



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, 27TH OCTOBER, 2023

Location

Virtual Meeting

(For public access to the meeting, please contact us)

Contact Point

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(DISTRIBUTED 20/10/23)

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	Prifysgol Wreccsam
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	Head of Operations
Nia Medi Williams	Senior Operations 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 - 7

The Chair shall propose that the minutes of the meeting held on 22nd September, 2023 be signed as a true record.

5. NORTH WALES ECONOMIC AMBITION BOARD JOINT-COMMITTEE - DETAILED AUDIT PLAN 2023

8 - 27

Sioned Owen, Audit Wales, to present the report.

6. NORTH WALES GROWTH DEAL - QUARTER 2 PERFORMANCE AND RISKS REPORT 2023/24

28 - 58

Hedd Vaughan-Evans, Head of Operations, to present the report.

7. NORTH WALES CORPORATE JOINT COMMITTEE (CJC) - EXTENDING THE PART-TIME SECONDMENT OF THE EAB PORTFOLIO DIRECTOR AS INTERIM CJC CHIEF EXECUTIVE

59 - 61

Dylan J Williams, North Wales Councils' Lead Chief Executive for the Economic Ambition Board, to present the report.

8. EXCLUSION OF PRESS AND PUBLIC

The Chair shall propose that the press and public be excluded from the meeting during the discussions 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 deal specifically with financial and business matters 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.

9. TOURISM TALENT NETWORK - OUTLINE BUSINESS CASE

Robyn Lovelock, Agri-food and Tourism Programme Manager, to present the report (which has been circulated to Board Members only).

10. PORTFOLIO BUSINESS CASE UPDATE 2023

Alwen Williams, Portfolio Director and Hedd Vaughan-Evans, Head of Operations, to present the report (which has been circulated to Board Members only).

NORTH WALES ECONOMIC AMBITION BOARD 22/09/23

Present:

Voting Members - Councillors: - Barry Mellor (Denbighshire Council), Llinos Medi Huws (Cyngor Ynys Môn), Mark Pritchard (Wrexham County Borough Council), Charlie McCoubrey (Conwy County Borough Council) and Dyfrig Siencyn (Cyngor Gwynedd) (Chair).

Advisors – Dafydd Evans (Grŵp Llandrillo Menai), Dr Maria Hinfelaar (Glyndŵr University, Wrexham) and Professor Paul Spencer (Bangor University).

Chief Officers - Dylan Williams (Cyngor Ynys Môn), Rhun ap Iarll (Conwy County Borough Council), Andrew Farrow (Flintshire Council), Sioned Williams (Cyngor Gwynedd), David Fitzsimon (Wrexham County Borough Council) and Graham Boase (Denbighshire Council).

Officers in attendance -

Host Authority: - Dewi A. Morgan (Statutory Finance Officer), Iwan Evans (Monitoring Officer), Sian Pugh (Assistant Head of Finance and Eirian Roberts (Democracy Services Officer).

North Wales Ambition: - Alwen Williams (Portfolio Director), Hedd Vaughan-Evans (Head of Operations), Nia Medi Williams (Senior Operations Officer) and David Mathews (Land and Property Programme Manager).

Observer - Dewi Williams (Welsh Government).

1. APOLOGIES

Apologies were received from: -

- Councillor Ian Roberts (Flintshire County Council);
- Councillor Jason McLellan (Denbighshire Council) with Councillor Barry Mellor deputising.
- Yana Williams (Coleg Cambria).
- Professor Edmund Burke (Bangor University) with Professor Paul Spencer deputising.
- Ian Bancroft (Wrexham County Borough Council) with David Fitzsimon deputising.
- Dafydd Gibbard (Cyngor Gwynedd) with Sioned Williams deputising.
- Neal Cockerton (Flintshire County Council) with Andrew Farrow deputising.

The Chairman welcomed the deputies to the meeting.

2. DECLARATION OF PERSONAL INTEREST

No declarations of personal interest were received.

3. URGENT ITEMS

No urgent matters were raised.

4. MINUTES OF THE PREVIOUS MEETING

The Chair signed the minutes of the previous meeting, held on 21 July 2023, as a true record.

5. REVENUE AND CAPITAL BUDGET 2023/24 - END OF AUGUST REVIEW 2023

The report was presented by Sian Pugh (Assistant Head of Finance).

RESOLVED

- (1) To note and accept the Ambition Board's end of August 2023 revenue review (Appendix 1 to the report).**
- (2) To note and accept the Ambition Board's reserves update (Appendix 2).**
- (3) Agree on the Ambition Board's revised capital expenditure profile (Appendix 3).**

REASONS FOR THE DECISION

- (1) To note a projected underspend of £266,683 against the revenue budget in 2023/24 that was mainly due to the success of the Portfolio Management Office with their application to the regional Shared Prosperity Fund. The final underspend at the end of the financial year would be used to reduce the amount claimed from the North Wales Growth Deal Grant and the earmarked fund.
- (2) To note a further slippage on the capital programme, with an estimate of £7.13m expenditure in 2023/24 compared with the approved budget of £11.25m for the year.

DISCUSSION

The need to recognise and appreciate the team's work drawing funding down from the Shared Prosperity Fund (SPF).

It was noted, although the current situation was stable that the Board noted the financial challenges that face it in the future, and extremely difficult discussions would have to be discussed over the next few months.

It was asked if the better-than-expected interest on balances this year was a significant factor in moving forward. In response, it was explained that the interest was likely to be over £2m this year, however this meant that our borrowing costs would be higher in the future, and the interest would contribute to this.

6. ANNUAL GOVERNANCE STATEMENT

As the Chair was experiencing technical difficulties, the meeting was chaired by the Vice-chair, Councillor Mark Pritchard, during the discussion on this item.

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

RESOLVED to accept and approve the Annual Governance Statement.

REASONS FOR THE DECISION

The Accounts and Audit (Wales) (Amendment) Regulations 2018 set fixed requirements on public bodies that operate partnership management arrangements through formal joint committees.

Section 5 requires the Joint Committee to review and approve a statement of internal management. The Annual Governance Statement has been prepared to comply with this requirement. The document had been produced to offer a framework for the Ambition Board's operation.

DISCUSSION

Referring to the table on page 13 of the English version of the Governance Statement, it was noted that there were two asterisks at the side of the Amber Delivery Confidence Assessment for Holyhead Port, however there was no further explanation regarding this. In response, it was explained that: -

- The two asterisks referred to the fact that at the time we were waiting for the Welsh Government to sign the Harbour Revision Order, that was seen by the team as a significant risk outside the control of the project itself.
- The Welsh Government had by now signed the Order and therefore the risk had been removed.
- The only purpose of the asterisk near the reference to the Gateway 2 PAR Review for the Last Few % Project was to explain the meaning of PAR, however this explanation had not been included in the document either.
- These asterisks would be added to the final version of the Statement.

It was noted that there were no asterisks opposite the projects in the Welsh version of the Statement, and it was explained that the team would also amend that version and would ensure consistency between both languages.

The meeting commenced at 10.30am and concluded at 10:50am.

Chair

North Wales Economic Ambition Board Joint Committee – Detailed Audit Plan 2023

Audit year: 2022-23

Date issued: October 2023

Document reference: 3786A2023



This document has been prepared as part of work performed in accordance with statutory functions. Further information can be found in our [Statement of Responsibilities](#).

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We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

Mae'r ddogfen hon hefyd ar gael yn Gymraeg. This document is also available in Welsh.

