

## SUMMARY SHEET TO CCR CITY DEAL SCRUTINY COMMITTEE – INVESTMENT AND INTERVENTION FRAMEWORK (IIF)

### PURPOSE

The purpose of the report is to establish the IIF providing an evaluative and objective means of appraising projects and proposals to be funded from the Wider Investment Fund. This is part of the overall Assurance Framework and is the means through which to give it, practical effect.

### KEY AREAS OF CONTENT

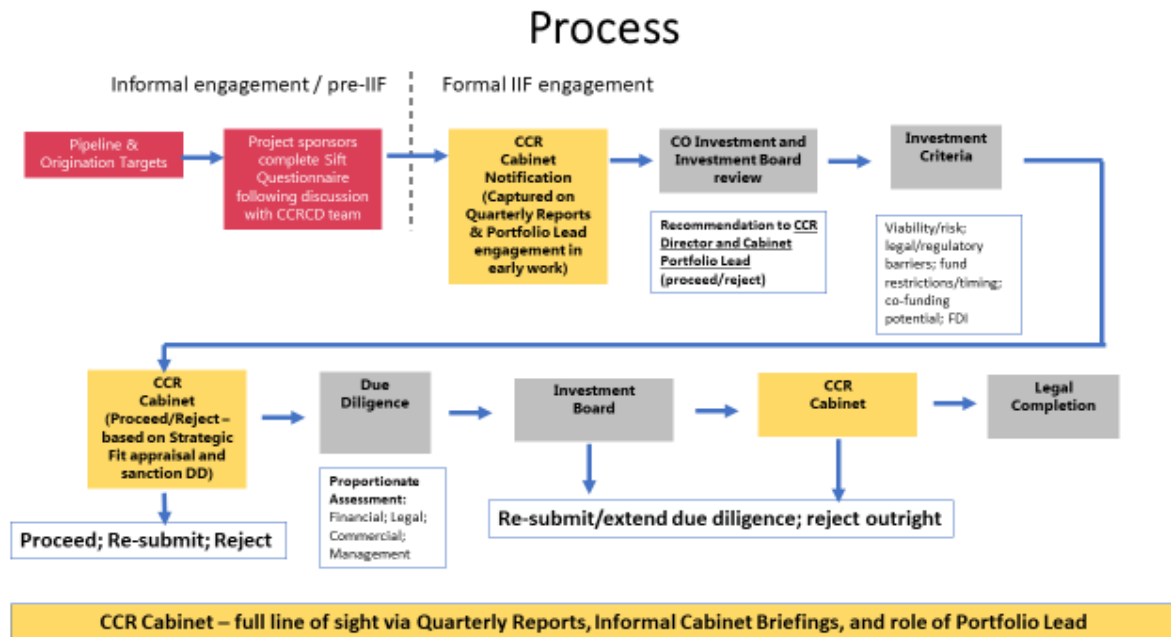
The report provides the new process for appraising and evaluating proposals with enhanced governance mechanisms and proposals for launch and marketing. This further includes:

- The SIFT questionnaire
- Overarching funding agreement
- Investment Manual
- Proposed Revised Cabinet Portfolios
- Delegations

### HEADLINE ISSUES AND POINTS OF PROGRESS:

- **Need for the IIF** – currently gap exists in the Assurance Framework around *how* CCRC will do business. This has led to open and speculative applications. We need to provide confidence we are acting strategically and in evidence-based ways and to show things are on course to achieve key targets. There is a need to set expectations in terms of ambition, priorities & timeframes & size the wider pot.
- **Journey to date** – has involved the Joint Working Agreement establishing an enabling framework - the Assurance Framework. Assurance Framework is approved document and aligns with JWA Business Plan. This requires that investment decisions appraised through a 'Regional Impact Assessment Toolkit' (*Investment and Intervention Framework & Toolkit*) and supported by a 'Prospectus for Growth and Prosperity' (*CCR Industrial and Economic Plan0*). Required due to the absence of detailed pipeline of investment projects at the inception of the City Deal. Provides an objective and robust evaluation procedure to assess and prioritize deliverable investment projects
- **Clarity and focus** – The Industrial Growth Plan focuses on priority sectors and interventions bringing together political and industrial leadership. It prioritises a place sensitive approach and economic inclusion. This focuses on how we can create clusters and connections and also promote 'evergreen' investment, co-investment and a challenge approach. It further promotes the three investment streams the IIF will promote – Innovation, Infrastructure and Challenge
- **Key Operating Principles and Process** – include the ability for the IF to be iterative as we learn. It will be based upon objective criteria that can assess and score project impartially and give clear advice to Regional Cabinet as decision makers. It establishes an advisory Investment Panel to assess and make recommendations to Regional Cabinet and re-purposes the CEX Group as the new Programme Board. See Fig 1. It proposes that each of the Infrastructure and Innovation funds comprise £200m investment resources with a further £80m going into a Challenge Fund.

Fig 1.



- **Role of Cabinet and Lead Portfolio-holders** – to take advice and input from experts and make key decisions enacting a strategic leadership role. This will ensure the appropriate space between Regional Cabinet and the technical assessment process. Opportunity will be there to delve into detail as required given the Investment Panel are advisors to Cabinet – the ultimate decision makers.
- **Key governance proposals** - the Investment Panel will provide technical support and expertise into the process. The membership is set at 10 members with 5 LA or public body representatives and 5 nominees of the Regional Economic Growth Partnership. The CEX Group will become the Programme Board.
- **Role of key officers** – will become marked by appropriate separation of duties with the Chief Investment Officer providing investment support as distinct from cabinet and policy advisory roles of the Director and Deputy.
- **Gateway Review** – IIF has endorsement of Wales and UK Governments and is flagged up as a step forward in the WAO Audit Report for 18/19. This is central to the local evaluation work as it demonstrates science to the approach and a clear platform for evaluation and monitoring.
- **Declarations of Interest** – process relies upon a Register of Interest in individual LAs and the opportunity to refresh and review this with the commencement of the IIF. The process will apply to linked bodies and partnership also. An open register is suggested as well as endorsement of Nolan principles.