

Complete Agenda



north wales economic ambition board
bwrdd uchelgais economaidd gogledd cymru

Meeting

NORTH WALES ECONOMIC AMBITION BOARD

Date and Time

1.00 pm, FRIDAY, 24TH JANUARY, 2020

Location

**Madog Suite, Coleg Llandrillo, Ffordd Llandudno, Rhos on Sea, Conwy LL28
4HZ**

Contact Point

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(DISTRIBUTED 17/01/20)

NORTH WALES ECONOMIC AMBITION BOARD

MEMBERSHIP OF THE JOINT COMMITTEE

Voting Members

Councillors

| | |
|-------------------|----------------------------------|
| Hugh Evans | Cyngor Sir Dinbych |
| Llinos Medi Huws | Isle of Anglesey County Council |
| Mark Pritchard | Cyngor Bwrdesitref Sirol Wrecsam |
| Ian B. Roberts | Flintshire County Council |
| Dyfrig L. Siencyn | Gwynedd Council |
| Sam Rowlands | Conwy County Borough Council |

Advisers - Non-voting

| | |
|-----------------------|--|
| Dafydd Evans | Grwp Llandrillo Menai |
| Maria Hinfelaar | Glyndwr University |
| Yana Williams | Coleg Cambria |
| Jim Jones | North Wales and Mersey Dee Business Council |
| Askar Sheibani | Business Delivery Board |
| Professor Iwan Davies | Bangor University |

Chief Officers - Non-voting

| | |
|-------------------|----------------------------------|
| Annwen Morgan | Isle of Anglesey County Council |
| Iwan Davies | Conwy County Borough Council |
| Colin Everett | Flintshire County Council |
| Judith Greenhalgh | Denbighshire County Council |
| Ian Bancroft | Cyngor Bwrdesitref Sirol Wrecsam |
| Dilwyn Williams | Gwynedd Council |

Officers in Attendance

| | |
|-------------------|---------------------|
| Alwen Williams | Cyfarwyddwr Rhaglen |
| Dafydd L. Edwards | Section 151 Officer |
| Iwan G. Evans | Monitoring Officer |

A G E N D A

1. APOLOGIES

To receive any apologies for absence.

2. DECLARATION OF PERSONAL INTEREST

To receive any declarations of Personal Interest

3. URGENT BUSINESS

To note any items that are a matter of urgency in the view of the Chair for consideration.

4. MINUTES OF THE PREVIOUS MEETING 5 - 9

The Chair shall propose that the minutes of the meeting held on 15 November be signed as a true record.

5. PROGRESS UPDATE REPORT 10 - 12

Report by Jane Richardson – Chair of the NWEAB Executive Officers Group.

6. REVENUE BUDGET 2019/20 - THIRD QUARTER REVIEW (DECEMBER 2019) 13 - 18

Report by Dafydd L.Edwards, Host Authority Statutory Finance Officer.

7. ESF APPLICATION 19 - 22

Report by Alwen Williams, Programme Director

8. EXCLUSION OF PRESS AND PUBLIC

The Chairman shall propose that the press and public be excluded from the meeting during the discussion on the following item due to the likely disclosure of exempt information as defined in paragraph 12, Part 4, Schedule 12A of the Local Government Act 1972. This paragraph is relevant as the report includes information about specific individuals who have the right to privacy. There is no public interest that calls for disclosing personal information about these individuals which would outweigh their rights. Consequently, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

9. BUSINESS DELIVERY BOARD CHAIR - SHORT LIST

To draw up a shortlist of applicants for the post of Business Delivery Board Chair
(application forms and supporting documents to be circulated separately for Board members only).

NORTH WALES ECONOMIC AMBITION BOARD
15.11.2019

Present:

Voting Members - Councillors:- Hugh Evans (Denbighshire Council), Llinos Medi Huws (Isle of Anglesey County Council), Ian Roberts (Flintshire Council), Sam Rowlands (Conwy County Borough Council), Mark Pritchard (Wrexham County Borough Council) and Dyfrig L.Siencyn (Gwynedd Council) (Chair).

Advisors – Dafydd Evans (Grŵp Llandrillo Menai), Maria Hinfelaar (Glyndwr University), Bryn Jones (Bangor University), Jim Jones (North Wales Mersey Dee Business Council) and Askar Sheibani (Business Delivery Board).

Chief Officers - Annwen Morgan (Isle of Anglesey County Council), Iwan Davies (Conwy County Borough Council), Judith Greenhalgh (Denbighshire Council), Ian Bancroft (Wrexham County Borough Council), Colin Everett (Flintshire Council).

