



1      **CARDIFF CAPITAL REGION CITY DEAL REGIONAL CABINET MEETING –  
MINUTES**

1. Regional Cabinet Annual General Meeting: 30 June 2017
2. Special Regional Cabinet Meeting: 14 July 2017

## CARDIFF CAPITAL REGION CITY DEAL REGIONAL CABINET MEETING

### MINUTES

#### REGIONAL CABINET ANNUAL GENERAL MEETING: 30 JUNE 2017

#### Regional Cabinet Members Present:

Cllr Nigel Daniels	-	Blaenau Gwent Council
Stephen Gillingham, Chief Exec	-	Blaenau Gwent Council
Cllr Huw David, Leader	-	Bridgend Council
Mark Shephard	-	Bridgend Council
Cllr Sean Morgan	-	Caerphilly Council
Chris Burns, Chief Exec	-	Caerphilly Council
Cllr Huw Thomas	-	Cardiff Council
Paul Orders, Chief Exec	-	Cardiff Council
Cllr Kevin O'Neill, Leader	-	Merthyr Council
Gareth Chapman, Chief Exec	-	Merthyr Council
Cllr Peter Fox, Leader	-	Monmouthshire Council
Paul Matthews, Chief Exec	-	Monmouthshire Council
Cllr Debbie Wilcox, Leader	-	Newport Council
Will Godfrey, Chief Exec	-	Newport Council
Cllr Andrew Morgan, Leader	-	Rhondda Cynon Taf Council
Christopher Lee	-	Rhondda Cynon Taf Council
Cllr Anthony Hunt, Leader	-	Torfaen Council
Alison Ward, Chief Exec	-	Torfaen Council
Cllr John Thomas, Leader	-	Vale of Glamorgan
Rob Thomas, Chief Exec	-	Vale of Glamorgan

#### Officers:

Liz Weale	-	Accountable Body
Hrjinder Singh	-	Accountable Body
Ian Allwood	-	Accountable Body
Alistair Milburn	-	Effective Communications
Sheila Davies, Director	-	City Deal PMO
Sian Lewis	-	City Deal PMO
Matthew Swindell	-	City Deal PMO

#### Apologies:

Cllr David Poole, Leader	-	Caerphilly Council
Darren Mephram, Chief Exec	-	Bridgend Council
Chris Bradshaw, Chief Exec	-	Rhondda Cynon Taf Council
Christine Salter	-	Accountable Body

## 1. Welcome and Apologies for Absence

Alison Ward was invited to take the Chair for the formal part of the AGM appointment process in the absence of Darren Mephram (Lead CEO). Apologies were noted and recorded. The Cabinet asked that their condolences be passed on to Chris Bradshaw.

## 2. Declarations of Interest

There were no declarations of interest made on items on the meeting agenda.

## 3. To elect a Chairperson / Vice Chairperson(s) for the forthcoming year.

Nominations were requested for a Chair for the coming year from Members. Councillor Andrew Morgan was nominated, seconded and elected as Chair for the coming year.

Cllr Morgan then took the Chair and asked for nominations for two Vice-Chairs. Nominations for Councillors Peter Fox and Huw Thomas were received, seconded and both were elected as Vice-Chairs for the coming year.

## 4. 2016/17 Out-Turn Report & Annual Financial Return (Minute No.7)

Cabinet considered a report on behalf of the Accountable Body:-

1. To provide Cardiff Capital Region Joint Cabinet (Joint Cabinet) with details of the final out-turn position against its 2016/17 part-year budget covering the period 1<sup>st</sup> March – 31<sup>st</sup> March 2017.
2. To present to Joint Cabinet the draft unaudited Annual Smaller Bodies Return (Annual Return) for the year ended 31st March 2017, for consideration and approval, in-line with the statutory deadline of 30th June 2017.
3. Subject to Joint Cabinet approving the Annual Return, the document will be submitted to the Auditor General for Wales, to enable the Wales Audit Office (WAO) to undertake its external audit of the return.

