

Cross-Party Group Minutes

Cross Party Group Details

Cross Party Group Title:

Senedd Cross Party Group for Europe

Date and time of meeting:

Tuesday 20th May 2025 12.30 to 1.20pm

Location and state of holding (in-person/ remote/ hybrid):

Video Conference Room, First Floor, Ty Hywel – in-person

Was the meeting an Annual General Meeting:

Yes

No

Name of Group Chair:

Mick Antoniw, Senedd Member

Name of Secretary and Organisation:

Dr Caroline Turner & Elizabeth Lendering, Wales for Europe

In attendance:

Name/title/organisation:

Mick Antoniw MS

Alun Davies MS

Heledd Fychan MS

Julie Morgan MS

Prof Kevin Morgan

Anthony Slaughter, Leader Wales Green Party and President Wales for Europe

Charles Smith, Chair Wales for Europe

Geraint Talfan Davies, Wales for Europe

Dr Caroline Turner, Wales for Europe

Elizabeth Lendering, Wales for Europe

Apologies

Llyr Gruffydd, MS

Jane Dodds MS

Summary of meeting:

2. Minutes – Minutes of the meeting 18th March 2025 were agreed as an accurate record of the meeting

All were reminded that a Short Debate on Europe would be held in the Senedd the following day, led by Mick Antoniw

3. Recent Developments:

Flying the European Flag – The following organisations flew the Council of Europe Flag during Europe Week, 3-10th May:

Senedd, Welsh Government, Isle of Anglesey County Council, Gwynedd County Council, Ceredigion County Council, Carmarthenshire County Council, Powys County Council, Bridgend County Council, Vale of Glamorgan and Swansea County Council. Also Llandudno Town Council.

UK-EU Summit held 19th May 2025 – the purpose of the Summit was to review the Trade and Co-operation Agreement. It was agreed that greater engagement by UK Government with Devolved Governments would be important in advance of future reviews, which will be held annually.

4. Devolved Governance and Economic Development – Professor Kevin Morgan –

Professor Morgan gave an opening presentation on the advent of two models of devolution, which in recent years has caused tensions as they rub against each other:

- The “national model” where powers are devolved from London to the Senedd (eg the management of EU Structural Funds between 1999 and 2020), and
- The “sub-national model” of devolution within Wales (eg Shared Prosperity Funds and other grants from UK Government being allocated directly to local authorities within the four regions of Wales (ie Cardiff City Region which consists of half of population and economy of Wales, Swansea Bay, Mid Wales, North Wales) which are now governed by four Corporate Joint Committees.

In recent years UK Government has dealt directly with local authorities across Wales, by-passing Welsh Government, such as the arrangements for the Shared Prosperity Fund. This undermines devolution.

It will be interesting to see how the current UK Government deal with this in the forthcoming Comprehensive Spending Review – whether recent arrangements are retained, or whether pre-SPF arrangements will be restored by allocating the funds to Welsh Government to manage. Key issues to look out for in the Spending Review:

- **Quantum** – the amount that will be made available to Wales; anything less than £4-5billion per year will be a cut in real terms.
- **Governance** – will money from UK Government be channelled via the Welsh Government, or will it be allocated directly to local government, thus continuing to by-pass Welsh Government and undermine devolution?
- **Allocation mechanisms** – will there be a competitive bidding process, which would be regressive and a waste of time and money, or will there be a funding formula based on need as there should be?

The key issue, which Professor Morgan highlighted in his report on behalf of the OECD, is *institutional capacity* in Wales, or the lack of it, and how we respond to that ie the eco-system for regional development grants, how institutions align their interests and pool resources. This is what defines “smart regions” and differentiates them from “left-behind regions”. This has an impact on Welsh Government, Welsh Universities and other organisations – for example, we have recently seen decisions by some Welsh Universities which suggest that they are disconnected from the economy of Wales, for example by proposing cuts in areas of great social and economic importance, such as Nursing and Planning, when there is a deficit in the number of trained and qualified people able to take up vacant posts in Wales. This type of eco-system is currently being researched by a UKRI funded project led by Cardiff University on Inclusive Innovation in UK City-Regions, focusing on Belfast, Cardiff, Newcastle and Manchester.

