



Complete Agenda

**Bwrdd Uchelgais Economaidd
Gogledd Cymru**

**North Wales
Economic Ambition Board**

Meeting

NORTH WALES ECONOMIC AMBITION BOARD

Date and Time

1.00 pm, FRIDAY, 10TH DECEMBER, 2021

Location

**Virtual Meeting - Zoom
*For Public Access – please contact us***

Contact Point

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(DISTRIBUTED 03/12/21)

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
Charlie McCoubrey	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
Neal Cockerton	Flintshire County Council
Dafydd Gibbard	Gwynedd Council
Ian Bancroft	Wrexham County Borough Council
Graham Boase	Denbighshire County Council

Officers in Attendance

Dafydd L. Edwards	Section 151 Officer
Iwan G. Evans	Monitoring Officer
Alwen Williams	Portfolio Director
Hedd Vaughan Evans	Operations Manager
Sheryl Le Bon Jones	Temporary 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 that are a matter of urgency in the view of the Chair for consideration.

4. MINUTES OF THE PREVIOUS MEETING

5 - 9

The Chair shall propose that the minutes of the previous meeting held on 22nd October, 2021 be signed as a true record.

5. NORTH WALES REGIONAL ECONOMIC FRAMEWORK - DRAFT

10 - 28

Alwen Williams, Portfolio Director, to present to the board the draft Regional Economic Framework (REF) for North Wales.

6. INVESTMENT STRATEGY

29 - 32

Alwen Williams, Portfolio Director, to provide and update to the board about the development of a strategy to address the required investment for the Growth Deal.

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 items 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 reports 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. CHANGE CONTROL - UPDATE

Report by Hedd Vaughan-Evans, Operations Manager (report circulated to Board members only).

9. DIGITAL SIGNAL PROCESSING PROJECT - FULL BUSINESS CASE

Report by Hedd Vaughan-Evans, Operations Manager, and Stuart Whitfield, Digital Programme Manager (report circulated to Board members only).

NORTH WALES ECONOMIC AMBITION BOARD 22/10/21

Present:

Voting Members - Councillors:- Llinos Medi Huws (Isle of Anglesey County Council), Mark Pritchard (Wrexham County Borough Council), Ian B. Roberts (Flintshire Council) and Charlie McCoubrey (Conwy County Borough Council).

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

Chief Officers - Iwan Davies (Conwy County Borough Council), Graham Boase (Denbighshire Council), Colin Everett (Flintshire Council), Ian Bancroft (Wrexham County Borough Council) and Annwen Morgan (Isle of Anglesey County 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), Sheryl Le Bon Jones (Senior Executive Officer), Sian Pugh (Group Accountant - Corporate and Projects) and Annes Sion (Democracy Team Leader).

1. APOLOGIES

Apologies were received from Councillor Dyfrig Siencyn and Councillor Hugh Evans (Denbighshire Council).

2. DECLARATION OF PERSONAL INTEREST

No declarations of personal interest were received.

3. URGENT BUSINESS

None to note.

4. MINUTES OF THE PREVIOUS MEETING

The Chair signed the Minutes of the meeting held on 17 September 2021, as a true record.

5. 2021/22 REVENUE AND CAPITAL BUDGET - SECOND QUARTER REVIEW (SEPTEMBER 2021)

The report was submitted by Sian Pugh (Group Accountant - Corporate and Projects).

RESOLVED

1. To receive and note the NWEAB Joint-Committee's revenue and capital

second quarter review for 2020/21.

- 2. To acknowledge the receipt and proposed use of the £500,000 for the Whole System Business Research Innovation for Decarbonisation (WBRID) grant, in line with the award of funding letter that was received by Welsh Government in June 2021.**
- 3. To approve the use of a specific earmarked reserve to hold the partner interest contributions received, to set against the cost of borrowing required to fund the negative cash flow in future years.**

REASONS FOR THE DECISION

To note a forecast underspend of £183,178 against the revenue budget in 2021/22. Any underspend at the end of the financial year may be transferred to the earmarked reserve.

To note a slippage on the capital programme which means that it will now be running for an extra three years to 2028/29

DISCUSSION

The report was submitted noting that it was a financial review for the second quarter of the year. It was noted that the department estimated an underspend of £128k on the Portfolio Management Office heading. It was explained that this was as a result of delays in recruiting to jobs. It was noted that the Support Services heading showed an underspend of £7k as a result of underspend on the Insurance heading. This was because the NWEAB's Insurance had been incorporated within the Gwynedd Council Insurance policies.

It was explained that an underspend of £18k was estimated on the Joint-Committee heading, and that this was as a result of receiving a specific grant from Welsh Government to fund some aspects of the work undertaken by legal consultants.

In terms of projects, it was noted that the expenditure on this heading must be considered in the context of the decarbonisation grant of half a million. It was noted that the award of funding letter for this grant had not been received until June 2021, and therefore had not been included in the budget. Attention was drawn to an underspend of £40k on the external legal support and assurance headings and that this was as a result of slippage on the capital programme.