About Audit Wales

Our aims and ambitions

Assure



the people of Wales that public money is well managed

Explain



how public money is being used to meet people's needs

Inspire



and empower the Welsh public sector to improve



Fully exploit our unique perspective, expertise and depth of insight



Strengthen our position as an authoritative, trusted and independent voice



Increase our visibility, influence and relevance



Be a model organisation for the public sector in Wales and beyond

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Introduction

This Detailed Audit Plan specifies my statutory responsibilities as your external auditor and to fulfil my obligations under the Code of Audit Practice.

It sets out the work my team intends undertaking to address the audit risks identified and other key areas of focus during 2023.

It also sets out my estimated audit fee, details of my audit team and key dates for delivering my audit team's activities and planned outputs.



Adrian Crompton

Auditor General for
Wales

My audit responsibilities

I complete work each year to meet the following duties:

- I audit the North Wales Economic Ambition Board Joint Committee's (the Joint Committee's) financial statements to make sure that public money is being properly accounted for.
- The Joint Committee has to put in place arrangements to get value for money for the resources it uses, and I have to be satisfied that it has done this.

Audit of financial statements

I am required to issue a certificate and report on your financial statements which includes an opinion on their 'truth and fairness' and an assessment as to whether the Narrative Report and Annual Governance Statement is prepared in line with the CIPFA Code and relevant guidance and is consistent with your financial statements and my knowledge of the Authority.

In addition to my responsibilities for auditing the Joint Committee's financial statements, I also have responsibility for responding to questions and objections about the accounts from local electors (additional fees will be charged for this work, if necessary).

I do not seek to obtain absolute assurance on the truth and fairness of the financial statements and related notes but adopt a concept of materiality. My aim is to identify material misstatements, that is, those that might result in a reader of the accounts being misled. The levels at which I judge such misstatements to be material is set out later in this plan.

I will also report by exception on a number of matters which are set out in more detail in our [Statement of Responsibilities](#).

There have been no limitations imposed on me in planning the scope of this audit.

Performance audit work

I carry out a programme of performance audit work to discharge my duties¹ as Auditor General in relation to value for money and sustainable development.

My local performance audit programme will continue to be delivered through a program of bespoke local projects.

¹ When we undertake audit work under our statutory powers and duties, we may collect information from public bodies that contains some personal data. Our general audit fair processing notice, explains what we do with personal data, and how you can contact our Data Protection Officer.

The majority of my performance audit work is conducted using INTOSAI auditing standards. The International Organisation of Supreme Audit Institutions is a global umbrella organisation for the performance audit community. It is a non-governmental organisation with special consultative status with the Economic and Social Council (ECOSOC) of the United Nations.

Your audit at a glance



My financial statements audit will concentrate on your risks and other areas of focus

My audit planning has identified the following risks:

Significant financial statement risk

- Management Override

Other areas of audit focus

- Valuation of pension fund net liability
- Pension fund surplus



My performance audit will include:

- We will undertake one piece of local work, which will be to undertake an Assurance and Risk assessment. The purpose of the work is to inform audit work in future years.



Materiality

Materiality	£73,380
Reporting threshold	£3,669

Financial statements materiality



Materiality £73,380

My aim is to identify and correct material misstatements, that is, those that might otherwise cause the user of the accounts to be misled.

Materiality is calculated using:

- 2022-23 gross expenditure of £3.669 million
- Materiality percentage of 2%

I report to those charged with governance any misstatements above a trivial level (set at 5% of materiality).



Areas of specific interest

There are some areas of the accounts that may be of more importance to the user of the accounts and we have set a lower materiality level for these:

- Senior officer remuneration £1,000
- Related Party disclosures – £10,000 (Individuals), £73,380 (Other Bodies)

Significant financial statements risks

Significant risks are identified risks of material misstatement for which the assessment of inherent risk is close to the upper end of the spectrum of inherent risk or those which are to be treated as a significant risk in accordance with the requirements of other ISAs. The ISAs require us to focus more attention on these significant risks.

Exhibit 1: significant financial statement risks

Significant risk	Our planned response
The risk of management override of controls is present in all entities. Due to the unpredictable way in which such override could occur, it is viewed as a significant risk [ISA 240.32-33].	The audit team will: <ul style="list-style-type: none">• test the appropriateness of journal entries and other adjustments made in preparing the financial statements;• review accounting estimates for bias; and• evaluate the rationale for any significant transactions outside the normal course of business.

The audit team is yet to conclude all areas of the risk assessment. Should any further significant financial risks arise on completion of this work we will update the S151 officer and the Joint Committee via its chair and re-issue my Detailed Audit Plan if required.

Other areas of focus

I set out other identified risks of material misstatement which, whilst not determined to be significant risks as above, I would like to bring to your attention.

Exhibit 2: other areas of focus

Audit risk	Our planned response
<p>Valuation of the pension fund net liability</p> <p>The Local Government Pension scheme (LGPS) pension fund liability, as reflected in the financial statements, represents a material estimate. The nature of this estimate means that it is subject to a high degree of estimation uncertainty as it is sensitive to small adjustments in the assumptions used in its calculation.</p>	<p>The audit team will:</p> <ul style="list-style-type: none"> • evaluate the instructions issued by management to their management experts (actuary) for this estimate and the scope of the actuary’s work; • assess the competence, capabilities and objectivity of the actuary who carried out the valuations; • assess the accuracy and completeness of the information provided by the Joint Committee to the actuary to estimate the liability; • test the accuracy of the pension fund net liability and disclosures in the financial statements with the actuarial report from the actuary; and • assess the reasonableness of the assumptions made by the actuary by reviewing the report of the consulting actuary (auditor’s expert) and undertaking any additional procedures required.
<p>Pension Scheme Surpluses</p> <p>Following the triennial funding valuation undertaken of LGPS pension funds as at 31 March 2022, the Joint Committee’s IAS 19 Results Schedule from the Actuary shows a surplus. The recognition of pension fund surpluses is complex, requiring consideration of the future economic benefits available in the form of refunds from the plan, or reductions in future contributions to the plan, as well as any scheme rules requiring employers to make minimum funding payments to the scheme.</p>	<p>The audit team will:</p> <ul style="list-style-type: none"> • understand the actuary’s process for calculating the surplus recognisable at 31 March 2023; and • consider whether the surplus is recognisable under IFRIC 14.

Financial statements audit timetable

I set out below key dates for delivery of my accounts audit work and planned outputs.

Exhibit 3: key dates for delivery of planned outputs

Planned output	Work undertaken	Report finalised
2023 Detailed Audit Plan	September 2023	October 2023
Audit of financial statements work: <ul style="list-style-type: none">• Audit of Financial Statements Report• Opinion on the Financial Statements	October to November 2023	November 2023
Performance Audit: <ul style="list-style-type: none">• Assurance and risk assessment	September 2023 to February 2024	No formal report planned for this work.

Statutory audit functions

Statutory audit functions

In addition to the audit of the accounts, I have statutory responsibilities to receive questions and objections to the accounts from local electors. These responsibilities are set out in the Public Audit (Wales) Act 2004:

- Section 30 Inspection of documents and questions at audit; and
- Section 31 Right to make objections at audit.

As this work is reactive, I have made no allowance in the fee table below. If I do receive questions or objections, I will discuss potential audit fees at the time.

Fee and audit team

In January 2023 I published the [fee scheme](#) for the 2023-24 year as approved by the Senedd Finance Committee. My fee rates for 2023-24 have increased by 4.8% for inflationary pressures. In addition, my financial audit fee has a further increase of 10.2% for the impact of the revised auditing standard ISA 315 on my financial audit approach. More details of the revised auditing standard and what it means for the audit I undertake is set out in **Appendix 1**. No performance audit work was undertaken during 2022-23, however we plan to undertake this work during 2023-24.

I estimate your total audit fee will be £25,114

Exhibit 5: audit fee

This table sets out the proposed audit fee for 2023, by area of audit work, alongside the actual audit fee for last year.