Officers in attendance - Dafydd Edwards (Statutory Finance Officer), Iwan Evans (Monitoring Officer), Jane Richardson (Chair of the Executive Officers Group), Andrew Farrow (Flintshire Council), Sian Lloyd Roberts (Manager of the Regional Skills Partnership), David Roberts (Chair of the Regional Skills Partnership) and Annes Siôn (Democratic Services Officer).

Jane Richardson, Chair of the Executive Officers Group, was welcomed to the meeting and thanked for taking over the reins temporarily.

1. APOLOGIES

Apologies were received from David Jones (Coleg Cambria), Prof. Iwan Davies (Bangor University) and Dilwyn Williams (Gwynedd Council).

2. DECLARATION OF PERSONAL INTEREST

No declarations of personal interest were received.

3. URGENT ITEMS

None to note.

4. MINUTES

The Chair signed the minutes of the previous meeting of the EAB held on 18 October 2019, as a true record.

5. GROWTH DEAL UPDATE

The report was submitted by Colin Everett, Lead Chief Executive.

RESOLVED

To accept the report which provided an update on the North Wales Growth Deal and to agree to add the following risks to the risk register:

- A slippage in the timeframe to reach a Final Agreement would affect the drawing down of Growth Deal funds from the Government, which would subsequently affect the ability to deliver projects successfully within the timeframe.
- Welsh Government's Economic Plan does not align with the EAB's Growth Vision

REASONS FOR THE DECISION

The report was submitted in order to provide an update on the development of the North Wales Growth Deal and attention was drawn to the signing of the Heads of Terms, appointments to the programme office together with reporting on the work of reviewing and updating the Work Programme and the risk register.

DISCUSSION

The report was submitted and it was noted that the Heads of Terms had been signed prior to the electoral period. It was added that, in so doing, a £240 million investment had been secured and that the final deal would need to be signed during the third quarter of 2020/21.

It was explained that five appointments had been made to the Programme Office and that the location of the Programme Office had been confirmed. It was noted that further discussions would be held on the work programme and risk register at the next meeting. It was stressed that a risk would need to be added to the register noting that should a slippage occur in the timeframe to reach a Final Agreement, this would affect the drawing down of Growth Deal funds from the Government.

The dates of meetings in 2020 were noted and staff were thanked for their work during the interim period.

During the discussion the following matters were raised:

- The structure of the Programme Office was discussed.
- Members were thanked for going to sign the Heads of Terms.
- In relation to the risk register, it was noted that Welsh Government's Economic Plan did not align with the Growth Vision and that this could be a risk.
- It was added that the next meeting had been scheduled for the day after the election; consequently it was resolved to postpone the meeting.

6. ESF FUNDING APPLICATION

The report was submitted by Jane Richardson, Conwy County Borough Council.

RESOLVED

Resolved to:

- Delegate authority for Gwynedd Council acting as Host Authority to prepare and submit the Business Plan to WEFO on the basis set out in the report
- Delegate the authority to the Chief Executive of the Host Authority in consultation with the NWEAB Lead Director and the Host Authority Section 151 Officer to accept a WEFO grant offer based on 50% of the total project cost (£5.6 million) for the period July 2018 up until June 2023.
- Confirm that the NWEAB accepts that it will contribute match funding at 50% primarily by a combination of capitalisation of project costs and core budget (from partner contributions).

REASONS FOR THE DECISION

It was noted that the Executive Officers Group had been working on a European Social Fund (ESF) application to design and build the necessary capacity for delivering the North Wales Growth Deal. It was added that the ESF grant would provide funding to the region to progress the development and delivery of the Growth Vision, through the establishment of a Programme Office. It was noted that the first stage of the application had been completed and WEFO had confirmed that the NWEAB may proceed to the Business Planning stage.

It was added that the Executive Officers Group had developed the details for the Business Plan and the Plan would be presented to WEFO following the NWEAB's approval.

DISCUSSION

The report was presented and attention was drawn to adjustments in the financial section of the report. It was added that the first stage of the application had been completed and WEFO had confirmed that the NWEAB may proceed to the Business Planning stage.

It was also added that a staffing structure had been created and that some members of staff would need to be in place by April in order for WEFO to look at the application favourably. It was noted that if the EAB was successful with the application, it would be possible to back-date staffing costs and allow the region to reclaim staffing costs from July 2018.