It was also noted that the partners' inflation contributions of £678k reflected the figures presented to the Board in October 2020 and March 2021, and the Board was asked to approve the use of the specific reserve fund to allocate this money to fund the average cost of borrowing over the lifetime of the growth deal. It was explained that once confirmation was received from Welsh Government, the inflation contributions will be recalculated to reflect the amended cost of borrowing.

It was noted that income sources for 2021/22 included partner contributions, ESF Grant, North Wales Growth Deal Grant, Decarbonisation Grant and the reserve fund. It was noted that this left an estimated position for 2021/22 of an underspend of £183k, and it was currently anticipated that there would be a balance of £507k in the reserve fund at the end of the financial year.

In terms of the capital review, it was originally noted that they anticipated that the capital programme would run from 2021/22 to 2025/26 but it was noted that a slippage was likely on some of the projects which would mean that the programme would run for an additional three years. It was noted that there was a slippage of £13.21 million in

2021/22, £42.49 million in 2022/23 and £21.43 million in 2023/24. It was explained that the North Wales Growth Deal grant would be used to fund the Capital Programme in 2021/22 and 2022/23 and that no external borrowing would be needed until 2023/24.

During the discussion, the following matters were raised:-

- The Head of Finance added that the situation general was acceptable and that the underspend as well as the slippage was unavoidable with the situation as it was. It had been noted in May that the Board had approved the Annual Return and that Audit Wales had stated that it was a clean return. It was noted that next year's position remained uncertain.
- The department was thanked for all their work.

6. NORTH WALES GROWTH DEAL - QUARTER 2 PERFORMANCE REPORT

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

DECISION

To note the Quarter 2 Performance Report and updated Portfolio Risk Register.

To approve the submission of the Quarter 2 Performance Report to Welsh Government and UK Government as well as the local authority scrutiny committees.

REASONS FOR THE DECISION

In December 2020, the NWEAB and the Welsh and UK Governments agreed the Final Deal Agreement for the North Wales Growth Deal. Regular reporting on progress against the North Wales Growth Deal is one of the requirements of the Final Deal Agreement.

DISCUSSION

The report was submitted noting that it provided an overview of the progress with the Growth Deal programmes and projects for the second quarter. It was noted that the Growth Deal's second annual assurance review had been completed and an 'Amber-Green' rating had been achieved. It was noted that this was the second highest delivery confidence rating available and an improvement on the Amber rating received in 2020.

It was explained that the first annual update of the Portfolio Business Case, a requirement of the Final Deal Agreement with Welsh and UK Governments, had been completed.

It was noted that eight projects were currently reporting as Red due to either risks to the project scope, or significant delays to project timescales. It was added that at this stage, no project Full Business Cases had been approved, therefore the only expenditure to date related to the drawdown against the 1.5% allocation for Portfolio Management Office costs.

Attention was drawn to three risks in the risk register had increased this quarter, which included partners' capacity to provide project board representatives and difficulty recruiting into PMO vacancies, public sector investment and spending objectives. It was explained that two of these had increased due to a number of project change requests being considered. It was highlighted that two new risks had been added following the portfolio assurance review.

Observations arising from the discussion

- It was noted that the increase in the price of materials was affecting project costs but that this had been highlighted in the risk register in the previous quarter.
- It was noted that the ESF funding would be ending and concern was raised in terms of funding staff and it was explained that there was a need to lobby about this matter regionally and separately and that we may need to be united as a Board.
- It was noted that the Election would be held next year and that staff needed to continue with the good work. It was explained that the deal needed to continue to be flexible and willing to adjust projects if risks were to arise.
- The need to amend the title of Hydrogen project was explained in order to be more specific and it was noted that the team was looking into this at present and a further report was requested at the next meeting.

Prior to excluding the press and public, members thanked the Chief Executive of Flintshire Council, Colin Everett, for his work leading the Ambition Board in recent years and for ensuring that they stuck to the vision.

7. EXCLUSION OF PRESS AND PUBLIC

RESOLVED to exclude the press and public from the meeting during the discussion on the following item due to the likely disclosure of exempt information as defined in paragraph 14, Schedule 12A of the Local Government Act 1972 - information about the financial or business transactions of any specific person (including the authority that retains 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. CHANGE CONTROL - HOLYHEAD GATEWAY

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

RESOLVED

To approve the change request for Holyhead Gateway and inform Welsh and UK Governments regarding the change of scope to a Growth Deal Project.

REASONS FOR THE DECISION

In December 2020, agreement was reached on the Final Deal Agreement for the North Wales Growth Deal. It was noted that the North Wales Growth Deal had a change management process in place to ensure potential changes to the scope of the Growth Deal and the projects were captured, assessed and where relevant considered by the Board.

It was noted that this change request related to the Holyhead Gateway project which was one of six projects within the Land and Property programme.

DISCUSSION

The report was discussed.