Audit area	Proposed fee (£) ²	Actual fee last year (£)
Audit of accounts ³	14,119	12,239
Performance audit work ⁴	11,025	0
Total fee	25,114	12,239

Planning will be ongoing, and changes to my programme of audit work, and therefore my fee, may be required if any key new risks emerge. I shall make no changes without first discussing them with the Joint Committee.

Our financial audit fee is based on the following assumptions:

- The agreed audit deliverables sets out the expected working paper requirements to support the financial statements and includes timescales and responsibilities.
- No matters of significance, other than as summarised in this plan, are identified during the audit.

² Notes: The fees shown in this document are exclusive of VAT, which is not charged to you.

³ Payable November 2022 to October 2023.

⁴ Payable April 2023 to March 2024.

The main members of my team, together with their contact details, are summarised in **Exhibit 6**.

Exhibit 6: my local audit team

Name	Role	Contact number	E-mail address
Matthew Edwards	Engagement and Audit Director	029 20 320 663	matthew.edwards@audit.wales
Yvonne Thomas	Audit Manager (Financial Audit)	029 22 677 830	yvonne.thomas@audit.wales
Carwyn Rees	Audit Manager (Performance Audit)	029 20 829 375	carwyn.rees@audit.wales
Sioned Owen	Audit Lead (Financial Audit)	029 20 829 338	Sioned.owen@audit.wales
Alan Hughes	Audit Lead (Performance Audit)	029 20 829 349	alan.hughes@audit.wales

There are some threats to independence that I need to bring to your attention relating to the Audit Manager who is an acquaintance of a member of the Joint Committee's Executive Group. The work of the Audit Manager does not require any direct contact with the member outside of Joint Committee meetings, and appropriate steps will be implemented to ensure that any potential conflicts are managed. With the exception of this, I can confirm that all other members of my team are independent of the Joint Committee.

Audit quality

Our commitment to audit quality in Audit Wales is absolute. We believe that audit quality is about getting things right first time.

We use a three lines of assurance model to demonstrate how we achieve this. We have established an Audit Quality Committee to co-ordinate and oversee those arrangements. We subject our work to independent scrutiny by QAD* and our Chair, acts as a link to our Board on audit quality. For more information see our [Audit Quality Report 2022](#).



Our People

The first line of assurance is formed by our staff and management who are individually and collectively responsible for achieving the standards of audit quality to which we aspire.

- Selection of right team
- Use of specialists
- Supervisions and review



Arrangements for achieving audit quality

The second line of assurance is formed by the policies, tools, learning & development, guidance, and leadership we provide to our staff to support them in achieving those standards of audit quality.

- Audit platform
- Ethics
- Guidance
- Culture
- Learning and development
- Leadership
- Technical support



Independent assurance

The third line of assurance is formed by those activities that provide independent assurance over the effectiveness of the first two lines of assurance.

- EQCRs
- Themed reviews
- Cold reviews
- Root cause analysis
- Peer review
- Audit Quality Committee
- External monitoring

* QAD is the quality monitoring arm of ICAEW.

Appendix 1

The key changes to ISA315 and the potential impact on your organisation

Key change	Potential impact on your organisation
More detailed and extensive risk identification and assessment procedures	<p>Your finance team and others in your organisation may receive a greater number of enquiries from our audit teams at the planning stage of the audit. Requests for information may include:</p> <ul style="list-style-type: none">• information on your organisation’s business model and how it integrates the use of information technology (IT);• information about your organisation’s risk assessment process and how your organisation monitors the system of internal control;• more detailed information on how transactions are initiated, recorded, processed, and reported. This may include access to supporting documentation such as policy and procedure manuals; and• more detailed discussions with your organisation to support the audit team’s assessment of inherent risk.
Obtaining an enhanced understanding of your organisation’s environment, particularly in relation to IT	<p>Your organisation may receive more enquiries to assist the audit team in understanding the IT environment. This may include information on:</p> <ul style="list-style-type: none">• IT applications relevant to financial reporting;• the supporting IT infrastructure (e.g. the network, databases);• IT processes (e.g. managing program changes, IT operations); and• the IT personnel involved in the IT processes. <p>Audit teams may need to test the general IT controls and this may require obtaining more detailed audit evidence on the operation of IT controls within your organisation.</p> <p>On some audits, our audit teams may involve IT audit specialists to assist with their work. Our IT auditors may need to engage with members of your IT team who have not previously been involved in the audit process.</p>

Key change	Potential impact on your organisation
<p>Enhanced requirements relating to exercising professional scepticism</p>	<p>Our audit teams may make additional inquiries if they identify information which appears to contradict what they have already learned in the audit.</p>
<p>Risk assessments are scalable depending on the nature and complexity of the audited body</p>	<p>The audit team's expectations regarding the formality of your organisation's policies, procedures, processes, and systems will depend on the complexity of your organisation.</p>
<p>Audit teams may make greater use of technology in the performance of their audit</p>	<p>Our audit teams may make use of automated tools and techniques such as data analytics when performing their audit. Our teams may request different information or information in a different format from previous audits so that they can perform their audit procedures.</p>

Through our Good Practice work we share emerging practice and insights from our audit work in support of our objectives to assure, to explain and to inspire. Our newsletter provides you with regular updates on our public service audit work, good practice and events, which can be tailored to your preferences. For more information about our Good Practice work click [here](#). Sign up to our newsletter [here](#).



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We welcome correspondence and telephone calls in Welsh and English. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

REPORT TO THE NORTH WALES ECONOMIC AMBITION BOARD
27th October 2023

TITLE: North Wales Growth Deal – Quarter 2 Performance and Risk Report
AUTHOR: Hedd Vaughan-Evans, Head of Operations

1. PURPOSE OF THE REPORT

- 1.1. The purpose of the report is to present the Quarter 2 (July to September) Growth Deal report and updated Portfolio Risk Register.
- 1.2. Quarterly 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 2 Performance Report and updated Portfolio Risk Register.
- 2.2. That the Board approves the submission of the Quarter 2 Performance Report 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 Economic Ambition Board 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 two appendices:
- North Wales Growth Deal – Quarter 2 Performance Report
 - Portfolio Risk Register – September 2023
- 4.4. [North Wales Growth Deal – Quarter 2 Performance Report](#)
- 4.4.1. The Quarter 2 performance report provides an overview of progress on the Growth Deal programmes and projects.

- 4.4.2. This quarter saw 5 new projects invited to join the Growth Deal:
- Responsible Adventure project by Zip World with a conditional allocation of £6.2m
 - Kinmel Studios project by Stage Fifty with a conditional allocation of £6.8m
 - Holyhead Hydrogen Hub project by Menter Môn with a conditional allocation of £3.8m
 - Deeside Waste to Fuel Plant project by The Circular Economy Ltd with a conditional allocation of £6.4m
 - Wrexham Gateway project by Wrexham County Borough Council with a conditional allocation of £4.79m

Work is ongoing onboarding the new projects, site visits have taken place to all 5 projects. These new projects will support our economy to thrive, create new jobs and deliver investment into North Wales.

- 4.4.3. On September 11th the Hydrogen Sponsor Challenge closed for applications. The evaluation process is underway, with a final decision anticipated in December 2023. Up to £11.2million of capital is available to enable industry demand for hydrogen.

