

## **Note of Key Points arising from a meeting between the Vice Chair of the Joint Scrutiny Committee and officers of the UK and Welsh governments – Swansea Bay City Deal, August 16<sup>th</sup> 2019**

### **In attendance:**

- Cllr R James, Vice Chair of the Swansea Bay Joint Scrutiny Committee
- Mrs K Jones, Assistant Chief Executive and Chief Digital Officer, Neath Port Talbot County Borough Council
- Charlotte Davies, Scrutiny Support, Neath Port Talbot County Borough Council
- Rhodri Griffiths, Chief Regional Officer Mid and South West Wales, Welsh Government
- Valerie Allen, Deputy Head of Policy, Office of the Secretary of State for Wales, UK Government
- Calum Taylor, Deputy Head of Regional Growth, Office of the Secretary of State for Wales, UK Government

The meeting explored the progress that the both governments feel has been made since the publication of the Actica report:

- The strategic cases set out in the various business cases are generally strong
- There is more confidence in the Deal now than there was in March 2019
- The two governments have authorised the release of funding for Yr Egin and the Swansea Waterfront projects but this will be subject to certain conditions. It is anticipated that the basis on which the funds will be released can be formalised as soon as possible in the coming weeks.
- The two governments have facilitated workshops for people charged with developing the business cases and the Program Office to clarify the content expected in business cases and to provide expertise

- £100k has been made available this year to help create additional capacity to perform the required level of due diligence needed for the next tranche of projects however, this is a one-off sum
- The two governments have confirmed that a further £18m could be available in this financial year for other city deal projects subject to the approval by Governments of their business cases, the necessary update of program level documentation and the recommendations in the Actica report being satisfactorily addressed.

In the next period it is expected that the Joint Committee will have made progress in the following areas:

- A robust programme/portfolio office to be established to provide oversight management and quality assurance of the programme of city deal projects to ensure that projects and the quality of business case preparation meets requirements and which can be clearly seen to support the overall programme of the City Deal. The appointment of the new managing director is key to this.
- Due diligence processes are robust to demonstrate that the business cases have been appropriately scrutinised at each level of the programme. This will secure governments' and investors' confidence in the Deal. The role of the s151 officer is crucial within these arrangements.
- The Joint Committee and the Economic Strategy Board to be operating at a strategic level ensuring overall fit of programme activity with the vision for the City Deal, that programme activity offers value for money and aligns with the economic development strategy for the region more broadly. That the Joint Committee is actively ensuring the delivery of approved projects/programmes with evidence that intended benefits are being realised.
- That a clear programme plan is in place for the Deal, which identifies what the government funding will be applied to in each financial period and associated benefits. Additionally, the next tranche of projects/programmes have been agreed by the Joint Committee and developed to the required standard

- That there are robust mechanisms in place for tracking the delivery of the projects that have now been signed off by the governments and projects are beginning to realise the intended benefits

Longer term:

- There needs to be a truly regional approach to the Deal
- The approach must be transformative, demonstrating added value to what agencies would be able to deliver without the Deal. The Deal must be delivered through a portfolio/programme approach. Governments are not prepared for the Deal to be a grant mechanism for individual projects
- The portfolio/programme activity must demonstrate good strategic fit, value for money and impact on the region's prosperity
- The region is expected to take responsibility for developing vision, priorities and delivery of the Deal over the longer term