The meeting commenced at 2:30pm and concluded at 3:45pm

CHAIRMAN



REPORT TO THE NORTH WALES ECONOMIC AMBITION BOARD
10 December 2021

TITLE: North Wales Regional Economic Framework - draft

AUTHOR: Alwen Williams, Portfolio Director

1. PURPOSE OF THE REPORT

1.1 The purpose of this report is to present to the board the draft Regional Economic Framework (REF) for North Wales. The REF for North Wales promotes collaborative economic development across the region through an agreed vision and shared set of priorities for delivery amongst regional partners.

2. DECISION SOUGHT

2.1. To recommend the draft 'Regional Economic Framework for North Wales' for adoption by each local authority.

3. REASONS FOR THE DECISION

3.1. As outlined within the report.

4. BACKGROUND

4.1 The Welsh Government's Economic Action Plan (EAP) established the basis for regional working, including a commitment to deliver a stronger regional voice through a regionally-focused model of economic development. This includes the establishment of regional teams and the development of Regional Economic Frameworks (REFs).

4.2 The development of REFs is an essential part of Welsh Government's commitment to a more regionally focussed model of economic development, supporting inclusive and sustainable economic growth, maximising opportunities to address regional and local inequalities, and contributing to the Well-being Goals for Wales.

4.3 In developing the REFs, consideration must be given to the immediate recovery required in the wake of the Coronavirus pandemic, and the longer-term aspirations for the regions.

4.4 REFs are intended as a vehicle to help promote collaborative regional planning and delivery amongst public, private and third sector partners. Delivery will be focussed around a single shared vision for each region and supported by a suite of shared regional priorities and principles.

4.5 The development of REFs will be key in informing and influencing the delivery of Welsh Government funding priorities.

5. REGIONAL ECONOMIC FRAMEWORK



- 5.1 To create the first draft REF for North Wales, officials from Welsh Government’s North Wales regional office and North Wales Economic Ambition Board have undertaken a period of targeted engagement with a range of key regional stakeholders to co-design this placed-based approach to economic development.
- 5.2 The first draft of the REF, builds on pre-existing work, and sets out the shared priorities for the region. These priorities align with Welsh Government’s aspirations for a well-being economy which drives prosperity, is environmentally sound, and helps everyone realise their potential.
- 5.3 The well-being economy priorities are presented in the REF under three themes:
- The Social and Community Well-being Economy
 - Experience Economy
 - Low Carbon and Low Emissions Economy
- 5.4 The priorities are flexible, allowing the region to adapt and respond to the challenges and opportunities faced over the next 20 years.

6. FINANCIAL IMPLICATIONS

- 6.1. There are no financial implications directly associated with the update in this report.

7. LEGAL IMPLICATIONS

- 7.1. There are no legal implications arising directly from approving the decision sought in this report.

APPENDICES:

Appendix 1 – The Regional Economic Framework in Context

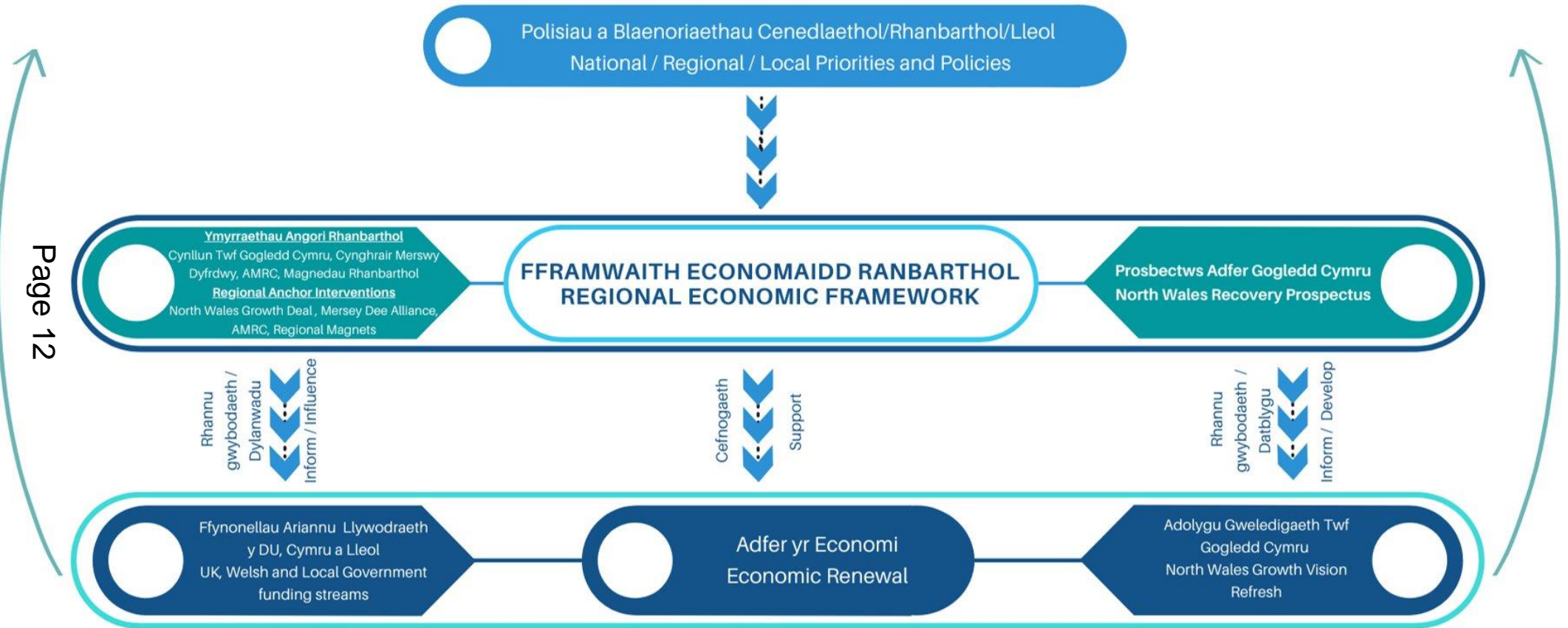
Appendix 2 – The Draft Regional Economic Framework for North Wales

