



Complete Agenda

**Bwrdd Uchelgais Economaidd
Gogledd Cymru**

**North Wales
Economic Ambition Board**

Meeting

NORTH WALES ECONOMIC AMBITION BOARD

Date and Time

2.00 pm, FRIDAY, 9TH DECEMBER, 2022

Location

Virtual Meeting - Zoom

Contact Point

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(DISTRIBUTED 02/12/22)

NORTH WALES ECONOMIC AMBITION BOARD

MEMBERSHIP OF THE JOINT COMMITTEE

Voting Members

Councillors

Jason McLellan	Denbighshire County Council
Llinos Medi Huws	Isle of Anglesey County Council
Mark Pritchard	Wrexham County Borough Council
Ian B. Roberts	Flintshire County Council
Charlie McCoubrey	Conwy County Borough Council
Dyfrig Siencyn	Cyngor Gwynedd

Advisers - Non-voting

Dafydd Evans	Grwp Llandrillo Menai
Maria Hinfelaar	Glyndwr University
Yana Williams	Coleg Cambria
Askar Sheibani	Business Delivery Board
Professor Edmund Burke	Bangor University

Chief Officers - Non-voting

Dylan Williams	Isle of Anglesey County Council
Rhun ap Gareth	Conwy County Borough Council
Neal Cockerton	Flintshire County Council
Dafydd Gibbard	Cyngor Gwynedd
Ian Bancroft	Wrexham County Borough Council
Graham Boase	Denbighshire County Council

Officers in Attendance

Dewi Morgan	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. WELCOME AND 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

4 - 9

The Chair shall propose that the minutes of the meeting held on 28 October 2022 be signed as a true record.

5. PORTFOLIO DELIVERY FUND

10 - 12

Alwen Williams, Portfolio Director and Hedd Vaughan-Evans, Head of Operations to present the report

6. PROJECT REPLACEMENT PROCESS

13 - 21

Alwen Williams, Portfolio Director and Hedd Vaughan-Evans, Head of Operations to present the report

NORTH WALES ECONOMIC AMBITION BOARD
28/10/22

Present:

Voting Members - Councillors:- Jason McLellan (Denbighshire Council), Carwyn Elias Jones (Isle of Anglesey County Council), Mark Pritchard (Wrexham County Borough Council), Ian Roberts (Flintshire Council), Charlie McCoubrey (Conwy County Borough Council) and Dyfrig Siencyn (Cyngor Gwynedd) (Chair).

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

Chief Officers - Iwan Davies (Conwy County Borough Council), Andrew Farrow (Flintshire Council), Richard Weigh (Wrexham County Borough Council) and Graham Boase (Denbighshire Council).

Officers in attendance - Dewi Morgan (Statutory Finance Officer - Host Authority), Iwan Evans (Monitoring Officer - Host Authority), Alwen Williams (Portfolio Director), Nia Medi Williams (Senior Operational Officer), Stuart Whitfield (Digital Programme Manager), Henry Aron (Energy Programme Manager), Robyn Lovelock (Growth Deal Programme Manager), David Matthews (Land and Property Programme Manager), Sian Pugh (Group Accountant - Corporate and Projects - Host Authority) and Eirian Roberts (Democracy Services Officer - Host Authority).

Also present - Yvonne Thomas (Wales Audit)

Observers - Gareth Ashman and Dewi Williams (Welsh Government) (until item 7 only)

1. APOLOGIES

Apologies were received from Councillor Llinos Medi Huws (Isle of Anglesey County Council), Dylan Williams (Isle of Anglesey County Council), Neal Cockerton (Flintshire Council), Dafydd Gibbard (Cyngor Gwynedd), Ian Bancroft (Wrexham County Borough Council), Hedd Vaughan Evans (Operations Manager), Wendy Boddington (Welsh Government) and Jane Richardson (Chair of the Executive Officers Group).

2. DECLARATION OF PERSONAL INTEREST

No declarations of personal interest were received.

3. URGENT ITEMS

None to note.

4. MINUTES OF THE PREVIOUS MEETING

The Chair signed the minutes of the previous meeting, held on 30 September 2022, as a true record.

5. FINAL ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022 AND RELEVANT AUDIT

The report was submitted by Dewi Morgan (Statutory Finance Officer) and Yvonne Thomas (Audit Wales).