During the discussion the following matters were raised:

- It was noted that the EAB had kept on-costs low and being able to reclaim staffing costs would ensure that reserve funds would be available to subsidise various costs.
- A member asked what the timeframe was to be told whether or not the application was successful. It was noted that it would be difficult to get a definite date but that things would be clearer after the application was submitted to WEFO.
- It was explained that posts appointed from April onwards would be dependent on confirming that the EAB was in receipt of the grant funding and that the posts would not be advertised until confirmation was received of the grant funding.

7. REGIONAL SKILLS AND EMPLOYMENT PLAN

The report was submitted by David Roberts, Chair of the Regional Skills Partnership and Sian Lloyd Roberts, Manager of the Regional Skills Partnership

DECISION

To endorse the regional Skills and Employment Plan and agree to the three priorities as set out in the plan.

REASONS FOR THE DECISION

It was noted that the North Wales Skills and Employment Plan 2019-2022 had been developed to inform Welsh Government's strategic approach to the delivery of skills and employment provision in the region.

It was noted that this was a report to the Board on the regional Skills and Employment plan which had been produced by the North Wales Regional Skills Partnership following consultations with regional stakeholders and providers and the industry between April and July 2019.

DISCUSSION

The report was presented, noting that it outlined some of the schemes following an extensive consultation held during the summer. It was explained that it was hoped that Welsh Government would agree to the plan to enable the schemes to progress. It was also noted that a Skills Summit would be held in November which would highlight the main focus.

It was stressed that the priorities had been created following evidence gathering with stakeholders. The priorities were outlined, noting that the next step would be to develop the priorities further in order to create a specific and detailed action plan which would also act as a delivery plan over the next three years.

During the discussion the following matters were raised:

- The Board was grateful for the presentation and the three priorities were agreed to, possibly adding a fourth - sustainable jobs. It was added that staff needed to be kept in their jobs in order to reduce staff turnover and to retain talent in the area.
- It was noted that there was a need to stress that the tourism field in Wales was one that could be developed and receive high salaries.
- It was noted that the work by the Manager of the Skills Partnership had had a positive impact on how the Regional Skills Partnership was seen by the Universities and Colleges.
- Attention was drawn to the Welsh language and it was highlighted that only one sentence referred to the Welsh language in the Plan. It was stressed that the Welsh language needed to be highlighted.
- It was explained that rural issues would arise in terms of access difficulties, and it was noted that the Leader scheme was available but that it may come to an end and that, consequently, it needed to be noted as a threat.

8. NATIONAL DEVELOPMENT FRAMEWORK

The report was submitted by Andrew Farrow (Chief Officer - Planning, Environment and Economy - Flintshire Council)

DECISION

To amend the response to the consultation on the National Development Framework as set out in Appendix 2, to include any matters arising during this meeting of the NWEAB and submit them to WG by 18 November.

REASONS FOR THE DECISION

It was noted that the National Development Framework determined where developments would happen within the region. It was added that it was essential that the National Development Framework accurately reflected the aims of the North Wales Economic Ambition Board, the adopted Regional Economic Ambition Strategy and the emerging Growth Deal.

DISCUSSION

The report was presented and it was noted that the National Development Framework stated where developments would occur up to 2040. It was noted that discussions had been held on the framework and that 13 points had been raised by the EAB. The 13 points were highlighted.

Observations arising from the discussion

- It was noted that there was an opportunity to discuss these matters with the Cabinet Members next Thursday.
- It was expressed that transport needed to be looked at over the border in England and not focus on Wales alone.
- It was expressed that the Government would expect Local Development Plans to be adapted to align with the National Development Framework.
- It was stressed that the response needed to be sharpened and the risks noted clearly by adapting the first paragraph. It was noted that each local authority would be sending responses also.

The meeting commenced at 1.00pm and concluded at 2.30pm.



**REPORT TO THE NORTH WALES ECONOMIC AMBITION BOARD
24 JANUARY, 2020**

TITLE: *Progress Update Report*

AUTHOR: *Jane Richardson – Chair of the NWEAB Executive Officers Group*

1. PURPOSE OF THE REPORT

1.1. To update members on development since the last meeting.

2. DECISION SOUGHT

2.1. To note the information within the report.

3. REASONS FOR THE DECISION

3.1. To update on the progress of the Executive Officers Group.

3.2. To report on the appointments within the Programme Office, and on the future priorities of the team.

4. BACKGROUND AND RELEVANT CONSIDERATIONS

4.1. Heads of Terms

- Following the signing of Heads of Terms during November, the document was returned to UK Government, and a Certified Copy was shared with all other partners.