STATUTORY OFFICERS RESPONSE:

- i. **Monitoring Officer – Host Authority:**
The recommendation is being made to the individual authorities and they will need to confirm their scrutiny and adoption procedure in taking the matter forward.
- ii. **Statutory Finance Officer (the Host Authority’s Section 151 Officer):**
Nothing to add to the report from a financial propriety perspective.



Appendix 1 – The Regional Economic Framework in Context



North Wales Regional Economic Framework



**Final Draft for Endorsement
December 2021**

Contents

Ministerial Foreword	2
Chair of the North Wales Economic Ambition Board Foreword	3
North Wales Regional Economic Framework - Mission.....	4
The Wellbeing Economy	6
Regional Economic Framework – Priorities.....	7
1. The Social and Community Wellbeing Economy	7
2. The Experience Economy	10
3. The Low Carbon and Low Emissions Economy	12
Next Steps.....	15

Ministerial Foreword

[Text to be included]

Vaughan Gething MS – Minister for Economy

Chair of the North Wales Economic Ambition Board - Foreword

[Text to be included]

Cllr Dyfrig Siencyn, Chair, North Wales Economic Ambition Board

North Wales Regional Economic Framework - Mission

Our mission through this REF is to start creating innovative opportunities to ensure we protect and enhance our natural environment whilst also allowing communities to thrive. Building on our strengths and taking advantage of opportunities where they add value, beyond monetary value alone, to the region.

North Wales is a region with a wealth of attributes. People have realised the importance of north Wales since the early beginnings of civilisation. It has been home to Welsh Princes and many bloody battles, which has created a powerful sense of belonging, cultural heritage and appreciation of the landscape. This has led to a wealth of literature and diverse economy which has evolved over the centuries.

The REF is not a rigid or traditional document, it provides a framework to capture how the public, private and third sectors are planning to deliver on its priorities.

The success of the framework will be measured by the individual actions which follow on from its publication. In doing so, we must ensure we take clear action to address the challenges faced and current and future opportunities for the regional economy as a result of the pandemic, EU exit and of course the transition to net zero carbon and hold as a key principle that there is no completion in community building.

The REF, through its priorities, sets out a path to boost productivity and accelerate sustainable economic and inclusive prosperity by working in partnership with the ecosystem of support to deliver collective impact.

DIAGRAM - Key role of the REF:

1. How to use and prioritise our individual and collective resources
2. Help us understand how to ask and use funding
3. Drive policy changes – planning, high streets, tourism tax etc.

The priorities are flexible and will be reviewed on an ongoing basis, allowing us to better adapt and respond to the dynamic challenges and opportunities of the Region. The priorities are framed in the context of a whole systems approach to facilitate decarbonisation of the economy, adapting and mitigating to climate change and improve the resilience of ecological networks and will (not in any order):

1. Skills & Workforce
2. Investment in magnets, hubs, supply chains, research and development, innovation and Entrepreneurship
3. Balanced support for indigenous and inward investors
4. Language, culture, place & heritage
5. Foundational Economy and a vibrant Micro / SME base.
6. Empowering communities for the benefit of our future generations
7. Connectivity (transport and digital)
8. Leverage benefits of public sector
9. Low carbon energy
10. Food and Drink Industry

Based on stakeholder engagement and initial research (as found is supporting evidence), this document sets out to present priorities which have evolved from the barriers to economic activity and the strengths that already exist. Under the leadership of the North Wales Economic Ambition Board, the Growth Deal has provided a strong basis for the development of the REF. It is one of the key vehicles which will be used to deliver this Framework's priorities alongside key services of Welsh and Local Government, public sector institutions such as FE and HE and of course the private and third sectors.

