

SUBJECT:	City Deal
MEETING:	Cabinet
DATE:	August 2018
DIVISION/WARDS AFFECTED:	All

1. PURPOSE:

The purpose of this report is to seek approval for Monmouthshire County Council to host the employment of a temporary funded post as part of the City Deal partnership.

2. RECOMMENDATIONS:

- a) To seek approval for Monmouthshire County Council to host the temporary/ fixed term contract of employment for a HE Lead for the City Deal Programme for a six-month period from 1 September 2018. The nature of the contract will be via a secondment basis.
- b) To report this role to Cabinet and seek approval for the employment of a post which is estimated (with 30% on-costs) as £29,172 per annum. Employment costs fully reimbursed by Cardiff City Council the accountable body for the City Deal Partnership.

3. KEY ISSUES:

Between 25th January 2017 and 9th February 2017, Council approval was received from the ten partnering Local Authorities within the Cardiff Capital Region for the establishment of the Cardiff Capital Region Joint Cabinet to deliver the commitments set out in the City Deal Heads of Terms document.

In order to progress the development of the City Deal, a Programme Management office was established which has been resourced through temporary arrangements. This includes the role of Programme Director in which the current incumbent is employed on a temporary contract up to 1 August 2021. The temporary contract of employment is currently hosted by Monmouthshire County Council, costs of which are met from the City Deal budget.

The City Deal Programme Director has sought support from the City Deal Programme Board to recruit a HE Lead Adviser into the City Deal programme management team. Due to the specific requirements including the required skill-set, this post will be a seconded position from within Cardiff University for two and a half days a week. The agreement is for six months initially. The specific requirements centre around the CSC programme and the need for research presence in low level TRLs.

The opportunity specifically for which City Deal office requires a HE Lead is the expansion of the CSC Cluster and the Strength in Places bid to UK Govt. Aligned to this is the business work on the regional growth/ industrial strategy with the Economic Growth Partnership.

4. OPTIONS APPRAISAL

This is not applicable to this report.

5. EVALUATION CRITERIA

An evaluation assessment is provided at the end of this document.

6. REASONS:

As there has been significant progress with the City Deal process, this will provide sustainability for the programme going forward.

7. RESOURCE IMPLICATIONS:

Cardiff City Council oversee the budgetary aspects of City Deal. This temporary post and related employment costs are funded from within the City Deal budget.

8. WELLBEING OF FUTURE GENERATIONS IMPLICATIONS (INCORPORATING EQUALITIES, SUSTAINABILITY, SAFEGUARDING AND CORPORATE PARENTING):

The Equality Impact Assessment is attached.

9. CONSULTEES:

City Deal Programme Director - Kellie Beirne. Report attached for information.
Cardiff City Region partners
Senior leadership Team (SLT)

10. BACKGROUND PAPERS:

None

11. AUTHOR:

Paul Matthews, Chief Executive

Evaluation Criteria – Cabinet, Individual Cabinet Member Decisions & Council

Title of Report:	City Deal
Date decision was made:	03 August 2018
Report Author:	Paul Matthews

What will happen as a result of this decision being approved by Cabinet or Council?

The outcome will be that:

- 1) MCC approves to host the employment arrangement for a temporary post – which will be facilitated on a secondment basis from Cardiff University
- 2) MCC acknowledges ratification of the post due to salary.
- 3) MCC includes reference to the employment position/post, within its annual Pay Policy – where required

What benchmarks and/or criteria will you use to determine whether the decision has been successfully implemented?

Continued engagement within the Cardiff City Region as one of the 10 Local Authorities

What is the estimate cost of implementing this decision or, if the decision is designed to save money, what is the proposed saving that the decision will achieve?

Cardiff City Council oversee the budgetary aspects of City Deal and this post and related employment costs are funded from within the City Deal budget.

Any other comments

None

CCR City Deal Programme Board – Fixed-term HE secondment to PMO

1.0 Purpose

- To set out the case for a six month fixed term secondment of a senior officer from Cardiff University to ensure that the next phase of City Deal evolution and our first foray into major UK Government-led investment programmes, ensures we can demonstrate the required research credentials. In particular, given the timetable of key dates for bids to the first round of the Strength in Places Fund – it is imperative that this post is in place for September 2018.

2.0 Background

- One of the chief targets of the City Deal is to leverage at least £4bn of private sector investment in order to optimise the value, value added and 'reach' of the City Deal. Creating leverage potential is further critical to arresting the impact of a lagging economy, generating 25k high-order, high-skill jobs and contributing to GVA bounce. One of the chief sources of this potential is the newly formed UK Research and Innovation. Operating across the whole of the UK with a combined annual budget of £6.4bn – UKRI brings together the seven Research Councils, Innovate UK and a new organisation called Research England. The attached presentation sets out the proposed way of working for UKRI and the investment models and Grand Challenges that are shaping future strategy and direction.
- To date, the majority of the funding made available through the first two phases of Challenge Calls (Waves 1 & 2) has been research-led and this is set to continue, albeit a more even split across research-intensive and industry-intensive programmes is promised. This signifies the importance of a strong research base and credentials, but with the ability to take research closer to market and ensure it is applied and capable of conversion into the kind of new products, services and resources that contribute to productivity gains. It is important to note that UKRI has a target to increase Government-sponsored R&D investment from its current level of 1.7% to 2.4% - putting the UK on par with the OECD average.
- Currently many of the challenges calls underway present real opportunities for our region such as the Energy Revolution, Farraday Challenge, Next Generation Services Challenge and Insurance and Fintech. As these continue their rollout, it is clear that a strong research base, research partnerships and knowledge and experience of navigating the academic systems, QR funds and HEFCW processes, is critical. The announcement of the first wave of the new £115m 'Strength in Places' fund requires a strong research base and existing presence in TRLs 1-3 and research and industry partnerships. The fund is being overseen by Research England and supported by Innovate UK, which in Wales will translate as a HEFCW lead. Beyond this, the new Industrial Fellowships Programme calls for research and industry partnerships and the forthcoming Shared Prosperity Fund (estimated to be worth in excess of £850m) prescribes that industry and academia act as the anchor points for applications to the programme.

