Having attended the Ministerial Working Group meeting on 9 March, the Chair said that Ministers were very disappointed in the UK Government's approach and lack of engagement, but were striving to be pragmatic and practical. He added that Ministers really appreciated the Group's work on the Welsh Framework and regional priority-setting, and were keen to avoid duplication caused by the UK Government's approach and address the funding and policy gaps that are being created.
- Comments from Members included:
 - UK Government plans are likely to make building strategic portfolios much more difficult. There is the danger of going back years and years to small-scale, unconnected investments which are at odds with the recent strategic direction of travel and aims within the Welsh Framework for greater regional working.
 - Query about the relationship of the new UK funds with the existing City and Growth Deals, and interest in Welsh Government co-ordinating regional engagement on wider investment opportunities aligned to principles of the Welsh Framework and development of Corporate Joint Committees.
 - A focus must also be on the wider opportunities and other funds announced by the UK Government, including those around research and innovation and the UK Infrastructure Bank, which this Group could consider going forward.
 - Concern over the potential for duplication through new UK funds and request for Welsh Government to continually assess UK Government announcements and their implications on provision such as business support.
 - Support for recent Welsh Government announcement on international partnership schemes. Welsh universities already engaged in potential cross-

border initiatives. Also funding opportunities to maximise with Horizon Europe and UKRI.

- Disappointment within the third sector on new UK funds. Concern with potential lack of access and role, with real risk of valuable services being lost.
- UK Government commitments are time limited and below what we had previously received from the EU as funding has been netted off.
- An acceptance of the need to be pragmatic about maximising funding, including the importance of looking beyond just Welsh Government funding, but a keenness not to abandon values.
- In response to the points raised by Members, the following comments were made by PR and RGJ:
 - Recognised the importance of seizing the opportunity and maximising funding opportunities to Wales, and the Welsh Government will support stakeholders in any way it can. However, the lack of any meaningful engagement from the UK Government makes it difficult for the Welsh Government to support stakeholders, undertake effective integration, play an effective national co-ordination role, which is also what the OECD recommended, and ensure there is no duplication of investments. There are also wider issues around sustainability of investments. The cross-cutting themes (equality, environmental sustainability etc) were central to EU funding programmes, and these will now be lost through UK Government plans.

3. Local Government update (10:30)

- The Chair invited Tim Peppin (TP) of the WLGA to provide an update on local government engagement with the UK Government on the new UK funds.
- TP explained that timescales for the 2021-22 Community Renewal Fund would be tight with bids needing to be submitted by noon 18 June and UK Ministers approving revenue based projects by the end of July. This provides around eight months of delivery before projects have to end, with a mid-point monitoring exercise expected around November/December.
- TP said that the longer-term Shared Prosperity Fund is likely to be different to the Community Renewal Fund, and felt that post-2022 arrangements should be considered as soon as possible to maximise bid success and to get agreement on how the Fund could work in line with the Welsh Framework.
- TP added that the Levelling-up Fund timescales are the same as the Community Renewal Fund, but with the involvement of MPs which has some complications in local authorities with multiple constituencies. WLGA will continue to share information and collaborate with the Group. All of the Levelling Up Funding, which

is capital, needs to be spent by 2024/25, so if there are large bids, then we need the priorities to be established as soon as possible.

- TP concluded that there are a wide range of issues to be addressed by local government on these new UK funds, which are being worked through, including the importance of partnership working.

4. Open discussion (10:40)

- In response to TP's update, a member stressed that we need to ensure the role of CJs and our regional working arrangements are not undermined and that local authorities do not work unilaterally when choosing new priorities. Partnership working is essential.
- Ann Watkin (AW) provided an update on the status of the Regional Economic Frameworks (REFs). AW said that they need to be seen as a set of common shared priorities and collaboration at regional level – to complement national and local levels. AW added that the pandemic had caused a delay but the REFs were making good progress with each region currently at different stages of development.
- RGJ responded to a discussion on the recommendations within the OECD report stating that the next stage involves the OECD working with Welsh Government and stakeholders over the next 18-24 months.

5. Any other business (10:50)

- The Chair thanked members for their input and expertise, and officials for providing the secretariat for the Group and support in engaging Ministers.
- The Chair added that the future of the Group would be a matter for the new Welsh Government after the May election, but he hoped Ministers would see the importance of the Group, its expertise and links within the Welsh economy and society.
- Members thanked the Chair for his leadership of the Group over the last two years.

LIST OF ATTENDEES

Chair

Huw Irranca-Davies MS

Members

Organisation	Name
CBI Wales	Nick Speed, Public Affairs Director, BT
Universities Wales	Amanda Wilkinson, Director
Cardiff University	Professor Calvin Jones, Deputy Dean for Public Value and External Relations
Natural Resources Wales	Melissa Dickinson
Colleges Wales	Rachel Bowen, Director of Policy and Public Affairs
South East Wales Partnership	Kellie Beirne, Chief Executive, Cardiff Capital Region City Deal
South West Wales Partnership	Cllr David Simpson, Leader, Pembrokeshire Council
Growing Mid Wales Partnership	Carwyn Jones-Evans, Growth and Major Developments Manager, Ceredigion County Council Cllr Rosemarie Harris, Leader, Powys Council
Third Sector (Social Enterprise)	Derek Walker, Chief Executive, Wales Co-operative Centre
Wales Rural Network	Eirlys Lloyd, Community Partnerships/Food Centre Wales Manager, Ceredigion Council
WLGA	Tim Peppin, Director of Regeneration and Sustainable Development
South and Mid Wales Chambers of Commerce	Paul Slevin, President
Federation of Self Employed and Small Businesses Wales	Ashley Rogers, Director, Gill and Shaw
Grahame Guilford and Company Ltd	Grahame Guilford
Third Sector Partnership	Matthew Brown, Director of Operations, WCVA
Cardiff University	Kevin Morgan, Professor of Governance and Development, School of Geography and Planning
OECD (observing only)	Maria-Varinia Michalun, Policy Analyst
Trade Union	Nisreen Mansour, Policy Officer, Wales TUC
North Wales Partnership	Cllr Dyfrig Siencyn, North Wales Economic Ambition Board

	Alwen Williams, Programme Director, North Wales Economic Ambition Board
Higher Education Funding Council for Wales	Alyson Thomas, Director of Policy and Funding

Welsh Government attendees

Name	Role and department
Peter Ryland	Chief Executive, WEFO
Rachel Garside-Jones	Deputy Director – Regional Investment, WEFO
Ann Watkin	Head of Strategic Alignment, Operations and Planning, Economy, Skills and Natural Resources
Alison Sandford	Head of Partnership Working, WEFO
Anton Orzel	Head of Regional Investment Policy, WEFO
Mike Richards	Communications Manager, WEFO
John Hughes	Head of Regional Investment – Economy, Skills and Natural Resources
Geraint Green	Head of Programme Management (ESF and ETC), WEFO
Tom Brown	Senior Policy Manager, WEFO
Michelle Holland	Regional Investment Support Officer, WEFO
Tracy Welland	Head of Strategic Implementation, WEFO