[Insert map of north Wales with key stats]

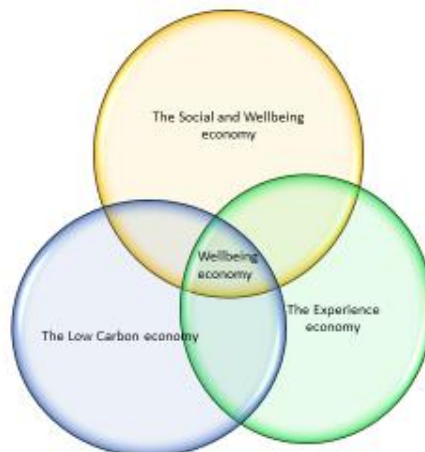
The Wellbeing Economy

The REF is based on the principles of a Wellbeing economy. The Wellbeing Economy means taking a different approach to developing the economy for North Wales. It is not simply about economic growth at any cost and requires us to change our focus from growth alone, to growth and sustaining that protects and support communities.

This is about recognising the root causes of the challenges we have in North Wales, rather than patching or repairing them. It is about creating equality and allowing communities to have the confidence and ability to be sustainable and allowing the economy to thrive and prosper.

Fundamentally, we need to understand what success will look like for North Wales; whilst important, it is not simply about GDP/ GVA. The role of this first REF therefore is to gradually influence the shift in our thinking from growth alone towards a wider set of metrics set against the wider priorities such as the climate and nature emergencies.

The REF, following stakeholder discussions, has been structured around three core themes:



Clearly, these create artificial boundaries, and the complexity of the relationships are not to be ignored. These have been created to allow for a readable document and the diagram at the beginning of each theme illustrates the interdependent aspects related to that area.

Regional Economic Framework – Priorities

1. The Social and Community Wellbeing Economy

[Inclusion of key activities under theme (blob diagram)]

[Inclusion of key stats for theme]

Priorities:

1.1 To work collectively as a region, recognising that how we deliver is as important as what we deliver – by embracing collaborative ways of working we can maintain and increase our impact, despite reduced resources and a capacity across all sectors. Building on the Growth Deal portfolio approach ensuring cross-border involvement, our collaborative thinking will require immediate action on:

- **Funding** - Understanding how collectively the individual elements of funding can be used more efficiently to create long term inward investments for the region which will support and provide opportunities for the indigenous supply chain.
- **Evidence** - Identifying a collaborative approach to collate evidence and eliminating gaps across the region to provide baseline evidence for future opportunities and means of measuring a successful and thriving economy in North Wales.
- **Skills** - Developing our understanding of the skills required, ensuring the right skills for a future workforce providing opportunities for all which provides a living wage.
- **Procurement** - creating a sustainable procurement process, by ensuring public sector procurement is used to encourage the wider decarbonisation of supply chains. Working with our anchor institutions to establish a strong link with communities in the way companies operate (Social License to Operate). Ensuring that public sector procurement drives development of deep and resilient local supply chains and positive social and environmental outcomes.
- **Climate Change** - holding difficult conversations to deal with the effects of climate change and to ensure we meet our net zero targets whilst also providing for a thriving economy.
- **Safeguarding Communities** - supporting the acceleration in home building by councils, housing associations and private developers whilst ensuring these are delivered for the benefits of local communities using local skills and materials wherever possible.
- **Social Care** - Supporting the resilience of the Social Care economy and workforce recognising that the region has a high population of residents over 75years old in our communities.

- **Digital connectivity** - ensure that all areas of the region have the digital connectivity required to work in a virtual world to allow for equality to access jobs.
 - **Research, Innovation and Entrepreneurship** - supporting our public services and private business with a real focus on local indigenous SMEs.
 - **Transport connectivity** – protecting and enhancing services to Ireland and cross-border to England and into mid Wales to ensure we have access to public and active transport modes. Allowing communities to travel with ease in the most carbon efficient means, whilst also strengthening our connection with the rest of Europe and the world, including a focus on the Holyhead master plan.
- 1.2 To maximise the impact of health service expenditure within the region.
 - 1.3 To secure additional projects associated with new advanced technologies, such as, medical radioisotope, recognising the potential for growth in health research in the area through the North Wales Medical school.
 - 1.4 To confidently promote and champion north Wales as a region with a wide range of economic opportunities, including the Growth Deal investments. Enticing our young people to stay and provide an ambitious and attractive place to live, for skilled and well-paid employment and to encourage investment.
 - 1.5 To support a strong recovery, working with existing provision, enhance, supplement, and provide targeted and integrated offer to those who want to start or grow a business in north Wales. The region has a high percentage of SMEs, including business owners and the self-employed who face particular challenges and have had less access to Government support. Learn from work in collaboration and build on programmes such as Arfor and Business Wales.
 - 1.6 We will need strong partnerships between communities, businesses and councils to enable town centres and villages to capitalise on redefining the role of the local high street by supporting and allowing smaller businesses to be more competitive, becoming focal centres for remote working and amenities by establishing community hubs which can deliver valuable and create innovative services.
 - 1.7 Working with our future generations to understand what they need from our town centres, to ensure we create opportunities for the youth, catering for their needs which will influence them to stay in the region whilst pursuing and progressing their careers.
 - 1.8 To ensure the development of a range of bilingual further and higher education courses. Allowing students to develop careers rooted in the region. Utilising the strong collaborative skills capability in the region, building on the opportunities which will come from developments such as the North Wales Medical School, M-SParc and AMRC Cymru.