Discussion:

Those at the meeting agreed with Professor Morgan’s analysis, and gave numerous examples which substantiated his position:

- The Cyfarthfa Park project is a good example of a project supported by a small Local Authority, with limited capacity to bid for funds. Whilst the project had received Shared Prosperity Funds, there was no strategic co-ordination with nearby funded projects.
- Torsten Bell’s book (*Great Britain? How We Get our Future Back*, Vintage 2024) does not have a single reference to Wales, despite the loss of Structural Funds having a greater impact on Wales than on Scotland and Northern Ireland.
- The European Union had encouraged, indeed insisted, on an important role for Wales (and regions in other parts of the UK and across Europe) in

managing the allocation of EU Structural Funds. This was reinforced by reports written by Dr Graham Guilford for Welsh Government (*Investing in Growth and Jobs: an Independent Review of Arrangements for Implementation of European Structural Fund Programmes 2014-2020*, Dr Graham Guilford, published 2013 [130314guilfordreporten.pdf](#)). In contrast, the last UK Government had deliberately by-passed Welsh Government in allocating Shared Prosperity Funds, thus undermining devolution and making things difficult for national projects, in particular those led by Third Sector organisations.

- Whilst the EU insisted on “additionality” as a condition for allocation of Structural Funds, this wasn’t the case in the allocation of Shared Prosperity Funds, as short-term funding arrangements meant that only “shovel-ready” projects could be brought forward in many instances.
- Before Brexit, Welsh Government had direct links with the EU, with Ministers attending meetings alongside UK Government Ministers, and Welsh Government officials seconded to work in European institutions as well as in parts of UK Government. In this period successive UK Governments respected devolved arrangements, and good relations existed with Ministers from different political parties. The Senedd also had an important role in the formulation of policy and monitoring of arrangements.
- Members reflected on recent travel to a number of EU Member States, where the impact of a strategic approach to regional development was clear; these included Poland, Flanders, Spain, Portugal, Ireland, all of whom have been transformed over the past 20 years, with good motorways, thriving cities, reliable trains, and low levels of unemployment. In contrast, the same level of regeneration has not been achieved in Wales.

One Senedd Member had assumed that Shared Prosperity Funds would now be distributed in Wales by the Welsh Government and was concerned if that was not the case – if so, this needs to be raised and challenged, as does the gap between what Wales needs and what is available. All agreed that it is vital that decisions about strategic planning of regional development investments are made over the next six months, before the next Senedd elections, with clear criteria for all-Wales, regional and local investment. For example, innovation, business support, apprenticeships should be developed nationally and adapt at regional level, whilst regeneration should be undertaken at a local level, based around the needs of citizens and a democratic mandate.

Alun Davies MS emphasised the importance of Wales having a voice at a European level. As an ex-member of the Committee of the Regions, he represents Wales on the Contact Group; this provides an opportunity to discuss with influential individuals, such as the President of Flanders. In June Alun aims to join the Committee of the Regions as an Observer at their enquiries.

It was agreed that the Chair would write to the First Minister, highlighting the discussion held at the meeting, and inviting her to attend a future meeting.

Action - Chair to write letter to the First Minister (Caroline Turner, Dr Charles Smith and Professor Kevin Morgan to draft)

5. Forward Work Programme –

Action - approach Eluned Morgan to attend a meeting of the Group during the Autumn

Action – Dr Charles Smith to approach EU Ambassador to UK and ask him to attend a meeting of the Senedd Cross Party Group during the Autumn/Winter.

6. Future Meetings – themes and speakers –

- 1st July 2025 – Derek Vaughan (hybrid)
- Tuesday 30th September 2025
- November 2025 (date to be arranged)

Action Points:

1. Chair to write letter to the First Minister (Caroline Turner, Dr Charles Smith and Professor Kevin Morgan to draft)
2. Invite First Minister to attend a future meeting
3. Invite EU Ambassador to UK to attend a future meeting
4. Need date for September/early October (now arranged for 30th September)