4.2. Programme Office

- Four staff members have commenced in post as follows:

| | |
|--------------------|---------------------------|
| Alwen Williams | Programme Director |
| Hedd Vaughan-Evans | Operations Manager |
| Stuart Whitfield | Digital Programme Manager |
| Henry Aron | Energy Programme Manager |

- The Land and Property Programme Manager will commence in post during March/April 2020.
- The Programme Office team are located at the Conwy Business Centre. This is an initial arrangement for once year, and will be reviewed for the long term.

4.3. Governance

- A Governance Workshop has been arranged for 14th February 2020.

- The role of Business Delivery Board Chair was advertised before Christmas, and the closing date for applications was 17th January 2020. The NWEAB will shortlist the candidates, this will then be discussed with both Governments and the interviews will follow.

4.4. Executive Officers Group

- The Executive Group have managed the Transitional Plan well.
- The Executive Group have been reviewing the purpose and role of the group following the establishment of the Programme Office. Going forward the Executive Group will hold bimonthly business meetings, and strategic regional discussion.
- We have been strengthening our working relationship with the WG North Wales regional team, exploring how we can work collaboratively on the Regional Economic Framework and an refreshing the Growth Vision

4.5. Programme Office forward work plan

- The Programme Office are currently defining their forward work plan.
- Some of the key tasks/priorities include the following:
 - Finalise the ESF Application, and prioritise the key roles within the Programme Office from April 2020;
 - Develop a Communications Strategy and Plan
 - Create the new narrative for the NWEAB and the Growth Deal;
 - Stakeholder planning and management;
 - Work alongside the Executive Officers Group to update the Growth Vision;
 - Deliver Growth Deal projects, producing 5 Case Business Models.

4.6. Chair's Update

Since the last NWEAB meeting, the Chair Councillor Dyfrig Siencyn has attended the following events on behalf of the Board:

- OECD Seminar – November 27th 2019
- Skills and Employment Plan Launch – November 28th 2019
- Economy, Infrastructure and Skills Committee – January 15th 2020

5. FINANCIAL IMPLICATIONS

5.1. None at this stage.

6. LEGAL IMPLICATIONS

6.1. None at this stage.

7. STAFFING IMPLICATIONS

7.1. None at this stage.

8. IMPACT ON EQUALITIES

8.1. None at this stage.

9. CONSULTATIONS UNDERTAKEN

9.1. The contents of this report was discussed by the Executive Officers Group on 10th January, 2020.

STATUTORY OFFICERS RESPONSE:

i. Monitoring Officer – Accountable Body:

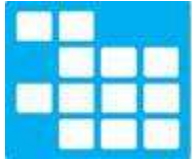
“I will add any comments at the meeting if required.”

ii. Statutory Finance Officer (the Accountable Body’s Section 151 Officer):

“I confirm that I will be working with the Program Director on ‘Financial’ aspects of the Work Programme. Further comments, as necessary, will be presented orally at the Board meeting.”

Agenda Item 6

Economic Ambition Board: 24/01/2020



north wales economic ambition board
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REPORT TO THE NORTH WALES ECONOMIC AMBITION BOARD

24/01/2020

Title: Revenue Budget 2019/20 – Third Quarter Review (December 2019)

Author: Dafydd L Edwards, Host Authority Statutory Finance Officer

1. Purpose of the Report

- 1.1 This report intends to provide the North Wales Economic Ambition Board (NWEAB) with details of the actual expenditure and income for the third quarter of the 2019/20 financial year as well as projected full year out-turn against its annual budget.
- 1.2 In order to operate effectively, the Joint Committee needs to be aware of its projected expenditure position against its approved annual budget.

2. Decision Sought

- 2.1 **To receive the Joint Committee's Third Quarter Review for 2019/20.**
- 2.2 **To obtain the Joint Committee's approval for any underspend in 2019/20 to be transferred to the earmarked reserve that will be available for future years.**

3. Reasons for the Decision

- 3.1 To note an estimated underspend of £117,424 in 2019/20 of which will be transferred to the earmarked reserve that was set up at the end of 2018/19.

4. Background

- 4.1 During 2019/20, quarterly reviews have been undertaken and they have been reported to the NWEAB meetings in July and October 2019.
-

4.2 The out-turn report and the annual return for 2019/20 will be presented to the NWEAB meeting on 12 June 2020.

5. Expenditure and income in 2019/20

5.1 Appendix 1 shows the actual expenditure and income for the third quarter of the 2019/20 financial year together with projected full year out-turn against its annual budget.

5.2 At the end of the third quarter, the actual net position was a surplus of £366,150.

5.3 The net out-turn position at the end of the financial year is expected to show an underspend of £117,424. The funding for 2019/20 will come from partner contributions, ESF grant funding (if approved) and the Public Transport (Wales) Bill grant.