RESOLVED to approve the:

- **'ISA260' report by Audit Wales in respect of NWEAB**
- **NWEAB's final Statement of Accounts for 2021/22 (post-audit)**

REASONS FOR THE DECISION

The final version (post-audit) of the Statement of Accounts for 2021/22 was presented. The main amendments since the pre-audit version were outlined in section 16 of the report and Appendix 3 of the Audit Wales 'ISA260'.

The Chair of the Board, together with the Head of Finance, had been asked to certify the Letter of Representation, electronically (Appendix 1 to Audit Wales' report) after the NWEAB had approved the above.

After receiving the Letter of Representation duly certified by the Chairman and the Head of Finance, the Auditor General for Wales (Adrian Crompton) would issue the certificate on the accounts.

DISCUSSION

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

The Statutory Finance Officer:-

- That paragraph 10 of the Wales Audit report noted that they intended to issue an unqualified audit opinion on the accounts this year, once the NWEAB would give the Letter of Representation to Audit Wales based on what was noted in Appendix 1 to the report.
- That Appendix 3 to the auditors' report drew attention to one correction made to the accounts during the audit, and that that was a technical issue only involving pensions.

The Statutory Finance Officer further noted that he wished to thank Yvonne Thomas and the team at Audit Wales for their work on the audit, and to Sian Pugh (Group Accountant - Corporate and Projects) and the team in the Finance Department at Cyngor Gwynedd for their work preparing the Statement of Accounts.

Yvonne Thomas (Audit Wales) was welcomed to the meeting and was invited to speak:-

Yvonne Thomas noted that she was pleased to say that Audit Wales was of the opinion that the accounts were an accurate and fair picture of the NWEAB's financial situation for the financial year. She drew attention to a few points in the report, namely:-

- That auditors could never provide complete assurance that the accounts had been accurately stated. Instead, a relevance level had been specified in an attempt to identify and rectify audit misstatements that could otherwise lead to misleading the user of the accounts, and for this year's audit, a relevance level of £57,000 had been specified.

- That the audit had not been completed at the time of drafting the report, but that it could now be confirmed that the audit had been completed and that no further issues had been raised.
- That the report referred to the impact of Covid on this year's audit in terms of the audit timetable and approach, and given continued remote working, it was intended to use electronic signatures to approve and certify this year's accounts.
- In terms of significant issues arising from the Audit, that it was a pleasure to report that only minor narrative and presentational errors arose from the audit, and the fact that so few issues had arisen was a positive message and reflected well on the arrangements in place to prepare the accounts.
- That she wished to thank Sian Pugh (Group Accountant - Corporate and Projects) and the team for their support to complete the audit.
- That the one correction made to the accounts was a presentational improvement only, and did not have any other effect on the financial statements.

The Chair noted that the report was positive which confirmed that we had an effective team within the Finance Department at Cyngor Gwynedd.

6. NORTH WALES GROWTH DEAL – QUARTER 2 PERFORMANCE AND RISK REPORT

Alwen Williams (Portfolio Director) presented an overview of the report highlights, and the Programme Managers provided details on the programme updates, as follows:-

- Low Carbon Energy - Henry Aron (Energy Programme Manager);
- Digital - Stuart Whitfield (Digital Programme Manager);
- Land and Property - David Matthews (Land and Property Programme Manager);
- Agri-Food and Tourism and Innovation in High Value Manufacturing - Robyn Lovelock (Growth Deal Programme Manager).

Alwen Williams (Portfolio Director) then presented a table tracking the work of delivering projects and Henry Aron (Energy Programme Manager) presented an overview of the main risks.

DECISION

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

Quarterly reporting on progress against the North Wales Growth Deal is one of the requirements of the Final Deal Agreement. Following the NWEAB's consideration, the reports would be shared with Welsh Government, UK Government as well as the local authority scrutiny committees.

DISCUSSION

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

With reference to the Parc Bryn Cegin, Bangor Joint Venture Agreement (Land and Property Programme), clarification was sought about the comment made during the presentation that the negotiations had reached the stage where the financial risks to the Board had been

capped. In response, the Programme Manager noted that while it could not be confirmed that there is no cost increase, the Board would not spend above the amount it had allocated for the project, and if the cost was less than the amount allocated, then the Board would have the right to redeem the funds for a different project within the Growth Deal.