**RESOLVED:** that Cardiff Capital Region Joint Cabinet:

- a) Noted the final out-turn position for the financial year ended 31<sup>st</sup> March 2017 and the level of surplus available to support the Joint Cabinet's 2017/18 budget;
- b) Considered and approved the unaudited Smaller Bodies Annual Return for the year ended 31st March 2017, attached as Appendix A, and;
- c) Authorised the Chairman to sign the Annual Return on behalf of the Joint Cabinet and authorise the Accountable body to submit the Annual Return to the Wales Audit Office.

**5. To receive and approve the minutes of the Regional Cabinet at its meetings on:-**

- a) 17 March 2017
- b) 02 May 2017

Cllr Morgan asked colleagues if they had any amendments to make to the draft minutes from the previous two meetings that had been circulated. Sheila Davies made Members aware of amendments to two of the sentences within Minute No.5 of the 02<sup>nd</sup> May 2017 minutes as two sentences required slight alterations. The amendments were subsequently agreed and both sets of minutes were then confirmed as correct records of the two meetings.

**6. Date of Next Meeting**

Cllr Morgan asked colleagues if they wished to continue meeting on a Friday, or move to an alternate day. Monday mornings had also been suggested. Both days were noted to have an impact on different Members for different reasons, but it was agreed that draft dates would be circulated for Members to agree at the next formal meeting. Subsequently, a calendar of meetings for the next 6 to 12 months would be made available on the website in order to inform the public and partners of the schedule of public meetings.

**7. Any Other Business**

- i) Cllr David referred to the Valleys Task Force report which was about to be published, and discussion took place concerning engagement and consultation with the group from this body in terms of regional partnership working. It was suggested that Maureen Howell be invited to a future informal meeting to provide an update to Members on the work of the Task Force.
- ii) It was suggested that more formal links be made with colleagues undertaking the Swansea City Deal as a means of addressing more nationally significant projects across South Wales, using examples of collaboration amongst English cities doing similar work. This may include meeting with Welsh and UK Government colleagues.
- iii) It was noted that Will Godfrey had an initial meeting set up with Welsh Government regarding business rates next week. Members asked Will to speak to them specifically about growth and business rate retention issues and feedback at a later informal meeting, as well as contact the lead Officer in Swansea as a comparison.

Cllr Morgan thanked colleagues for attending and the meeting was concluded.

## CARDIFF CAPITAL REGION CITY DEAL REGIONAL CABINET MEETING

### MINUTES

#### SPECIAL REGIONAL CABINET MEETING: 14 JULY 2017

#### Regional Cabinet Members Present:

Cllr Nigel Daniels	-	Blaenau Gwent Council
Stephen Gillingham, Chief Exec	-	Blaenau Gwent Council
Cllr Huw David, Leader	-	Bridgend Council
Mark Shephard	-	Bridgend Council
Cllr David Poole	-	Caerphilly Council
Chris Burns, Chief Exec	-	Caerphilly Council
Cllr Huw Thomas	-	Cardiff Council
Paul Orders, Chief Exec	-	Cardiff Council
Cllr Kevin O'Neill, Leader	-	Merthyr Council
Gareth Chapman, Chief Exec	-	Merthyr Council
Cllr Peter Fox, Leader	-	Monmouthshire Council
Paul Matthews, Chief Exec	-	Monmouthshire Council
Cllr Debbie Wilcox, Leader	-	Newport Council
Gareth Price	-	Newport Council
Cllr Andrew Morgan, Leader (Chair)	-	Rhondda Cynon Taf Council
Chris Bradshaw, Chief Exec	-	Rhondda Cynon Taf Council
Cllr Anthony Hunt, Leader	-	Torfaen Council
Alison Ward, Chief Exec	-	Torfaen Council
Cllr John Thomas, Leader	-	Vale of Glamorgan
Rob Thomas, Chief Exec	-	Vale of Glamorgan