Programme Management Office

5.4 There is a further estimated underspend of £70,261 on this heading mainly due to delayed recruitment to posts and a reduction in the Programme Planning, Development and Support heading expenditure.

Accountable Body Support Services

5.5 A further underspend of £11,070 is forecasted on the Accountable Body (host authority) support services in 2019/20.

Joint Committee

5.6 There is an estimated underspend of £11,634 on the Governance Agreement 2 budget heading as the final version of the legal document will not be completed until 2020/21 financial year.

5.7 The Joint Committee's income for 2019/20 will again be below the £2.5m threshold for preparing their own statement of accounts, therefore a "Smaller relevant local government bodies in Wales Annual Return" will be completed and audited, hence a reduced audit fee is estimated with an underspend of £11,000 on the External Audit Fee" budget heading.

5.8 A further underspend of £5,250 is forecasted on the Business Delivery Board budget heading in 2019/20.

Funding Contributions

- 5.9 The NWEAB has been awarded £155,000 for the Public Transport (Wales) Bill to cover the period 1 March 2019 to 31 March 2021. An estimated specific grant worth £45,145 is likely to be claimed during this financial year, and the spending profile for 2020/21 will need to be planned so that the maximum funding is received by the NWEAB.
- 5.10 The European Social Fund (ESF) Priority 5 funding application has been submitted to the Welsh European Funding Office (WEFO) in November 2019, and they are currently working with members of the Executive Group on this. Approval of this funding would mean that posts within the Programme Management Office could obtain funding of up to 50% up until 2022/23. Based on our projected employee expenditure and staff secondment costs of £99,215 for 2019/20, £49,608 of ESF Grant funding could be claimed for this period. If successful, we could also claim 40% simplified costs and the ESF grant could also be back-dated to July 2018, but these have not been reflected in our figures for 2019/20.
- 5.11 Based on revised forecasts, £117,424 will be transferred to the earmarked reserve at the end of the financial year. This will be added to the existing earmarked reserve to give a balance of £453,637 of which will be available for future years.

6. Staffing Implications

- 6.1 The estimated out-turn position for the year reflects the implications of the recruitments that have taken place over the recent months.

7. 2020/21 Budget

- 7.1 The 2020/21 Budget will be presented to the NWEAB meeting on 20 March 2020.

8. Consultations Undertaken

- 8.1 Appendix 1, as well as a summary of the contents of this report, was presented to the Executive Group on 10 January 2020.

9. Appendix

Appendix 1 – Economic Ambition Board Budget 2019/20 – Third Quarter Review (December 2019).

STATUTORY OFFICERS' RESPONSE:

i. Monitoring Officer – Accountable Body:

No observations to add from a propriety perspective.

ii. Statutory Finance Officer – Accountable Body:

Author of this report.

| Expenditure | Original Budget | Virements | Revised Budget | December 2019 (9 months) Actual | Estimated Final Position | Estimated Overspend / (Underspend) |
|---|-----------------|------------------|----------------|---------------------------------|--------------------------|------------------------------------|
| | (£) | (£) | (£) | (£) | (£) | (£) |
| Programme Management Office | | | | | | |
| Employee Expenditure (Pay, N.I. & Superannuation) | 246,480 | (61,580) | 184,900 | 4,126 | 74,034 | (110,866) |
| Staff Secondment | 0 | 0 | 0 | 0 | 25,181 | 25,181 |
| Programme Management/Development Re-charge | 0 | 0 | 0 | 62,484 | 62,484 | 62,484 |
| Advertising and Assessment of Candidates | 0 | 0 | 0 | 49,729 | 49,729 | 49,729 |
| Travel and Subsistence | 10,000 | 0 | 10,000 | 559 | 1,659 | (8,341) |
| Engagement and Meetings | 11,620 | 0 | 11,620 | 4,485 | 5,485 | (6,135) |
| Communications and Public Relations | 45,000 | 0 | 45,000 | 11,550 | 17,150 | (27,850) |
| Performance Audit Fee | 12,500 | 0 | 12,500 | 0 | 0 | (12,500) |
| Supplies and Services | 10,000 | 0 | 10,000 | 1,046 | 10,000 | 0 |
| Regional Engagement Team (RET) | 43,480 | 0 | 43,480 | 42,282 | 42,282 | (1,198) |
| Premises | 5,000 | 0 | 5,000 | 0 | 3,908 | (1,092) |
| Project Planning, Development and Support | 319,800 | (91,040) | 228,760 | 100,701 | 189,086 | (39,674) |
| Programme Management Office Total | 703,880 | (152,620) | 551,260 | 276,962 | 480,999 | (70,261) |
| Accountable Body Support Services | | | | | | |
| Finance Services Support | 105,710 | (22,720) | 82,990 | 0 | 71,920 | (11,070) |
| Legal (includes Monitoring Officer) | 16,000 | 0 | 16,000 | 0 | 16,000 | 0 |
| Corporate Support | 29,400 | 0 | 29,400 | 11,712 | 29,400 | 0 |
| Information Technology | 2,760 | 0 | 2,760 | 0 | 2,760 | 0 |
| Accountable Body Support Services Total | 153,870 | (22,720) | 131,150 | 11,712 | 120,080 | (11,070) |
| Joint Committee | | | | | | |
| Governance Agreement 2 - Legal | 20,000 | 0 | 20,000 | 0 | 8,366 | (11,634) |
| Governance Agreement 1 - Legal | 0 | 0 | 0 | 1,634 | 1,634 | 1,634 |
| External Audit Fee | 12,500 | 0 | 12,500 | 0 | 1,500 | (11,000) |
| Business Delivery Board | 0 | 10,000 | 10,000 | 2,751 | 4,750 | (5,250) |
| Joint Committee Total | 32,500 | 10,000 | 42,500 | 4,385 | 16,250 | (26,250) |
| Total Expenditure | 890,250 | (165,340) | 724,910 | 293,059 | 617,329 | (107,581) |

