

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, 14TH MAY, 2021

Location

Virtual Meeting - Zoom

Contact Point

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(DISTRIBUTED 07/05/21)

NORTH WALES ECONOMIC AMBITION BOARD

MEMBERSHIP OF THE JOINT COMMITTEE

Voting Members

Councillors

Hugh Evans	Denbighshire County Council
Llinos Medi Huws	Isle of Anglesey County Council
Mark Pritchard	Wrexham County Borough Council
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
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	Wrexham County Borough Council
Dilwyn Williams	Gwynedd Council

Officers in Attendance

Dafydd L. Edwards	Section 151 Officer
Iwan G. Evans	Monitoring Officer
Alwen Williams	Portfolio Director
Hedd Vaughan Evans	Operations Manager
Nia Medi Williams	Senior Executive 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 which are urgent business in the opinion of the Chair for consideration

4. MINUTES OF THE PREVIOUS MEETING 5 - 12

The Chair shall propose that the minutes of the meeting held on 26 March 2021 be signed as a true record.

5. 2020-21 OUT-TURN REPORT AND ANNUAL RETURN 13 - 27

Dafydd L Edwards and Sian Pugh to provide the North Wales Economic Ambition Board with the final out-turn position for 2020/21 and to obtain approval of the Official Annual Return for 2020/21

6. NORTH WALES GROWTH DEAL - QUARTER 4 AND ANNUAL REPORTS 28 - 77

Alwen Williams to present the Quarter 4 (Jan-March) Growth Deal report, updated Portfolio Risk Register and the Portfolio Management Office Annual Report for 2020-21

7. 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 14 of Schedule 12A of the Local Government act 1972 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).

There is an acknowledged public interest in openness in relation to the use of public resources and related financial issues. It is also acknowledged that there are occasions, in order to protect the financial and commercial interests that matters related to such information need to be discussed without being publicised. The report deals specifically with financial and business matter and related discussions. Publication of such commercially sensitive information could adversely affect the interests of the bodies and the Councils and undermine the confidence of other Growth Deal participants in sharing sensitive information for consideration. . This would be contrary to the wider public interest of securing the best overall outcome.

8. MORLAIS OUTLINE BUSINESS CASE

NORTH WALES ECONOMIC AMBITION BOARD 26/03/21

Present:

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

Advisors – Dafydd Evans (Grŵp Llandrillo Menai), Maria Hinfelaar (Glyndŵr University), Askar Sheibani (Business Delivery Board) and Prof. Paul Spencer (Bangor University).

Chief Officers - Annwen Morgan (Isle of Anglesey County Council), Iwan Davies (Conwy County Borough Council), Andrew Farrow (Flintshire Council), Graham Boase (Denbighshire Council) and Ian Bancroft (Wrexham County Borough Council).

Officers in attendance - Dafydd L. Edwards (Statutory Finance Officer - Host Authority), Iwan Evans (Monitoring Officer - Host Authority), Alwen Williams (Portfolio Director), Hedd Vaughan-Evans (Operations Manager), Nia Medi Williams (Senior Operational Officer), Jane Richardson (Chair of the Executive Officers Group), Sian Pugh (Group Accountant - Corporate and Projects), Robyn Lovelock (Growth Deal Programme Manager), Henry Aron (Energy Programme Manager), Rhys Horan (Welsh Government Energy Service), Anita Davies (European Funding Project Manager - Growth Vision), Erin Thomas (Communication and Engagement Officer) and Eirian Roberts (Democracy Services Officer).

1. APOLOGIES

Councillor Ian B. Roberts and Colen Everett (Flintshire Council), Yana Williams (Coleg Cambria), Professor Iwan Davies (Bangor University), Judith Greenhalgh (Denbighshire Council) 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 NWEAB held on 5 February 2021 as a true record.

5. 2021/22 REVENUE AND CAPITAL BUDGET

The report was submitted by Dafydd L. Edwards (Statutory Finance Officer - Host Authority) and Sian Pugh (Group Accountant - Corporate and Projects).

RESOLVED

- (1) **Approve the 2021/22 Revenue Budget as presented in Appendix 1 to the report. This includes the one-off virements of £415,000 in the revenue budget to be funded from the earmarked reserve.**
- (2) **Approve the Capital Budget for 2021/22 to 2025/26 as presented in Appendix 2.**
- (3) **Fund the Gateway Reviews (Assurance) for the NWEAB and Project Sponsor led projects.**
- (4) **Formally request all six local authorities to cooperate in using their funding flexibility to release revenue funding for the NWEAB. This will mean exchanging the funding designated to the Growth Deal against other capital projects within their capital programmes and ensuring the equivalent value revenue funding is available for the Growth Deal to fund their revenue-type items.**
- (5) **Request the Portfolio Management Office to review the project costs during the year as more information becomes available, further to unforeseen costs now identified in the revenue budget. This review to consider the option of funding part of this expenditure from the individual project's capital budget.**

REASONS FOR THE DECISION

- (1) To set out the proposed budget per expenditure heading and the corresponding funding streams for the year.
- (2) To set out the proposed budget per expenditure heading and the corresponding funding streams for 2021/22 until 2025/26.
- (3) In order to operate effectively within the funding available, the NWEAB requires an annual budget to be approved.
- (4) To authorise the Portfolio Director to incur expenditure in accordance with the approved budget.

DISCUSSION

The report was submitted, which proposed the 2021/22 Revenue and Capital Budget for the NWEAB.

Details were provided about the background and relevant considerations and the consultations held.

The Statutory Finance Officer of the Host Authority provided details of the changes and the unexpected situations which had arisen since the Board last discussed the budget, and which had driven the majority of the use of reserve funds, namely:-

- The unexpected substantial one-off costs in relation to developing business cases.
- The costs of the legal support to those business cases.

He explained:-

- That there was sufficient money in the reserve funds to implement this, but that the intention was to try to build the reserve fund rather than using it at the beginning.
- That the Portfolio Director, the Operations Manager and the Monitoring Officer of the Host Authority had been challenged on the figures, and that the additional one-off costs were rough estimates at present.

He further noted:-

- As the first instalment of the £16m Growth Deal grant had been received on 12 March 2021, that the partners' contributions were on the low side of the range submitted to the Board in October 2020.

- Following the UK Government's announcement in the Chancellor's Budget in relation to reducing the funding contribution from 15 years to 10 years, that the entire financial position would need to be revisited. The Chancellor's announcement had been unexpected for Welsh Government also, and it was not yet clear whether Welsh Government would also reduce the funding contribution period to align with the UK Government's timing, or what the implications would be for the relevant tax yield.
- That the capital expenditure profile had slipped somewhat also, and all these matters would need to be assessed for the future.
- That the budget for the current year was a balanced budget. By the time the 2022/23 budget would be brought before the Board in a year's time, there may be further changes, and all costs and grants would have to be looked at again in their entirety during the year. It was intended to address this over the summer, and give adequate notice to all partners of their contributions again by next year.

During the discussion, the following matters were raised:-

- In response to a question, it was explained that, should a project not go ahead, both Governments would have to be approached to ensure that any new project coming before the Board would still respond to the Governments' requirements for the investments.
- Attention was drawn to the fact that the overheads were starting to go over 10% of the annual expenditure, and the need to monitor the situation was stressed.
- In response to a question, it was confirmed that, despite the changes to the expenditure profile etc., partners were still required to pay the contributions set out in the budget for the current year.
- In response to a comment that everything seemed to be based on assumptions, and that the financial projections were not credible, it was explained that the best had to be made of the information to hand at present. It was possible to cope for the current year within the resources available, but that the situation would have to be re-assessed for next year.
- It was noted that the Board needed to show its willingness to be flexible, in light of decisions made that were outside of their control by both Governments.
- The statutory finance officers of the six local authorities were thanked for agreeing in principle to an agreement on exchanging the capital / revenue budget over the entire period of the Growth Deal, in order to be able to use the capital grant of the NWEAB as revenue funding.

6. POSITION STATEMENT ON CLIMATE AND ECOLOGICAL CHANGE

The report was submitted by Alwen Williams (Portfolio Director) and Robyn Lovelock (Growth Deal Programme Manager).

RESOLVED

- (1) To adopt the proposed position statement as set out in section 5.1 of the report on how the Growth Deal projects will deliver against regional, Welsh Government and UK Government aspirations on climate and ecological change, with the following adaptations:-
- To amend the second bullet point to read "*deliver at least 40% less embodied carbon*".
 - To amend the third bullet point to read "*deliver at least 10% net benefit for biodiversity*".
 - Delete the final sentence, namely "*The Portfolio Management Office will work with project sponsors to deliver the best affordable solution for each project*".

- (2) To note that all Growth Deal projects will need to set out to what degree they will deliver against the position statement and any relevant mitigations as part of the business case approval process.
- (3) To delegate to the Portfolio Director, authority to determine the appropriate means of implementation and measurement across the portfolio and to note that this will require external expertise to be commissioned to support the Portfolio Management Office.

REASONS FOR THE DECISION

Without a clear position from the Board on climate and ecological change, opportunities to shape project business cases may be lost. This could inadvertently result in Growth Deal projects increasing regional carbon emissions and biodiversity loss.

DISCUSSION

The report was submitted, which presented a proposed position statement for the North Wales Growth Deal in relation to climate and ecological change.

Details were provided about the background and relevant considerations and the consultations held.

During the discussion, the following matters were raised:-

- Concern was expressed by some members that the proposed position statement did not go far enough, and that the wording should be tightened, e.g. it should be noted that '*all Growth Deal projects will ...*', rather than '*all Growth Deal projects will aim to ...*', etc.
- It was stressed that the NWEAB should lead across North Wales on reducing carbon footprint, and it was suggested that all Growth Deal projects should deliver 50% less embodied carbon (rather than 40%, as noted in the proposed position statement) and deliver a 20% net benefit for biodiversity (rather than the 10% noted in the statement). In response, it was explained that Wales had not set a net benefit target for biodiversity, but it was acknowledged that the current situation was not supportive of the health of ecosystems, and that there was a need to be more ambitious. In the absence of a target for Wales, the DEFRA guidance was followed, which had consulted extensively over several months in England prior to establishing the net benefit of 10%. It was further noted that the target for embodied carbon was ambitious, and that it may be possible to tighten the wording. Attention was also drawn to the fact that the statement noted that projects would be encouraged to exceed these aspirations, but the wording also needed to acknowledge the range of maturity within the portfolio, and provide a realistic assessment of that.
- In response to a question, it was explained that each of the six Local Authorities in North Wales had either declared a climate emergency, or had made commitments to be carbon neutral by 2030, and the Growth Deal Programme Manager agreed to send information about the commitments to the leader of Wrexham County Borough Council.
- It was agreed that an aspiration was needed, but it was also stressed that there was a need to be cautious in terms of tightening the wording, in case developers would be driven out of North Wales to other regions with less strict requirements.
- It was noted that there was much uncertainty surrounding baselines, etc., and that these calculations were not made lightly. It was noted that the expertise at Bangor University could support the process. It was suggested that the Board should do what was currently possible, and look at raising those standards in future, when technology, etc., would be more advanced.

- It was noted that there was a need to be practical, and that making too many promises was dangerous. However, there were opportunities available, e.g. blue hydrogen enterprises, possibly.
- It was stressed that the NWEAB should be more ambitious than comfortable, in order to drive the change that we wish to see. The economy and the environment were not independent of each other, and the economy would be driven by the changes made by the Board in relation to the environment.
- A view was expressed that the statement was full of aspiration, and gave clear guidance to the business community.
- It was suggested that the statement was suitable for where we had currently reached, but there was a desire for the Board to review it in 12 months' time to see what impact it was having, and to ensure that it complied with the requirements of businesses in relation to allowing sufficient time for the private sector, in particular, to plan towards this.
- The work was welcomed, and the policy and framework submitted were supported. However, concern was expressed that the policy could be enforced late in the day for some projects which were already fairly mature. In response, it was noted that there were implications, but that there was a need to be ambitious, and also appropriate in terms of what the additional cost implications would be against the budget set, taking into account also that this needed to be reviewed regularly in order to ensure that the plans and aspirations were appropriate for the period in question. There was no desire to agree now to any position that all partners could not commit to, therefore, the aspiration needed to be appropriate for all, but also something which could be considered further down the line in order to raise the ambition.
- It was suggested that the last sentence of the position statement was pointless, namely '*The Portfolio Management Office will work with project sponsors to deliver the best affordable solution for each project*', as the developers would be keen to make as much profit as possible.
- It was noted that the Board was in a position of considerable ignorance at present, and on a learning journey. It was not clear how a net benefit of 10% for biodiversity could be delivered, and it was believed that the Board had no factual scientific basis at present to say that the target of 10% was not sufficient. Supporting a higher target, in the knowledge that we would not be able to reach it, would be wasteful. Information may be available in 2 years' time, and the figures could be reviewed further at that point.
- It was emphasised that the Board should lead, rather than follow, on this. It was believed that DEFRA had set an incorrect net benefit figure, and that we now had an opportunity to increase the green areas and improve biodiversity within our new developments. In response, it was noted that the challenge should not be underestimated. Additional expertise was needed to understand the measures to be used to assess the baseline. It was explained that the current regulatory processes, in some cases, led to a 6-20% post development biodiversity re-establishment efficiency rate, and planning policy noted that we must do better, and the ambition was substantial. We were unclear in terms of how to do so, therefore, additional advice was needed on that. The second part of the statement noted that projects would be encouraged to exceed these aspirations. Nothing prevented the Wrexham projects from delivering this, and they looked forward to working with Glyndŵr to do so.
- In response to a question, it was suggested that the Board could review the statement within 12 months' time, after receiving additional support and technical advice.
- It was noted that holding back from establishing targets would mean that the Board would miss opportunities, as some projects were already developing business cases, and were seeking guidance on this. Consequently, it was suggested that the

second and third bullet points of the statement should be amended to refer to 'at least' 40% and 10%, in order to emphasise our aspiration to go further than that.

7. DRAFT NORTH WALES ENERGY STRATEGY

The report was submitted by Henry Aron (Energy Programme Manager) and Rhys Horan (Welsh Government Energy Service).

RESOLVED

- (1) To endorse the draft North Wales Energy Strategy in draft form and confirm the support of the Board for the commencement of preparatory work on the action plan.**
- (2) To agree to receive a further report on the draft action plan.**

REASONS FOR THE DECISION

The current strategy provides a high-level vision, priority areas, energy modelling and economic analysis which shall inform the development of the proposed action plan.

DISCUSSION

The report was submitted, which presented the North Wales Energy Strategy in draft form for endorsement, to garner support for the proposed next steps, and to show that the Strategy was in alignment with the regional commitment to the climate change challenge.

Details were provided about the background and relevant considerations and the consultations held.

During the discussion, the following matters were raised:-

- It was noted that the NWEAB's Low Carbon Energy Programme Board was a part of this, and that all partners had contributed to the journey to date.
- The importance of ensuring that this did not detract from the work of the NWEAB was stressed, due to the need to deliver on the Growth Deal projects.
- In response to a question, it was explained that £15bn of expenditure that was needed to deliver the energy vision was a combination of private and public sector investment. It was unclear as yet what the split would be, but it also included expenditure from individuals, e.g. on electric vehicles, heat pumps, etc.
- The document was welcomed, and it was noted that it set out clearly some of the current issues, and the options for the future also.
- The reference to the contribution that the tidal lagoon could make was welcomed, and it was asked whether consideration had been given to broader advantages than those of energy generation alone. In response, it was explained that full consideration of all the advantages was not outlined in the snapshot given, but the economic advantages, in terms of job creation etc., had been identified and shared. In going forward, this would be important, but the detail was not yet available.

8. COMMERCIAL PRINCIPLES FOR THE NORTH WALES GROWTH DEAL

The report was submitted by Hedd Vaughan-Evans (Operations Manager).

RESOLVED

- (1) To agree the Commercial Principles as set out in section 5 of the report.**
- (2) To note that the rationale for adopting a specific commercial position will be clearly set out alongside project business cases for the Board to consider.**

REASONS FOR THE DECISION

To provide a clear negotiating platform for the Portfolio Management Office.

DISCUSSION

The report was submitted, which presented a series of Commercial Principles which, if adopted, would be used by the Portfolio Management Office to negotiate commercial opportunities involving the Growth Deal Projects.

Details were provided about the background and relevant considerations and the consultations held.

During the discussion, the following matters were raised:-

- In response to a question, it was explained that the £100,000 for external legal support referred to in item 5 above reflected the fact that there would be complex and detailed contractual work at times in relation to the general funding agreements, and that the external legal support referred to in paragraph 6.1 of the report was one element of this. It was further explained that, in approving this report, the NWEAB would not commit to direct expenditure. Nevertheless, there were financial implications to this, but likely to be positive for the Board in terms of the abilities to take advantage of commercial projects in order to have some sort of return. As the Host Authority's Statutory Finance Officer had noted in his observations on the report, this was not yet clear, and further work needed to be done in order to identify the way forward in that regard.
- It was noted that it was difficult to comprehend all of this properly until genuine examples would be seen, but that the principles seemed fair.
- It was suggested that Commercial Principle 1 could be difficult to define in terms of distinguishing between commercial returns as a result of this investment and commercial returns as a result of something that the body would do in any case. However, it was accepted that the details were not currently available.

9. NORTH WALES GROWTH DEAL - PROCUREMENT PRINCIPLES

The report was submitted by Hedd Vaughan-Evans (Operations Manager).

RESOLVED

- (1) To adopt the proposed procurement principles for the North Wales Growth Deal.**
- (2) To note the project sponsors will need to demonstrate how they will deliver against these principles as part of the project business case.**

REASONS FOR THE DECISION

To provide a clear framework for projects to deliver against the aspirations of the North Wales Economic Ambition Board.

DISCUSSION

The report was submitted, which presented a series of procurement principles for the North Wales Growth Deal.

Details were provided about the background and relevant considerations and the consultations held.

During the discussion, the following matters were raised:-

- It was noted that the principles were supported, but in implementing them, there was a desire to see some more prominence given to those principles that bring benefits to North Wales, such as climate and ecological change, supporting the local supply chain, social value, skills, jobs and opportunities etc.
- It was expressed that it was hoped that the principles would be implemented vigorously and would also be promoted.

