**MINUTES**

**THURSDAY 30 AUGUST 2018**

**Attendees**

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| Professor Phil Brown | James Carey |
| Professor Andrew Westwood | Matthew Hicks |
| Richard Jones | Gail Evans |
| Kate Carr | Karen Cherrett |
| Tegid Roberts | Marsha Ward |
| Professor Tom Crick |  |

**Apologies**

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| Dr Nicole Millard | Peter Sueref |
| Daniel Mines | Carys Roberts |
| Professor Ewart Keep | Sophie Howe |

**Minute**

1. **Chair’s update**
	1. Phil provided a short update to the panel on work to date and key meetings.
	2. The meeting on the 18th / 19th October will be used for presentation of briefing papers and a review of the evidence gathered. This will now be a 2 day meeting with an extended audience.
	3. A meeting will be scheduled for early November to discuss the interim report. This will be a reschedule of the current November panel meeting.
	4. Phil noted the knowledge and resource gaps in Welsh Government in producing the necessary analysis on industrial sectors and the work needed in producing Industrial Transformation Maps.
	5. Phil noted that there needs to be a ‘smart’ Government approach and Welsh Government needs a strategy regarding which industries should be focussed on to deliver the greatest benefit to the public.
	6. Other points made in response to the update included:
	* The Growth Deal in North Wales will have different issues to the City Deals in Cardiff Capital Region and Swansea Bay city Region. Discussions should be undertaken with Growth and City Deal representatives (Swansea Bay City Region representatives attended and presented at this meeting).
	* Question of what we do about disruptive sectors and whether Welsh Government should have a plan to address this key issue.
	* This disruption is already happening both in Wales and elsewhere (perhaps at a more advanced stage). Due to this an outward looking view is required.
	* Discussions with the Aerospace and Automotive sectors would be of benefit to the Review.
2. **Presentation - Development Bank of Wales**
	1. Rob Hunter provided a presentation on the work of the Development Bank of Wales. This covered the growth of the bank and how its work can aid in development of Welsh businesses and the Welsh economy.
	2. Discussion points made in response to the presentation included:
	* Whilst the Development Bank has grown greatly, the amounts available to the bank may need to grow further to meet the needs of Welsh businesses. Points given in response were that there are plans for the funds available to the bank to grow into the future, but that the approach and systems of the bank must be proved before scaling up and that capacity needs to grow alongside funding to enable the bank to effectively manage deployment of greater funds.
	* The point was also raised that the scale of funding may not be the key factor in how effectively the bank can aid the Welsh economy, but that how the funding is used may be a larger contributor to the bank’s success. Rob noted that Economic Intelligence Wales has been formed as a partnership between the Development Bank, Cardiff University and the Office for National statistics to strengthen the evidence base in this area.
	* There is a need to discuss how to aid businesses not just in start up but in enabling them to survive and prosper past their initial years to enable establishment of a Mittelstand model in Wales.
	* Wales has shifted away from a grant to a loans based system, although pockets of grant based support still exist in parts of Welsh Government.
	* On the one hand the Bank is there to support the disruptive firms of the future but it also has a responsibility to support those firms at risk from technology change.
	* There is a strong emphasis on job targets within government. These types of metrics may not be appropriate for all of the funds available. This is particularly relevant in the case of the start-ups who have a strong technology focus.
3. **Engagement Plan**
	1. Matt Hicks ran through plans for engagement work to be undertaken alongside panel meetings.
	2. Discussion points made in response to the presentation included:
	* The panel should discuss this with contacts who have been involved with REAP (Regional Entrepreneurship Acceleration Programme).
	* Given much digital disruption is happening elsewhere we should make use of contacts in Welsh Government offices abroad to gain their views and experience.
	* Disruption is happening across the UK and we could have discussions with those close to the Welsh borders (for example, Bristol) who will be affected by disruption in Wales (and vice-versa). The LEP network could help in this.
	* Third sector organisations should be included in the engagement plan, such as housing associations.
	* The engagement plan should be shared at the earliest possible time with key stakeholders for views.
	* Whilst we are considering activity up to the milestones of the interim report in November 2018 and the final report in March 2019 we should also consider activity post- March 2019.
	* There exists a perception that Wales is not active in regard to digital innovation and there is a need to raise awareness of Wales’ activity in this sphere. Wales lacks an international profile when it comes to digital innovation.
4. **Presentation – Swansea Bay City Region: City Deal – The Internet Coast**
	1. Helen Morgan and Mike Galvin provided an overview of the Swansea Bay City Deal with a particular focus on the projects linked to digital innovation.
	2. Discussion points made in response to the presentation included:
	* There was a question of whether work such as this may go towards creating a new digital divide (i.e. Swansea Bay City Region vs elsewhere).
	* The observation was made that previously governments would have put in place much of the infrastructure for communications technology. However, it was recognised that this is not the case currently.
	* Some of the work to be undertaken under the city deal acts as an enabler. For example, public ducts will act as an enabler for communication companies who won’t have to rent cable from BT or dig up the streets themselves. This will reduce entry costs.
	* It was advised that Welsh Government should develop its own telecommunications policy.
	* Wales is a leader in some areas but this is not recognised as such. For example, Wales’ Superfast Cymru scheme has been very successful, but there is the perception (in Wales and elsewhere) that Wales lags behind in this area – when Wales is actually a leader. We must find a way of promoting when Wales is performing well in an area both inside and outside of Wales.