- 4.4.4. The Quarter 2 update is showing projects reporting against the revised portfolio delivery profile approved by the Board. Five projects are currently reporting as red due to either risks to the project scope or significant delays to project timescales:

- Connecting the Last Few % - Procurement activity on the project has been suspended until UK Government confirms the launch date for its new intervention, expected to be confirmed in Q3 23/24 for launch in 2024. The UK Government intervention may remove the need for the Last Few % project.
- Western Gateway, Wrexham – a review of the project is required to assess its delivery considering the recommendations from the Road Review Panel and Welsh Governments four tests for highways investment.
- Former North Wales Hospital – the viability gap on the project has increased, there are ongoing discussions with the development partner on possible solutions.
- Glynllifon Rural Economy Hub – planning permission is yet to be secured. The pre-planning advised that further bat surveys are needed on land outside of the Glynllifon boundary. Further survey work is underway as requested by Natural Resources Wales and CADW.
- Centre for Environmental Biotechnology – project remains red due to repeated delays. The project is now moving in a positive direction with a business case now expected in early 2024.

4.5. Portfolio Risk Register – September 2023

- 4.5.1. The Portfolio Risk Register is updated on a regular basis by the Portfolio Management Office and reviewed by the Portfolio Board and the North Wales Economic Ambition Board on a quarterly basis.
- 4.5.2. 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.
- 4.5.3. While the risk profile has remained stable over the past quarter, the risk profile does remain high with a number of red residual risks including capacity, delay, affordability, public and

private sector investment, consenting and spending objectives. The risk on benefits realisation has increased due to a number of projects experiencing delays which will impact on the timing of benefits realisation. The risk on capacity has decreased due to the improved revenue position.

5. FINANCIAL IMPLICATIONS

- 5.1. There are no financial implications arising directly from approving the decision sought in this report.
- 5.2. The revised delivery and expenditure profile approved by the Board is included in the quarterly report.

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 2 Performance Report
- Appendix 2** Portfolio Risk Register – September 2023

STATUTORY OFFICERS RESPONSE:

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

“It is one of the key tasks of the Economic Ambition Board to monitor progress and risks. The Board needs to consider the register and satisfy itself that it constitutes an accurate reflection of the risk status and that mitigation actions are being addressed.”

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

“I am satisfied that the report is a fair reflection of the financial situation of Ambition North Wales during quarter 2. Implementing the decision sought will not create a new spending commitment.”

North Wales Growth Deal

2023-24 Quarter 2

(July – September 2023)

Performance Report

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During the last quarter, the Economic Ambition Board made a decision to invite five new projects to join the Growth Deal following a call for new projects:

- Responsible Adventure project by Zip World with a conditional allocation of £6.2m
- Kinmel Studios project by Stage Fifty with a conditional allocation of £6.8m
- Holyhead Hydrogen Hub project by Menter Môn with a conditional allocation of £3.8m
- Deeside Waste to Fuel Plant project by The Circular Economy Ltd with a conditional allocation of £6.4m
- Wrexham Gateway project by Wrexham County Borough Council with a conditional allocation of £4.79m

Work is ongoing onboarding the new projects, site visits have taken place to all 5 projects. These new projects will support our economy to thrive, create new jobs and deliver investment into North Wales.

The closing date for applications for the Hydrogen Sponsor Challenge was on the 11th of September. The process of evaluation and selection is underway, with a final decision anticipated in December. Up to £11.2million of capital is available to enable industry demand for hydrogen. This is a great step forward for the project and we look forward to announcing further detail in due course.

We launched a recruitment campaign in September to fill a number of vacancies with roles including project management, communications and procurement. Further roles will be advertised in October – please visit our website [Ambition North Wales | Careers](#) if you are interested in working for Ambition North Wales.

Cllr Dyfrig Siencyn and our Head of Operations Hedd Vaughan-Evans were invited to present to the Senedd’s Economy, Trade and Rural Affairs Committee, focussing on the main areas of progress since the last session in March 2021 and the challenges we have faced. This is part of the assurance framework we have in place with both governments and our local partners, and we welcome the opportunity to provide an honest assessment of our progress to date.

It is an exciting time for the North Wales Growth Deal with our new projects onboard and many of our existing projects approaching the point of delivery.



Alwen Williams, Portfolio Director

Alwen Williams

0303 333 333

2. Portfolio Performance

Themes	RAG Status	Commentary
Portfolio Business Case	Green	The Portfolio Business Case 2023 update will be presented to the Board for approval in October prior to submission to Welsh Government and UK Government as part of the annual award of funding process.
Delivery Pipeline	Yellow	The delivery pipeline has been reviewed and updated as part of the 2023 Portfolio Business Case. Projects will now report against this revised timetable
Governance	Green	The Portfolio, Programme and Project Management Framework is now well established with the Portfolio Board and five Programme Boards operating effectively. A Conflicts of Interest procedure is in place across all Boards.
Assurance	Green	The third annual Growth Deal assurance review (Programme Assurance Review) was completed in September 2022 with the report delivering an 'Amber' confidence rating for the portfolio. The next review will has been arranged and will take place during October 2023.
Resource and Capacity	Yellow	The Portfolio Management Office has been reduced in size by 2 FTE over the past quarter, a recruitment campaign is underway to appoint to vacant posts and to bring in additional capacity. Fixed term contracts in the team have been extended to March 2025 reducing the risk of staff leaving in the short term.
Finance	Yellow	A total of £2.28m Growth Deal funding had been spent up to the end of 2022/23, £1.8m of that on the Digital Signal Processing Centre. To date in 2023/24 £368k of Growth Deal revenue has been spent.
Investment	Red	Securing the public and private sector investment required to deliver the Growth Deal remains a significant risk across the portfolio and an investment strategy is being developed to support the team to meet the investment targets.
Risk	Red	Portfolio-level risks regarding consents and delay remain high due to project-level issues. Affordability remains a high risk due to ongoing inflation, supply chain issues and construction cost increases. The risk around capacity has reduced slightly due to the extension of fixed term contracts related to Growth Deal delivery but remains high
Benefits Monitoring & Evaluation	Green	The benefits realisation, monitoring and evaluation framework and indicator definitions have been finalised, and are with Welsh Government for review. A system user guide is being developed and the second phase of user training for the reporting system is being planned.
Communication and Engagement	Green	The announcement on the new projects joining the Growth Deal was the main focus. With communications continuing to promote the Hydrogen Sponsor Challenge with up to £11.2 million of capital to deliver a hydrogen hub in the region. Our engagement and reach continued to grow on social media, we achieved over 19k visits to the website.

	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 significantly behind schedule and/or significant issues to address (urgent action required)
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Programme Aim	Job Creation Target	GVA Investment Target	Total Investment Target
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 potential of priority sectors and sites and underpin a flourishing innovation ecosystem.	380	£158m	£41.7m

RAG Status	Programme Manager Commentary
	<ul style="list-style-type: none"> The DSP Centre has taken delivery of its second phase of Growth Deal funded equipment and has recruited to 14 positions following the investment. The final business justification case to authorise the final phase of funding is due to be developed next quarter with the Centre focussing on delivering the project’s spending objectives. Following recent discussions with UK Government, preparation for the Last Few % project has been suspended as details of a proposed new national intervention have been shared with Ambition North Wales. The proposal has the potential to deliver or improve upon the spending objectives of the planned regional project and a decision will be made on rescopeing the Last Few % project once UK Government has confirmed that the new intervention will be proceeding. Progress on the Strategic and Outline Business Cases for the Connected Campuses and Connected Key Sites and Corridors projects continues and the required independent Gateway 2 review for the Connected Key Sites and Corridors project has now been scheduled for November ahead of the Economic Ambition Board’s consideration of the Outline Business Case.