The meeting commenced at 2.30 pm and concluded at 4.50 pm

CHAIR



north wales economic ambition board
bwrdd uchelgais economaidd gogledd cymru

REPORT TO THE NORTH WALES ECONOMIC AMBITION BOARD

14/05/2021

Title: 2020/21 Out-turn Report and Annual Return

Author: Dafydd L Edwards, Host Authority Statutory Finance Officer

Sian Pugh, Host Authority Group Accountant

1. Purpose of the Report

- 1.1 This report intends to provide the North Wales Economic Ambition Board with the final out-turn position for 2020/21 and to obtain approval of the Official Annual Return for 2020/21.

2. Decision Sought

The Board is asked to:-

- 2.1 Note and accept the Joint Committee's Revenue Income and Expenditure Account for 2020/21 (Appendix 1).
- 2.2 Approve the Joint Committee's Official Annual Return for 2020/21 (subject to External Audit), in line with the statutory deadline of 31 May 2021. It has been duly completed and certified, by the Responsible Financial Officer, namely Gwynedd Council's Head of Finance as the Statutory Finance Officer for the Joint Committee (Appendix 2).
- 2.3 Approve the transfer of the £241,023 underspend to the earmarked reserve.
- 2.4 Allocate the £4,853 interest received on the £16m grant against future borrowing costs.
-

3. Reasons for the Decision

- 3.1 To inform the Joint Committee of their financial position for 2020/21, and to comply with the statutory requirements with regard to completing the Annual Return.

4. Background and Relevant Considerations

- 4.1 The accounts and return will be subject to audit by Wales Audit, Gwynedd Council's external auditor appointed by the Auditor General for Wales. Should any amendment be necessary then a revised version will be presented to the Joint Committee meeting on 17 September 2021.
- 4.2 Following audit and following any required amendments, the Auditor General's representative will certify the return prior to 30 November 2021.

5. Expenditure and income in 2020/21

- 5.1 Appendix 1 shows the Revenue Income and Expenditure Account for 2020/2021, and this corresponds to the figures in the Annual Return shown in Appendix 2.

Portfolio Management Office

- 5.2 The final underspend on this heading is £640,971. The underspend has increased slightly from the third quarter review, mainly due to a refund received from Conwy on the Regional Engagement Team (RET) contribution and a reduction in spend on the project planning, development and support heading.

Accountable Body Support Services

- 5.3 The final underspend on this heading is £28,815 as result of the reduced expenditure on the Accountable Body (host authority) support services.

Joint Committee

- 5.4 The final underspend on this heading is £7,076, which is due to an underspend on the Business Delivery Board and overspend on the external legal support heading.

Projects

- 5.5 The Projects heading includes expenditure on items that were funded by specific grants received from Welsh Government and also expenditure as a result of the first two projects undertaking their Gateway Reviews.

Funding Contributions

- 5.6 The main income streams for 2020/21 included partner contributions, ESF Grant and other small grants received by Welsh Government. In addition, a RET repayment for the 2019-20 financial year was received, and the interest earned on cash balances during the year (including interest on the £16m grant received in March) has been credited to the account.

Financial position

- 5.7 The financial position at 31 March 2021 showed an underspend of £241,023 and this has been transferred to an earmarked reserve to give a balance of £738,552. £415,000 of this earmarked reserve has already been allocated as part of the 2021-22 budget that was approved by the Board on 26 March 2021.

Annual return

- 5.8 The Award of Funding letter for the North Wales Growth Deal was obtained in February 2021, and a grant payment of £16m was received on 12 March 2021. This capital grant is shown as a creditor on the Annual Return's Statement of Balances at 31 March 2021, and will be available to fund the capital programme during 2021/22 once the final business cases have been approved by the Board.

6. Legal Implications

- 6.1 Section 12 of the Public Audit (Wales) Act 2004 states that a joint committee of two or more (local) authorities is a local government body, and Section 13 of the Act requires such bodies to maintain accounts subject to audit by an external auditor approved by the Auditor General for Wales.

6.2 The Accounts and Audit (Wales) (Amendment) Regulations 2018 require all Joint Committees to prepare year-end accounts. Where the turnover is less than £2.5m the joint committee is deemed to be a “small joint committee” and an annual return must be prepared in accordance with proper practices as stipulated by legislation. We have discussed with our auditors, and as the turnover for the previous two financial years have been less than £2.5m and that the capital grant received is not included in the annual turnover for this year, we are not required to complete a full statement of accounts until 2021-22 when the capital expenditure commences.

7. Consultations Undertaken

7.1 The underspend position at the end of the 2020/21 financial year was reported to the Executive Group on 30 April 2021.

8. Appendices

Appendix 1 – Revenue Income and Expenditure Account for 2020/21.

Appendix 2 – Annual Return for the year ended 31 March 2021 (subject to External Audit), but includes Internal Audit’s comments.

STATUTORY OFFICERS’ RESPONSE:

i. Monitoring Officer – Accountable Body:

No observations to add in relation to propriety.

ii. Statutory Finance Officer – Accountable Body:

Author of this report.

Revenue and Expenditure Account for 2020/21

Appendix 1

	Base Budget	One-off virements	Total Budget	Final Position 2020/21	Overspend / (Underspend)
Expenditure	(£)	(£)	(£)	(£)	(£)
Portfolio Management Office					
Employee Expenditure (Pay, N.I. & Superannuation)	933,740		933,740	597,308	(336,432)
Advertising and Assessment of Candidates		10,000	10,000	18,184	8,184
Travel and Subsistence	20,000		20,000	0	(20,000)
Training	10,000	10,000	20,000	2,920	(17,080)
Engagement and Meetings	15,000		15,000	99	(14,901)
Communications and Public Relations	37,530	62,470	100,000	30,711	(69,289)
Supplies and Services	10,000	10,000	20,000	17,223	(2,777)
Regional Engagement Team (RET)	42,290		42,290	19,394	(22,896)
Premises	17,500		17,500	17,564	64
Project Planning, Development and Support		180,000	180,000	104,728	(75,272)
Transport		109,890	109,890	19,318	(90,572)
Portfolio Management Office Total	1,086,060	382,360	1,468,420	827,449	(640,971)
Accountable Body Support Services					
Finance Services Support	98,110		98,110	58,078	(40,032)
Legal (includes Monitoring Officer)	20,250		20,250	20,250	0
Corporate Support	26,060		26,060	41,288	15,228
Information Technology	11,350		11,350	7,339	(4,011)
Accountable Body Support Services Total	155,770		155,770	126,955	(28,815)
Joint Committee					
External Legal Support	18,000		18,000	30,891	12,891
Treasury Advisory	10,000		10,000	8,975	(1,025)
External Audit Fee	1,500		1,500	1,800	300
Business Delivery Board	20,000		20,000	758	(19,242)
Joint Committee Total	49,500		49,500	42,424	(7,076)
Projects					
Grants				106,917	106,917
Assurance				9,900	9,900
Projects Total				116,817	116,817
Total Expenditure	1,291,330	382,360	1,673,690	1,113,645	(560,045)

Revenue and Expenditure Account for 2020/21

Appendix 1

	Base Budget	One-off virements	Total Budget	Final Position 2020/21	Overspend / (Underspend)
Income	(£)	(£)	(£)	(£)	(£)
Funding Contributions					
Partner Contributions					
Conwy County Borough Council	(50,000)		(50,000)	(50,000)	0
Denbighshire County Council	(50,000)		(50,000)	(50,000)	0
Flintshire County Council	(50,000)		(50,000)	(50,000)	0
Gwynedd Council	(50,000)		(50,000)	(50,000)	0
Isle of Anglesey County Council	(50,000)		(50,000)	(50,000)	0
Wrexham County Borough Council	(50,000)		(50,000)	(50,000)	0
Bangor University	(25,000)		(25,000)	(25,000)	0
Wrexham Glyndwr University	(25,000)		(25,000)	(25,000)	0
Coleg Cambria	(25,000)		(25,000)	(25,000)	0
Grŵp Llandrillo Menai	(25,000)		(25,000)	(25,000)	0
Partner Contributions - Other					0
Conwy County Borough Council	(40,000)		(40,000)	(40,000)	0
Denbighshire County Council	(40,000)		(40,000)	(40,000)	0
Flintshire County Council	(40,000)		(40,000)	(40,000)	0
Gwynedd Council	(40,000)		(40,000)	(40,000)	0
Isle of Anglesey County Council	(40,000)		(40,000)	(40,000)	0
Wrexham County Borough Council	(40,000)		(40,000)	(40,000)	0
Public Transport (Wales) Bill Grant		(109,890)	(109,890)	(19,318)	90,572
European Social Fund (ESF) Priority 5 funding	(651,330)		(651,330)	(561,195)	90,135
Other grants				(99,586)	(99,586)
Engagement Team repayment 2019-20				(27,107)	(27,107)
Interest				(7,462)	(7,462)
Earmarked Reserve		(272,470)	(272,470)	0	272,470
Total Income	(1,291,330)	(382,360)	(1,673,690)	(1,354,668)	319,022
Net Overspend / (Underspend)	0	0	0	(241,023)	(241,023)

Total earmarked reserve at 31 March 2020	(497,529)
2020/21 Underspend	(241,023)
Total earmarked reserve at 31 March 2021	(738,552)

Minor Joint Committees in Wales

Annual Return for the Year Ended 31 March 2021

LANGUAGE PREFERENCE

Please indicate how you would like us to communicate with you during the audit. Note that audit notices will be issued bilingually.

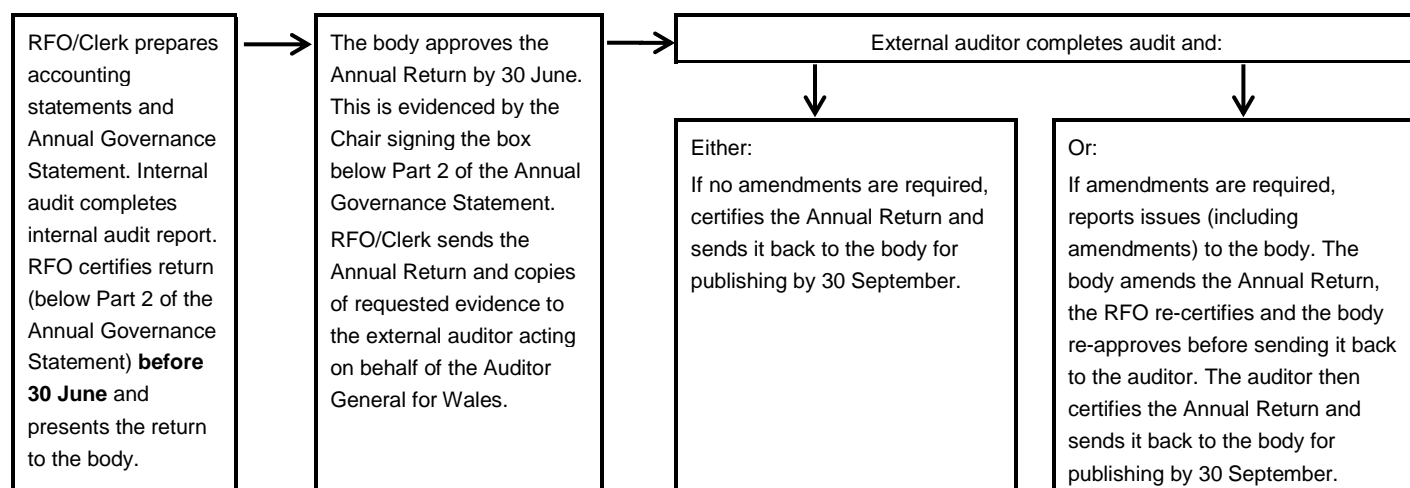
	Yes	No		Yes	No		Yes	No
ENGLISH	<input type="checkbox"/>	<input type="checkbox"/>	WELSH	<input type="checkbox"/>	<input type="checkbox"/>	BILINGUALLY	<input type="checkbox"/>	<input type="checkbox"/>

THE ACCOUNTS AND AUDIT PROCESS

Section 12 of the Public Audit (Wales) Act 2004 requires local government bodies in Wales (including joint committees) to make up their accounts each year to 31 March and to have those accounts audited by the Auditor General for Wales. Regulation 14 of the Accounts and Audit (Wales) Regulations 2014 states that smaller local government bodies i.e. those with annual income and expenditure below £2.5 million must prepare their accounts in accordance with proper practices.

For minor joint committees with income and expenditure below £2.5 million, proper practices are set out in the One Voice Wales/Society of Local Council Clerks publication, **Governance and accountability for local councils in Wales – A Practitioners' Guide** (the Practitioners' Guide). The Practitioners' Guide requires that they prepare their accounts in the form of an Annual Return. This Annual Return meets the requirements of the Practitioners' Guide.

The accounts and audit arrangements follow the process as set out below.



Please read the guidance on completing this Annual Return and **complete all sections highlighted pink**.

APPROVING THE ANNUAL RETURN

The Committee must approve the Annual Return **BEFORE** the accounts and supporting documents are made available for public inspection under section 30 of the Public Audit (Wales) Act 2004.

If it is unable to complete the approval process by 30 June 2021 or publish the audited return by 30 September, the Committee must publish notices as required by the Regulations.

The Auditor General for Wales' Audit Certificate and report is to be completed by the auditor acting on behalf of the Auditor General. It **MUST NOT** be completed by the Clerk/RFO, the Chair or the internal auditor.

Audited and certified returns are sent back to the body for publication and display of the accounting statements, Annual Governance Statement and the Auditor General for Wales' certificate and report.

Accounting statements 2020-21 for:

Name of body: North Wales Economic Ambition Board

	Year ending		Notes and guidance for compilers
	31 March 2020 (£)	31 March 2021 (£)	Please round all figures to nearest £. Do not leave any boxes blank and report £0 or nil balances. All figures must agree to the underlying financial records for the relevant year.
Statement of income and expenditure/receipts and payments			
1. Balances brought forward	336,213	497,529	Total balances and reserves at the beginning of the year as recorded in the financial records. Must agree to line 7 of the previous year.
2. (+) Income from local taxation/levy	640,000	640,000	Total amount of income received/receivable in the year from local taxation (precept) or levy/contribution from principal bodies.
3. (+) Total other receipts	53,233	687,561	Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants.
4. (-) Staff costs	-89,123	-597,308	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and related expenses eg. termination costs.
5. (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on external borrowing (if any).
6. (-) Total other payments	-442,794	-489,230	Total expenditure or payments as recorded in the cashbook minus staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	497,529	738,552	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6).
Statement of balances			
8. (+) Debtors	15,574	508,405	Income and expenditure accounts only: Enter the value of debts owed to the body.
9. (+) Total cash and investments	508,778	16,254,815	All accounts: The sum of all current and deposit bank accounts, cash holdings and investments held at 31 March. This must agree with the reconciled cashbook balance as per the bank reconciliation.
10. (-) Creditors	-26,823	-16,024,668	Income and expenditure accounts only: Enter the value of monies owed by the body (except borrowing) at the year-end.
11. (=) Balances carried forward	497,529	738,552	Total balances should equal line 7 above: Enter the total of (8+9-10).
12. Total fixed assets and long-term assets	0	0	The asset and investment register value of all fixed assets and any other long-term assets held as at 31 March.
13. Total borrowing	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

Annual Governance Statement (Part 1)

We acknowledge as the members of the Committee, our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31 March 2021, that:

	Agreed?		'YES' means that the Council/Board/Committee:	PG Ref
	Yes	No*		
1. We have put in place arrangements for: <ul style="list-style-type: none"> effective financial management during the year; and the preparation and approval of the accounting statements. 	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Properly sets its budget and manages its money and prepares and approves its accounting statements as prescribed by law.	6, 12
2. We have maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption, and reviewed its effectiveness.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.	6, 7
3. We have taken all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and codes of practice that could have a significant financial effect on the ability of the Committee to conduct its business or on its finances.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Has only done things that it has the legal power to do and has conformed to codes of practice and standards in the way it has done so.	6
4. We have provided proper opportunity for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit (Wales) Regulations 2014.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Has given all persons interested the opportunity to inspect the body's accounts as set out in the notice of audit.	6, 23
5. We have carried out an assessment of the risks facing the Committee and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Considered the financial and other risks it faces in the operation of the body and has dealt with them properly.	6, 9
6. We have maintained an adequate and effective system of internal audit of the accounting records and control systems throughout the year and have received a report from the internal auditor.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether these meet the needs of the body.	6, 8
7. We have considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on the Committee and, where appropriate, have included them on the accounting statements.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Disclosed everything it should have about its business during the year including events taking place after the year-end if relevant.	6
8. We have taken appropriate action on all matters raised in previous reports from internal and external audit.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Considered and taken appropriate action to address issues/weaknesses brought to its attention by both the internal and external auditors.	6, 8, 23

* Please provide explanations to the external auditor on a separate sheet for each 'no' response given; and describe what action is being taken to address the weaknesses identified.

Additional disclosure notes*

The following information is provided to assist the reader to understand the accounting statement and/or the Annual Governance Statement

1.


2.

3.

* Include here any additional disclosures the Council considers necessary to aid the reader's understanding of the accounting statement and/or the annual governance statement.

Committee approval and certification

The Committee is responsible for the preparation of the accounting statements and the annual governance statement in accordance with the requirements of the Public Audit (Wales) Act 2004 (the Act) and the Accounts and Audit (Wales) Regulations 2014.

Certification by the RFO I certify that the accounting statements contained in this Annual Return presents fairly the financial position of the Committee, and its income and expenditure, or properly presents receipts and payments, as the case may be, for the year ended 31 March 2021.	Approval by the Council/Board/Committee I confirm that these accounting statements and Annual Governance Statement were approved by the Committee under minute reference:
RFO signature: 	Minute ref: 2020/21 Out-turn Report and Annual Return
Name: Dafydd L Edwards	Chair of meeting signature:
Date: 06/05/21	Name: Date:

Auditor General for Wales' Audit Certificate and report

I report in respect of my audit of the accounts under section 13 of the Act, whether any matters that come to my attention give cause for concern that relevant legislation and regulatory requirements have not been met. My audit has been conducted in accordance with, guidance issued by the Auditor General for Wales.

I certify that I have completed the audit of the Annual Return for the year ended 31 March 2021 of:

--

Auditor General's report

Audit opinion

[Except for the matters reported below]* On the basis of my review, in my opinion no matters have come to my attention giving cause for concern that in any material respect, the information reported in this Annual Return:

- has not been prepared in accordance with proper practices;
- that relevant legislation and regulatory requirements have not been met;
- is not consistent with the Committee's governance arrangements; and
- that the Committee does not have proper arrangements in place to secure economy, efficiency and effectiveness in its use of resources.