- 1.9 To maximise opportunities of virtual working to allow opportunities for those living in rural areas. Creating access to work without the need to travel and therefore providing a platform for innovative digital opportunities for the development of multi-language tools to allow users to use the Welsh language and for the region to be a world leader in multi-language interface technology.

2. The Experience Economy

[Inclusion of key activities under theme (blob diagram)]

[Inclusion of key stats for theme]

Priorities:

2.1 In order to support the sustainable development of the experience economy, to protect communities and support industries, we need to react to the most pressing issues collaboratively:

- Support local communities to take advantage of and are responsible for supporting the experience and visitor industry in a way which benefits those communities, working across the region and with other similar regions across the UK to develop best practice.
- ensure an all-year tourism offer where appropriate, to create more sustainable opportunities for workforce
- development of higher-level pipeline of multilingual skills in hospitality, service industries, outdoor pursuits and events management, leading to skilled roles at higher rates of pay.
- develop a food and drink strategy, including community food strategies, for the North Wales region, to grow our businesses' scale, value and productivity as well as benefiting our people and society.
- aligned with the Food Innovation Wales programme, maximise opportunities to ensure our food and drink sector can be UK leaders through promotion and celebration of success as a global food nation by reaching for the highest levels of sustainability and that fair work in Wales is rewarded, heard, and represented with more businesses will earn accreditation, win awards and attain highest food standards.
- work collaboratively to seek evidence to provide a clearer understanding of future economic opportunities in the sport and leisure industry across the region. Develop a route map to drive investment to deliver resources and changes at scale in elite sports facilities and new facilities, and transform the way local sport and physical opportunities are managed and delivered through the establishment of the North Wales Regional Sports Partnership.
- strengthening creative industry opportunities across the region which ensures innovative opportunities for the Welsh language and culture to thrive even more, ensuring that all areas have access to cultural activities.

2.2 To work with our indigenous businesses to ensure they are in a strong position to benefit from the visitor economy, providing them with the skills to develop, create new opportunities and to protect local communities and their environment where these activities happen.

2.3 To think creatively, by aligning with tourism-related projects, on providing opportunities and facilities for young people by ensuring our town centres have leisure and night-time provision which can compete with other areas, catering

for year-round activities to provide a choice for young people, thus providing a real opportunity for the region to retain its future workforce.

- 2.4 Realising the economic benefits of public realms within our towns, allowing residents and visitors to benefit from parks and open spaces, squares and tree-lined streets. Lockdown showed how crucial such places are for our wellbeing as places to escape as well as improving the natural environment and providing economic stimulus.
- 2.5 To ensure that any significant spend in relation to cultural infrastructure or key activity filters through to other activities in the region, maximising the impact of public spend.
- 2.6 To explore opportunities for communities to have active roles in expanding the cultural offer, building on opportunities that have been created in many towns/villages across the region and are key in keeping our heritage and literature alive and relevant.

3. The Low Carbon and Low Emissions Economy

[Inclusion of key activities under theme (blob diagram)]

[Inclusion of key stats for theme]

Priorities:

- 3.1 To work collaboratively across every sector, especially with the utility sector, to create Low Carbon Energy and Green Growth Route maps. Developing and implementing a coherent, multi vector energy system which provides a consistent approach to exploiting opportunities in low carbon and green growth to maximise skills capability and wider benefits to local communities and ensuring the pound stays local.
- **Hydrogen Route Map** - Continue to develop a route map to understand how the opportunity for the deployment of Hydrogen across the North Wales Region can best be delivered, maximising the expertise, assets and benefits that could be derived.
 - **Low Carbon Energy** –Welsh Government and Regional Partners to prepare an action plan to deliver the North Wales Energy Strategy, which highlights the scale of the economic opportunity presented in the drive to achieve net zero.
 - **EV charging** - To work collaboratively to deliver a network across the region ensuring that every community has the access required to the infrastructure.
 - **Energy efficiency** - To improve the energy efficiency of the region's housing and accelerate the decarbonisation of North Wales' building stock and to ensure a significant shift in the way homes are heated and their level of energy efficiency across the region.
- 3.2 To collaboratively work across the region to develop a sustainable supply chain, skills and port infrastructure to support the offshore wind and marine industry in the region and globally:
- **Tidal stream** – building on work that is already taking place to ensure local companies can be competitive to support this growing industry.
 - **Tidal range (lagoon)** - continue to explore the potential of this industry in North Wales and ensure we have the supply chain ready to support.
 - **Offshore wind** – working with the developers of fixed offshore wind to ensure we create sustainable long-term opportunities for supply chains and ports in the region, creating a strong platform to also support floating offshore wind and wave.
- 3.3 Pursue a just energy transition, keeping wealth local and ensuring our communities and public institutions have a say over, and stake in, how we generate and save energy.