#### Officers:

Christine Salter	-	Accountable Body
David Marr	-	Accountable Body
Liz Weale	-	Accountable Body
Hrjinder Singh	-	Accountable Body
Jonathan Day	-	Cardiff Council
Kellie Beirne	-	Monmouthshire Council
Peter Davies	-	Monmouthshire Council
Christian Hanagan	-	Rhondda Cynon Taf Council
James Whitehurst	-	Rhondda Cynon Taf Council
Alistair Milburn	-	Effective Communications
Sheila Davies, Director	-	City Deal PMO
John Duddridge	-	City Deal PMO
Hazel Duke	-	City Deal PMO
Matthew Swindell	-	City Deal PMO

Apologies:

Darren Mepham, Chief Exec - Bridgend Council  
Will Godfrey, Chief Exec - Newport Council

### **1. Welcome and Apologies for Absence**

Cllr Morgan welcomed colleagues to the meeting and a short recess was agreed for an updated Regional Cabinet photograph to be taken.

### **2. Declarations of Interest**

There were no declarations of interest made on items on the meeting agenda.

### **3. Proposed Calendar of Future Public Meetings 2017-2018**

It was agreed that dates for the public quarterly meetings for Regional Cabinet would be set, moving from a Friday to a Monday in future. Programme Management Office would circulate proposed dates to all Authorities to be agreed and that future public meetings would rotate to take place in the Council Chambers amongst the partner Authorities.

### **4. Regional Economic Growth Partnership (Minute No.8)**

The Regional Cabinet considered a report on behalf of Councillor Huw Thomas:-

1. To approve the composition of the Regional Economic Growth Partnership.
2. To delegate authority to officers to establish the Regional Economic Growth Partnership and to undertake the recruitment process.
3. To agree funding for the Regional Economic Growth Partnership.

**RESOLVED:** it was agreed that Cardiff Capital Region Joint Cabinet:

- a) Approved the proposal attached as Appendix 1 to the Report outlining the principles and composition of the Regional Economic Growth Partnership ('REGP').
- b) Delegate authority to the Chief Executive of Cardiff Council, in consultation with the City Deal Programme Director and the Accountable Body (i) to undertake the recruitment exercise for the appointment of the Chair and the Board members of the REGP and (ii) to report back to Cabinet with recommendations as to the most suitable candidates to appoint, for Cabinet's approval.
- c) Delegate authority to the Chief Executive of Cardiff Council, in consultation with the Chair of the Cardiff Capital Region Cabinet and the lead member for

the Regional Economic Growth Partnership, to select the appointment panel referred to in this report

- d) For this and the next financial year, allocate funding of up to £30,000 per annum to support the establishment of the Regional Economic Growth Partnership, with ongoing financial support for the REGP being considered by the Regional Cabinet when setting its Annual Budget.
- e) Delegate authority to the Chief Executive of Cardiff Council to determine the remuneration package for the Chair in consultation with the Chair of the Regional Cabinet and the lead member for the Regional Economic Growth Partnership.

**Cllr Morgan asked colleagues for their agreement to take Item 6 on the agenda before Item 5, which was agreed.**

**6. Cardiff Capital Region Compound Semiconductor Project – Update on Outstanding Matters (Minute No.9)**

***There is a Confidential Appendix to this minute which is exempt from publication as it contains exempt information of the kind described in paragraphs 14, 16 and 21 of parts 4 and 5 of Schedule 12A to the Local Government Act 1972***

Cllr Morgan advised colleagues to note in reference to Agenda Item 6, that Appendices 1-6 of this report were not for publication as they contain exempt information of the kind described in paragraphs 14, 16 and 21 of parts 4 and 5 of Schedule 12A to the Local Government Act 1972.

As such, should colleagues wish to discuss matters within those Appendices, members of the public would have to withdraw while that discussion takes place and will be asked to return to hear a summary and the final decision of the Cabinet.

If anyone wished to formally move that the public be withdrawn, colleagues were asked to make that clear so the proposal can be seconded and moved and formally recorded in the minutes. The proposal was moved and members of the public were asked to leave proceedings.

The Regional Cabinet considered a report on behalf of the City Deal Programme Director:-

1. To provide an update on the Compound Semiconductor (CSC) Project, following receipt of approval by the Region Cabinet, on 2 May 2017, subject to specific issues being successfully resolved.
2. To note a change in the overall financial commitment required for the project.
3. To confirm that sufficient progress has been made on the outstanding issues to allow the CSC Project to proceed and for the funding to be released.