Mark Pritchard
Lead Member



Rebecca Lowry
Senior Responsible Owner



Stuart Whitfield
Programme Manager

	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 significantly behind schedule and/or significant issues to address (urgent action required)
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Project (Project Sponsor)	Project Stage	Key Milestones (this quarter)	Key Milestones (next quarter)	RAG Status	RAG Rationale
Digital Signal Processing Centre Bangor University	Delivery	<ul style="list-style-type: none"> Final item from second year procurement delivered. Direct job creation has reached 14 (5 permanent staff, 9 fixed term to December 2024). 	<ul style="list-style-type: none"> Submission of final business justification case for the third tranche of funding to purchase equipment. 		<ul style="list-style-type: none"> The project is delivering towards achieving spending objectives with steps taken since the approval of the last business justification case to deliver the target on indirect job creation. The second round of procurement has now been completed.
Connecting the Last Few % Economic Ambition Board	Developing the Full Business Case	<ul style="list-style-type: none"> Procurement documents and contract completed. SPF application in progress. Community broadband engagement is a workstream within the application. 	<ul style="list-style-type: none"> UK Government to confirm launch date for its new intervention. Decision on rescoping the project within the programme 		<ul style="list-style-type: none"> UK Government has proposed a new intervention which is likely to meet or improve upon the Last Few % project's spending objectives. Procurement activity has been suspended until UK Government confirms the launch date for its project, expected to be confirmed in Q3 23/24 for launch in 2024
Connected Key Sites and Corridors Economic Ambition Board	Developing the Outline Business Case	<ul style="list-style-type: none"> Outline Business Cases for 4G+ and Fibre workstreams have been submitted for PMO review. Market engagement activity has started. Gateway Review has been scheduled (November 2023) SPF application in progress, this funding will support local authorities work on developing access agreements and surveying mobile coverage 	<ul style="list-style-type: none"> PMO approval of OBCs Gateway 2 Review November Board approval of finalised OBCs 		<ul style="list-style-type: none"> Market engagement continues to validate proposals. Inflation risk to affordability being monitored. Recent UK Government proposal for new national intervention not considered to pose direct risk at this stage. SPF funding to progress work on regional access agreements (revenue intervention) together with funding to support surveying of mobile across the region.
Connected Campuses Economic Ambition Board	Developing the Strategic Outline Business Case	<ul style="list-style-type: none"> Strategic Outline Case for Advanced Wireless workstream submitted for PMO approval. Business Justification Case for LPWAN project now being progressed to procurement. Proposal for project assurance arrangements has approved by WG Assurance Hub SPF application in progress, this includes funding for connectivity assessments across the region 	<ul style="list-style-type: none"> LPWAN procurement PMO review of Outline Business Case Gateway 2 Review to be scheduled for Advanced Wireless workstream 		<ul style="list-style-type: none"> Market engagement is validating current proposal but will continue to develop this into OBC. Inflation risk to affordability being monitored. Proposal for assurance of the two workstreams has been approved by WG Assurance Hub SPF funding to undertake connectivity assessments for SMEs to improve delivery arrangements for the project.

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Programme Aim	Job Creation Target	GVA Investment Target	Total Investment Target
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.	980	£530m	£668.5m

RAG Status	Programme Manager Commentary
	<ul style="list-style-type: none"> • Cydnerth (Morlais): Morlais turbine developers were successful at the recent ‘Contract for Difference’ allocation round securing over 20MW of allocation and strengthening the case for the Cydnerth project. Terms of investment are currently being established with OBC on track to be recommended for approval December 2023. • Egni: Updated OBC on track to be recommended for approval towards the end of Q3 23/24. • Hydrogen Hub & Transport Decarbonisation: Hydrogen Sponsor Challenge closed early September and applicants are currently being assessed. Project on target to appoint a sponsor by the end of 2023. • Smart Local Energy: following an unsuccessful procurement process for a fund adviser over the summer, the project is close to re-launching a tender with key changes taking on board feedback from the market. • Trawsfynydd: Cwmni Eginio have drafted a change request for key project changes that reflects their recent Business Proposition and key milestones to FID. • New projects: 2 new projects from the project replacement process joined the Low Carbon Energy programme: <ul style="list-style-type: none"> ○ Deeside Waste to Fuel: OBC is currently being drafted by the sponsor and will be with the PMO imminently for review ○ Holyhead Hydrogen Hub: OBC is currently being prepared by the sponsor and will be with the PMO this autumn for review



Cllr Llinos Medi
Lead Member



Dylan Williams
Senior Responsible Owner



Elgan Roberts
Programme Manager

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 significantly behind schedule and/or significant issues to address (urgent action required)
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Project (Project Sponsor)	Project Stage	Key Milestones (this quarter)	Key Milestones (next quarter)	RAG Status	RAG Rationale
Cydnherth (Morlais) Menter Môn	Developing the Outline Business Case	<ul style="list-style-type: none"> Developers successful with acquiring more than 20MW of 'Contracts for Difference' for the Morlais site. Achieved an amber rating following the Gateway 2 Review. Morlais project nearing completion and has been delivered successfully. 	<ul style="list-style-type: none"> Recommendations from the Gateway 2 Review to be actioned accordingly. OBC to be updated and finalised following the PMO review. WEFO Terms & Conditions to be negotiated to enable further investment. Prepare OBC for December 2023 approval. 		<ul style="list-style-type: none"> Resolutions to the issues set out need to be presented before the OBC can be submitted for approval
Hydrogen Hub Economic Ambition Board	Developing the Strategic Outline Business Case	<ul style="list-style-type: none"> Three bids have been received in response to the Hydrogen Sponsor Challenge. 	<ul style="list-style-type: none"> The selection process remains on time and scheduled to be presented to the Economic Ambition Board in December. This remains the target date for a decision regarding the appointment of the sponsor(s). 		<ul style="list-style-type: none"> Bids received, process running on time
Egni Bangor University	Developing the Outline Business Case	<ul style="list-style-type: none"> Work is progressing on the design for the new building. The OBC remains broadly complete but is being updated as design work continues. Funding discussions continuing with non-Growth Deal potential funders to understand any requirements and timelines. 	<ul style="list-style-type: none"> Continue working through the design stages with a gateway sign off due. Continue working through initial surveys especially around utilities. Finalise internal governance paper to ensure internal approval to same timeline as external approvals. Prepare OBC for December 2023 approval 		<ul style="list-style-type: none"> Uncertainty about the final shape of funding and therefore scope and benefits of project.
Smart Local Energy Economic Ambition Board	Developing the Full Business Case	<ul style="list-style-type: none"> Engaged with interested Fund Advisors to understand the reasons for not submitting tenders. Considered potential changes to fee structure and scope of works to make the tender proposal more attractive to the market. 	<ul style="list-style-type: none"> Agree the most appropriate changes to the tender proposal and update the tender documents. Re-launch the tender. Finalise investment strategy and draft FBC. 		<ul style="list-style-type: none"> Delay to finalising FBC and launch of Fund due to the failure to appoint a Fund Advisor on the first attempt
Trawsfynydd Cwmni Eginio	Developing the Strategic Outline Business Case	<ul style="list-style-type: none"> Draft change request to reflect the changes to the proposed project since Cwmni Eginio have developed the initial proposal approved within the Programme Business Case was submitted to the PMO for review. 	<ul style="list-style-type: none"> Change request will be presented to the Programme Board for endorsement. Draft OBC for tranche 1 for review. 		<ul style="list-style-type: none"> Uncertainty on programme delivery timescales until the site selection process is completed by UK Government