With reference to the Enterprise Engineering and Optics Centre (Innovation in High Value Manufacturing Programme), clarification was sought about the observation made during the presentation that there is an estimated 30-40% increase in the costs of setting up the centre. In response, the Programme Manager noted that there were two funding gaps, one within the Agri-Food and Tourism Programme and the other within the Innovation in High Value Manufacturing Programme. In terms of the cost funding gap of the Glynllifon Rural Economy Hub project, it was noted that the team at Grŵp Llandrillo Menai were currently looking at three options, namely:-

- Reduce the scope of the project
- Try to secure additional funding for the project
- Withdraw the project.

Regarding the cost funding gap of setting up the Enterprise Engineering and Optics Centre, it was noted that the team at Glyndŵr University were also developing options. It was not yet clear exactly what those options would be, but they had been asked to carry out an exercise similar to that of Grŵp Llandrillo Menai, looking at changing the scope of the project and considering any other possible mitigations for managing the gap. They noted that they were also looking at changes to the timing of the project.

Glyndŵr University's representative noted that it was inevitable that there would be significant delays to the Enterprise Engineering and Optics Centre project, but wished to keep an open mind as to the possibility of presenting the full business case to the Board for consideration somewhere between the originally envisaged date of March 2023, and the date currently being stated, which is September 2023.

The Chair noted that that would be welcome news.

In response to a question regarding the timing of projects in general, the Portfolio Director noted that every opportunity to bring decisions to the Board's attention sooner would be welcomed, which meant avoiding unnecessary cost increases in the current climate. In terms of the specific project in question, it was believed to be within Glyndŵr University's control to bring the business case forward, and it was confirmed that the Portfolio Management Office, the Growth Deal Programme Manager and the team would do everything to facilitate that if the business case was ready for approval.

Grŵp Llandrillo Menai's representative noted, while accepting that it was possible to continue to put the business plans together, that it was difficult to justify the energy and expense of doing so if the financial package was not in place. He added that he was pleased with the work that had taken place over the past few weeks, specifically with the Growth Deal Programme Manager and the team in terms of trying to come up with options, but would like to think that a paper could be brought soon to the Board, as that in turn would lead increasing momentum to move on to the next steps.

In reference to the risk register, it was noted:-

- That it was understood why two of the risks, namely Economic Recovery and the EU / UK Implementation and Trade Agreement, had been closed. Risks were

inevitable, but it was possible to be confident that the Board had the capacity and skillset to manage those risks and move the plans forward.

- That the risks were not actually eliminated, but instead replaced by larger risks unfortunately.

7. EXCLUSION OF PRESS AND PUBLIC

RESOLVED to exclude the press and public from the meeting during the discussion on the following items for the reasons stated:-

Item 8 - 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.

Item 9 - As information contained in the report is confidential as defined in section 100A(3) of the Local Government Act 1972 on the basis that it was provided by a Government Department on terms which forbid its public disclosure.

The public must be excluded from meetings whenever it is likely in view of the nature of the business to be transacted or the nature of the proceedings that confidential information will be disclosed.

8. PORTFOLIO BUSINESS CASE 2022

The report was submitted by Alwen Williams (Portfolio Director).

DECISION

- 1. To approve the 2022 update of the Portfolio Business Case and its submission to Welsh Government and UK Government as part of the annual award of funding process.**
- 2. To note that while the Bodelwyddan Key Strategic Site has been withdrawn from the Growth Deal, the targets associated with this project are still captured within the business case and will remain until a decision is made on a replacement project(s).**
- 3. To note that the Llysfasi Net Zero Farm project has been withdrawn from the Growth Deal by Coleg Cambria and that the Business Case will be updated to reflect this before being submitted to Welsh and UK Governments. Also, that the (Egni) project remains under review and that the latest information for the project is included in the business case pending completion of the review and a decision by the Board.**

4. **To request that the Portfolio Director submit all required documentation and change request form to Welsh and UK Government as part of the annual award of funding process and delegate to the Portfolio Director, in consultation with the Chair and the Vice Chair of the North Wales Economic Ambition Board, the Monitoring Officer and the S151 Officer, authority to negotiate with Welsh Government and UK Government on the timing of the award of funding and to make any minor amendments as requested by either government.**
5. **To note the recommendations of the Portfolio Assurance Review (PAR) and request that the Portfolio Director develop an action plan to address the recommendations.**

REASONS FOR THE DECISION

It is a requirement of the Final Deal Agreement that the Portfolio Business Case is updated on an annual basis and submitted to Welsh Government and UK Government as part of the annual award of funding process.