**RESOLVED:** it was agreed that Cardiff Capital Region Joint Cabinet:

- a) Agree the increase in the required project cost to £38.5m as detailed in **Appendix 3 of the Report**;
- b) Agree that sufficient progress has been made on those matters to which the Regional Cabinet decision on CSC Project on 2<sup>nd</sup> May 2017, was subject to, and confirm that the CSC Project should proceed.
- c) Authorise the Accountable Body to release funding to the SPV, up to £38.5m, in tranches as requested by the SPV and in accordance with the financing and loan provisions detailed in sections 7 and 8 of the SPV Shareholders Agreement attached in **Appendix 6 of the Report**.

**5. Cardiff Capital Region Compound Semiconductor Project – Special Purpose Vehicle (Minute No.10)**

***There is a Confidential Appendix to this minute which is exempt from publication as it contains exempt information of the kind described in paragraphs 14, 16 and 21 of parts 4 and 5 of Schedule 12A to the Local Government Act 1972)***

Cllr Morgan advised colleagues to note in reference to Agenda Item 5, that Appendices 1A, 1B, 2A, 2B, 3 and 4 of this report were not for publication as they contain exempt information of the kind described in paragraphs 14, 16 and 21 of parts 4 and 5 of Schedule 12A to the Local Government Act 1972.

As such, should colleagues wish to discuss matters within those Appendices, members of the public would have to withdraw while that discussion takes place and will be asked to return to hear a summary and the final decision of the Cabinet.

If anyone wished to formally move that the public be withdrawn, colleagues were asked to make that clear so the proposal can be seconded and moved and formally recorded in the minutes. The proposal was moved and members of the public were asked to leave proceedings.

The Regional Cabinet considered a report on behalf of the City Deal Programme Director:-

1. To seek approval of the Regional Cabinet to establish a Special Purpose Vehicle (SPV) to deliver the Compound Semiconductor Project (CSC Project).
2. To consider and agree the required details necessary to establish the SPV including such matters as scope, objectives, name, shareholder arrangements and composition of the Board.



**RESOLVED:** it was agreed that Cardiff Capital Region Joint Cabinet:

- a) Establish a Special Purpose Vehicle Company Limited by Shares as detailed in the SPV Options Appraisal report contained in **Appendix 1B**;
- b) Agree to name the Special Purpose Vehicle Company '**CSC Foundry Ltd**' – '**LDC Ffowndri Cyf**'<sup>1</sup>.
- c) Approve the Shareholders' Agreement related to 'CSC Foundry Ltd', as detailed in **Appendix 2B**;
- d) Request each authority appoint a Director to sit on the 'CSC Foundry Ltd' Company Board;
- e) Agree that for the purposes of the CSC Project the Lead Authority continues to be Monmouthshire County Council, and delegate to the Chief Executive Officer of that Authority, in consultation with the Regional Cabinet Chair and Programme Director, the power:
  - i. Deal with all matters pending formation of the SPV; and
  - ii. Thereafter all matters that fall to the Lead Authority as set out in the Shareholders' Agreement and any matters that are required to facilitate the CSC Project and fall outside the remit of the SPV provided the delegation is executed within the remit of the financial commitment approved.
- f) Agree that the Lead Authority enter into a direct payment guarantee with the Welsh Government as detailed in 8.9 of the Shareholders' Agreement related to 'CSC Foundry Ltd'; and
- g) That the CCR Programme Director, in consultation with the Lead Authority, SPV and Accountable Body, report to Regional Cabinet, at the appropriate time, for decisions on any changes to the roles and responsibilities of the Lead Authority and SPV.
- h) Approve the CSC Foundry Ltd Annual Business Plan as detailed in **Appendix 4**.

Cllr Morgan thanked colleagues for attending and the meeting was concluded.

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<sup>1</sup> 'Lled-Ddargludyddion Cyfansawdd Ffowndri Cyfngedig'