Other matters arising and recommendations

I draw the Committee's attention to the following matters and recommendations which do not affect my audit opinion but should be addressed by the body. / There are no further matters or recommendations that I wish to draw to the Committee's attention.*

External auditor's name:

External auditor's signature:

Date:

For and on behalf of the Auditor General for Wales

* Delete as appropriate.

Annual internal audit report to:

Name of body: North Wales Economic Ambition Board

The Committee's internal audit, acting independently and on the basis of an assessment of risk, has included carrying out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ending 31 March 2021.

The internal audit has been carried out in accordance with the Committee's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and the internal audit conclusions on whether, in all significant respects, the following control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the Committee.

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
1. Appropriate books of account have been properly kept throughout the year.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text
2. Financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text
3. The body assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text
4. The annual precept/levy/resource demand requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored, and reserves were appropriate.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text
5. Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text
6. Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text
7. Salaries to employees and allowances to members were paid in accordance with minuted approvals, and PAYE and NI requirements were properly applied.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text
8. Asset and investment registers were complete, accurate, and properly maintained.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
9. Periodic and year-end bank account reconciliations were properly carried out.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text
10. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments/income and expenditure), agreed with the cashbook, were supported by an adequate audit trail from underlying records, and where appropriate, debtors and creditors were properly recorded.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text

For any risk areas identified by the Council/Board/Committee (list any other risk areas below or on separate sheets if needed) adequate controls existed:					
	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
11. Insert risk area	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text
12. Insert risk area	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text
13. Insert risk area	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insert text

* If the response is 'no', please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

** If the response is 'not covered', please state when the most recent internal audit work was done in this area and when it is next planned, or if coverage is not required, internal audit must explain why not.

[My detailed findings and recommendations which I draw to the attention of the Committee are included in my detailed report to the Committee dated May 2021].

Internal audit confirmation

I/we confirm that as the Committee's internal auditor, I/we have not been involved in a management or administrative role within the body (including preparation of the accounts) or as a member of the body during the financial years 2019-20 and 2020-21. I also confirm that there are no conflicts of interest surrounding my appointment.

Name of person who carried out the internal audit: Luned Fôn Jones, Cyngor Gwynedd
Signature of person who carried out the internal audit: <i>Luned Fôn Jones</i>
Date: 05/05/21

Guidance notes on completing the Annual Return

1. You must apply proper practices when preparing this Annual Return. Proper practices are set out in the Practitioners' Guide.
2. Make sure that the Annual Return is fully completed ie, no empty red boxes. Please avoid making any amendments to the completed return. If this is unavoidable, cross out the incorrect entries, make sure the amendments are drawn to the attention of the body, properly initialled and an explanation for them is provided to the external auditor. **Please do not use correction fluid.** Annual returns that are incomplete or contain unapproved and/or unexplained amendments or correction fluid will be returned unaudited and may incur additional costs. Ask your auditor for an electronic copy of the form if required.
3. Use a second pair of eyes, perhaps the Chair or a member, to review your Annual Return for completeness before sending the original form to the auditor.
4. Make sure that your accounting statements add up, that the balance carried forward from the previous year (line 7 of 2020) equals the balance brought forward in the current year (line 1 of 2021). Explain any differences between the 2020 figures on this Annual Return and the amounts recorded in last year's Annual Return.
5. Explain fully any significant variances in the accounting statements. Do not just send in a copy of your detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include a detailed analysis to support your explanation and be specific about the values of individual elements making up the variances.
6. Make sure that the copy of the bank reconciliation you send to your auditor with the Annual Return covers **all** your bank accounts and cash balances. If there are no reconciling items, please state this and provide evidence of the bank balances. The auditor should also be able to agree your bank reconciliation to line 9 in the accounting statements. More help on bank reconciliations is available in the Practitioners' Guide.
7. **You must send to the external auditor, information to support the assertions made in the Annual Governance Statement.** Your auditor will tell you what information you need to provide. Please read the audit notice carefully to ensure you include all the information the auditor has asked for. You should send **copies** of the original records to the external auditor and not the original documents themselves.
8. Please do not send the auditor any information that you are not specifically asked for. Doing so is not helpful.
9. If the auditor has to review unsolicited information, repeat a request for information, receives an incomplete bank reconciliation or explanation of variances or receives original documents that must be returned, the auditor will incur additional costs for which they are entitled to charge additional fees.
10. **Please deal with all correspondence with the external auditor promptly.** This will help you to meet your statutory obligations and will minimise the cost of the audit.
11. **Please note that if completing the electronic form, you must print the form for it to be certified by the RFO and signed by the Chair before it is sent to the auditor.**

Completion checklist – 'No' answers mean that you may not have met requirements		Done?	
Initial submission to the external auditor		Yes	No
Accounts	Do the papers to be sent to the external auditor include an explanation of significant variations from last year to this year?		
	Does the bank reconciliation as at 31 March 2021 agree to Line 9?		
Approval	Has the RFO certified the accounting statements and Annual Governance Statement (Regulation 15 (1)) no later than 30 June 2021?		
	Has the body approved the accounting statements before 30 June 2021 and has Section 3 been signed and dated by the person presiding at the meeting at which approval was given?		
All sections	Have all pink boxes in the accounting statements and Annual Governance Statement been completed and explanations provided where needed?		
	Has all the information requested by the external auditor been sent with this Annual Return? Please refer to your notice of audit and any additional schedules provided by your external auditor.		

If accounts are amended after receipt of the Auditor General's report on matters arising		Yes	No
Accounts	Have the amended accounting statements been approved and Section 3 re-signed and re-dated as evidence of the Committee's approval of the amendments before re-submission to the auditor?		

NORTH WALES ECONOMIC AMBITION BOARD ACCOUNTS

1. Background

- 1.1 The North Wales Economic Ambition Board is a collaborative group of private and public organisations committed to promoting economic growth in Anglesey, Conwy, Denbighshire, Flintshire, Gwynedd and Wrexham. The key objectives include encouraging business investment in North Wales, helping local companies take advantage of supply chain opportunities, and encouraging work-related skills in the region.

2. Purpose and Scope of the Audit

- 2.1 The purpose of the audit was to confirm the accounts on the Board's annual statement for the 2020/21 financial year, as well as to confirm that appropriate internal controls were in place.

3. Audit Level of Assurance

- 3.1 The controls for risk mitigation were examined. The auditor's assessment concludes that the level of assurance of the audit is as follows:

Assurance Level	Description
HIGH	Certainty of propriety can be stated as internal controls can be relied upon to achieve objectives.

4. Main Findings

- 4.1 Assurance can be given that the North Wales Economic Ambition Board accounting statement for the 2020/21 financial year was appropriate. Based on the tests carried out, it was seen that there was an appropriate audit trail for the figures and that the internal controls could be relied upon to achieve their objectives. Appropriate accounts have been kept and bank reconciliations are made as part of Council wide bank reconciling, and risk registers were presented to the Board.
- 4.2 Based on the tests carried out it was seen for a sample of payments selected that they were supported with invoices, and that value added tax had been dealt with appropriately. There was also an appropriate trail for a sample of other transactions made through internal transfers.
- 4.3 Staff costs are administered through Gwynedd Council's Payroll Unit where PAYE and National Insurance requirements have been applied appropriately. These costs are appropriately accounted for in the statement and a sample of these officers' employment contracts were reviewed.



REPORT TO THE NORTH WALES ECONOMIC AMBITION BOARD

14th May, 2021

TITLE: *North Wales Growth Deal – Quarter 4 and Annual Reports*

AUTHOR: *Alwen Williams, Portfolio Director*

1. PURPOSE OF THE REPORT

- 1.1. The purpose of the report is to present the Quarter 4 (Jan-March) Growth Deal report, updated Portfolio Risk Register and the Portfolio Management Office Annual Report for 2020-21.
- 1.2. Quarterly and annual reporting on progress against the North Wales Growth Deal is a requirement of the Final Deal Agreement. Following consideration by the North Wales Economic Ambition Board, the reports will be shared with Welsh Government, UK Government and the local authority scrutiny committees.

2. DECISION SOUGHT

- 2.1. That the Board consider and note the Quarter 4 Performance Report, updated Portfolio Risk Register and the Portfolio Management Office Annual Report for 2020-21.
- 2.2. That the Board consider the format of the quarterly report and identify improvement or where further information would be useful for future iterations.
- 2.3. That the Board approves the submission of the Quarter 4 Performance Report and the Portfolio Management Office Annual Report for 2020-21 to Welsh Government and UK Government as well as the local authority scrutiny committees.

3. REASONS FOR THE DECISION

- 3.1. As stated in the report.

4. BACKGROUND AND RELEVANT CONSIDERATIONS

- 4.1. In December 2020, the NWEAB and the Welsh and UK Governments agreed the Final Deal Agreement for the North Wales Growth Deal.
- 4.2. Regular reporting on progress against the North Wales Growth Deal is a requirement of the Final Deal Agreement.
- 4.3. This report includes three appendices:
 - North Wales Growth Deal Quarter 4 Performance Report;
 - Portfolio Risk Register – April 2021;
 - Portfolio Management Office Annual Report 2020-21.

North Wales Growth Deal Quarter 4 Performance Report

- 4.4. The Quarter 4 performance report provides an overview of progress on the Growth Deal programmes and projects.
- 4.5. With the Deal signed, the focus this quarter has been on moving to the delivery phase. Work started in January 2021 with a baseline review of all projects to re-confirm timetables for business case development and delivery. Once this exercise was completed, the focus was on moving project business cases forward.
- 4.6. During Quarter 4, a significant number of workshops have taken place, in line with the Better Business Case guidance, to support the development of the project business cases. These workshops involved a number of stakeholders and allowed us and our project sponsors to test, challenge and re-confirm support for the projects.
- 4.7. Gateway Reviews are a key part of our assurance and approvals process, providing an independent checkpoint prior to key decision points. Quarter 4 saw our first two projects undertaking their Gateway Reviews. The Morlais project, led by Menter Môn and the Enterprise Engineering and Optics Centre project, led by Wrexham Glyndwr University completed their reviews and are now working to address the recommendations made before submitting revised business cases for consideration.
- 4.8. Having signed the Grant Award Letter and submitted the required documentation we have received the first instalment of £16million from Governments in March 2021. This funding will enable project delivery to commence during the next financial year, when we expect to consider and make a decision on our first tranche of project business cases.
- 4.9. The majority of programmes and projects are currently reporting as Amber as a result of revised business case development timetables resulting in delay compared to the timetable outlined in the Portfolio Business Case. Two projects are currently reporting red due to risks that could impact on the scope of the projects.

Portfolio Risk Register – April 2021

- 4.10. The Portfolio Risk Register is updated on a regular basis by the Portfolio Management Office and reviewed by the Portfolio Board (Executive Officers Group) and the North Wales Economic Ambition Board on a quarterly basis.
- 4.11. The risk register has been fully updated with a number of changes recorded in the documents, including revised risk descriptions, revised scoring and mitigating actions and the commentary has been updated for all risks.
- 4.12. The overall risk profile of the Growth Deal is stable with no new significant areas of concern. There remain some significant risks associated with a couple of individual projects and the post Covid-19 appetite and ability of the private sector to invest in the Growth Deal remains unclear at this stage. The longer-term implications of Covid-19 and economic recovery on the Growth Deal also remain unclear and will continue to be kept under review.

Portfolio Management Office Annual Report 2020-21

- 4.13. The annual report looks back on the progress made over the last financial year. It includes both the Growth Deal and other activities supported by the Portfolio Management Office.

- 4.14. 2020-21 was a challenging year, with Covid-19 changing our lives and the way we work. Despite these challenges, the final deal agreement on the North Wales Growth Deal was signed during a virtual ceremony on the 17th December, 2021.
- 4.15. The Final Deal is the contract between the UK Government, Welsh Government and the North Wales Economic Ambition Board for the delivery of the Growth Deal. It was secured on the basis of a Portfolio Business Case and five Programme Business Cases outlining plans for the total investment of £240m (£120m by UK Government and £120m by Welsh Government).
- 4.16. In addition to achieving the Final Deal, a number of other significant milestones were achieved including:
- Securing £2.9million in ESF funding to expand the Portfolio Management Office;
 - Recruitment to the new staffing structure with only 2 posts vacant as of April 2021;
 - Completion of Portfolio Assessment Review and first project Gateway Reviews;
 - Completion of Better Business Case training for team members;
 - Working closely with the six local authorities, UK and Welsh Governments and private sector representatives to co-ordinate the regional response to economic recovery.

5. FINANCIAL IMPLICATIONS

- 5.1. There are no direct financial implications arising from the report.
- 5.2. The quarterly performance report provides an overview of the expected capital expenditure profile of Growth Deal funding. At this stage, no project business cases have been approved and therefore there is no expenditure to report on. Future iterations of the report will include reporting on financial expenditure following project business case approval.

6. LEGAL IMPLICATIONS

- 6.1. There are no direct legal implications arising from the report.
- 6.2. Regular reporting on Growth Deal performance is part of the agreed governance framework and a key requirement of the Final Deal agreement.

APPENDICES:

Appendix 1	North Wales Growth Deal – Quarter 4 Performance Report
Appendix 2	Portfolio Risk Register – April 2021
Appendix 3	Portfolio Management Office Annual Report 2020-21

STATUTORY OFFICERS RESPONSE:

i. Monitoring Officer – Host Authority:

“As noted in the report there is a commitment in GA2 to provide quarterly reports for the Partners scrutiny arrangements. The recommendation addresses this requirement and will give the scrutiny system an opportunity to be updated and to consider the information when forming their work programmes.”

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

“This is an update report, for members’ information, and paragraph 5.1 notes that there are no direct financial implications arising. Regular reporting on the progress of the North Wales Growth Deal is critical to ensure compliance with the award of funding letter requirements and GA2. I can confirm that discussions are continuing with Welsh Government with regard to the grant profile and related conditions, after the UK Government accelerating their funding arrangements, as noted under ‘Finance’ in part 2 of the quarterly report.”



Bwrdd Uchelgais Economaidd Gogledd Cymru
North Wales Economic Ambition Board

North Wales Growth Deal

2020-21 Quarter 4
(January – March 2021)
Performance Report

Page 32



Llywodraeth Cymru
Welsh Government



UK Government Wales
Llywodraeth y DU Cymru

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1. Overview from Portfolio Director

The signing of the Final Deal Agreement December 2020 by the North Wales Economic Ambition Board, Welsh Government and UK Government was a significant milestone for the North Wales Growth Deal, at the end of a very challenging year for the economy as a result of Covid-19.

With the Deal signed, the focus this quarter has been on moving to the delivery phase. Work started in January 2021 with a baseline review of all projects to re-confirm timetables for business case development and delivery. Once this exercise was completed, the focus was on moving project business cases forward.

Over the past three months, a significant number of workshops have taken place, in line with the Better Business Case guidance, to support the development of the project business cases. These workshops involved a number of stakeholders and allowed us and our project sponsors to test, challenge and re-confirm support for the projects.

Gateway Reviews are a key part of our assurance and approvals process, providing an independent checkpoint prior to key decision points. The Growth Deal portfolio undertook its Gateway Review during August 2020 as part of the process to secure the Final Deal, and this quarter has seen our first two projects undertake their Gateway Reviews.

The Morlais project, led by Menter Môn and the Enterprise Engineering and Optics Centre project, led by Wrexham Glyndwr University completed their reviews and are now working to address the recommendations made before submitting revised business cases for consideration.

The Portfolio Management Office has **continued to lay the groundwork for the successful delivery of the Deal** by refining and agreeing the commercial strategy, procurement principles and agreeing a position statement on climate and ecological change to enable us to work with project sponsors to deliver on the Board's ambition for the region.

Finally, having signed the Grant Award Letter and submitted the required documentation we have received the first instalment of £16million from Governments in March 2021. This funding will enable project delivery to commence during the next financial year, when we expect to consider and make a decision on our first tranche of project business cases.

Alwen Williams
Alwen Williams, Portfolio Director



2. Overall Portfolio Performance

Theme	RAG	Commentary
Portfolio Business Case		The Portfolio Business Case was approved as part of the Final Deal Agreement in December 2020. The business case is to be updated annually, with the first update scheduled for August 2021.
Governance		The Portfolio, Programme and Project Management Framework is now established with the Portfolio Board and five Programme Boards in operation. Governance Agreement 2 was approved by all partners in December 2020. The Conflicts of Interest process is now being rolled out, starting with the Business Delivery Board.
Assurance		The agreed assurance process between the NWEAB, UK Government and Welsh Government is working well. Morlais the first Growth Deal project has completed its Gateway Review and is working to address the recommendations. The next two projects, the Glynllifon Rural Economy Hub and the Enterprise Engineering and Optics Centre are on track for their Gateway Reviews in April and May respectively.
Resourcing		Recruitment to the Portfolio Management Office continues, with five new starts joining the team between April and May 2021. Two posts remain unfilled: Lead Officer (Strategic Transport) and the Land & Property Project Manager with options for re-advertisement being considered at this time.
Finance		The Grant Offer Letter has been received and signed and the first tranche of funding (£16million) was received in March 2021. The Portfolio Management Office is working with UK Government and Welsh Government to understand the implications of the announcement by UK Government Treasury that they are accelerating funding for the North Wales Growth Deal.
Risk		The overall risk profile of the Growth Deal is stable with no new significant areas of concern. There remain some significant risks associated with a couple of individual projects and the post-Covid appetite and ability of the private sector to invest in the Growth Deal remains unclear at this stage.
Monitoring and Evaluation		The Portfolio Management Office has worked with UK Government and Welsh Government officials on a revised draft of the Monitoring and Evaluation Plan and are awaiting feedback. The Monitoring and Evaluation Plan is expected to be refined over the next 12 months as the approach to Benefits Realisation matures.
Communications and Engagement		Work has commenced on the new website and branding with a creative digital agency called Tinint, however the timetable is slightly behind schedule. The Portfolio Management Office has entered into a 12-month partnership with Business News Wales to provide additional communications and marketing support. In addition two small sponsorship deals with Wales Week in London and the Wales Start-up Awards 2021 will help to attract investment in and raise the Growth Deal and Economic Ambition Board's profile.