DISCUSSION

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

The report was discussed.

9. PARC BRYN CEGIN PROJECT

The report was presented by David Matthews (Land and Property Programme Manager).

DECISION

1. **To agree to enter into a Joint Venture Agreement with Welsh Government for the delivery of advanced employment units on Plot C3 Parc Bryn Cegin as shown on the estate plan attached in Appendix A to the report circulated to Board members.**
2. **To delegate authority to the Portfolio Director in consultation with the Monitoring Officer to finally agree the terms and complete the Joint Venture Agreement in accordance with the report.**

REASONS FOR THE DECISION

At its meeting on 15 July 2022 the Board requested a further report on the Joint Venture Agreement. The report offered an update on the discussions, requested confirmation of the proposal to delegate authority to finally agree the terms and complete the agreement in accordance with the report.

DISCUSSION

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

The report was discussed.

The meeting commenced at 2.00pm and concluded at 3.25pm.

Chair



North Wales Economic Ambition Board
9 December 2022

TITLE: North Wales Growth Deal – Portfolio Delivery Fund 2023-24
AUTHOR: Alwen Williams, Portfolio Director
Hedd Vaughan-Evans, Head of Operations

1. PURPOSE OF THE REPORT

- 1.1. The purpose of the report is to set out the proposal to establish a Portfolio Delivery Fund to support the delivery of projects during the 2023-24 financial year.

2. DECISION SOUGHT

- 2.1. That the Board agree to establish a Portfolio Delivery Fund for 2023-24 and allocate up to £7m of the unallocated £20m Growth Deal funding released by the withdrawal of the Bodelwyddan Key Strategic Site and the Llysfasi Net Zero Farm projects to this fund.

3. REASONS FOR THE DECISION

- 3.1. As stated in the report.

4. BACKGROUND AND RELEVANT CONSIDERATIONS

- 4.1. In December 2020, the Economic Ambition Board and the Welsh and UK Governments agreed the Final Deal Agreement for the North Wales Growth Deal.

- 4.2. The North Wales Growth Deal has a change management process in place to ensure potential changes to the scope of the Growth Deal and the projects are captured, assessed and where relevant considered by the Board.

- 4.3. The Final Deal agreement sets out the board position in relation to potential replacement projects:

“Any new or replacement projects to be brought forward for consideration must demonstrate delivery against the relevant programme business case and the objectives of the portfolio business case. Where those projects are within the existing agreed financial envelope for the partnership, those projects would be a matter for the Economic Ambition Board to decide.”

- 4.4. In September 2022, the Board agreed a set of principles for identifying replacement projects including that the Board will initially consider on a case-by-case basis requests from existing projects for additional funding from projects that meet a set criteria.

Portfolio Delivery Fund 2023-24

- 4.5. Building on the principle adopted by the Board in September, the Portfolio Management Office are proposing that a proportion of the funding released from the Bodelwyddan and Llysfasi

projects is allocated to a Portfolio Delivery Fund to support mature projects within the portfolio dealing with cost inflation or viability issues to move into delivery during 2023-24 (subject to separate Board decisions).

- 4.6. The fund would mitigate the risk of further delays to projects dealing with cost inflation and viability issues and provide increased certainty of delivery and capital expenditure in 2023-24.
- 4.7. The fund would be available to projects with an approved business case or those of sufficient maturity (e.g. having completed Gateway 2 review) that could move into delivery during 2023-24.
- 4.8. The expected Growth Deal capital expenditure pipeline for 2023-24 as set out in the Portfolio Business Case 2022 is £29.5m. Four projects would currently meet the criteria above and would be eligible to submit proposals for additional funding to enable delivery:
 - Last Few % (OBC Approved)
 - Former North Wales Hospital, Denbigh (Gateway 2 completed)
 - Enterprise Engineering and Optics Centre (OBC Approved)
 - Glynllifon Rural Economy Hub (OBC Approved)
- 4.9. An allocation of £7m into the Portfolio Delivery Fund is considered to be sufficient to ensure three of the projects move into delivery in 2023-24, with other funding opportunities available for the Last Few% project.
- 4.10. Should the Board support the establishment of the fund; the Portfolio Management Office would work with the relevant project sponsors to bring forward proposals for additional funding for these projects to the next Board meeting.
- 4.11. Proposals will be expected to adhere to the principles previously endorsed by the Board for considering additional funding requests:
 - can demonstrate a clear rationale for any cost increase;
 - can demonstrate that options for reducing cost/scope have been evaluated;
 - can evidence that the business still delivers value for money and a positive cost benefit ratio;
 - are requesting a proportion of the additional cost and can demonstrate why the additional costs cannot be wholly covered by the project sponsor or through other funding sources.
- 4.12. Any decision by the Board to allocate additional funding to a project from the Portfolio Delivery Fund would be provisional with projects still requiring the approval of a full business case (FBC) or business justification case (BJC) to secure the funding.
- 4.13. Any funding unallocated once the Board have considered these requests could (subject to a separate Board decision) either be retained in the fund to enable further requests to be considered at a later date or transferred to the project replacement fund to increase the funding available to new projects.