<p>Deeside Waste to fuel</p> <p>The Circular Economy Developments</p>	<p>Developing the Outline Business Case</p>	<ul style="list-style-type: none"> The project has just been brought into the Growth Deal portfolio and initial conversations with the PMO have now started. On site inception meeting held with the project partner in September. Steps agreed for ambitious timeline to be the first energy project to start construction work on site in five months' time. 	<ul style="list-style-type: none"> Training day in early October with project sponsor to discuss project delivery and share experience and knowledge.. The OBC is being prepared by PwC at unprecedented pace and a Gateway Review is being planned to keep the project on course for a February 2024 start on site date. Finalise OBC for November 2023 approval 		<ul style="list-style-type: none"> Mature project proposal in place, expert advisors onboard, credible investors ready to move.
<p>Holyhead Hydrogen Hub</p> <p>Menter Môn</p>	<p>Developing the Outline Business Case</p>	<ul style="list-style-type: none"> The project has just been brought into the Growth Deal portfolio and initial conversations with the PMO have now started. On site inception meeting held with the project partner in September. Steps agreed for ambitious timeline to achieve OBC in January/February 2024. 	<ul style="list-style-type: none"> Training day in early October with project sponsor to discuss project delivery and share experience and knowledge.. Final decision expected from UK Government regarding the £4.8 million investment, subject to due diligence process alongside value for money and subsidy control assessments. In parallel, the OBC for Growth Deal funding will be developed with urgency ready for a gateway review in November 2023. Finalise OBC for December 2023 approval 		<ul style="list-style-type: none"> Investment decisions required from external investors (EDF and UK Government) which are dependent on others

Programme Aim	Job Creation Target	GVA Investment Target	Total Investment Target
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. Enables other programmes by ensuring the right land and property infrastructure is available.	2280	£1.29bn	£355.4m

RAG Status	Programme Manager Commentary
	<ul style="list-style-type: none"> • Warren Hall, Broughton – Welsh Government have appointed a consultant to report on the impact of the Hawarden airfield safety case on the project site and the initial assessments are expected in early October. After an initial assessment on the tests for the future highway investment, Welsh Government are to appoint a consultant to undertake a formal assessment to confirm that initial opinion. • Western Gateway, Wrexham – The Council is to issue a tender to appoint a consultant to undertake an Access and Movement Study to revisit the evidence of traffic patterns and volumes to assess the project sites capacity to be developed in accordance with the recommendations of the Welsh Government Road Review Panel • Former North Wales Hospital, Denbigh – Ambition North Wales, Denbighshire County Council and Jones Bros and their consultants Avison Young are discussing the viability issues caused by increasing build costs in the construction industry. Other matters in the project continue to make progress in particular cost estimates have greater accuracy, the initial first draft masterplan has been completed and substantial progress has been made on meeting the outstanding planning conditions and licences required to finalise the planning consent for Phase 1 works to commence. • Holyhead Gateway – Holyhead Port expansion project Harbour Revision Order was approved in early August. Progress on the project business case has accelerated with the Economic Case being further developed, clarity on the procurement route and the draft Subsidy Support document being prepared. • Parc Bryn Cegin, Bangor – The tender brief for the appointment of the professional team of consultants has been returned and the responses are currently being reviewed. • New projects: 2 new projects from the project replacement process joined the Land and Property programme: <ul style="list-style-type: none"> ○ Kinmel Studios – An initial on boarding meeting has been held with Studio 50 and their consultancy team. ○ Wrexham Gateway – An on site meeting has been held with the Project team and this has been followed up with meetings on project governance and processes and to review the strategic outline case.



Clr Jason McLellan
Lead Member



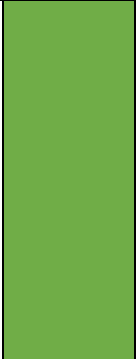
Andrew Farrow
Senior Responsible Owner






David Mathews
Programme Manager

Project (Project Sponsor)	Project Stage	Key Milestones (this quarter)	Key Milestones (next quarter)	RAG Status	RAG Rationale
Western Gateway, Wrexham Wrexham County Borough Council	Developing the Strategic Outline Business Case	<ul style="list-style-type: none"> The Council is to appoint a consultant to undertake an access and movement study to obtain current evidence of traffic numbers and flows. This is to provide up to date information for a traffic assessment to be undertaken to confirm if the project site is capable of delivery in light of the Welsh Governments four tests. Dwr Cymru have confirmed that their Gresford and Five Ford Waste Water Treatment Plants have some existing capacity to take additional flows and treat discharges into rivers for phosphates which can allow existing consented projects to proceed. 	<ul style="list-style-type: none"> Completion of the procurement process to appoint the consultant to undertake the Access and Movement Study. 		<ul style="list-style-type: none"> The project risk rating has changed to red whilst the review of the projects ability to meet the Governments tests for highway investment is undertaken.
Warren Hall, Broughton Welsh Government / Economic Ambition Board	Developing the Strategic Outline Business Case	<ul style="list-style-type: none"> Welsh Government, Flintshire County Council and Ambition North Wales agreed that the project is able to proceed in accordance with Welsh Governments four tests for new highway works. Welsh Government to undertake formal assessment. Welsh Government, Flintshire County Council and Ambition North Wales to meet with consultant to receive initial report on the sites compliance with the airfield safety case. 	<ul style="list-style-type: none"> Welsh Government consultants to provide their draft report on the impact and mitigation of the airfield safety case on the project site. 		<ul style="list-style-type: none"> Project risk rating remains at amber as meeting the airfield safety case is still to be fully assessed.


Former North Wales Hospital, Denbighshire Jones Bros (Ruthin) Limited / Denbighshire County Council	Developing the Outline Business Case	<ul style="list-style-type: none"> Substantial progress on documentation by project partner. Masterplan of site completed and detailed cost assessments completed. New development appraisal completed. Project partner to submit documents to Planning Authority on S106 agreement, planning condition compliance and Habitat licences. 	<ul style="list-style-type: none"> Complete the revision of the outline business case incorporating the Phased Development Scenario and procurement route and submit this for approval process to commence. Draft subsidy support application with advice from external consultants and submit to Competition and Markets Authority Outstanding consents are granted by planning authority. 		<ul style="list-style-type: none"> Project risk rating moved to red due to viability gap increasing. Discussions are ongoing with the development partner as to possible solutions.
Parc Bryn Cegin, Bangor Welsh Government / North Wales Economic Ambition Board	Developing the Outline Business Case	<ul style="list-style-type: none"> Welsh Government to appoint consultancy team to design and develop the project. 	<ul style="list-style-type: none"> Welsh Government consultancy team to commence project development. 		<ul style="list-style-type: none"> Slight delay due to procurement process for consultancy team to be appointed. . Green risk rating retained for the project.
Holyhead Gateway Stena Line Ports Limited	Developing the Outline Business Case	<ul style="list-style-type: none"> The Holyhead Harbour Revision Order was granted consent by Welsh Ministers in August. Progress made on economic Case, procurement, revised costings, in this quarter. Subsidy Support draft application being developed prior to issuing Pinsent Masons 	<ul style="list-style-type: none"> Completing the draft Outline Business Case for the delivery of the port capacity enhancement works Submit the Subsidy Support application to Competition and Markets Authority. Stena commence first stage procurement prior to issuing the second stage Invitation to Tender.. 		<ul style="list-style-type: none"> Risk rating retained at amber as negotiations with end user of new port areas is still ongoing.
Kinmel Studios Stage Fifty	Finalising the Strategic Outline Case	<ul style="list-style-type: none"> The project has just been brought into the Growth Deal portfolio and initial conversations with the PMO have now started. On site inception meeting held with the project partner in September. 	<ul style="list-style-type: none"> Training day in early October with project sponsor to discuss project delivery and share experience and knowledge. 		<ul style="list-style-type: none"> Risk rating as green given project application scrutiny and assessments made on its deliverability.