- Delivering to plan with no issues to address. No action required
- Delivery slightly behind schedule and/or minor/moderate issues to address. Management action in place
- Delivery behind scheduled (+3 months) and/ or significant issues to address. Urgent action required

3. Digital Programme

Programme Status	Commentary
	<ul style="list-style-type: none"> The programme board has prioritised three projects for development during 2021 – Digital Signal Processing Centre, Connecting the last few % and Connected Corridor. The Digital Signal Processing project is progressing steadily in developing the OBC. The Last Few % project has established a project board and appointed a Senior Responsible Officer; and has agreed a set of SMART spending objectives. The Connected Corridors project has established a project board and appointed a Senior Responsible Officer. A scoping study is to be commissioned to support the development of the project. Work has started on updating the regional Digital Connectivity Strategy, last reviewed in 2019, with a draft scheduled to be presented for NWEAB approval in the next quarter.

Project	Project Stage	Quarter Achievements	Next Quarter Key Milestones	RAG Status
Digital Signal Processing Centre (Sponsor: Bangor University)	Project is developing the Outline Business Case	<ul style="list-style-type: none"> Strategic, Economic and Commercial case workshops completed First drafts of Strategic and Economic cases completed 	<ul style="list-style-type: none"> Assurance review scheduled for 12 May Draft OBC to be ready in April 	
Connecting the last few % (Sponsor: NWEAB)	Project is developing the Outline Business Case	<ul style="list-style-type: none"> Project board established and Senior Responsible Officer appointed Strategic case workshops completed and spending objectives defined Market engagement with project board meeting potential suppliers a series of presentations 	<ul style="list-style-type: none"> Economic case workshops to be held and OBC to be drafted Project board membership to be reviewed Assurance review to be scheduled 	

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■ Delivery slightly behind schedule and/or minor/moderate issues to address. Management action in place
■ Delivery behind scheduled (+3 months) and/ or significant issues to address. Urgent action required

Project	Project Stage	Quarter Achievements	Next Quarter Key Milestones	RAG Status
Connected Corridor (Sponsor: NWEAB)	Project is developing the Outline Business Case	<ul style="list-style-type: none"> Project board established and Senior Responsible Officer appointed Initial strategic case workshops held Project board identified need for scoping study to improve strategic case Brief for scoping study drafted 	<ul style="list-style-type: none"> Scoping study to be delivered Remaining workshops to be held and OBC to be drafted Project board membership to be reviewed Assurance review to be scheduled 	
Full Fibre at Key Sites (Sponsor: NWEAB)	On Hold	<ul style="list-style-type: none"> Not applicable 	<ul style="list-style-type: none"> Project Business Case Scheduled for development later in 2021 	
Connected Campus (Sponsor: NWEAB)	On Hold	<ul style="list-style-type: none"> Not applicable 	<ul style="list-style-type: none"> Project Business Case Scheduled for development later in 2021 	

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- Delivering to plan with no issues to address. No action required
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- Delivery behind scheduled (+3 months) and/ or significant issues to address. Urgent action required

4. Low Carbon Energy Programme

Programme Status	Commentary
	<ul style="list-style-type: none"> The first draft of the Morlais OBC was received by the PMO for review and a gateway review was completed on the project in February 2021. Work is now underway by Menter Môn to address the recommendations and to develop the next draft of the OBC for consideration. Good progress made on the Transport Decarbonisation Project, with work progressing on both the Deeside and Holyhead Hydrogen Hubs. Jacobs successfully procured by Flintshire County Council to deliver both the SOC and OBC for the Deeside hub and the Transport Decarbonisation Project Manager has been recruited to lead on the project and will take up his post in April. There has been similar positive progress on the Smart Local Energy project with two strategic case workshops held, SMART spending objectives developed and Aquaterra procured to deliver Llyn Multi-vector study. A Project Board has been established for the Low Carbon Energy Centre of Excellence with plans in place to develop the Outline Business Case over the next quarter. The NWEAB approved the Draft Regional Energy Strategy at their meeting in March 2021.

Project	Project Stage	Quarter Achievements	Next Quarter Key Milestones	RAG Status
Morlais (Sponsor: Menter Môn)	Project is developing the Outline Business Case	<ul style="list-style-type: none"> Draft OBC submitted to Portfolio Management Office following business case workshops Gateway Review held to review readiness for delivery and the draft OBC Public Inquiry held for the main planning application 	<ul style="list-style-type: none"> Appointment of principal contractor Completion of berth allocation process OBC consideration by NWEAB 	
Transport Decarbonisation (Sponsor: NWEAB)	Project is developing the Strategic Outline Case	<ul style="list-style-type: none"> Funding secured from Welsh Government for SOC and OBC development Jacobs procured to support SOC and OBC Development for the Deeside Hydrogen Hub UK Government announced funding for the Holyhead Hydrogen Hub 	<ul style="list-style-type: none"> Project Manager to start in post SOC and OBC reports to be received 	

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4. Low Carbon Energy Programme

Project	Project Stage	Quarter Achievements	Next Quarter Key Milestones	RAG Status
Low Carbon Energy Centre of Excellence (Sponsor: Bangor University)	Project is developing the Strategic Outline Case	<ul style="list-style-type: none"> Project board established A series of internal workshops to review the strategic case and develop the proposal 	<ul style="list-style-type: none"> Business Case workshops to be held Continue development of draft OBC 	
Smart Local Energy (Sponsor: NWEAB)	Project is developing the Strategic Outline Case	<ul style="list-style-type: none"> 'Case for Change' workshops held to identify spending objectives, business needs and potential scope of the project YnNi Llyn multi-vector energy system feasibility study has been awarded to Aquaterra -who have carried out similar work in the Orkney Islands 	<ul style="list-style-type: none"> Progress the business case development workshops Continue development of the draft SOC YnNi Llyn report due to be received 	
Trawsfynydd Power Station (Sponsor: Cwmni Eginio)	Project is developing the Strategic Outline Case	<ul style="list-style-type: none"> Establishment of Cwmni Eginio announced by Welsh Government on the 1st October 2020 Welsh Government working with Arup to assess the economic impact of a Small or Advanced Modular Reactor at Trawsfynydd 	<ul style="list-style-type: none"> Engagement with Cwmni Eginio, Government and key partners regarding project development plans 	

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■ Delivery behind scheduled (+3 months) and/ or significant issues to address. Urgent action required

5. Land and Property Programme

Programme Status	Commentary
	<ul style="list-style-type: none"> A Project Board has been established for the Former North Wales Hospital, Denbigh project led by developer Jones Bros who are progressing with the development of the business case. A potential developer has expressed interest in the Parc Bryn Cegin, Bangor site. Outline planning permission on the Key Strategic Site, Bodelwyddan has lapsed and the project will need to be reviewed once the revised planning policy for the site is determined. Warren Hall, Broughton remains on track and subject to the Local Development Plan adoption. There are a number of dependencies and constraints that will impact the timetable for the Wrexham Gateway site. There remains a funding risk in relation to the Holyhead Port project due to increased costs.

Project	Project Stage	Quarter Achievements	Next Quarter Key Milestones	RAG Status
Western Gateway, Wrexham (Sponsor: NWEAB)	Project is developing the Strategic Outline Case	<ul style="list-style-type: none"> Welsh Government have issued a planning directive to the Local Planning Authority not to grant consent to any development that will lead to increased traffic flows on A483 Junction 4 	<ul style="list-style-type: none"> Progress business case development 	
Warren Hall, Broughton (Sponsor: NWEAB)	Project is developing the Strategic Outline Case	<ul style="list-style-type: none"> Statement of Common Grounds completed between Welsh Government, Flintshire County Council and the NWEAB in support of draft Local Development Plan 	<ul style="list-style-type: none"> Negotiate Collaboration Agreement with Welsh Government 	
Key Strategic Site, Bodelwyddan (Sponsor: NWEAB)	Project Review – scope of project being reviewed	<ul style="list-style-type: none"> Outline planning permission on site expired on 21 March, 2021 	<ul style="list-style-type: none"> Project will need to be reviewed once the revised planning policy for the site is determined 	

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Project	Project Stage	Quarter Achievements	Next Quarter Key Milestones	RAG Status
Former North Wales Hospital, Denbigh (Sponsor: NWEAB)	Project is developing the Outline Business Case	<ul style="list-style-type: none"> Project board established Planning application submitted by Jones Bros to Denbighshire County Council 	<ul style="list-style-type: none"> Decision expected on planning application in April/May 2021 Progress business case development 	
Parc Bryn Cegin, Bangor (Sponsor: NWEAB)	Project is developing the Outline Business Case	<ul style="list-style-type: none"> Potential developer with a track record of delivery has expressed an interest in the site 	<ul style="list-style-type: none"> Progress discussions with potential developer Progress business case development 	
Holyhead Gateway (Sponsor: StenaLine)	Project Review – scope of project being reviewed	<ul style="list-style-type: none"> Welsh Government have established a Steering Group to provide guidance on the delivery of the activities that fall within the Holyhead Gateway Revised project costs indicate costs will be in a range that is substantially in excess of original estimates 	<ul style="list-style-type: none"> Consenting process for breakwater works to begin 	

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Programme Status	Commentary
	<ul style="list-style-type: none"> The timetable for business case development remains tight. The Glynllifon Rural Economy Hub projects remains on track with all workshops completed. The timetable for the Llysfas Net Zero Farm workshops has been revised to align with the start of the new project manager in post, however, the WBRID business innovation competition with Coleg Cambria Llysfas has provided a solid foundation for the project. Progress is being made on the Hub element of the Tourism Talent Network.

Project	Project Stage	Quarter Achievements	Next Quarter Key Milestones	RAG Status
Glynllifon Rural Economy Hub (Sponsor: Grwp Llandrillo Menai)	Project is developing the Outline Business Case	<ul style="list-style-type: none"> Hatch Regeneris appointed to support workshops All five project workshops completed to support OBC development 	<ul style="list-style-type: none"> Submit draft OBC to Portfolio Management Office for review Undertake Gateway 2 review 	
Llysfas Net Zero Farm (Sponsor: Coleg Cambria)	Project is developing the Outline Business Case	<ul style="list-style-type: none"> Research and increased awareness of low carbon and precision farming methods Engagement with local businesses to determine skills needs Project Manager appointed 	<ul style="list-style-type: none"> Project Manager to start in post Business case workshops to commence Planning for Gateway 2 review 	
Tourism Talent Network (Sponsor: Grwp Llandrillo Menai)	Project is developing the Strategic Outline Case	<ul style="list-style-type: none"> Hub element continues to be planned in preparation for 21st Century Schools bid (to align with Growth Deal timetable) 	<ul style="list-style-type: none"> Workshop timetable being drafted with 1st workshop scheduled for May 2021 COVID-related review of 'spoke' element with view to expanding partners 	

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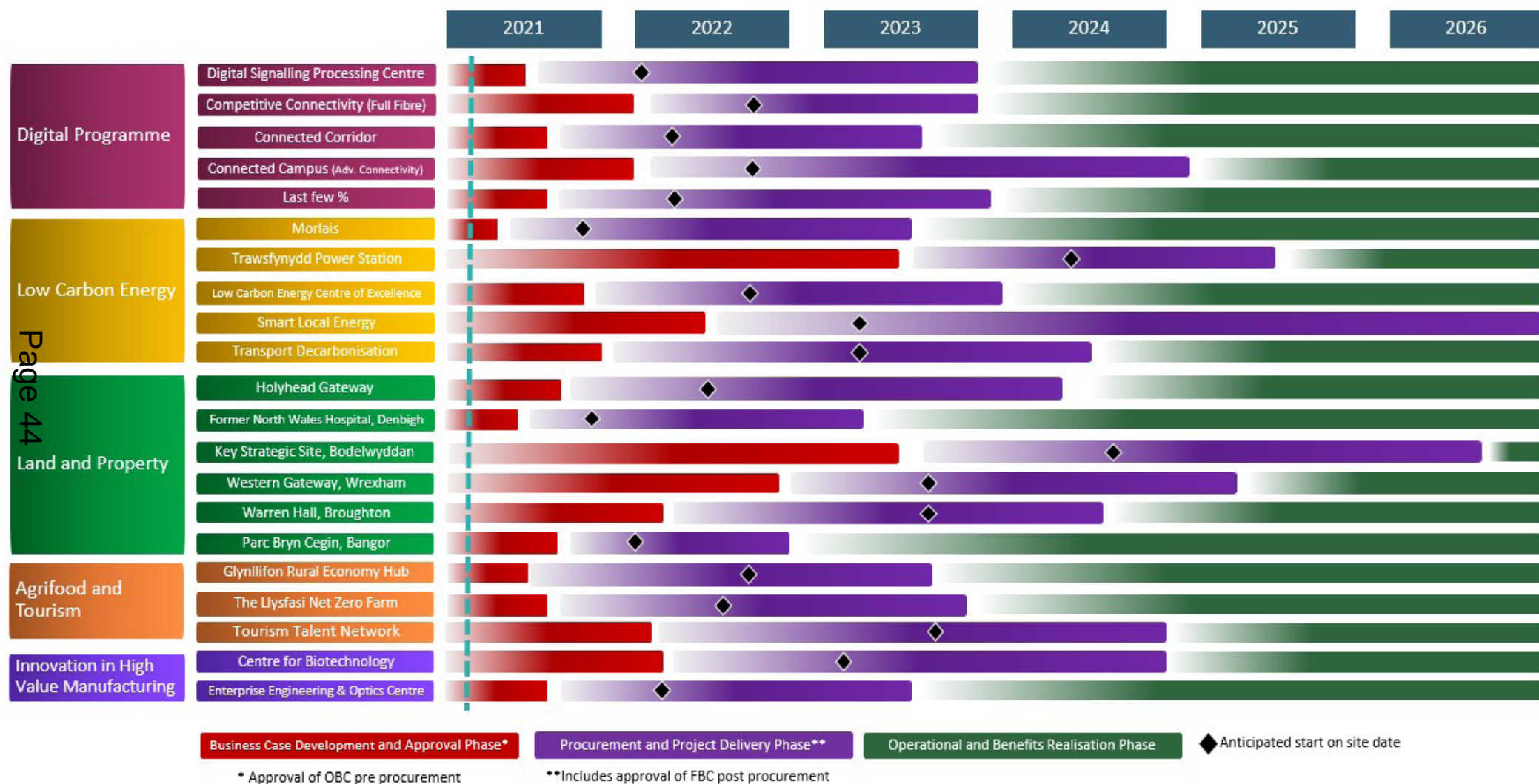
Programme Status	Commentary
	<ul style="list-style-type: none"> The Glyndwr University led Enterprise Engineering and Optics Centre completed a Project Assessment Review (PAR) in March as part of the business case development process and the team are now working on the recommendations ahead of OBC submission to the Portfolio Management Office and a Gateway 2 review. The Bangor University led Centre for Environmental Biotechnology project is at an earlier stage of development, with resources focused on refining the scope of the project at present.

Project	Project Stage	Quarter Achievements	Next Quarter Key Milestones	RAG Status
Enterprise Engineering Optics Centre (Sponsor: Glyndwr University)	Project is developing the Outline Business Case	<ul style="list-style-type: none"> Supporting documentation prepared for Gateway Review Gateway Review undertaken Business Case workshops held 	<ul style="list-style-type: none"> Complete Business case workshops Address Gateway Review recommendations Submit draft OBC to Portfolio Management Office Undertake Gateway 2 Review 	
Centre for Environmental Biotechnology (Sponsor: Bangor University)	Project is developing the Strategic Outline Case	<ul style="list-style-type: none"> Internal workshop held to review the strategic narrative of the project and to better understand the scope 	<ul style="list-style-type: none"> Further workshops to help refine the project. Following these, engagement with stakeholders will begin 	

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Programme Delivery Plan

March 2021 Update



Note: Delivery timescales are provisional pending project business case approval

9. Growth Deal Projects - Capital Funding Profile March 2021

Programme	Project	Project Sponsor	2021/22 (£m)	2022/23 (£m)	2023/24 (£m)	2024/25 (£m)	2025/26 (£m)	Total (£m)
Digital	Digital Signal Processing Centre (DSP)	Bangor University	1.72	0.99	0.25	0.00	0.00	2.96
Digital	Full Fibre at Key Sites	NWEAB	0.00	3.45	3.25	0.00	0.00	6.70
Digital	Connected Corridor	NWEAB	0.99	1.18	0.00	0.00	0.00	2.17
Digital	Connected Campus	NWEAB	0.00	3.94	5.90	5.91	4.93	20.68
Digital	Connecting the last few %	NWEAB	0.99	2.95	0.00	0.00	0.00	3.94
Low Carbon Energy	Morlais	Menter Môn	2.46	4.93	1.48	0.00	0.00	8.87
Low Carbon Energy	Low Carbon Energy Centre of Excellence	Bangor University	0.00	4.74	6.71	5.23	4.00	20.68
Low Carbon Energy	Traswfyndd Power Station	Cwmni Eginio	0.00	4.92	9.85	4.93	0.00	19.70
Low Carbon Energy	Transport Decarbonisation	NWEAB	1.97	3.94	3.94	1.38	0.00	11.23
Low Carbon Energy	Smart Local Energy	NWEAB	0.00	3.94	7.88	7.88	4.93	24.63
Land and Property	Holyhead Gateway	Stena Line	0.00	11.33	13.78	9.36	0.00	34.47
Land and Property	Warren Hall, Broughton	NWEAB	0.00	0.49	0.99	5.91	7.38	14.77
Land and Property	Former North Wales Hospital, Denbigh	NWEAB	0.99	0.99	0.98	0.98	0.00	3.94
Land and Property	Key Strategic Site, Bodelwyddan	NWEAB	0.49	0.99	5.41	2.96	0.00	9.85
Land and Property	Parc Bryn Cegin, Bangor	NWEAB	0.25	2.70	2.96	0.00	0.00	5.91
Land and Property	Western Gateway, Wrexham	NWEAB	0.00	4.03	4.93	0.00	0.00	8.96
Agrifood and Tourism	Glynllifon Rural Economy Hub Project	Grŵp Llandrillo-Menai	0.49	4.68	4.68	0.00	0.00	9.85
Agrifood and Tourism	The Llysfasi Net Zero Farm	Coleg Cambira	0.00	4.92	4.93	0.00	0.00	9.85
Agri-food and Tourism	Tourism Talent Network	Grŵp Llandrillo-Menai	0.00	1.48	1.48	1.47	0.00	4.43
Innovation in High Value Manufacturing	Centre for Environmental Biotechnology	Bangor University	0.00	1.48	1.48	0.00	0.00	2.96
Innovation in High Value Manufacturing	Enterprise Engineering and Optics Centre	Glyndwr University	8.28	1.57	0.00	0.00	0.00	9.85
Portfolio Management Office Costs (1.5%)								3.60
Total								240.0