| Income | Original Budget | Virements | Revised Budget | December 2019 (9 months) Actual | Estimated Final Position | Estimated Overspend / (Underspend) |
|--------|-----------------|-----------|----------------|---------------------------------|--------------------------|------------------------------------|
| | (£) | (£) | (£) | (£) | (£) | (£) |

Funding Contributions

Partner Contributions - GA1

| | | | | | | |
|---------------------------------|----------|---|----------|----------|----------|---|
| Conwy County Borough Council | (50,000) | 0 | (50,000) | (50,000) | (50,000) | 0 |
| Denbighshire County Council | (50,000) | 0 | (50,000) | (50,000) | (50,000) | 0 |
| Flintshire County Council | (50,000) | 0 | (50,000) | (50,000) | (50,000) | 0 |
| Gwynedd Council | (50,000) | 0 | (50,000) | (50,000) | (50,000) | 0 |
| Isle of Anglesey County Council | (50,000) | 0 | (50,000) | (50,000) | (50,000) | 0 |
| Wrexham County Borough Council | (50,000) | 0 | (50,000) | (50,000) | (50,000) | 0 |
| Bangor University | (25,000) | 0 | (25,000) | (25,000) | (25,000) | 0 |
| Wrexham Glyndwr University | (25,000) | 0 | (25,000) | (25,000) | (25,000) | 0 |
| Coleg Cambria | (25,000) | 0 | (25,000) | (25,000) | (25,000) | 0 |
| Grŵp Llandrillo Menai | (25,000) | 0 | (25,000) | (25,000) | (25,000) | 0 |

Partner Contributions - Other

| | | | | | | |
|---------------------------------|----------|---|----------|----------|----------|---|
| Conwy County Borough Council | (40,000) | 0 | (40,000) | (40,000) | (40,000) | 0 |
| Denbighshire County Council | (40,000) | 0 | (40,000) | (40,000) | (40,000) | 0 |
| Flintshire County Council | (40,000) | 0 | (40,000) | (40,000) | (40,000) | 0 |
| Gwynedd Council | (40,000) | 0 | (40,000) | (40,000) | (40,000) | 0 |
| Isle of Anglesey County Council | (40,000) | 0 | (40,000) | (40,000) | (40,000) | 0 |
| Wrexham County Borough Council | (40,000) | 0 | (40,000) | (40,000) | (40,000) | 0 |

| | | | | | | |
|---------------------------------|-----------|---------|---|---|---|---|
| Capitalisation of Project Costs | (250,250) | 250,250 | 0 | 0 | 0 | 0 |
| Private Sector (future years) | 0 | 0 | 0 | 0 | 0 | 0 |

| | | | | | | |
|-------------------------------------|---|----------|----------|----------|----------|----------|
| Public Transport (Wales) Bill Grant | 0 | (34,100) | (34,100) | (19,209) | (45,145) | (11,045) |
| ESF Priority 5 funding | 0 | (50,810) | (50,810) | 0 | (49,608) | 1,202 |