<p>Wrexham Gateway Wrexham County Borough Council</p>	<p>Finalising the Strategic Outline Case</p>	<ul style="list-style-type: none"> • The project has just been brought into the Growth Deal portfolio and initial conversations with the PMO have now started. • On site inception meeting held with the project partner in September. • This was followed by a meeting to discuss further issues including governance current project progress, actions. • Documentation shared with the project partner. 	<ul style="list-style-type: none"> • Training day in early October with project sponsor to discuss project delivery and share experience and knowledge.. • Establish regular meetings and a programme of work • 		<ul style="list-style-type: none"> • Risk rating as green given project application scrutiny and assessments made on its deliverability. •
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Programme Aim	Job Creation Target	GVA Investment Target	Total Investment Target
To build a more sustainable, vibrant and resilient foundation economy in the region, optimising opportunities for employment and prosperity through our environment and landscape.	380	£281m	£41.3m


RAG Status	Programme Manager Commentary
	<p>Projects are progressing as expected last quarter with on-going management of risks concerning the team changes for the Glynllifon Rural Economy Hub project and on-boarding of the new project, ZipWorld’s Responsible Adventure. Planning issues remain a significant risk for all three projects, with the risks being managed as described below.</p> <p>The Programme Board has been discussing the question of why no agriculture-related projects came forward through the recent call for new projects and is proposing the formation of a Task and Finish group to explore this further with stakeholders.</p>



Cllr Charlie McCoubrey
Lead Member



Sioned Williams
Senior Responsible Owner



Robyn Lovelock
Programme Manager

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 significantly behind schedule and/or significant issues to address (urgent action required)

Project (Project Sponsor)	Project Stage	Key Milestones (this quarter)	Key Milestones (next quarter)	RAG Status	RAG Rationale
Glynllifon Rural Economy Hub Grŵp Llandrillo Menai	Developing the Full Business Case	<ul style="list-style-type: none"> Survey work on-going as requested by Natural Resource Wales and CADW New Project Manager recruited and Acting Project Senior Responsible Officer (SRO) confirmed as Martin Jardine, replacing Dr. Paul Bevan Work with the PMO to confirm a revised timeline for drafting and reviewing the Full Business Case working towards approval in early 2024. 	<ul style="list-style-type: none"> Continue further survey work On-site meeting with Ambition North Wales to discuss planning risks and timeline to Full Business Case submission Further develop the Full Business Case 		<ul style="list-style-type: none"> Rating remains red due to repeated project delays and as planning permission has yet to be secured
Tourism Talent Network Grŵp Llandrillo Menai	Developing the Outline Business Case	<ul style="list-style-type: none"> Outline Business Case (OBC) presented to the Programme Board and approved Outline Business Case (OBC) presented to the Business Delivery Group and supported Shared Prosperity Funding received for development of a Tourism Talent Pathway project, supporting further development of this project 	<ul style="list-style-type: none"> Outline Business Case (OBC) to be presented to the Portfolio Board and Economic Ambition Board in October 2023 Work with PMO to develop project-specific funding agreement Preparation of the Outline Business Case for the Sustainable Communities for Learning proposal for Hub element, and submission of planning application 		<ul style="list-style-type: none"> Working through the detail of spoke procurement has led to a delay of 1-2 months shifting Time risk to Amber.
Responsible Adventure ZipWorld	Developing the Strategic Outline Case	<ul style="list-style-type: none"> The project has just been brought into the Growth Deal portfolio and initial conversations with the PMO have now started. On site inception meeting held with the project partner in September. 	<ul style="list-style-type: none"> Training day in early October with project sponsor to discuss project delivery and share experience and knowledge. 		<ul style="list-style-type: none"> Working on confirming scope and timeline as part of SOC update.

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Programme Aim	Job Creation Target	GVA Investment Target	Total Investment Target
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 low carbon economy.	180	£114m	£39.5m

RAG Status	Programme Manager Commentary
	The programme board has been focused on supporting projects to deliver to tight deadlines, managing the risks described below. It has also supported Ambition North Wales to participate in the Rural Wales Local Partnership for Innovation Programme research project being led by Aberystwyth University, in collaboration with both Bangor and Wrexham Universities. The research project explores the meaning of innovation in a rural context, which will support the engagement of Growth Deal projects with rural small and medium enterprises across North Wales.