Programme	Project	Sponsor	Summary
Digital	Full Fibre at key sites	NWEAB	This project will deliver full fibre connectivity (gigabit capable) to 28 key business sites across North Wales.
	Connected Campus	NWEAB	The project will accelerate the development of infrastructure for 19 key regional economic sites.
	Connected Corridors	NWEAB	In total, 156km of road and rail corridor will be connected to 5G/Low Power Wireless Access Networks, along the A55 corridor and adjacent mainline rail route.
	Connecting the last few %	NWEAB	This project targets universal superfast coverage across North Wales, which have yet to be served by other means and cannot obtain speeds of at least 30Mbps (download).
	Digital Signal Processing Centre Project (DSP)	Bangor University	The project will allow the DSP Centre to expand its presence and remit, integrating fully with the National Strategy Project (NSP) and enable the scaling of key assets including a 5G testbed, research capacity and state-of-the-art equipment.
Low Carbon Energy	Morlais	Menter Môn	Investing in the infrastructure that connects the Morlais Zone with the electricity grid system, and preparing the site for private sector developers who will lease parts of the zone for deploying their tidal energy technologies.
	Trawsfynydd Power Station	Cwmni Egino	The site is uniquely placed for a 'First of A Kind' deployment of a Small Modular Reactor (SMR) or Advanced Modular Reactor (AMR). Alongside the public and private sector the Growth Deal will contribute funding towards enabling infrastructure for this development.
	Low Carbon Energy Centre of Excellence	Bangor University	Investing in the development of facilities at Bangor University and Menai Science Park, enhancing the North Wales and UK capabilities for innovation in low carbon energy and related areas, helping to create the conditions for new inward investment and business growth in the low carbon energy supply chain in North Wales.
	Smart Local Energy	NWEAB	To help achieve renewable energy, decarbonisation and local ownership targets, the project will support innovative enabling projects and demonstrators that overcome market failures and unlock private and community sector investments in smart local energy solutions.
	Transport Decarbonisation	NWEAB	Support delivery of a demonstrator project involving the production of green hydrogen from low carbon energy sources and its use within regional transport networks.
Land and Property	Holyhead Gateway	Stena Line	Future proof the Holyhead Port by providing new deep-water heavy loading and cruise facilities, improved vehicular access, guaranteeing the future of the breakwater and providing for the demands of regional energy projects.
	Wrexham Gateway	NWEAB	Delivery of primary services to enable the site to be brought to the market for sale and development.
	Warren Hall Strategic Site	NWEAB	Delivery of primary services to enable the 65-hectare mixed use site to be bought to the market for sale and then development by the private sector.
	Bodelwyddan Strategic Site	NWEAB	Delivery of primary services to enable the mixed-use commercial and residential development site to be brought to the market for development.
	Former North Wales Hospital Site	NWEAB	The Growth Deal funding will assist in the delivery of a cleared and remediated site with primary services to bring forward a mixed-use commercial and residential development
	Parc Bryn Cegin Strategic Site	NWEAB	Provide industrial floor space to meet known demand for units.

Agrifood and Tourism	Tourism TALENT Network	Grwp Llandrillo Menai	Future-proofing the pipeline of skills provision and increase commercial benefits from one of the most established sectors in the region. The talent network will stimulate public-private collaboration to coordinate action on skills and product development to transform and accelerate the growth of the tourism and hospitality sector in the region.
	Glynllifon Rural Economy Hub	Grwp Llandrillo Menai	The vision is to create a distinctive, world-class Rural Economy Hub at Glynllifon, offering a range of facilities and services to strengthen and enhance the regional economy, specifically through growing the food and drink sector.
	The Lllysfas Net Zero Farm	Coleg Cambria	Lllysfas Carbon Neutral Centre aims to lead North Wales to a resilient future where carbon neutral land management is at the centre of a developing renewable energy sector supporting a sustainable, thriving and healthy community covering the rural/urban mix of the region.
Innovation in High Value Manufacturing	Centre for Environmental Biotechnology (CEB)	Bangor University	The Centre for Engineering Biotechnology will be a world-leading centre in the discovery and characterisation of novel extremophilic enzymes of industrial relevance. The Centre for Engineering Biotechnology will provide a strong foundation for attracting world-leading researchers, significant public and commercial research funding, and inward investment to Wales.
	Enterprise Engineering & Optics Centre	Glyndwr University	The Enterprise Engineering & Optics Centre will provide facilities targeted to boost high-level skills development for the region and enable SME's and large businesses to work in partnership with Wrexham Glyndwr University on commercially driven research and development in optics, composites and hydrogen fuel cells.



DRAFT NORTH WALES GROWTH DEAL PORTFOLIO RISK REGISTER

Risk ID	Date Raised	Risk Category	Risk Name	Risk Owner	Description of the Risk	Current Gross Risk Rating			Trend	Mitigating Actions	Action Due Dates	Action owner	Residual Risk Rating			Trend	Status (Open / Closed)	Commentary	Date of last update
						P	I	Score					P	I	Score				
R001	21/10/20	Programme and Project Delivery	Capacity	Portfolio Director	If sufficient resources are not in place at portfolio, programme and project level, there is a risk that this could impact on the successful delivery of the deal	3	4	12	▼	Recruitment to PMO vacancies for all but two of the posts. PMO considering options for the remaining vacancies. PMO have secured additional technical capacity to support procurement activity PMO to utilise external technical support when necessary PMO supporting partners to ensure capacity for delivery	June 2021 In place Reviewed monthly Reviewed monthly	PMO PMO PMO, Project Sponsors	2	4	8	▼	Open	Risk description has been updated to new format. Mitigating actions have been updated. Gross and residual risk has decreased following the completion of the last recruitment campaign for the Portfolio Management Office.	23.04.2021
R002	21/10/20	Programme and Project Delivery	Delay	Portfolio Management Office	If there are delays to project delivery, there is a risk this could have an impact on the realisation of benefits or could result in projects not progressing.	4	4	16	↔	Monthly highlight reports to Programme Board with escalation routes to NWEAB Programme and project RAID logs in place to record risks and manage issues Project business cases and implementation plans to clearly set out risks to project delivery and mitigations Quarterly reports to the NWEAB and Portfolio Board	Monthly Monthly N/A	PMO PMO, Project Sponsor Project Sponsor	3	4	12	↔	Open	Risk description has been updated to new format. Mitigating actions have been updated. No changes to gross or residual risk scores.	23.04.2021
R003	21/10/20	Financial	Affordability	Portfolio Management Office	If projects increase in cost, there is a risk they may not go ahead or project scope may need to be scaled down	4	4	16	↔	Project Business Cases will set out detailed project level financial, commercial and risk management measures to manage costs Robust performance, risk and financial reporting arrangements will be established for all projects Once Project Business Cases are approved, any additional costs incurred will be the responsibility of the Project Sponsor.	N/A Monthly N/A	PMO, Project Sponsor PMO PMO	3	3	9	↔	Open	Risk description has been updated to new format. Mitigating actions have been updated. No changes to gross or residual risk scores.	23.04.2021
R004	21/10/20	Programme and Project Delivery	COVID-19 and Economic Recovery	Portfolio Director	As the Covid-19 pandemic continues to impact the economy and/or the economic recovery is delayed, there could be a risk to the delivery of the Growth Deal portfolio and the viability of certain projects.	4	4	16	↔	Programme Director is the regional lead for economic recovery Project Business Cases will consider the implications of COVID-19 Where COVID-19 could have a clear impact upon the viability / need for a project, the project will be subject to full review ahead of business case development	N/A N/A	PMO, SROs PMO, SROs, NWEAB	4	4	16	↔	Open	Risk name and description have been updated. No changes to gross or residual risk scores.	23.04.2021
R005	21/10/20	Programme and Project Delivery	EU–UK Trade and Cooperation Agreement	Portfolio Director	If the new UK-EU trading relationship impacts on certain sectors of the economy there is a risk that the viability of certain Growth Deal projects may change.	3	3	9	↔	Project Business Cases will consider the implications of the new UK-EU trading relationship. Where the the new UK-EU trading relationship could have a clear impact upon the viability / need for a project, the project will be subject to full review ahead of business case development	N/A N/A	PMO, Project SROs PMO, Project SROs	2	3	6	↔	Open	Risk name and description have been updated. Mitigating actions have been updated. No changes to gross or residual risk scores.	23.04.2021
R006	21/10/20	Environmental	Climate Change and Biodiversity	Portfolio Director	If projects do not take account of carbon emissions or biodiversity loss within project level assessments, there is a risk the portfolio could contribute towards the issues of climate change and biodiversity loss	3	3	9	↔	Position statement on Climate Change and Biodiversity adopted by the NWEAB. Project business cases to demonstrate delivery against the adopted NWEAB position.	N/A N/A	NWEAB PMO, Project SROs	2	3	6	↔	Open	Risk description has been updated to new format. Mitigating actions have been updated. No changes to gross or residual risk scores.	23.04.2021
R007	21/10/20	Financial	Private Sector Investment	Portfolio Management Office	If the private sector investment is not secured, there is a risk that projects will not be delivered or delivered at reduced scale impacting on the benefits to the region.	4	5	20	↔	Continued engagement with Project Sponsors and private sector partners Development of robust project business cases and contractual agreements for Growth Deal funding Agreed process for consideration of new projects if required	N/A N/A N/A	PMO, Project SROs PMO, Project SROs NWEAB, PMO	4	4	16	↔	Open	Risk description has been updated to new format. Mitigating actions have been updated. No changes to gross or residual risk scores.	23.04.2021
R008	21/10/20	Financial	Public Sector Investment	Portfolio Management Office	If the public sector investment is not secured, there is a risk that projects will not be delivered or delivered at reduced scale impacting on the benefits to the region.	3	4	12	▼	All NWEAB partners have signed up to the Growth Deal and Governance Agreement 2. Development of robust project business cases and contractual agreements for Growth Deal funding Agreed process for consideration of new projects if required	Complete N/A N/A	NWEAB PMO, Project SROs NWEAB, PMO	3	3	9	▼	Open	Risk description has been updated to new format. Mitigating actions have been updated. Gross and residual risk has decreased following the signing of the Final Deal and Governance Agreement 2.	23.04.2021

Risk ID	Date Raised	Risk Category	Risk Name	Risk Owner	Description of the Risk	Current Gross Risk Rating			Trend	Mitigating Actions	Action Due Dates	Action owner	Residual Risk Rating			Trend	Status (Open / Closed)	Commentary	Date of last update
						P	I	Score					P	I	Score				
R009	21/10/20	Regulatory	Planning and Statutory Consents	Portfolio Management Office	If projects do not receive the necessary statutory consents and planning approval, there is a risk that projects will not be delivered and the benefits would not be realised.	4	5	20	↔	Project business cases will set out the consenting requirements for each project and the risks to project delivery Continued engagement with project sponsors to understand consenting process and risks with support provided where appropriate	N/A N/A	PMO, Project SROs PMO	3	5	15	↔	Open	Risk description has been updated to new format. Mitigating actions have been updated. No changes to gross or residual risk scores.	23.04.2021
R010	21/10/20	Reputational and Social Impact	Spending Objectives	Portfolio Director	If projects fail to deliver against the portfolio spending objectives, there is a risk that the Growth Deal may not meet its targets in relation to job creation, GVA and investment.	3	4	12	↔	Robust business cases will be developed for each programme and project in line with 5 Case Business Model and will need to set out contribution to portfolio spending objective targets	N/A	PMO, Project SROs	2	3	6	↔	Open	Risk description has been updated to new format. No changes to gross or residual risk scores.	23.04.2021
R013	21/10/20	Reputational and Social Impact	Political Change	Portfolio Director	If stakeholders are not managed effectively, there is a risk that political change could impact support for the portfolio, programme and projects.	4	4	16	↔	Frequent engagement with UK, Welsh Government and local government politicians and officials. GA2 and Final Deal agreement to confirm commitments of all parties.	N/A Complete	NWEAB, PMO NWEAB	4	2	8	↔	Open	Risk description has been updated to new format. Mitigating actions have been updated. No changes to gross or residual risk scores.	23.04.2021
R014	22/10/20	Financial	Fraud	Portfolio Director	If appropriate processes are not put in place and managed, there is a risk that the portfolio could be subject to fraudulent claims resulting in misuse of public funds	4	4	16	↔	Projects to have robust financial monitoring processes in place PMO to review claims submitted before passing them onto accountable body for payment Code of conduct and conflicts of interest policy incorporated as part of Governance Agreement 2 Conflict of Interest Register maintained for all programmes, projects and advisory groups.	N/A N/A Complete N/A	PMO PMO Monitoring Officer PMO	2	4	8	↔	Open	Risk description has been updated to new format. Mitigating actions have been updated. No changes to gross or residual risk scores.	23.04.2021
R015	22/10/20	Reputational and Social Impact	Benefits Realisation	Portfolio Management Office	If project benefits are not realised, there is a risk that the overall Growth Deal could fail to deliver the benefits set out within business case.	4	4	16	↔	Each programme and project will be responsible for benefits management through a Benefits Realisation Plan. Monthly highlight reports to Programme Board to monitor benefits realisation Procurement Principles to be adopted with focus on community benefits and social value	N/A Monthly Complete	PMO, Programme and Project SROs PMO PMO	3	3	9	↔	Open	Risk description has been updated to new format. Mitigating actions have been updated. No changes to gross or residual risk scores.	23.04.2021
R016	22/10/20	Programme and Project Delivery	Assurance	Operations Manager	If agreed assurance processes are not followed, there is a risk that project approval could be impacted and could result in suspension/postponement of government grant payments.	3	5	15	↔	Integrated Assurance and Approval Plan (IAAP) agreed with Welsh and UK Government as part of Final Deal. Continued engagement with Welsh Government Assurance Hub to refine and update the Integrated Assurance and Approval Plan (IAAP) PMO assurance lead to coordinate delivery of assurance in accordance with the IAAP	Complete Quarterly N/A	PMO PMO PMO	2	4	8	↔	Open	Risk description has been updated to new format. Mitigating actions have been updated. No changes to gross or residual risk scores.	23.04.2021
R017	22/10/20	Financial	Financial Management	s151 Officer	If appropriate financial arrangements are not put in place, there could be a risk to the delivery of the deal, draw-down of the funding grant and allocation of funds.	3	4	12	↔	NWEAB will utilise existing financial processes of Gwynedd Council as Host Authority Project Business Cases will set out detailed project level financial, commercial and risk management measures to manage finances Robust monthly performance, risk and financial reporting arrangements will be established for all projects Robust financial claims process established for the drawdown of funding	N/A N/A Monthly N/A	PMO PMO, Project SRO PMO, Project SRO PMO	2	3	6	↔	Open	Risk description has been updated to new format. Mitigating actions have been updated. No changes to gross or residual risk scores.	23.04.2021
								0							0				



Bwrdd Uchelgais Economaidd Gogledd Cymru
North Wales Economic Ambition Board

North Wales Economic Ambition Board Portfolio Management Office

2020–2021 Annual Report



Llywodraeth Cymru
Welsh Government



UK Government Wales
Llywodraeth y DU Cymru

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Foreword

The current economic position is unprecedented with the UK's exit from the European Union and the Covid-19 pandemic continuing to disrupt and impact the wellbeing of our economy and importantly, our people.

However, delivery of the North Wales Growth Deal is on the horizon and this investment will inject much needed vitality into our economy to deliver sustainable and inclusive growth needed over the next 15 years.

The **Growth Deal** has been developed through close collaboration and commitment from partners across all sectors, including the UK and Welsh Governments, to deliver long-lasting positive investment and change that will enable economic and employment growth for the long-term.

The deal is a unique opportunity to invest in our future and is a key enabler to building a more vibrant, sustainable and inclusive economy for North Wales.

We will be **smart** with our investment – building on our strengths to boost productivity, foster innovation and be competitive in the markets we serve. We already have well-established research and innovation hubs, helping to push the boundaries in high value manufacturing. Further investment will enhance our reputation and enable growth in this important industry.

We aim to make North Wales more investable by tackling known areas where long-term market failure has been a barrier to attracting commercial investment. This unlocks the potential to create highly skilled job opportunities, ensuring that our young people and future generations can thrive and contribute to the local economy. We are also addressing the shortage of suitable land and property

to facilitate business growth, and investing in commercial employment and housing sites to meet the region's needs.

Being connected as a region is one of our strengths. Our partnership across the six local authorities, universities, colleges and the private sector is well-established and growing in strength. We are driving a step change in connectivity through addressing those areas most in need of faster and more reliable broadband connections, and exploiting the potential of 5G and new innovation.

We are developing relationships across our borders, because we know that by working together, we can be stronger.

It's important to us that we keep building on our reputation as a cohesive region; fostering and leveraging partnerships to promote scalable, sustainable and inclusive economic growth. Our investment in low-carbon energy enables us to contribute directly to the climate change emergency, not only helping to make North Wales a cleaner, greener environment, but also positioning ourselves as one of the leading UK locations within the low carbon energy sector. Not forgetting our valued economies in agriculture and tourism, where we will focus on enabling and encouraging diversification to improve the long-term future of these key industries, ensuring they have the opportunity to develop sustainably and flourish.

We will invest in a way that promotes social value and builds wealth in our communities. We recognise and value our obligation to deliver the Growth Deal in a way that improves and enhances our social, cultural, environmental and economic well-being.

By investing now, we build our **resilience** for the future.

We are privileged to lead this important investment in North Wales – our home and our region.



Alwen Williams
Portfolio Director



Councillor Dyfrig Siencyn
Chair of the North Wales Economic Ambition Board



Councillor Mark Pritchard
Vice-Chair of the North Wales Economic Ambition Board

Alwen Williams *Dyfrig Siencyn* *M Pritchard*



The Last 12 Months

Alwen Williams
Portfolio Director

The last 12 months have been unlike any other, with Covid-19 changing and challenging our lives and the way we work potentially forever.

The Portfolio Management Office was established in January 2020, with members including two Programme Managers, our Operations Manager and myself. We had a challenging remit to secure the Growth Deal funding for North Wales by December 2020. The pandemic meant we only had two and half months together in the office before everything changed.