| | | | | | | |
|---------------------|------------------|----------------|------------------|------------------|------------------|----------------|
| Total Income | (890,250) | 165,340 | (724,910) | (659,209) | (734,753) | (9,843) |
|---------------------|------------------|----------------|------------------|------------------|------------------|----------------|

| | | | | | | |
|---|----------|----------|----------|------------------|------------------|------------------|
| Overspend / (Underspend) position before transfer to Earmarked Reserve | 0 | 0 | 0 | (366,150) | (117,424) | (117,424) |
|---|----------|----------|----------|------------------|------------------|------------------|

| | | | | | | |
|-------------------|---|---|---|---|---------|---------|
| Earmarked Reserve | 0 | 0 | 0 | 0 | 117,424 | 117,424 |
|-------------------|---|---|---|---|---------|---------|

| | | | | | | |
|-------------------------------------|----------|----------|----------|------------------|----------|----------|
| Net Overspend / (Underspend) | 0 | 0 | 0 | (366,150) | 0 | 0 |
|-------------------------------------|----------|----------|----------|------------------|----------|----------|



REPORT TO THE NORTH WALES ECONOMIC AMBITION BOARD
24th JANUARY, 2020

TITLE: *ESF (European Social Fund) Institutional Capacity Building Application*

AUTHOR: *Alwen Williams, Programme Director*

1. PURPOSE OF THE REPORT

1.1. The purpose of the report is to update the NWEAB on the ESF Funding Application, the revised Staffing Structure and the appointment dates.

2. DECISION SOUGHT

2.1. Approve the Staffing Structure for the Programme Office, and delegate the authority to the Programme Director in consultation with the Chief Executive of the Host Authority and the Section 151 Officer to amend the structure as required within the funding envelope.

2.2. Approve the appointment dates for the staff within the staffing structure, and appointing to the Programme Office prior to the Final Deal, where those posts are affordable within the core budget and the ESF Grant Funding.

2.3. Subject to the matters set out in the report and the decision to authorise the Programme Director to proceed with the creation of the posts and undertake the appointments process in accordance with the Host Authority's Policies and Procedures.

2.4. Delegate the authority to the Programme Director in consultation with the Host Authority Chief Executive and the Section 151 Officer to accept a WEFO (Welsh European Funding Office) grant offer based on 50% of the total project cost (£5.8 million) for the period July 2018 up until June 2023.

2.5. Confirm that the NWEAB accepts that it will contribute match funding at 50% primarily by a combination of capitalisation of project costs and core budget (from partner contributions).

3. REASONS FOR THE DECISION

3.1. Staff resources are needed in order to expedite the Growth Vision and work plan, as detailed in the following report.

4. BACKGROUND AND RELEVANT CONSIDERATIONS

4.1. Background

4.1.1. The ESF Funding will provide funding to progress the development and delivery of the Growth Vision, through the establishment of a Programme Office.

- 4.1.2. The funding will allow the NWEAB to design and build the necessary capability and capacity at a regional (North Wales) level. This will support the shift towards regional governance and delivery of key functions to meet the ambitions of the North Wales Growth Vision and the Welsh Government through its own emerging Regional Framework.
- 4.1.3. The first draft of the Business Plan was submitted to WEFO on 21st November, 2019 following approval by the NWEAB on 15th November, 2019.
- 4.1.4. WEFO provided comments on the first draft Business Plan.
- 4.1.5. Following my appointment in January 2020 I have discussed the draft Business Plan and Staffing Structure with relevant officers.
- 4.1.6. The Business Plan and the staffing structure have been amended in line with the comments provided by WEFO as well as the recent discussions with officers.

4.2. Staffing Structure

- 4.2.1. Initially the Programme Office will have key personnel part-funded through ESF grant to provide a backbone to the structure. To date the following have been appointed: Programme Director, Operations Manager, Digital Programme Manager (secondment), Energy Programme Manager and Land and Property Programme Manager.
- 4.2.2. Additionally to the above, 15 posts will be appointed to the Programme Office. These will be recruited following approval of the ESF Application.
- 4.2.3. When we reported to the NWEAB back in November 2019, 4 posts (Skills Programme Manager, Growth Vision Programme Manager, ESF Project Manager and Programme Support Officer) were identified as a priority to appoint. However following discussions with the Programme Director an additional 6 priority posts have been identified, namely Digital Project Manager, Energy Project Manager, Land and Property Project Manager, Regeneration Project Manager, Senior Operational Officer and the PR and Marketing Officer. The aim is for these 10 posts in total to be appointed between April and October 2020 (subject to WEFO approval of the Business Plan).
- 4.2.4. The remaining 5 appointments to the Programme Office will take place after signing the Final Growth Deal, for the purpose of the funding application we have estimated that these will be appointed to during January 2021.

