

## **INDUSTRIAL COMMUNITIES CROSS PARTY GROUP**

### **Minutes of the Annual General Meeting held on Tuesday 19<sup>th</sup> February 2019 in the Seminar Room, Pierhead Building, Cardiff Bay**

#### **1. Present**

Vikki Howells AM (Chair); Cllr David White, Bridgend CBC; Peter Slater ICA Wales; Stephen Kinnock MP; Steve Fothergill ICA; Lisa Jones, Bridgend CBC; Sandra Lopes, Bridgend CBC; Cllr Sean Morgan, Caerphilly CBC; Victoria Winckler, Bevan Foundation; Andrew Collins, Neath Port Talbot CBC; Cllr R Wood, Neath Port Talbot CBC; Jamie Westcombe, EHRC Wales; Rob Wellington, Torfaen CBC; Lisa Willis Neath Port Talbot CBC; Alex Still, Office of Hefin David AM; Charles Whitmore, Wales Civic Society; Anna Nicholl, WCVA; Stuart Hardisty, IED; Elgan Morgan, South Wales Chamber of Commerce; Jessica Williams, WCVA; Lowri Gwilym, WLGA; Carwyn Jones Evans, WLGA; Caroline Jones AM; Jane Lewis; Regional Learning and Skills Partnership; Rhys Thomas, Cardiff University; N Harris, Universities Wales; Cllr Gareth Jones, Rhondda Cynon Taf CBC; Ged McHugh, ICA Wales; Cllr Jayne Brencher, Rhondda Cynon Taf CBC; L Fletcher, Plaid Cymru; Garteh Llewellyn, Plaid Cymru; Robin Lewis, AMSS, Vikki Howells AM; Ioan Bellin, AMSS, Helen Mary Jones AM; Rhianon Passmore AM.

#### **2. Apologies**

Apologies were received from Cllr Graham Thomas, Rhondda Cynon Taf CBC; Huw Irranca-Davies AM; Martin Mansfield, TUC Wales; Rob Chapell, Vale of Glamorgan CBC.

#### **3. Welcome**

Vikki Howells welcomed Stephen Kinnock MP and Stephen Fothergill to the meeting, and commended the work of the APPG and the ICA on the proposed UK Shared Prosperity Fund. She also emphasised that there were many unanswered questions emanating from the Government's plans to replace the EU's Structural Funds post-Brexit and that the ICA and others were undertaking an important role in endeavouring to fill the vacuum.

#### **4. Minutes**

The minutes of the AGM held on the 17<sup>th</sup> January 2018 were confirmed.

#### **5. Election of Chair**

Vikki Howells AM was re-elected as Chair of the Industrial Communities Cross Party Group.

## **6. Election of Secretary**

Ged McHugh, Director Designate, ICA Wales, was elected as Secretary of the Industrial Communities Cross Party Group. The Chair thanked Peter Slater for his contribution to the CPG over the years and wished him a happy retirement.

## **7. Financial Report**

The Secretary reported that the Industrial Communities Alliance had incurred expenditure of £246.90 for catering services over the year. As with previous years, the secretarial costs of supporting the CPG were absorbed by the ICA as part of its routine activities.

## **8. Membership Update**

Vikki Howells AM  
Dawn Bowden AM  
Suzy Davies AM  
Lynne Neagle AM  
Huw Irranca-Davies AM  
Ged McHugh - Industrial Communities Alliance  
Cllr David White - Bridgend CBC/Chair, Industrial Communities Alliance Wales

## **9. UK Shared Prosperity Fund: Report of the Westminster All Party Parliamentary Group on Post-Brexit Funding for Nations, Regions and Local Areas**

Stephen Kinnock MP, Chair of the APPG began his address with an overview of the group's work, stressing that the intention was to initiate a conversation with those stakeholders delivering the current EU programmes, the results of which could then be fed into the important political decisions which lay ahead. He also described the red lines of the APPG's report on the UKSPF in terms of Wales receiving not a 'penny less' in post-Brexit funding, and resisting any attempted 'money or power grab' from Westminster.

He continued with an outline of the next steps, describing the continuing delays in launching the Government's consultation on the UKSPF as being a product of the political paralysis brought about by Brexit. The meeting was informed that meetings were also being sought with James Brokenshire MP (Dept of Housing, Communities and Local Government), Jake Berry MP (Northern Power House), together with the Secretaries of State for Wales and Scotland, to discuss the APPG's position. He also stated that one of the strengths of the EU's regional funding system was that it was based on economic facts, such as GDP, rather than politics. He went on to call for an objective and transparent approach towards the UKSPF with issues

such as the allocation of resources and governance being driven by the devolution settlements.

In conclusion, he expressed the hope that the APPG's report would provide a useful framework for those responding to the Government's consultation on the UKSPF, which in turn would help to ensure a strong and simple message from Wales which enjoyed cross party support.

Professor Stephen Fothergill, National Director, Industrial Communities Alliance, continued with an outline of possible Brexit scenarios and their impact on the future of the EU funding in Wales, which accounts for some 23% of the UK total. He went on to reiterate the main recommendations of the APPG report which included: that the UKSPF should be no less in real terms than the EU and UK funding streams it replaces; existing shares to the four nations should be maintained; the fund should operate on the basis of multi-annual allocations with devolved management and setting of priorities.

Turning to the responses to the APPG's report, Professor Fothergill reported that these had been overwhelmingly supportive, with both the Welsh and Scottish Government's endorsing the recommendations. He also described the initial response of civil servants as 'encouraging.' He concluded by reiterating the earlier call for a consistent response from Wales to the Government's consultation, adding that the results of this process were likely to be reflected in the Autumn Spending Review.

There followed a wide ranging discussion on issues such as the impact of EU funding over the years together with the need to keep the UKSPF allocations outside of the Barnett Formula. In response, Stephen Kinnock, referred to the failure of Government to address the needs of those communities 'left behind, and amongst other things called for an industrial strategy to build on the UKSPF and deal with the fact that the manufacturing share of the UK economy had fallen from 30% to 9% since the 1970's. The Bevan Foundation, underlined the need to ensure that industrial communities continued to be a priority for Welsh Government, adding that a fresh policy approach, which did not focus on the M4 corridor, was required.

Concerns were also raised by the WLGA, over the fact that the proposals emerging from the Government very much reflect local government and LEP structures in England and their relationship with the Dept for Housing, Communities and Local Government. The need to ensure a distinctive voice from Wales was therefore vital. Other issues emerging during the course of the discussion included: partnership arrangements; ensuring inclusivity and equality of opportunity; the opportunities for the regionalization of funds within Wales; and the need to underpin UKSPF allocations with primary legislation.

The Chair thanked the speakers and those in attendance for their contributions to the discussion, and emphasised that the CPG had an important role to play in helping to ensure that the UKSPF remained on the agenda of Assembly Members.