In April, we were adjusting to the new normal of running a virtual office, engaging with our partners to map out the process to agreeing the final deal with the UK and Welsh Governments. We also focused on learning all about HM Treasury's Better Business Case methodology which provides the framework for construction of all our investment business cases.

In May, we secured £2.9 million in funding from the Welsh European Funding Office (WEFO) to expand the team to support the delivery of the Growth Deal. Growing and developing a new team virtually over the past 12 months has been both challenging and rewarding. We are a close knit, dynamic and collaborative team and I'm immensely proud of what we have achieved together, considering the majority of us have never met in person. Following our latest recruitment campaign in February 2021, at 18 members, we are close to completing the team, with only a couple of remaining vacancies to fill.

From June onwards our focus as a team was split between supporting the regional recovery work led by local authority partners and on preparing the business cases required to secure the Growth Deal. During June and July, we agreed our approach to programme and project management and began to put in place the structures we would need to deliver the deal. Our work to develop the portfolio and programme business cases continued through a series of workshops, with support provided from Joe Flanagan, co-author of the guidance document for HM Treasury's Better Business Case methodology. June also saw the first of many virtual meetings of the North Wales Economic Ambition Board.

In August, we commissioned a Gateway Review on the Growth Deal. This independent review, organised by Welsh Government's Assurance Hub, provided useful challenge and recommendations, in addition to endorsing the progress the team had made during the first half of the year.

By September, we had finalised our business cases and associated governance documents ready for the approval process – internally and with both Welsh and UK Governments. During November, our Economic Ambition Board partners approved the documents required for a final deal agreement and our governance arrangements to deliver the Growth Deal.

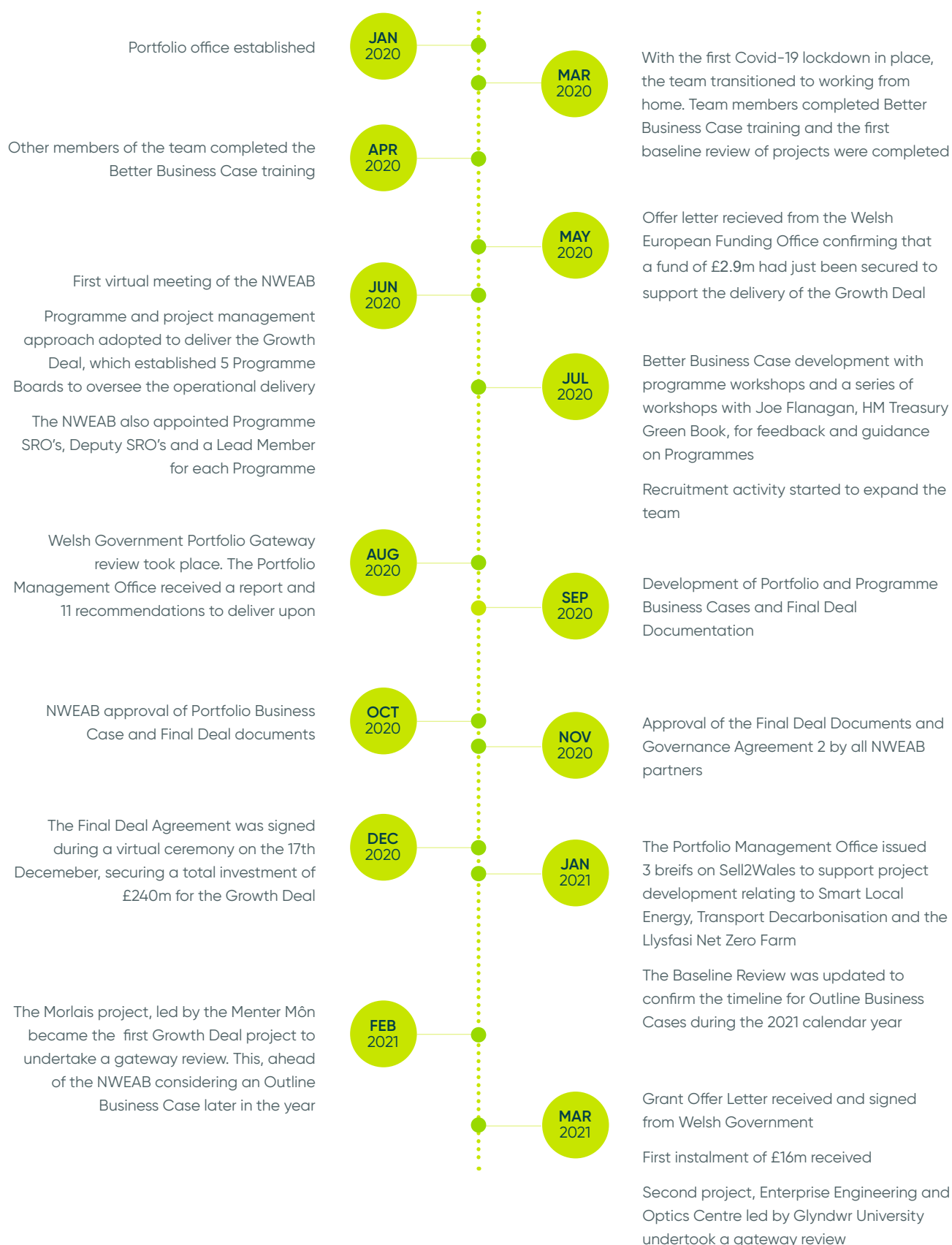
The final deal agreement was signed during a virtual ceremony on the 17th of December 2021. The Final Deal is the contract between the UK Government, Welsh Government and the North Wales Economic Ambition Board for the delivery of the Growth Deal and was secured on the basis of a Portfolio Business Case and five Programme Business Cases securing the total investment of £240m (£120m by UK Government and £120m by Welsh Government).

The first three months of 2020 have been focused on delivery and working with our project sponsors to progress the project business cases. In February, the Morlais project, led by Menter Môn became the first Growth Deal project to undertake a gateway review ahead of the Outline Business Case being considered by the Economic Ambition Board later in the year.

In March 2021, having signed the Grant Award Letter and submitted the required documentation we received the first instalment of £16million from Welsh and UK Governments. This funding will enable project delivery to commence during the next financial year, when we expect to consider and make a decision on our first tranche of project business cases.

Looking back at the last 12 months, I am proud of the team and the significant progress made. Securing the Final Deal within our original timetable despite the challenges posed by Covid-19 was unquestionably down to the grit and determination by everyone involved. I'm now looking forward to delivering the deal, with the team and our partners over the next 12 months.

Snapshot Of The Last 12 Months





The Growth Deal

Aims

To build a more vibrant, sustainable and resilient economy in North Wales.

To build on our strengths, to boost productivity while tackling long-term challenges and economic barriers to deliver inclusive growth.

The approach is to promote growth in a scalable, inclusive and sustainable way, in line with the Wellbeing of Future Generations (Wales) Act 2015.

Investment

Growth Deal investment:

£240m

Private sector investment:

£722.1m

Public sector investment:

£184.3m

Total investment:

£1.1bn

Spending objectives

To create between 3,400 – 4,200 net additional jobs

Generate £2.0 – £2.5 billion net additional GVA

Programmes



Low Carbon Energy



Digital



Agrifood & Tourism



Innovation in High Value manufacturing



Land & Property

Working with the Private Sector

The North Wales Growth Deal is a partnership between the public and the private sectors and our progress over the past 12 months would not have been possible without the support of key stakeholders from the private sector.

Askar Sheibani, Comtek Network Systems and Chair of the Business Delivery Board, quotes

"North Wales has a unique and powerful coalition of private and public sector leaders who, through the North Wales Economic Ambition Board and the Business Delivery Board have been working as united partners to make sure that the Growth Deal leverages a substantial return on investment.

Board members are predominately entrepreneurs, have an independent voice with well-established track records within their sectors and industries which is recognised internationally. They have influential and extensive business networks in Wales, UK and beyond and, very importantly, they have a real passion for North Wales, which is where the majority call home.

To the East we're fortunate to be situated close to two major cities; Liverpool and Manchester, home to two international airports connecting us to the global market, whilst London is just a couple of hours away by train. To the West, the port of Holyhead facilitates our trade via sea-freight and opens up the path to international tourism and Ireland. Every inch of North Wales has a great history, rich culture, fantastic castles and beaches, unique tourist attractions, amazing wildlife and, irrefutably, the most breath-taking natural landscapes on planet Earth.

The Growth Deal programmes are concentrated on areas of the economy in which we have long-established experience and strong expertise; such as Advanced Manufacturing, Renewable Energy and Tourism. As an example, Morlais, the tidal power project on Anglesey has the potential to make North Wales one of the world leaders in tidal energy. There are very few places in the world that are suitable and the investment could put North Wales in the top three biggest tidal power generators in the world.

The Growth Deal also invests in the regions digital infrastructure. This is essential and underpins economic growth. Accessible and reliable high-speed fibre broadband and 5G capability across the whole of North Wales is essential.

Throughout history, North Wales has demonstrated its resilience to combat all past economic shocks and come out battle-hardened and stronger. This recent pandemic has created a devastating social and economic earthquake.

I firmly believe that, North Wales, with a credible economic plan, investment in skills and education, and with determined, well-resourced local leadership, has a great opportunity and the potential to re-establish itself as a powerful economy in Wales, which will be greatly supported by the Growth Deal investment over the next 15 years and beyond".

Jim Jones, Managing Director of North Wales Tourism and Chair of the North Wales Mersey Dee Business Council and Ashley Rogers, Commercial Director, North Wales Mersey Dee Business Council quotes

"The North Wales Growth Deal is a crucial package of capital investments for our region and will bring a substantial boost to the North Wales economy at a time when major market changes such as Brexit and global events including the Covid-19 pandemic, continue to impact our Communities and Economy. The North Wales Mersey Dee Business Council as the regional umbrella body for the private sector in North Wales has from the inception of the developing Growth Deal in partnership with the Economic Ambition Board, worked exceptionally hard to ensure that the investments proposed in the Deal are distributed across the region and our sectors to provide the maximum benefit to our businesses.

A Growth Deal that delivers on supporting business and productivity growth for both our home grown SME's and the International businesses based in North Wales in our key sectors e.g. Manufacturing, Tourism & Hospitality, Agriculture and Energy, has the potential to make a once in a lifetime positive impact for us all. It is imperative though that the proposed projects and programmes not only provide the catalyst for growth but with the fundamental tenet that they do so whilst contributing to the region's journey towards a Net Zero Carbon and Circular economy. We look forward to continuing meaningful engagement with the Economic Ambition Board on this key investment package."



Askar Sheibani
Chair, Business
Delivery Board



Ashley Rogers
Commercial Director,
North Wales Mersey
Dee Business Council



Jim Jones
Chair, North Wales
Mersey Dee Business
Council



Responding to Covid-19



Covid-19 has had an immense economic impact on North Wales as in other parts of the UK and globally. The Economic Ambition Board is working closely with the six local authorities, UK and Welsh Governments and private sector representatives to co-ordinate the regional response to economic recovery. The long-term effects of Covid-19 on the region's economy is still emerging but it is clear that some of our most significant and established economies have already been severely impacted, for example businesses in tourism, hospitality and leisure and those who rely on the visitor economy for trade.

The Growth Deal is designed to address structural, long-term barriers to economic growth. However, the Economic Ambition Board is fully aware that, in the short-term, a range of actions will be required to facilitate economic recovery and an approach that aligns these short to medium term recovery interventions with the longer term aims and measures to be delivered by the Growth Deal.

The Growth Deal on its own will not address all the challenges facing the North Wales economy, particularly in light of Covid-19. However, such a significant injection of capital investment into the local economy will be a significant boost to the construction and related sectors at a time when there is likely to be spare capacity in the economy.

In March 2020 a regional tactical response group was established in response to Covid-19. Their remit was to assess the emerging impact of the pandemic on businesses and agree the key actions needed to address these. The group met weekly and included representatives from the Local Authorities, WLGA, Welsh Government, UK Government and the North Wales Mersey Dee Business Council. This enabled the coordination and compilation of regular insight briefings which were shared directly with Government Ministers to influence the decisions being made on fiscal recovery packages for the business community. Key themes started to emerge including, support for businesses, the visitor economy, town centres and regeneration, supply chains, people, skills and employment and public procurement.

During early May 2020 a joint press release was issued to highlight the collaboration across North Wales and between the Economic Ambition Board, the Regional Skills Partnership, Welsh Government, and the DWP to help broker the connection between job seekers and available vacancies in the region.

Also during May, in collaboration with UK and Welsh Government, the Economic Ambition Board hosted a webinar for businesses which attracted over a hundred and fifty participants and gave the opportunity for businesses impacted by the pandemic to ask their questions directly to Government Ministers.

Early in summer 2020 a Regional Economy Recovery Group was established to work collaboratively on economic recovery on behalf of the region. The group commissioned a business impact survey, conducted over the summer, to which over 1,800 businesses responded. The data delivered valuable insights about the direct impact of Covid in different industries and sectors and allowed for breakdown view by local authority.

The Economic Ambition Board and Welsh Government also jointly commissioned research on the impact of Covid-19 on the economy in North Wales. This research, conducted by Hatch Regeneris, includes a proposed plan for recovery looking at immediate interventions, considerations for the Growth Deal and long term considerations, all of which are designed to foster the environment for resilience and Growth post Covid-19.

In addition, and cognisant of the impact to the tourism, hospitality and leisure industry, the Economic Ambition Board commissioned an independent piece of work led by Professors Nigel Morgan and Annette Pritchard, looking at the impact of Covid was having on the industry. The paper, presented to the board, sets out the situation and sets out considerations needed to reset, reignite and reimagine a sustainable and resilient visitor economy for North Wales.

The insights collated throughout the year validated the key priority themes emerging. The later part of the year has been focused on using existing regional structures and fora to develop recovery plans in response to each of the key themes emerging. For example, the Regional Skills Partnership has developed a proposed recovery plan focusing on people, skills and employment and the Regional Tourism Forum has aligned with the visitor economy theme. Work is underway to agree a comprehensive regional recovery plan to address each of these themes and with the aim of rebuilding a resilient and sustainable economy for North Wales.



The Portfolio Office Team

The portfolio management office, led by Alwen Williams, Portfolio Director was established in January 2020 and consisted of Hedd Vaughn-Evans, Operations Manager; Henry Aron, Low Carbon Energy Programme Manager and Stuart Whitfield, Digital Programme Manager. During the team's first few months in post, the team set up the Portfolio Office and associated working processes at the Conwy Business Centre, Llandudno Junction. From March 2020 onwards the team have been working virtually from home. In April, David Matthews joined the team, as Land and Property Programme Manager, followed by Nia Medi Williams as Senior Operations Officer in August, having previously supported the team from Gwynedd Council.

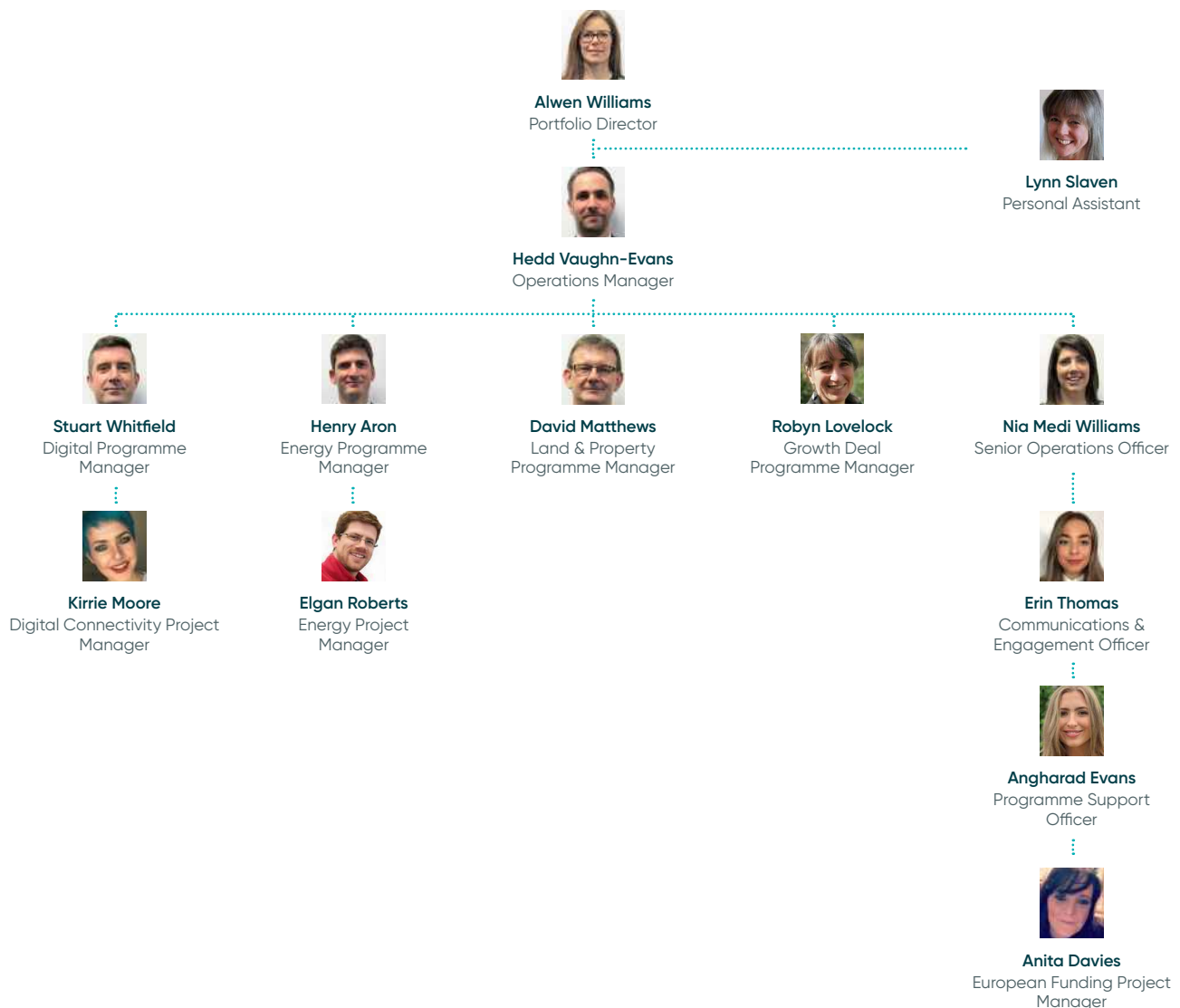
Following a successful recruitment campaign in October, three new members joined the team including Robyn Lovelock as

Growth Deal Programme Manager, responsible for leading on the Agri-food and Tourism Programme and the Innovation in High Value Manufacturing Programme. Erin Thomas joined as the Communications and Engagement Officer and Angharad Evans as Programme Support Officer. Shortly after Elgan Roberts, joined as Energy Project Manager.

