

**SUBJECT: CARDIFF CAPITAL REGION CITY DEAL - INTERIM GOVERNANCE ARRANGEMENTS AND FINANCIAL SUPPORT**

**MEETING: COUNCIL**

**DATE: 22 SEPTEMBER 2016**

**DIVISION/WARDS AFFECTED: ALL**

**1. PURPOSE:**

- 1.1 To set out interim governance arrangements to take forward the provisions of the Cardiff Capital Region (CCR) City Deal Agreement, signed by Leaders of the 10 Local Authorities in March 2016. To approve the use of Invest to Redesign reserve (16/17) totalling £30,835 as Monmouthshire's contribution to the central resource fund to enable the continuation of work on the programme, leading up to final agreement of the City Deal.

**2. RECOMMENDATIONS:**

- 2.1 For delegated authority to be given to the Leader of the Council to make and take such decisions as are necessary in respect of the following:-
- a) To continue the interim governance arrangements subject to the Project Board (current membership being 10 LA Leaders) being renamed the "Cardiff Capital Region City Deal Shadow Joint Cabinet".
  - b) The establishment of the following new bodies:-
    - (i) Non Statutory Regional Transport Authority,
    - (ii) Cardiff Capital Region Skills and Employment Board,
    - (iii) Cardiff Capital Region Business Organisation,
    - (iv) Cardiff Capital Region Economic Growth Partnership,
    - (v) Independent Growth and Competitiveness Commission.
  - c) To appoint a Programme Director.
  - d) To agree shadow joint cabinet members portfolios.
  - e) To seek agreement to procure and appoint specialist legal advisors to draft all appropriate documents for the Cardiff Capital Region City Deal including but not limited to the "Joint Agreement" from the Crown Commercial Services Framework Agreement rather than the National Procurement Services Framework.
- 2.2 To approve use of Invest to Redesign reserve (16/17) totalling £30,835 as Monmouthshire's contribution to the central resource fund to enable the continuation of work on the programme, leading up to final agreement of the City Deal.

### 3. KEY ISSUES:

- 3.1 In March 2016, Cabinet Committee approved to provide delegated authority to the Leader of the Council, to sign the City Deal Document, on behalf of Monmouthshire County Council and along with the nine partner local authorities comprising the CCR. This has enabled the Council to work with the CCR partner local authorities, UK and Welsh Government in continuing to develop the content and structure of the final City Deal Agreement.
- 3.2 A £1.2bn City Deal for the CCR represents a significant opportunity for the region as a whole and Monmouthshire. It will mean the CCR is able to make strategic investments in programmes that will have a material and measurable impact on the city-region economy, as well as enable the implementation of devolved powers which will allow the region to exert greater influence over its economic future.
- 3.3 Work on the Deal is advancing towards a final City Deal Agreement between the 10 local authorities, central and Welsh Governments. A key stage on the way to achieving this significant outcome is developing appropriate governance arrangements through which to guide programme implementation, activity and provide the parameters in which the key stakeholders are able to enact the City Deal mandate.
- 3.4 Interim governance arrangements are already in place and these have facilitated the initial work on the City Deal proposal. These initial arrangements have included the establishment of:-
- (i) Cardiff Capital Region City Deal Project Board (membership 10 LA Leaders),
  - (ii) Cardiff Capital Region City Deal Chief Executives' Board,
  - (iii) Cardiff Capital Region City Deal Project Officer Group,
  - (iv) Specialist working groups.
- 3.5 The Cardiff Capital Region City Deal Project Board also agreed that individual Leaders would take responsibility for a "theme" of the proposed deal. In order to regularise this position it is proposed that these roles be formalised with the Leader of the Council, in conjunction with the Leader of Torfaen Council leading on the Innovation, Digital and Business Engagement theme.
- 3.6 It is proposed that these interim arrangements continue but with the Project Board being renamed the 'Cardiff Capital Region City Deal Shadow Joint Cabinet'. It is important to note, as at present, decision making rests with each authority. The Shadow Joint Committee would not be a decision making body save for those powers delegated to each LA Leader in accordance with this report. It is further proposed the working groups are recognised as non-statutory bodies for regional transport, skills and employment, a representative business organisation and a an economic growth partnership.
- 3.7 An Independent Commission for Economic Growth and Competitiveness has now been established as a means of providing key insights and intelligence into the sectors, skills

and stakeholders needed to develop a credible economic strategy for the region. The Commission is expected to publish its findings in November / December 2016.

- 3.8 External legal advice for the preparation of the Joint Agreement necessary to deliver the Cardiff Capital Region City Deal will be required and given that further agreements are needed, it is proposed that the Crown Commercial Services Framework Agreement rather than the NPS Framework be used to procure this specialist advice given the complexity, size and scale of the City Deal.
- 3.9 In order to advance progress being made on the Deal and to support the costs involved in setting up the bodies, structures and arrangements detailed in 2 above, a further contribution to the CCR central resource fund is required of £30,835.
- 3.10 A Programme Director and Programme Manager have been appointed to provide necessary support to the programme. The appointments are initially on secondment basis making them easy to unwind in the event that the City Deal does not proceed.

#### **4. REASONS:**

- 4.1 To maintain the momentum of the development of the City Deal proposal, it is necessary for the Leader of the Council to be given delegated authority to make the decisions detailed in the section 2 of the report.

#### **5. RESOURCE IMPLICATIONS:**

- 5.1 An amount totalling £30,835 is required as Monmouthshire County Council's contribution to a regional funding total of £500,000 to take forward the City Deal to be sourced from the Invest to Redesign Reserve. This has already been provided for as part of the Revenue and Capital Monitoring 2015/16 Outturn Statement Report and is set out again in this report, for completeness.

#### **6. FUTURE GENERATIONS AND EQUALITY IMPLICATIONS:**

#### **7. SAFEGUARDING AND CORPORATE PARENTING IMPLICATIONS: NONE**

#### **8. CONSULTEES:**

- Cabinet
- SLT
- CCR Councils

#### **9. BACKGROUND PAPERS:**

'IN PRINCIPLE ENDORSEMENT OF A CITY DEAL FOR THE CARDIFF CAPITAL REGION' – Cabinet Report 24 February 2016

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