-
- 3.4 Establish ways in which energy generation on sites and the retrofit of properties can be done in a way that builds community wealth, ensuring local businesses and people benefit from the amount that will be spent on the energy transition.
- 3.5 Seek opportunities to support and invest in the low carbon economy at key locations, projects and facilities in North Wales. This includes marketing the region as a location of choice for future investment alongside providing support for the Welsh supply chain to compete for work across the UK and overseas for:
- **Nuclear** (new build and decommissioning at Wylfa and Trawsfynydd),
 - **Offshore wind** (including decommissioning),
 - **Marine** (tidal stream and range) energy
 - **Hydrogen**
 - **Holyhead Gateway**
 - **Space, aerospace and automotive** (manufacturing, R&D and key locations including Deeside / Wrexham cluster, Llanbedr and Valley).
- 3.6 To optimise North Wales's place in the knowledge economy, with partnerships and facilities such as the Northwest Nuclear Arc, Optic Glyndwr and M-Sparc, enhancing a place-based network of R&D facilities and supply chain companies stretching from Cumbria to North Wales and encompassing Lancashire, Greater Manchester, Cheshire and Sheffield City region.
- 3.7 To reposition High Value Manufacturing (HVM) for post-Covid, post-Brexit and low carbon future by delivering the Framework for the Future of HVM, particularly in relation to Industry 4.0, digital technology and automation, building on our investment in Advanced Manufacturing Research Centre (AMRC) Cymru and planned development of Advanced Technology Research Centre (ATRC). This will be critically important in securing innovative opportunities in North Wales to reduce emissions by working with academia to use more recycled content through a circular economy approach.
- 3.8 To work regionally with the development company Cwmni Eginio Cyf to ensure we maximise the opportunities across the region for nuclear and potentially other forms of energy generation.
- 3.9 Many parts of North Wales suffer from poor public transport connections, which impacts on residents' access to jobs, education and training. We need to continue to promote active travel, deliver road safety schemes and encourage a return to public transport as the reliance on the private car is growing. We need to work together to source investment in new strategic transport links and to approach opportunities to achieve shifts to lower carbon transport modes:
- **Active transport** - providing a true alternative to communities, recognising the importance of the role of the communities in this, especially to change the behaviours of society.

- **Public transport** – working in partnership to ensure public transport provides an alternative to the car across the region as well as cross-border.
 - **Cycle and walking networks** – build on the work taking place to create a safe alternative across the region.
- 3.10 We need to develop a resilient and prosperous agriculture industry, which reduces its carbon emissions through a range of approaches, including the development of improved efficiency in livestock and crop production, nutrient management and increasing the sustainability of farm assets, building on current and planned activities at Glynllifon and Llysfasi.
- 3.11 To work with the agricultural industry to support innovation and maximise the economic opportunities of agricultural products to ensure the industry leads in terms of sustainability.
- 3.12 Work jointly to implement systemic change in consumption emissions to ensure we keep resources in use for as long as possible and find new uses for resources, ensuring that community hubs play a key role and that decommissioning is a key consideration in any project taking place in the region across all sectors.
- 3.13 To work jointly to improve the way we manage our natural resources by ensuring that any future opportunities build and create a resilient ecosystem, creating actions to improve it that complements the implementation of technological solutions, resource efficiency (maximising product life) and investing in solutions to support the circular economy.

Next Steps

The immediate next steps will be to establish, via the Economy Recovery Group (and other key partners), a delivery programme. This will include considering how we prioritise the priorities, and who is best to lead on those delivery packages, recognising and respecting existing regional governance and delivery architecture.

Some of this work is already taking place and we will therefore need to have a better grasp of all the ongoing work, the funding packages under each priority area before creating new areas of work.

REPORT TO THE NORTH WALES ECONOMIC AMBITION BOARD
10 December 2021

TITLE: Investment Strategy
AUTHOR: Alwen Williams, Portfolio Director

1. PURPOSE OF THE REPORT

- 1.1. The purpose of this report is to provide and update to the board about the development of a strategy to address the required investment for the Growth Deal. Investment is required directly into some of the Growth Deal projects but the strategy also recognises the wider opportunities for investment in the region.

2. DECISION SOUGHT

- 2.1. To note the update on the development of an investment strategy.

3. REASONS FOR THE DECISION

- 3.1. As outlined within the report.

4. BACKGROUND

- 4.1 Each year the North Wales Growth Deal enters into an independent Gateway Review as part of its governance and assurance process.
- 4.2 The Portfolio's Gateway Review, held in August 2021 delivered a delivery confidence rating of Amber/Green, which recognises that successful delivery appears probable. However, constant attention will be needed to ensure risks do not materialise into major issues threatening delivery.
- 4.3 The review panel's report concluded with five recommendations, one of these being that a portfolio level strategy for attracting and securing private, and other, sector investment should be developed and adopted.
- 4.4 The North Wales Growth Deal is based on the delivery of projects across five programmes with an anticipated total capital expenditure of up to £1.1 billion (2020/21 prices).
- 4.5 Of this total, £240million has been committed by UK and Welsh Government, £179.2million of additional capital is expected to come from other public sector sources and £722million is to be committed by the private sector. The investment will collectively contribute to the region's economic growth over a ten to fifteen-year term.