In January 2021, Kirrie Moore joined the team as our Digital Project Manager, followed in March 2021 by Anita Davies as European Funding Project Manager. During March, Lynn Slaven formally joined the team as Alwen's PA having previously provided this support from Gwynedd Council.

Six new members are joining the team during April and May 2021, with two further vacancies left to fill.

Portfolio Management Office





Digital

Strategic Aim

To deliver the step change in digital connectivity needed to ensure North Wales is able to satisfy user demand, maintain pace with the rest of the UK, unlock the growth potential of priority sectors and sites and underpin a flourishing innovation ecosystem. Plays an enabling role for other programmes to deliver maximum benefit.

Investment

Growth Deal investment:

£37m

Private sector investment:

£1.6m

Public sector investment:

£3.1m

Total investment:

£41.7m

Spending objectives

Job creation

To create between 315 and 380 jobs.

Robust & competitive connectivity market at key sites

Robust and competitive connectivity market at 28 strategic key sites in step with or in advance of UK Government 2025 target for gigabit capability coverage.

High bandwidth mobile coverage transport networks

High bandwidth mobile coverage on transport networks (A55, A483, A5) with deployment in step with or in advance of UK Government 2027 target for 5G coverage.

Digital infrastructure innovation

Innovate and commercialise new digital infrastructure technology and embed the region in this strategically important industry for the long term.

Investment

Investment of between £37 – £46m.

GVA

Create net additional GVA of £130 – £158m.

Superfast digital connectivity everywhere

Ensure all premises have Superfast broadband connectivity by 2023 with Gigabit upgrade capability where possible.

The projects

Digital Signal Processing Centre (DSP)

The project brings together Bangor University researchers to work alongside high-profile international companies and Welsh SMEs enabling them to work together to explore disruptive solutions for 5G. The project will allow the DSP Centre to expand its presence and remit, integrating fully with the National Strategy Project (NSP) and enable the scaling of key assets including a 5G testbed, research capacity and state-of-the-art equipment. The project is expected to create 160 jobs in total.

Total investment of £7.3m | Growth Deal £3m

Connected Campuses

By campuses we mean key sites of economic activity. The project will accelerate the development of infrastructure for 19 key regional economic sites. It is estimated some 2,600 business premises will have access to high bandwidth 5G and low power Wi-Fi services and therefore better connectivity once complete.

Total investment of £21m | Growth Deal £21m

Connected Corridor

This responds to industry demand and technology drivers by supporting the more efficient operation of supply chains, and major transport operations (such as ports). In total, 156km of road and rail corridor will be connected to 5G/Low Power Wireless Access Networks, along the A55 corridor and adjacent mainline rail route. It is estimated that up to 1.57 million rail journeys and 1.3 million road journeys will benefit from enhanced 5G connectivity once complete.

Total investment of £2.2m | Growth Deal £2.2m

Full Fibre at key sites

This project will deliver full fibre connectivity (gigabit capable). That's fibre all the way from the exchange to the premises to 28 key business sites across North Wales.

Total investment of £7.2m | Growth Deal £6.8m

Connecting the last few %

This project targets universal superfast coverage across North Wales, which have yet to be served by other means and cannot obtain speeds of at least 30Mbps (download). A lack of reliable and in some cases basic broadband (Ofcom defines as 10Mbps download) is an established and growing challenge facing rural businesses and communities. A widely acknowledged 'digital divide' is affecting residents' access to online services and preventing SMEs from developing and sustaining trade. The growing trend of working from home is also restricted by poor connectivity. Up to 10,100 residential and 4,300 business premises will have access to superfast broadband once complete.

Total investment of £4m | Growth Deal £4m





Last 12 Months

Stuart Whitfield
Digital Programme Manager

Significant progress has been made on the Digital Programme over the past 12 months, with the development of the programme business case and the establishment of programme governance structures to support delivery.

The Digital Programme is unique within the Portfolio Management Office as the programme oversees the delivery of a non-Growth Deal project. The programme is currently delivering the UK DCMS funded North Wales Local Full Fibre Network Project and by the end of March 2021 this is expected to have delivered around 100 new full fibre broadband upgrades to a range of public sector sites around the region, bringing gigabit capable connectivity to support service delivery for the first time. A further 250 connections are due to be made before the end of 2021.

Benefits are already starting to be realised, associated with improved productivity and efficiency of service delivery and supporting new ways of working, particularly with GP surgeries affected by Covid-19 restrictions.

In November, the programme board selected the Digital Signal Processing Centre, the Last Few % and the Connected Corridors projects as priorities for business case development during 2021. All three projects now have established project boards and senior responsible owners in place to support delivery.

Much of the past 12 months have focused on developing the necessary partnerships to support the delivery of the programme, with a total of thirteen organisations now involved at either programme or project board level; Wrexham County Borough Council, Isle of Anglesey County Council, Gwynedd Council, Flintshire County Council, Denbighshire County Council, Conwy County Borough Council, Welsh Government, Transport

for Wales, Network Rail, Betsi Cadwaladr University Health Board, NHS Wales Informatics Service, Bangor University and Menter Môn. Market engagement has also taken place with the private sector during 2020-21 with interest from potential delivery partners building as the project business cases take shape.

The programme is pursuing further activities to enhance digital connectivity in the region through improving the conditions for network operators to invest. Areas being investigated include development of common 'access agreements' for adoption by the wider public sector to facilitate the hosting of digital infrastructure at public sector premises. A common register of these assets is also being considered to streamline the process of site identification by network operators, rather than having to consult multiple sources. Both approaches will be informed by examples from across the UK and the UK Government's approach to so called 'barrier busting'.

With a Digital Connectivity Project Manager in post from January 2021 and a new Digital Project Officer starting in post in May 2021, the programme is well positioned to deliver.





Low Carbon Energy

Strategic Aim

To unlock the economic benefits of transformational low carbon energy projects and position North Wales as a leading UK location for low carbon energy generation, innovation and supply chain investment.

Investment

Growth Deal investment:

£86.4m

Private sector investment:

£441.7m

Public sector investment:

£140.4m

Total investment:

£668.5m

Spending objectives

Job Creation

To create between 800 and 980 new jobs.

Low carbon energy generation

Enable the deployment of at least 314MW of new installed low carbon energy generation capacity.

Carbon savings

To enable carbon savings of at least 2723 tonnes of CO₂e.

Investment

Total investment of between £602m – £735m.

GVA

Create net additional GVA of £433m – £530m.

The projects

Morlais

Investing in the infrastructure that connects the Morlais Zone with the electricity grid system, and preparing the site for private sector developers who will lease parts of the zone for deploying their tidal energy technologies. This would position the zone as the first consented, expandable and technology-agnostic site in the world with up to 180 MW of power generating potential.

Total Investment £36m | Growth Deal £9m

Low Carbon Centre of Excellence

Investing in the development of facilities at Bangor University and Menai Science Park, enhancing the North Wales and UK capabilities for innovation in low carbon energy and related areas, helping to create the conditions for new inward investment and business growth in the low carbon energy supply chain in North Wales.

Total Investment £97.7m | Growth Deal £21m

Transport Decarbonisation

Support delivery of a demonstrator project involving the production of green hydrogen from low carbon energy sources and its use within regional transport networks.

Total Investment £28.6m | Growth Deal £11.4m

Smart Local Energy

To help achieve renewable energy, decarbonisation and local ownership targets, the project will support innovative enabling projects and demonstrators that overcome market failures and unlock private and community sector investments in smart local energy solutions.

Total Investment £106.2m | Growth Deal £25m

Trawsfynydd Power Station

The Trawsfynydd site is uniquely placed for a 'First of a kind' deployment of a Small Modular Reactor (SMR) or Advanced Modular Reactor (AMR) due to its status as a publicly owned asset, its highly skilled workforce and the supportive community. In combination with public and private sector investment, the Growth Deal will contribute funding towards enabling infrastructure, helping to secure jobs as well as position North Wales at the cutting edge of innovation and R&D in a technology that has significant potential for deployment across the UK.

Total Investment £400m | Growth Deal £20m





Last 12 Months

Henry Aron
Energy Programme Manager

Over the past 12 months, the Low Carbon Energy Programme has matured into a cohesive programme aimed at unlocking the economic benefits of transformational low carbon energy projects in North Wales.

The first half of the year was focused on the development of the programme business case, establishing programme delivery structures, training and recruitment. With these structures in place, the focus over the last six months has been to progress the project business cases. This included supporting Menter Môn to develop the Outline Business Case for Morlais, a transformational marine energy project in Anglesey. The Morlais project is scheduled to be the first project business case considered by the Economic Ambition Board in 2021.

The Low Carbon Energy Programme represents an opportunity for North Wales to establish itself as a leading UK location for low carbon energy generation, innovation and supply chain investment. Over the last year, we have taken part in a number of engagement events to promote the Growth Deal and the opportunities around the low carbon energy sector in North Wales. This has included presenting at the EGNI 2021 North Wales Energy Event (January 2021) and taking part in the Wales Week in London event in March 2021.

The programme has been successful in attracting additional funding from Welsh Government to support the development of projects business cases. £25k was secured from the Welsh Government Smart Living Programme to deliver a feasibility study into multi-vector energy systems on the Llyn Peninsula and £140k of grant funding secured to progress the business case for the Transport Decarbonisation Project.

Another significant milestone over the past 12 months has been working with Welsh Government and regional partners to develop the Regional Energy Strategy for North Wales, which received endorsement from the Economic Ambition Board in March 2021. The overall aim of the strategy is to illustrate a potential pathway for decarbonising the energy system whilst ensuring that the region maximises the economic benefits from the transition to a low carbon economy.

Two new project managers have been appointed with Elgan Roberts joining the team in November 2020 to lead on the Smart Local Energy project and Graham Williams will be joining the team in April to lead on the Transport Decarbonisation project. Over the next 12 months, we expect to see considerable progress as the programme moves into the delivery phase.





Agrifood & Tourism

Strategic Aim

To build a more sustainable, vibrant and resilient foundation economy within the region, optimising opportunities for employment and prosperity through our environment and landscape.

Investment

Growth Deal investment:

£24.5m

Private sector investment:

£4.4m

Public sector investment:

£12.4m

Total investment:

£41.3m

Spending objectives

Job creation

To create between 310 and 380 new jobs.

Innovation & productivity

Provide 4,000 – 6,000m² of incubator, R&D and training floor space to encourage innovation, promote upskilling and support business growth in the sector.

Decarbonisation and sustainable business models

Educating businesses on the benefits of decarbonisation, diversification and sustainable business models. 300–400 businesses diversifying from traditional core operation to adapting new practices in the first 5 years of programme.

Investment

Total investment of between £37m – £45m.

GVA

Create net additional GVA of £230m – £281m.

The projects

Llysfasi Net Zero Farm

Llysfasi Net Zero Farm aims to lead North Wales to a resilient future where carbon neutral land management is at the centre of a developing renewable energy sector supporting a sustainable, thriving and healthy community covering the rural/urban mix of the region.

Total Investment £15.4m | Growth Deal £10m

Glynllifon Rural Economy Hub

The vision is to create a distinctive, world-class Rural Economy Hub at Glynllifon, offering a range of facilities and services to strengthen and enhance the regional economy, specifically through growing the food and drink sector.

Total Investment £13m | Growth Deal £10m

Tourism TALENT Network

This is all about future-proofing the pipeline of skills provision and increase commercial benefits from one of the most established sectors in the region. The sector is of course under huge pressure currently by Covid-19 so this must be monitored and evaluated as we move forward. The talent network will stimulate public-private collaboration to coordinate action on skills and product development to transform and accelerate the growth of the tourism and hospitality sector in the region.

Total Investment £12.9m | Growth Deal £4.5m





Last 12 Months

Robyn Lovelock
Growth Deal Programme Manager

With no Programme Manager in place at the start of the year, there was a significant collaborative effort across the partnership to develop the Agrifood and Tourism Programme and to build a clear, cohesive narrative for the programme. This collaborative approach enabled the programme business case to be developed with a clear aim to build a more sustainable, vibrant and resilient foundation economy in the region by focusing on agriculture, food and drink and tourism.

In October, Robyn Lovelock joined the team as the Growth Deal Programme Manager with responsibility for this programme, providing much needed capacity to drive the programme forward.

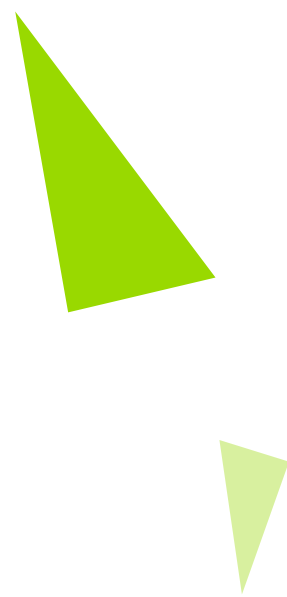
The informal steering group supporting the programme transitioned into a programme board with focus on the development of projects in line with the Better Business Case guidance, benefits realisation and discussions about how the Growth Deal can best support knowledge transfer, innovation and business support to realise the planned benefits.

In December, the programme secured £100k from Welsh Government through the Whole System Business Research Innovation for Decarbonisation Scheme (WBRID). Four businesses have been working with Coleg Cambria as the project sponsors for the Llysfas Net Zero farm project and the Economic Ambition Board to explore the feasibility of pioneering innovations that could help North Wales farms reduce its greenhouse gas emissions. This work will help shape the development of the business case for the Net Zero farm during 2021.

The Glynllifon Rural Economy Hub project is on track to be the first business case from the programme considered by the Economic Ambition Board. All business case development workshops have now been completed and the project will be undertaking an external assurance review (Gateway Review) in April 2021.

The Tourism Talent Network project was paused in early 2020 as a result of Covid-19 and the specific impact on the tourism sector in North Wales to allow the impacts on the project to be considered. The project was reviewed in early 2021 and now continues with an immediate focus on the initial Hub element to be delivered by Grŵp Llandrillo Menai through other funding sources, with further exploration of the Spoke elements to be picked up again in late 2021, subject to continued progress managing Covid-19.

The programme and its three projects are well placed to deliver and make a significant contribution to the agrifood and tourism sectors in North Wales over the coming years.





Land & Property

Strategic Aim

To address the shortage of suitable land and properties for business growth and to bring forward sites for housing development.

To deliver improvements that stimulate investment in sites and premises in the port of Holyhead and the wider region. To enable other programmes by ensuring the right land and property infrastructure is available.

Investment

Growth Deal investment:

£79.1m

Private sector investment:

£274.4m

Public sector investment:

£1.9m

Total investment:

£355.4m

Spending objectives

Job creation

To create between 1,870 and 2,280 jobs.

Employment sites and premises

Deliver 30ha land and 20,000 square metres of employment premises between 2021 and 2026.

Residential sites

Deliver 1,000 plus residential development plots between 2021 and 2026.

Investment

Investment of between £320m – £390m.

GVA

Create net additional GVA of £1.06bn – £1.29bn.

Holyhead Gateway

Land reclamation, safeguarding and life extension works to the breakwater, access improvements and port capacity enhancements.

The projects

Warren Hall Strategic Site

Growth Deal funding will provide the necessary statutory consents and deliver primary services to enable the 65-hectare mixed use site to be bought to the market for sale and then development by the private sector.

Total Investment £70m | Growth Deal £15m

Wrexham Gateway

Growth Deal funding will provide the necessary statutory consents and deliver primary services to enable the site to be bought to the market for sale and development.

Total Investment £43.4m | Growth Deal £9.1m

Key Strategic Site, Bodelwyddan

A mixed use commercial and residential development site of 137 hectares. The Growth Deal funding will provide the primary services to enable the site to be bought to the market for development

Total Investment £82m | Growth Deal £10m

Former North Wales Hospital, Denbigh

A planning application has been submitted to bring forward a mixed use commercial and residential development. The Growth Deal funding will assist in the delivery of a cleared and remediated site with primary services.

Total Investment £74m | Growth Deal £4m

Holyhead Gateway

Future proof the Holyhead Port by providing new deep-water heavy loading and cruise facilities, improved vehicular access, guaranteeing the future of the breakwater and providing for the demands of regional energy projects.

Total Investment £80m | Growth Deal £35m

Parc Bryn Cegin Strategic Site, Bangor

Provide industrial floor space to meet known demand for units.

Total Investment £6m | Growth Deal £6m



Last 12 Months

David Matthews
Land & Property Programme Manager

David Matthews joined as the Land and Property Programme Manager in April 2020 and led the development of the programme business case that was approved by the Economic Ambition Board in October 2020. The programme is a package of strategic investments in key sites across the region to address the shortage of land and properties for business growth in the region and to bring forward sites for housing development.

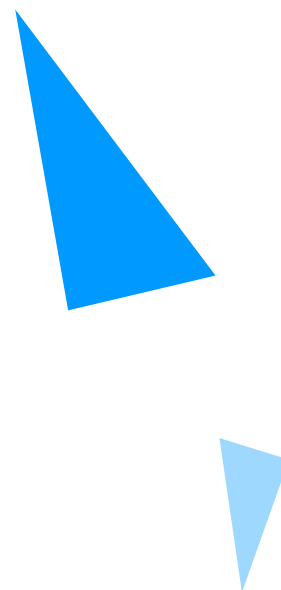
Over the past 12 month, we have developed a robust governance model including the establishment of a programme board and developed key relationships to support the programme and its ambitions. This includes regular bi-monthly meetings with the Housing Accelerator Group of North Wales Registered Social Landlords.

The five strategic development sites within the programme have been focused primarily on progressing planning matters over the past 12 months, with key achievements including the submission of a statement of common ground with Flintshire County Council and Welsh Government in support of the Warren Hall, Broughton development in the Flintshire Local Development Plan. A planning application has been submitted by Jones Bros to develop the Former North Wales Hospital site in Denbigh, with a decision expected during 2021 to inform the business case development. Progress continues to be made on the Western Gateway, Wrexham and the Parc Bryn Cegin, Bangor projects. Outline planning permission on the Key Strategic Site in Bodelwyddan has lapsed and Denbighshire County Council are currently reviewing the planning policy for the site as part of the new Local Development Plan to be adopted in 2023.