Risk Assessment

- 4.14. The Portfolio Management Office recognise the risks associated with the establishment of the fund, notably that it reduces the amount of funding available for new projects to deliver against the Growth Deal targets.

- 4.15. The Portfolio Management Office consider this proposal to be a proportional approach, recognising the cost inflation issues facing projects and balancing the need to enable delivery against the need to identify new projects.
- 4.16. It should be noted that the Portfolio Delivery Fund would be a specific mechanism to enable delivery in 2023-24 and once the £7m has been allocated no further funding requests could be considered. There therefore remains a risk for future years that cost inflation could lead to projects requiring additional funding, having to be rescoped to fit within allocated funding envelopes or being withdrawn.

5. FINANCIAL IMPLICATIONS

- 5.1. Funding that has been provisionally allocated to a project that is withdrawn from the North Wales Growth Deal is retained within the wider portfolio and the decision on a replacement project or projects is a matter for the Economic Ambition Board to determine. The decision to reallocate funding within the Growth Deal is also a matter for the Economic Ambition Board to determine.

6. LEGAL IMPLICATIONS

- 6.1. The Final Deal agreement agreed between the Economic Ambition Board partners, Welsh Government and UK Government sets out the broad parameters that a process for identifying new or replacement projects must adhere to.
- 6.2. In line with Governance Agreement 2 and the Overarching Business Plan, the reallocation of funding within the Growth Deal is a matter for the Economic Ambition Board to decide upon within the agreed affordability envelope for the partnership and where the projects deliver against the objectives of the Growth Deal and its programmes.

STATUTORY OFFICERS RESPONSE:

i. Monitoring Officer – Host Authority:

“The report notes that the Ambition Board has the responsibility for managing the projects within the Programmes. The reasoning is appropriate for establishing the fund and is rational response to the challenges which are facing some projects and delivery. It is key that the fund is subject to objective criteria and arrangements for the verification and scrutiny of the case for intervention and this is reflected in the report.”

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

“The risk of cost inflation, and the impact of this on the ability to deliver North Wales Ambition schemes, is significant. Setting up this fund will contribute to mitigating these risks and therefore I support the decision sought. It will be necessary to be clear, however, about the criteria for the use of the fund when the time comes to do so.”

North Wales Economic Ambition Board
9 December 2022

TITLE: North Wales Growth Deal – Project Replacement Process
AUTHOR: Alwen Williams, Portfolio Director
Hedd Vaughan-Evans, Head of Operations

1. PURPOSE OF THE REPORT

1.1. The purpose of the report is to set out process and criteria for project replacement process.

2. DECISION SOUGHT

2.1. To agree the scope and minimum requirements as set out in this report.

2.2. To agree to the timetable set out in this report including a formal launch in January 2023.

2.3. To delegate authority to the Portfolio Director to implement the Project Replacement Process as set out in this report and to undertake all necessary steps required to finalise the documentation required to commence the process.

3. REASONS FOR THE DECISION

3.1. As stated in the report.

4. BACKGROUND AND RELEVANT CONSIDERATIONS

4.1. In December 2020, the Economic Ambition Board and the Welsh and UK Governments agreed the Final Deal Agreement for the North Wales Growth Deal.

4.2. The North Wales Growth Deal has a change management process in place to ensure potential changes to the scope of the Growth Deal and the projects are captured, assessed and where relevant considered by the Board.