- 4.6 The primary driver for all projects within the Growth Deal is to deliver economic and social benefits to North Wales in line with the strategic outcomes set out in the portfolio business case.
- 4.7 The Growth Deal aims to maximise investment across the portfolio to achieve sustainable economic growth for North Wales.
- 4.8 Investment is targeted at strategically important industrial sectors, via the portfolio’s five programmes, in two categories;
- a. Those increasing the value of high growth sectors
 - Low carbon energy programme
 - Innovation in high value manufacturing programme
 - Agri-food and tourism programme
 - b. Those addressing key barriers to growth
 - Land and property programme
 - Digital connectivity programme
- 4.9 An initial draft was presented to the Portfolio Board on 26th November for consideration. The Portfolio Board requested additional time to consider and input into the document and requested an updated version be presented at the next meeting in January.

5. INVESTMENT STRATEGY

- 5.1 The Portfolio and Programme Business Cases set out the required funding and investment in the Growth Deal project. A breakdown is presented in Table 1.1

Table 1.1 Capital Funding Breakdown				
Programme	Growth Deal Investment (£m)	Other Public Sector Investment (£m)	Private Sector Investment (£m)	Total Capital Investment (£m)
Digital	37.0	0.0	0.4	37.4
Low Carbon Energy	86.4	138.4	441.7	666.5
Land and Property	79.1	1.9	274.4	355.4
Innovation in High Value Manufacturing	13.0	26.4	0.0	39.4
Agri-food and Tourism	24.5	12.4	4.5	41.4
GROWTH DEAL TOTAL	240.0	179.1	721.0	1,140.1

- 5.2 The strategy acknowledges the challenge to attract investment directly into the Growth Deal projects. It also recognises that Growth deal investment will improve the regions infrastructure, therefore creating more compelling investment opportunities for the business sector and highlighting our strengths and competitiveness as a region.

- 5.3 The strategy aims to convene data, insights and knowledge that will enable a coordinated regional approach to attracting investment
- 5.4 The draft strategy sets out seven key objectives to address it's aims effectively and to encourage regional collaboration and seek to identify opportunities and potential threats associated with securing investment.

INVESTMENT STRATEGY OBJECTIVES	
Objective 1	Undertake an investment research analysis study.
Objective 2	Establish a Private-Public sector Stakeholder Investment Group to drive forward the investment opportunities.
Objective 3	Devise, adopt and execute a communications and engagement plan to drive investment in North Wales.
Objective 4	Commission a North Wales investment prospectus which communicates a clear and compelling message to promote and encourage investment.
Objective 5	Agree the Growth Deal principles for investment.
Objective 6	Create a knowledge bank of tools to aid with the investment process.
Objective 7	Develop an investors framework.

- 5.5 Successfully delivering on these objectives will ensure there is an informed cohesive approach to securing the required investment.
- 5.6 The PMO will continue to work with regional stakeholders to build upon the approach outlined and feedback is being invited and received by the Portfolio Board and the Business Delivery Board.
- 5.7 The PMO will be providing an update on the development of the Investment Strategy to the Joint UK/WG Governance Board on the 14th December as part of the annual award of funding process.

6. FINANCIAL IMPLICATIONS

- 6.1. There are no financial implications directly associated with the update in this report, however it should be noted that delivery of some of the key objectives will require budget.
- 6.2. The Covid Recovery Prospectus for North Wales recently submitted to Welsh Government includes a requirement of £25K to develop an investment prospectus for North Wales.
- 6.3. The full financial implications will be considered by the Portfolio Director as work to develop and deliver the investment strategy progresses.
- 6.4. It should be noted that securing the investment required is fundamental to the delivery of the Growth Deal. Failure to deliver on the portfolio spending objectives could have financial implications for the region as set out in the Award of Funding agreement with Welsh Government.

7. LEGAL IMPLICATIONS

- 7.1. There are no legal implications arising directly from approving the decision sought in this report, however failure to deliver an investment strategy could have implications on future Award of Funding agreements with Welsh Government.
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APPENDICES: None

STATUTORY OFFICERS RESPONSE:

- i. **Monitoring Officer – Host Authority:**
No observations to add in relation to propriety.

- ii. **Statutory Finance Officer (the Host Authority’s Section 151 Officer):**
I confirm part 6.1 of the report, namely that there are no financial implications arising directly from receiving this update. However, as part 4.4 – 4.5 of the report states, delivering the £ 1.1 billion Growth Deal will require total private sector investment of £722 million in some individual projects, and resources to achieve certain objectives. As section 6.3 of the report states, as the overall investment strategy is developed, the Portfolio Director will identify the financial implications to address this significant challenge.