- The PMO has performed an important role to date in ensuring all governance accountability and project arrangements have been executed in line with the Joint Working Agreement. In order to optimise our visibility, influence and engagement in new UK-wide investment programmes, it is crucial that we now take the opportunity to build the kind of extended and agile teams that have the breadth, skills, networks and capabilities to evolve the Deal into the next phase of its growth. This will be less about a fixed and static team drawn mainly from councils and more about a whole array of industry, research and government secondments and inputs on data science and analysis from ONS, Companies House and IPO. It will focus on the input of expertise from other successful regions around the world on matters such as investor readiness, financing models, and marketing, branding, and behavioural psychology. These inputs can be stood up and down as needed and contribute the development of a dynamic and agile extended team that brings in new and additional resources, competencies in addition, expertise to ensure City Deal secures the right opportunities at the right time and with the right outcomes in sight.

3 Reasons

The reasons for seeking a fixed term University secondment are:

- UKRI investment funds require a research lead and demonstration of ‘Research Excellence’ – ‘evidence of how proposed research activities build on established research excellence’; ‘present a sound case to increase sustainable research activity to achieve economic impacts’ and ‘evidence to support Units of Assessment in 2014 Research Excellence Framework’. Cardiff is 2nd in whole of UK on the REF.
- The deadline for initial applications to the first wave of the Strength in Places fund is 25 July 2018. Beyond this, the process extends to EOI awards in October 2018 with full stage bids required for April 2019. The theme of the fund is accelerating research and industrial cluster growth – that can demonstrate existing research excellence and have high quality innovation capability focussed on wealth creating opportunities aligned to local industry and business supply chains. The challenge is being led by Research England (HEFCW) and supported by Innovate UK. This requires a knowledge of HEFCW and their working practices and protocols.
- The potential priority for the CCR City Deal bid (as endorsed by WG and Innovate UK) is growing the persistence and development of the CSC Cluster. Cardiff University is critical to this since they have already established the CSC Centre for Research Excellence (led by Professor Diana Huffaker), the CSC Institute (a JV with IQE) and are partners in the CSA Catapult. The University, working with CSC supply chain partners have also developed the UK’s first Masters in the field of CSCs.
- Beyond this specific opportunity, other challenge calls around Energy, Innovation, Shared Prosperity and others, align with the core direction of Cardiff University’s research base (Flexis, Specific and SPARK as some examples). Their presence will also be key to engaging the other Universities in the region and ensuring there is one joined-up and integrated HE ‘offer’ into the City Deal.
- The Reid Review was launched by WG last week by the Leader of the House at the QED Centre in London. Amongst other things, the Reid Review calls for enhanced QR funding to Universities that can evidence ‘close to market’ impact and application and the designation of 3 regional innovation-Enterprise hubs that will bring together Research, Industry and Government bodies.

- Wales and the CCR was significant undersubscribed in EOI submissions to Wave 3 of the Industrial Strategy Challenge Fund. In fact, only 6 out of 256 applications were from Research-Government-Industry partnerships within Wales. Our state of readiness needs to be substantially improved ahead of Wave 4. In addition, CCR needs a carefully thought-out strategy and approach to how it can best engage with the UKRI and investment opportunities through the Industrial Strategy.

4 Objectives

4.1 Derived from the above, the objectives of the fixed-term secondment will be to:

- Leverage the relationships with Research Bodies and Industry partners to establish the effective collaborations required to access UKRI investment
- Co-ordinate and develop applications and bids from the CCR bringing together the required Research, Business/Industry and Government Partnerships
- Specifically, to lead on the application into the Strength in Places Fund on growing the CSC cluster and identifying the sites, assets and opportunities across the region that will allow this to flourish and succeed
- Co-ordinate further applications and bids to UK Government that align with our priorities, challenge calls and other investment opportunities
- Develop the CCR Strategy for engagement with UKRI, working with WG and partners in HE, industry, business and entrepreneurship across the region
- Grow the relationship with Innovate UK at Wales and UK level and develop connections through HEFCW with Research England
- Create a short-term opportunity pipeline to align with immediate UKRI challenge calls and opportunities
- Co-ordinate and align inputs around data, evidence, market intelligence and insights to support horizon scanning and activity
- Support the implementation of the Reid Review and ensure the CCR is at the table informing and shaping the way forward
- Co-ordinate significant CCR-level activity across HE, Industry and Government including a focus on R&D levels and take-up of related incentives

5 Resources

- The contribution equates to (with on-costs) two and half days a week or 50% of a Chief Officer level post for a six-month period. With the annual pay award and 30% on-costs, this requires £29,172 of the available PMO staffing funds.

6 Recommendations

- To endorse the proposal for a fixed term secondment from Cardiff University, in order for relevant onward approval by the CCR Cabinet Chair.

Kellie Beirne
Programme Director City Deal