4.2.5. The list below outlines the estimated start dates of the posts within the Programme Office:

| Post | Start date |
|--|------------|
| Appointed: | |
| Programme Director | 01/01/2020 |
| Operations Manager | 01/01/2020 |
| Digital Programme Manager | 18/11/2019 |
| Energy Programme Manager | 01/12/2019 |
| Land and Property Programme Manager | 01/04/2020 |
| To be appointed between April and October 2020: | |
| Skills Programme Manager | 01/04/2020 |
| Growth Vision Programme Manager | 01/10/2020 |
| ESF Project Manager | 01/04/2020 |
| Programme Support Officer | 01/04/2020 |
| Digital Project Manager | 01/04/2020 |
| Energy Project Manager | 01/04/2020 |
| Land and Property Project Manager | 01/09/2020 |
| Regeneration Project Manager | 01/09/2020 |
| Senior Operational Officer | 01/04/2020 |
| PR and Marketing Officer | 01/04/2020 |
| To be appointed after Final Deal: | |
| Skills Project Officer | 01/01/2021 |
| Skills Project Officer | 01/01/2021 |
| Transport Programme Manager | 01/01/2021 |
| Digital Project Manager | 01/01/2021 |
| Transport Project Manager | 01/01/2021 |

4.2.6. The ESF funding application proposed structure is included in Appendix 1.

5. FINANCIAL IMPLICATIONS

5.1. The funding start date will be back dated to July 2018, and the funding end date will be June 2023. Back dating the start date to July 2018 will allow the region to claim retrospection for the Lead Director seconded to the NWEAB, and support by the Senior Operational Officer and Administrative Support.

5.2. The funding application to WEFO is as follows:

| Cost Heading | Cost |
|---|---------------------|
| Staff Costs | £4.1 million |
| Simplified Costs (40%) [to cover all other expenditure within the programme office] | £1.7 million |
| Total Grant Expenditure | £5.8 million |

5.3. The NWEAB will submit regular financial claims to WEFO to draw down the ESF grant funding.

5.4. The figures within this report are based on the eligible staff costs including eligible redundancy costs, and in accordance with WEFO grant conditions a standard amount calculated as 40% of the staff costs to cover all other expenditure within the project (training, indirect management costs, claim support costs, etc.), or for match funding, these are known as Simplified Costs.

- 5.5. The total grant expenditure will be £5.8 million, of which £4.1 million are staff costs and £1.7 million simplified costs (i.e. to cover all other expenditure within the programme office). The ESF grant for the project will be £2.9 million (50% grant rate), with the remaining £2.9 million required as match funding provided by the NWEAB. The NWEAB match funding will primarily be a combination of capitalisation of project costs and core budget (from partner contributions). The exact commencement date of the capitalisation funding will form part of the Final Growth Deal negotiations.
- 5.6. If staff employment contracts aren't extended beyond the ESF Funding, redundancy costs may be applicable for this project. The total staff costs (in 5.2. above) include the eligible redundancy costs for staff whilst employed in the programme office. As previously discussed, the NWEAB will be setting aside funds in a reserve for this purpose when possible.
- 5.7. Inclusion of the 10 posts referred to in paragraph 4.2.3. above within the NWEAB budget for 2020/21 will be affordable within the core budget if the ESF grant funding is received.

6. LEGAL IMPLICATIONS

- 6.1. The applications for the funding and the acceptance of any offer of grant will be actioned by the Programme Director and the Host Authority's Section 151 Officer acting on behalf of and in accordance with the requirements of the NWEAB under GA1.

7. STAFFING IMPLICATIONS

- 7.1. As noted in the report.

8. IMPACT ON EQUALITIES

- 8.1. None.

9. CONSULTATIONS UNDERTAKEN

- 9.1. The original Business Plan and the proposed staffing structure was discussed and approved at the Executive Officers Group on 25th October, 2019. Further consultation has taken place with WEFO, officers and the Gwynedd Finance Department.

STATUTORY OFFICERS RESPONSE:

i. Monitoring Officer – Host Authority:

“The report sets out the appropriate considerations for the Boards decision and proposes and appropriate delegation arrangement which accords with the financing timetable. I note that the Host Authority will be committing to the grant and employing the staff within the provisions and protections of GA1.”

ii. Statutory Finance Officer (the Host Authority's Section 151 Officer):

“I have worked with the author in preparing this report and can confirm the accuracy of the financial aspects of the contents.”