4.3. The Final Deal agreement sets out the board position in relation to potential replacement projects:

“Any new or replacement projects to be brought forward for consideration must demonstrate delivery against the relevant programme business case and the objectives of the portfolio business case. Where those projects are within the existing agreed financial envelope for the partnership, those projects would be a matter for the Economic Ambition Board to decide.”

- 4.4. In September 2022, the Board agreed a set of principles for identifying replacement projects and a three-stage process:

Stage 1: Horizon Scanning

- Economic Ambition Board to agree criteria, scoring and weighting for the horizon scanning activity including targets for jobs, investment and deliverability criteria;
- Undertake horizon scanning including public call for projects;
- Initial hard gate assessment carried out by the Portfolio Director in accordance with the agreed criteria to remove proposals that don't meet an agreed minimum level of outputs (jobs etc.) and identify the longlist.

Stage 2: Longlisting and Shortlisting

- Detailed assessment of the longlist against agreed criteria to identify shortlist;
- Additional information requested from shortlisted project;
- Shortlist assessment including presentations to the Economic Ambition Board to identify a preferred way forward.

Stage 3: Approval and Business Case Development

- Formal recommendation to the Economic Ambition Board to agree the preferred way forward;
- Commence development of business case(s).

- 4.5. This paper sets out the scope and minimum requirements for the horizon scanning stage.

Scope of Horizon Scanning

- 4.6. The primary scope of the horizon scanning exercise will be to invite proposals for projects that fall within the Land and Property programme and the Agri-food and Tourism programme following the withdrawal of two projects from those programmes.
- 4.7. Expressions of interest will also be invited from projects that fall into the other three Growth Deal programmes which may be considered if the proposals received for the Land and Property programme and the Agri-food and Tourism programme do not deliver sufficiently against the Growth Deal targets. Expressions of interest received may also be allocated a place on a reserve list for consideration should additional Growth Deal funding become available in the future.
- 4.8. Subject to the decision by the Board on the Portfolio Delivery Fund 2023-24, an allocation of £13m will be available for the horizon scanning process.

Minimum Requirements

- 4.9. The Portfolio Management Office propose that the Board agree the minimum requirements criteria set out in Appendix A. The purpose of the minimum requirements is to allow enable low value/low impact proposals to be removed from the process at the earliest opportunity. The thresholds set do not reflect the aspirations of the region or the Growth Deal and the process will seek to identify the best package of projects that deliver maximum benefits to the region.

Assessment Criteria

- 4.10. Potential projects will be required to complete an application form along with supplementary information. Appendix B is a draft of the application form and sets out the weighting to be given to each element of the application.

4.11. Proposals will be assessed against three main criteria:

- Strategic Fit (25% weighting)
- Impact (40% weighting)
- Deliverability (35% weighting)

Higher weightings are proposed for impact and deliverability to ensure that project(S) selected deliver the required benefits to North Wales and are able to progress quickly into the delivery phase.

Flexibility Principles

4.12. The Portfolio Management Office recommend the Board adopt the following principles to retain the flexibility to select the best package of proposals for the North Wales Growth Deal:

- The Board retains the option to move projects and/or funding between the two horizon scanning programmes;
- The Board retains the option to consider expressions of interest received by projects that fall outside the Land and Property programme and the Agri-food and Tourism programme but within the scope of the other three Growth Deal programmes;
- Projects that are unsuccessful in securing funding through this process but score highly against the set criteria (including those that score highly on Strategic Fit and Impact but do not meet the deliverability thresholds) may be placed on a reserve list for consideration in the future should further funding become available.

Timescales

4.13. A provisional timescale is included below, subject to Board decision on the 9th December. The length of time required to complete assessment activities will be dependant on the number of proposals received.

Activity	Timescales
Economic Ambition Board Approval	9 th December 2022
Informal Communications/PR to warm up potential bidders	December 2022 (post Economic Ambition Board meeting)
Horizon Scanning Launch	Mid-January 2023
Horizon Scanning Close	End of February 2023 (approx. 6 weeks)
Hard gate, Longlisting and Shortlisting	March 2023
Seek further information from shortlisted projects	April 2023
Shortlist Assessment and Economic Ambition Board Decision	May 2023

5. FINANCIAL IMPLICATIONS

5.1. Funding that has been provisionally allocated to a project that is withdrawn from the North Wales Growth Deal is retained within the wider portfolio and the decision on a replacement project or projects is a matter for the Economic Ambition Board to determine.