The Holyhead Gateway project remains a key strategic project for the region, however the scope of the project is currently being reviewed in light of escalating costs. Notwithstanding this, good progress continues to be made on obtaining statutory

consents for both the land reclamation and breakwater refurbishment with a good working relationship with Stena Line, their consultants and officers from Welsh Government and Anglesey County Council. Alternative drivers for additional port investment including offshore wind, cruise ships and a freeport continue to be explored.

Following a challenging 2020, the programme continues to review the demand for sites and premises and while it remains to be seen what the long-term implications and changing working patterns may have on the nature of development sites required, the programme is well placed to adapt to these changes and deliver for North Wales. With a new project manager starting in May 2021 and one further vacancy to fill, the programme will have the resources required to deliver.





Innovation in High Value Manufacturing

Strategic Aim

To consolidate North Wales' position as a powerful and innovative high value manufacturing cluster, building on existing specialisms and leading expertise to create a higher value, more diverse economic base that supports the transition to a lower carbon economy.

Investment

Growth Deal investment:

£13m

Public sector investment:

£26.5m

Total investment:

£39.5m

Spending objectives

Job Creation

To create between 145 and 180 new jobs.

Research & innovation

Work with 55 UK and International industry partners or SME's to develop new low carbon technologies and waste reduction.

Expand economic integration to facilitate technology adaption

Reinforce collaboration between regional Universities and businesses to facilitate technology adaption. Support three collaborative R&D projects per annum to develop new technologies.

Investment

Total investment of between £36m – £43m.

GVA

Create net additional GVA of £94m – £114m.

Skills development

Provide training and upskilling to 100 people / businesses in the targeted technologies over first 5 years.

The projects

Centre for Environmental Biotechnology (CEB)

The Centre for Engineering Biotechnology will be a world-leading centre in the discovery and characterisation of novel extremophilic enzymes of industrial relevance. The Centre for Engineering Biotechnology will provide a strong foundation for attracting world-leading researchers, significant public and commercial research funding, and inward investment to Wales, building on an initial £5m ERDF investment into research capacity. The project also aims to draw companies in the biocatalysis sector to North Wales to take advantage of clustering and agglomeration benefits the regions offers due to its well-established specialism in bioengineering.

Total Investment £9.6m | Growth Deal £3m

Enterprise Engineering & Optics Centre

The Enterprise Engineering & Optics Centre will provide facilities (in Wrexham and St. Asaph) targeted to boost high level skills development for the region and enable SME's and large businesses to work in partnership with Wrexham Glyndwr University on commercially driven research and development.

Total Investment £29.9m | Growth Deal £10m



Last 12 Months

Robyn Lovelock
Growth Deal Programme Manager

The Innovation in High Value Manufacturing programme was initially developed by the founding Portfolio Management Office team with support from project sponsors Wrexham Glyndwr and Bangor Universities. The programme aims to consolidate North Wales position as a powerful and innovative high value manufacturing sector.

To do this we will build on existing specialisms and expertise in the region through targeted investment in research and development supporting long-standing and emerging business needs.

In October, Robyn Lovelock joined the team as the Growth Deal Programme Manager providing much needed capacity to drive the programme forward.

Programme progress and project development in line with the Better Business Case guidance has been overseen by the programme board, which evolved from an initial programme steering group. The board has been proactively exploring how the Growth Deal can best support knowledge transfer, innovation and business support to realise the overall programme aim, spending objectives and planned benefits.

The last quarter of the year has been focused on supporting project development, primarily the Enterprise Engineering and Optics Centre project with Wrexham Glyndwr University. This project is currently developing the Outline Business Case for consideration by the Economic Ambition Board and has recently completed an external assurance (Gateway) review. The Bangor University led Centre for Environmental Biotechnology project is at an earlier stage of development, with resources focused on refining the scope of the project at present, with further engagement of stakeholders planned later in 2021.

The programme and the two research and development projects are well placed to make a significant contribution to the North Wales economy through research, development and commercialisation in the fields of biotechnology, hydrogen fuel cells, composites and optics.

The Skills and Employment programme and Strategic Transport programmes sit outside the Growth Deal. The programmes are key to delivering the wider vision for North Wales, and the Economic Ambition Board are working with the Regional Skills Partnership and through its Transport Sub-Board to deliver these programmes

Skills & Employment Programme

Over the last 12 months, the North Wales Regional Skills Partnership have made progress in laying the foundations of the skills and employment programme. As we recover from the immediate economic challenges of Covid-19 and look ahead to develop a world-class talent base, we need to develop a more dynamic and agile skills ecosystem in the region, that closes the skills gaps and better matches skills demand with supply through closer collaboration with employers and industry.

We have worked closely with the Department for Work and Pensions, Job Centre Plus and Working Wales to provide a brokerage and rapid response to help employers during this challenging year. Employers have received support with matching individuals to jobs, we have trialled this approach with the Betsi Cadwaladr Heath Board with their recruitment needs around Track and Trace posts and with Ysbyty Enfys. During this next year, our intention is to build on the brokerage project by focusing on 'hard to reach' SMEs that often lack the time, capacity and awareness to engage with skills providers but invariably share common concerns and workforce requirements.

Work has also been ongoing to develop our skills pipeline for our capital investments in the region, including the North Wales Growth Deal. The need for science, technology, engineering and mathematics (STEM) and digital skills has been highlighted as key challenge for employers, especially as jobs and sectors evolve in our economy. We need to develop a STEM workforce, and to do that we need a sufficient flow of secondary school students who are interested in STEM and digital skills. If we are to respond regionally with a future workforce that is qualified and skills to meet the future STEM based opportunities across the region, we need a great co-ordinated approach and careers advice and guidance to help steer individuals towards these opportunities. Work has been ongoing in the region to develop a STEM statement and explore the series of STEM hubs which would inspire and enthuse individuals about future careers in STEM industries. We have set up a digital skills industry cluster group to help inform our understanding on the challenges that face employers.

Transport Programme

Having effective and reliable transport networks that link North Wales with key markets and destinations, is essential to support a thriving economy. The NWEAB established a Transport Sub-Board to support and prioritise investment in our transport networks and to work across the region to deliver improvements. The growing focus on safeguarding our environment has increased the need to provide genuine alternatives to road-based transport, including better passenger transport networks that properly integrate.

The NWEAB has supported Welsh Government and Transport for Wales with developing an integrated transport package branded as the North Wales Metro. There are some exciting projects currently under development that will see transformational improvement to the regions rail and bus networks over the years ahead. These include new rail stations and more capacity on our rail network, proposals to integrate bus and rail along with active travel are under development, along with quality programmes to achieve better branding, information, and ticketing arrangements. The aim is to ensure that viable alternatives to car-based travel are available for all residents and visitors.

Alongside improvements to transport networks, the decarbonisation of transport networks is an increasing priority. Preparing the region for accelerated roll-out of zero emission electric vehicles, with adequate charging infrastructure is a priority. The NWEAB has also led on the development of a hydrogen hub at Deeside, to complement another being developed at Holyhead, that aims to put the region at the forefront of the roll out of hydrogen fuelling and fuel cell vehicle technologies. Business cases for implementation will be completed over the next year.

The publication of Llwybr Newydd – the updated Wales Transport Strategy, sets an ambitious programme of improvements to transport networks, decarbonisation proposals and a challenging agenda for change. Over the next year, work will commence on updating the North Wales Regional Transport Plan, in response to the agenda set by Llwybr Newydd.

Added value

Regional Response to Covid-19

The Portfolio Management Office played a key role in co-ordinating and supporting the region during the Covid-19 pandemic leading the development of regional structures to share information and learning.

Supporting transition to a low carbon, ecologically resilient economy

The Economic Ambition Board declared its commitment to sustainable development, net zero emissions and biodiversity in March 2021.

Jobs

During 2020-21, the Economic Ambition Board have made 15 appointments while growing the portfolio management office, providing new employment and career development opportunities in the region.

Funding

The team have secured an additional £265k from Welsh Government to support the development of projects within the region.

Collaboration

The team have developed formal and informal collaboration structures across the partnership including regular participation in governance boards, project development workshops and regular engagement events with business, strengthening networks and collaboration opportunities across the region.

Promotion

The team have promoted North Wales and the North Wales Growth Deal at a number of events during the year, including at Wales Week in London.

Expertise

We are developing a regional centre of excellence for project delivery. Having developed expertise in Better Business Case development, the team have recently been acting as a critical friend to the Theatre Clwyd re-development project.

Governance

Governance Agreement 2

The Economic Ambition Board was established by local authority partners as a joint committee in 2019 and is the decision making body for the North Wales Growth Deal, as well as leading on regional economic collaboration. Having secured the Final Deal, the partners agreed to enter into a second Governance Agreement ("GA2") which will support the partnership into the next phase of implementation of the Growth Deal and further develop of the Growth Vision.

The agreement, which is a legally binding document, defines the role and function of the Economic Ambition Board and its use of delegated powers. It also outlines the decision-making structures and democratic accountability. Provision is also made for the commitments of partners to the projects and how these are managed and apportioned.

Growth Deal Governance

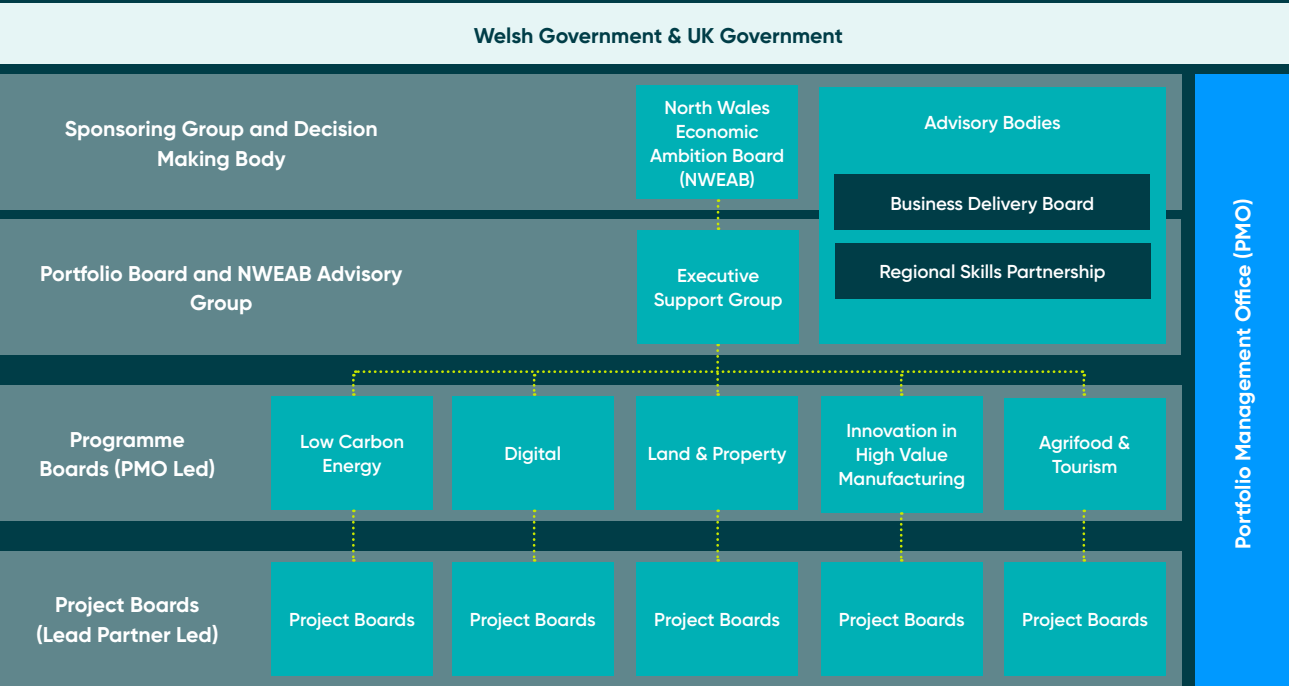
The Growth Deal's governance arrangements enable decisions to be made in an open and transparent way for the benefit of the whole of the region. While the Economic Ambition Board acts as the decision making body for the Growth Deal, there are strong links both formal and informal to the Welsh and UK Governments as funders of the Deal. The Welsh Government, UK Government and the Economic Ambition Board have agreed to adopt the City & Growth Deal Governance & Assurance Framework. The approach is based on the appropriate and proportionate application of best practice Governance, Assurance and Programme & Project Management, underpinned by an Integrated Assurance and Approval Plan in order to balance both Government oversight and regional delivery partner requirements.

Portfolio, Programme and Project Management Arrangements

The Economic Ambition Board has adopted a delivery model based on a best practice approach to portfolio, programme and project management as set out in 'Government Functional Standard GovS 002: Project Delivery'. Portfolio, programme and project management is an integrated way of meeting an organisation's ambition, driving better decisions and increasing the likelihood of successful outcomes.

The diagram below sets the Economic Ambition Board's project delivery structure for the Growth Deal:

Growth Deal Project Delivery Structure



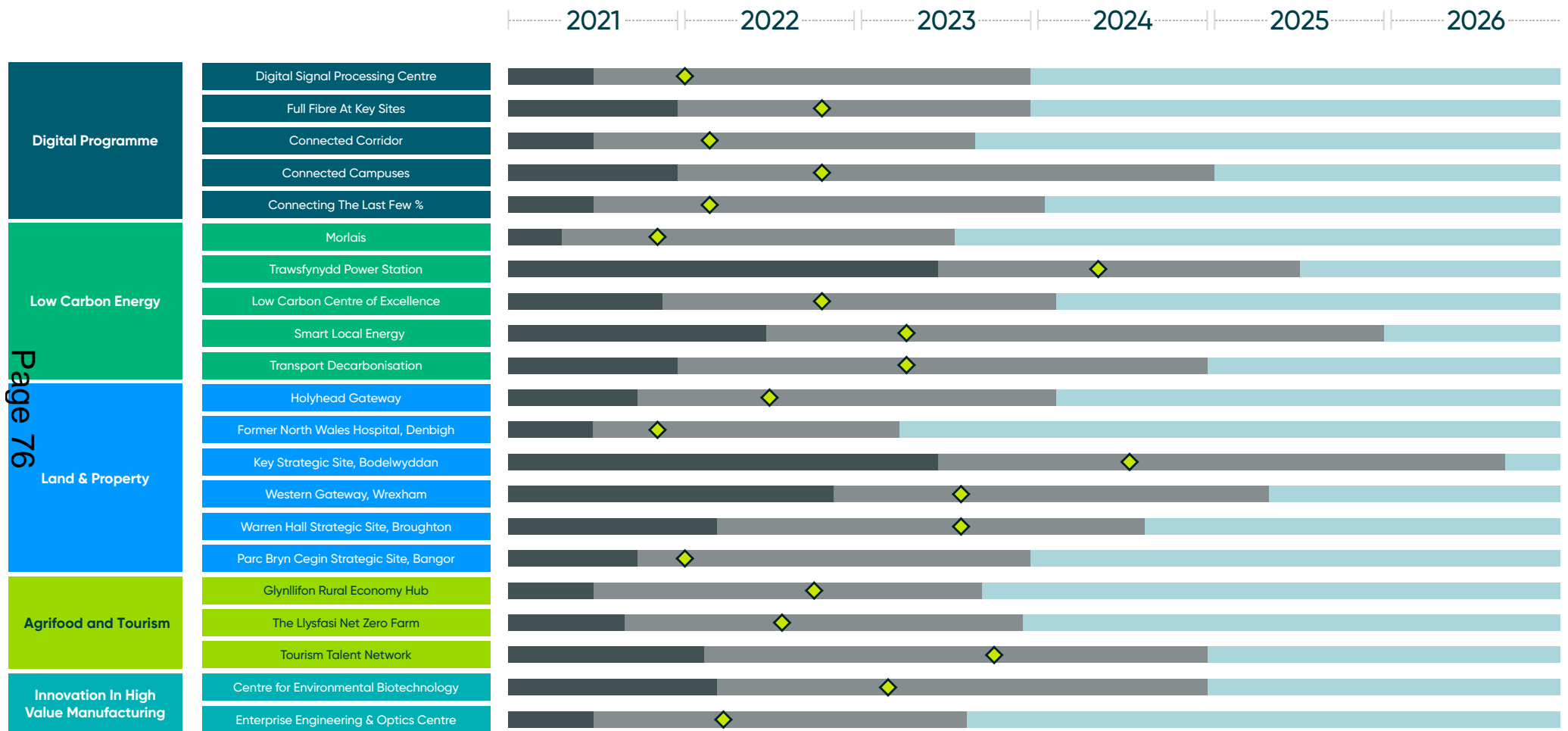
Reporting

The Portfolio Management Office will produce quarterly progress reports and an annual report on the Growth Deal which will be shared with Welsh Government, UK Government, the Economic Ambition Board and its partners. These reports will be publicly available on our website.

Scrutiny Arrangements

Scrutiny of the North Wales Growth Deal is provided by the six local authorities through their existing Scrutiny Committee arrangements. The Scrutiny Committees will consider the quarterly and annual reports produced by the Portfolio Management Office.

Growth Deal Project Delivery Pipeline – March 2021



Business Case Development & Approval Phase *

* Approval of OBC pre procurement

Procurement and Project Delivery Phase **

** Includes approval of FBC post procurement

Operational & Benefits Realisation Phase

Anticipated start on site date



The Next 12 Months

Alwen Williams
Portfolio Director

While the last 12 months has seen significant progress made and a historic milestone achieved with the signing of the North Wales Growth Deal, the next year ahead promises to be even more exciting.

All of the careful planning and preparation with partners will lead to investments being made, new tangible assets for the region being created and new and exciting opportunities become real over the next year.

As a team that has developed virtually during 2020, we look forward to enhancing the team further and completing the recruitment. With only two further vacancies to fill during 2021, it will be good to have the whole team together and we look forward to a time when we can all work safely together in the office.

The next 12 month will see us embark on an ambitious programme of business case development with a number of Outline Business Cases scheduled to be considered by the Economic Ambition Board. We are also anticipating making our first final investment decisions on projects before the end of the year, which would see project delivery commence and investment flowing into the region.

As we progress with the delivery of the Growth Deal, our image and the information we share with the public becomes ever more important. We have already embarked on the development of a new brand and a new website and look forward to launching these over the coming months.

I hope you have found this annual report useful and informative and that you will continue to follow our progress during the next year.

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