6. LEGAL IMPLICATIONS

- 6.1. The Final Deal agreement agreed between the Economic Ambition Board partners, Welsh Government and UK Government sets out the broad parameters that a process for identifying new or replacement projects must adhere to.
- 6.2. In line with Governance Agreement 2 and the Overarching Business Plan, the reallocation of funding within the Growth Deal is a matter for the Economic Ambition Board to decide upon within the agreed affordability envelope for the partnership and where the projects deliver against the objectives of the Growth Deal and its programmes.

APPENDICES:

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|-------------------|-----------------------------|
| Appendix A | Horizon Scanning Priorities |
| Appendix B | Draft Application Form |

STATUTORY OFFICERS RESPONSE:

i. **Monitoring Officer – Host Authority:**

“The Economic Ambition Board has been established by the six Councils to act as the managing and delivery body for the Growth Deal on their behalf. One of its functions was to re-allocate Growth Deal resources to alternative projects should the need arise. As noted the Overarching Business Plan agreed between the parties requires the projects that may be approved by the Ambition Board to be within the affordability envelope for the partnership and are capable of deliver against the objectives of the Growth Deal and its programmes. It is critically important that new projects are objectively assessed with reference to the agreed criteria which support the core expectation on the Ambition Board. The proposed criteria provide the framework to support this process.”

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

“It is key that clear criteria are set for this process. I welcome the report as an important part of the governance arrangements for reallocating resources.”

Appendix A - Minimum Requirements (projects that don't meet these criteria would not be considered)

	Land and Property Programme	Agri-food and Tourism Programme
Strategic Fit (25%)	<p>The scope will be the whole programme – proposals will be welcomed that can deliver against the programme aims/objectives.</p> <p>Project sponsors must commit to delivering against the Board's procurement principles and climate change position statement.</p>	<p>The scope will be the whole programme covering food, agriculture and tourism. Proposals will be welcomed that can deliver against the programme aims/objectives. Proposals must deliver for rural communities.</p> <p>Project sponsors must commit to delivering against the Board's procurement principles and climate change position statement.</p>
Impact (40%)	<p>Proposals must deliver a minimum of 15 gross jobs per £1m of Growth Deal funding requested.</p> <p>Proposals must deliver a minimum of £2m in capital match funding per £1m of Growth Deal funding requested.</p> <p>No proposals requesting less than £2m in Growth Deal funding will be considered.</p> <p><i>*Proposals that do not meet all the criteria above may be considered on an exception basis where they can demonstrate significant regional or local impact.</i></p>	<p>Proposals must deliver a minimum of 10 gross jobs per £1m of Growth Deal funding requested.</p> <p>Proposals must deliver a minimum of £0.5m in capital match funding per £1m of Growth Deal funding requested.</p> <p>No proposals requesting less than £2m in Growth Deal funding will be considered.</p> <p><i>*Proposals that do not meet all the criteria above may be considered on an exception basis where they can demonstrate significant regional or local impact.</i></p>
Deliverability (35%)	<p>All funding sources will need to have been identified as a minimum.</p> <p>Proposed site must be allocated in an adopted or emerging Local Development Plan, or compatible with established Development Plan policy.</p> <p>If the site is not in the ownership of the project sponsor, then agreements must be in place with all landowners.</p> <p>All proposals must be compatible with subsidy control rules.</p>	<p>All funding sources will need to have been identified as a minimum.</p> <p>Proposed site must be allocated in an adopted or emerging Local Development Plan, or compatible with established Development Plan policy.</p> <p>If the site is not in the ownership of the project sponsor, then agreements must be in place with all landowners.</p> <p>All proposals must be compatible with subsidy control rules.</p>

Appendix A – Draft Horizon Scanning Questions/Guidance

Applicant Details

Project Sponsor (Lead Organisation)	<i>Name of lead organisation submitting the proposal</i>
Senior Responsible Officer	<i>Name of senior responsible officer within the organisation for the proposal</i>
Proposal Lead Officer	<i>Name of the officer with day-to-day responsibility for the proposal</i>
Email address	<i>Email address for lead officer</i>
Telephone number	<i>Telephone number for lead officer</i>

Proposal Summary

Project Name	<i>Name of the project</i>
Type of Project	<i>Single bid or package bid</i>
Programme	<i>Relevant Growth Deal programme</i>
Project Location	<i>Postal Address of the site(s) including post code or O/S co-ordinates, if applicable.</i>
Overview of Proposal	<i>Please provide an overview of the bid proposal. Where bids have multiple components (package bids) you should clearly explain how the component elements are aligned with each other and represent a coherent set of interventions (Limit 500 words)</i>
Funding Ask	<i>How much capital funding is the project seeking from the North Wales Growth Deal</i>
Collaboration	<i>Is the project sponsor willing to consider collaborating with other stakeholders/partners that Ambition North Wales may identify during this process in order to deliver the best outcomes for North Wales? Y/N</i>

Minimum Requirements

Please confirm that the proposal meets the minimum requirements to be considered		
Strategic	<i>* Specific to each programme as set out in Appendix A</i>	Y/N
Impact	<i>* Specific to each programme as set out in Appendix A</i>	Y/N
Deliverability	<i>* Specific to each programme as set out in Appendix A</i>	Y/N

Alignment with Growth Deal and programme aims/objectives and complementarity with other regional initiatives (40%)	<i>Please set out how the proposal aligns with and delivers against the aims/objectives of the North Wales Growth Deal and the relevant programme (500 word limit)</i>
Complementarity with other regional initiatives (15%)	<i>Please set out how the proposal complements other regional projects outside the Growth Deal (250 word limit)</i>
Regional and national policy alignment (15%)	<i>Please set out how the proposal delivers against the key regional and national policies set out here. (250 word limit)</i>
Case for change and Stakeholder Support– why is the project needed (30%)	<i>Please set out the case for change for the project using the attached template. Specifically, this should cover the need for the project, stakeholder support, the problem to be addressed and the market failure requiring a public funding intervention. (Table)</i>

Impact (40%)

Jobs created, timescale for delivery and evidence for jobs created (40%)	<p><u>Part 1 (50%)</u> <i>Please set out the number of jobs (direct/indirect) to be created by the project. (Table)</i></p> <p><u>Part 2 (50%)</u> <i>You should set out the evidence for these figures including the nature of the jobs (e.g.. high value) and whether they are gross or net jobs. (250 word limit)</i></p> <p><i>A timetable for the delivery of the jobs should be provided. (Table)</i></p>
Total capital investment (35%)	<i>Please set out the total capital cost of the project. (Table)</i>
Regional Impact and wider benefits (25%)	<i>Please set out how the project has a regional impact or is a project of regional/local significance including the wider benefits the project would deliver. (500 word limit)</i>

Deliverability (35%)

Capital funding status and cost certainty and revenue funding status (30%)	<p><i>Please set out the capital funding sources for the project and whether they have been secured or what is their current status. (Table)</i></p> <p><i>Please provide detail on how the capital costs for the project have been calculated, including how much contingency is included in the costs and when these calculations were made. (250 word limit)</i></p>
Planning status and land ownership (25%)	<p><i>What is the current use of the site? Does the proposal align with current planning policy?</i></p> <p><i>What is the current status of any statutory consents/applications (if any)? Outline/ full / Listed</i></p>

	<p><i>building / conservation area / Drainage / Highways / Change of use / Buildings regs.</i></p> <p><i>What is the anticipated timeline to obtain all necessary statutory consents?</i></p> <p><i>Who is the land owner for the site? If not in ownership of the applicant, what agreements are in place with the landowners?</i></p> <p><i>Please include project site plan with red line boundary and any plans/designs for the site</i></p> <p><i>(500 word limit plus attachments)</i></p>
<p>Timetable, resources and revenue for delivery (25%)</p>	<p><i>What is the timetable for the delivery of the project (attach project plan)</i></p> <p><i>What resources and experience are in place to support the business case development and the delivery of the project (250 word limit)</i></p> <p><i>Please set out the revenue requirements to deliver the operation of the project, the funding sources and whether they have been secured or what is their current status. (Table)</i></p>
<p>Track Record and Financial Health of project sponsor (20%)</p>	<p><i>Please provide a statement on the track record of the applicant in delivering projects of this nature (250 word limit)</i></p> <p><i>Please provide evidence of the financial health of the project sponsor (attach)</i></p>
<p>Risks, Constraints and Dependencies (10%)</p>	<p><i>Please set out the top 3 risks for the project including how you would seek to mitigate these.</i></p> <p><i>Please set out any constraints or dependencies to the delivery of the project.</i></p> <p><i>(250 word limit)</i></p>