Cllr Dyfrig Siencyn
Lead Member



Paul Bevan
Senior Responsible Owner



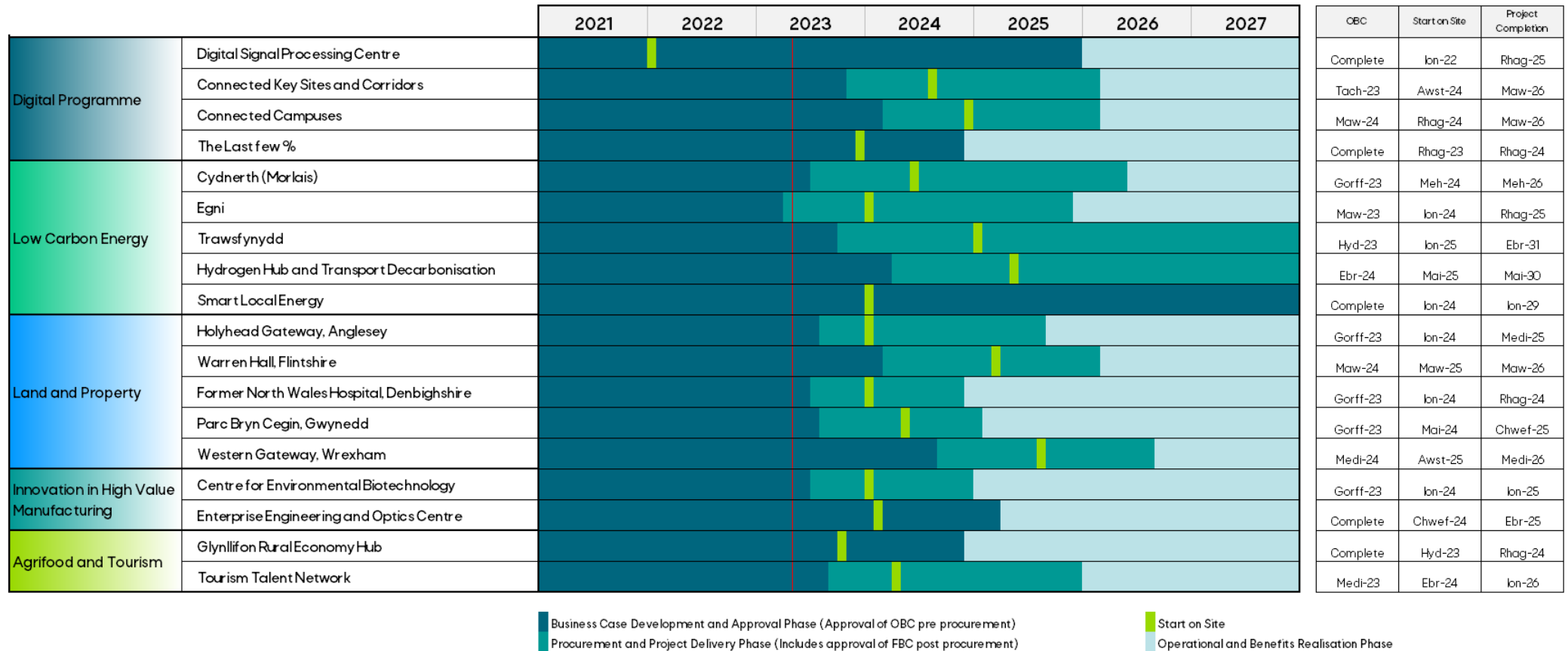
Robyn Lovelock
Programme Manager

	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 significantly behind schedule and/or significant issues to address (urgent action required)
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Project (Project Sponsor)	Project Stage	Key Milestones (this quarter)	Key Milestones (next quarter)	RAG Status	RAG Rationale
Enterprise Engineering and Optics Centre Wrexham Glyndŵr University	Developing the Full Business Case	<ul style="list-style-type: none"> • Designs for the Plas Coch build have been finalised and approved, including detailed room layouts. • Business engagement session in June. • Tenders for the OpTIC works and equipment purchases have been approved and released on Sell2Wales • Apollo Engineering have been appointed as the Hydrogen consultant on the project. 	<ul style="list-style-type: none"> • Finalise drafts of the economic, commercial, financial and management cases for the full business case. • Project on track for Full Business Case consideration by the Economic Ambition Board in November 2023 and start-on-site in February 2024 • 		<ul style="list-style-type: none"> • Main issues around cost and time have been resolved, but timing remains tight to stay on timeline to November approval
Centre for Environmental Biotechnology Bangor University	Developing the Business Justification Case	<ul style="list-style-type: none"> • Project Assurance Review was carried out 4-6th September securing an Amber rating, indicating work to be done but project deliverable. • Work continues on Henfaes site design - preliminary surveys have been scheduled, conversations held with planning and stakeholder workshop held. • Work on the Business Justification Case has continued based on the PMO review in July. 	<ul style="list-style-type: none"> • Submit application for planning permission for the Henfaes site • Incorporate feedback from Portfolio Management Office Review into finalising the Business Justification Case for final review. 		<ul style="list-style-type: none"> • Rating remains red due to repeated project delays

	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 significantly behind schedule and/or significant issues to address (urgent action required)
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Project	Consenting Stage				Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Stage 6	Stage 7	Stage 8
	Pre-application stage	Outline planning / Consent	Full planning / Consent	Conditions discharged	Determine the Project context	Preparing the Strategic Outline Case	Preparing the Outline Business Case	Approval of the Outline Business Case	Preparing the Full Business Case	Approval of the Full Business Case	Project implementation and monitoring	Project Evaluation
Digital Signal Processing Centre	No planning required				✓	✓	✓	✓	✓	✓	⌚	
Connected Key Sites and Corridors	Consenting requirements TBC				✓	✓	⌚					
Connected Campuses	Consenting requirements TBC				✓	✓	⌚					
Last Few %	Consenting requirements TBC				✓	✓	✓	✓	⌚			
Cydnherth (Morlais)	✓	✓	✓	⌚	✓	✓	⌚					
Trawsfynydd Power Station	Consenting requirements TBC				✓	⌚						
Egni	⌚				✓	✓	⌚					
Smart Local Energy	Consenting requirements TBC				✓	✓	✓	✓	⌚			
Hydrogen Hub & Transport Decarbonisation	Consenting requirements TBC				✓	✓	⌚					
Deeside Waste to Fuel	✓	✓	✓		✓	✓	⌚					
Holyhead Hydrogen Hub	✓	✓			✓	✓	⌚					
Holyhead Gateway	✓	✓	✓	⌚	✓	✓	⌚					
Former North Wales Hospital	✓	✓	✓	⌚	✓	✓	⌚					
Western Gateway, Wrexham	LDP adoption outstanding				✓	⌚						
Warren Hall, Broughton	⌚				✓	⌚						
Parc Bryn Cegin, Bangor	⌚				✓	✓	⌚					
Kinmel Studios	⌚				✓	⌚						
Wrexham Gateway	⌚				✓	⌚						
Glynllifon Rural Economy Hub	⌚				✓	✓	✓	✓	⌚			
Tourism Talent Network	⌚				✓	✓	✓	⌚				
Responsible Adventure	⌚				✓	⌚						
Centre for Environmental Biotechnology	⌚				✓	✓	⌚					
Enterprise Engineering and Optics	✓	✓	✓	⌚	✓	✓	✓	✓	⌚			



The status for each project is assessed against this profile from the 2022 Portfolio Business Case unless a new timeline has been approved by the NWEAB through a project business case or change request. The 2023 Portfolio Business Case will be presented to the NWEAB during October, this includes an updated version of the delivery pipeline.

		Portfolio Business Case 2020 Targets***			Approved Project Business Case Targets				Difference		
		GVA (£M)	Jobs Created (net)	(£M) Total Investment*	OBC/ FBC**	GVA (£M)	Jobs Created (net)	(£M) Total Investment*	GVA (£M)	Jobs Created	(£M) Total Investment*
Digital	Digital Signal Processing Centre (DSP)	50	80	7.3	FBC	12	33	3.0	-38	- 47	- 4.3
	Connecting the last few %	35	150	4.0	OBC	15	130	4.0	-20	-20	0
	Connected Key Sites and Corridors	45	120	9.4	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Connected Campuses	35	0	21	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Low Carbon Energy	Cydnherth (Morlais)	50	100	36	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Hydrogen Hub and Transport Decarbonisation	60	90	28.6	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Egni	20	20	97.7	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Smart Local Energy	120	180	106.2	OBC	122	174	106	+2	-6	0
	Trawsfynydd	230	510	400	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Land and Property	Western Gateway, Wrexham	220	360	43.4	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Warren Hall, Broughton	235	440	70	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Former North Wales Hospital, Denbigh	20	50	74	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Parc Bryn Cegin, Bangor	30	50	6	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Holyhead Gateway	545	930	80	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Agrifood and Tourism	Glynllifon Rural Economy Hub	25	40	13	OBC	45	96	13	+20	+56	0
	Tourism Talent Network	20	0	12.9	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Innovation in High Value Manufacturing	Enterprise Engineering and Optics Centre	45	70	29.9	OBC	33	61	14.7	-12	-9	-15.2
	Centre for Environmental Biotechnology	60	90	9.6	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Growth Deal Portfolio Total		2,185	3,830	1,146	4OBC + 1 FBC	227	494	140.7	-48	-26	-19.5

* Total investment shown here includes 1.5% Portfolio Management Office costs

** OBC – Outline Business Case, FBC – Full Business Case

*** Targets for removed project still included as part of the total targets for the Growth Deal.

****Following approval of the 2023 Portfolio Business Case the Objective tracker will be updated.

11. Growth Deal Grant Expenditure Profile – Capital Budget 2023/24

Programme	Project	Project Sponsor	2021/22 £m *	2022/23 £m*	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m	2031/32 £m	2032/33 £m	Total £m
Digital	Digital Signal Processing Centre	Bangor University	0.12	1.66	0.39	0.79	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.96
	Connecting the Last Few %	Economic Ambition Board	0.00	0.00	0.60	1.72	1.85	1.85	0.00	0.00	0.00	0.00	0.00	0.00	4.17
	Connected Key Sites and Corridors	Economic Ambition Board	0.00	0.00	0.00	0.50	4.00	2.00	2.37	0.00	0.00	0.00	0.00	0.00	8.87
	Connected Campuses	Economic Ambition Board	0.00	0.00	0.00	3.94	10.10	4.93	1.71	0.00	0.00	0.00	0.00	0.00	20.68
Low Carbon Energy	Cydnorth (Morlais)	Menter Môn	0.00	0.00	0.00	3.33	4.44	1.10	0.00	0.00	0.00	0.00	0.00	0.00	8.87
	Hydrogen Hub & Transport Decarbonisation	Economic Ambition Board	0.00	0.00	0.00	0.00	5.61	5.62	0.00	0.00	0.00	0.00	0.00	0.00	11.23
	Egni	Bangor University	0.00	0.00	0.00	0.00	3.94	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.94
	Smart Local Energy	Economic Ambition Board	0.00	0.00	0.00	1.50	3.00	9.25	9.25	1.63	0.00	0.00	0.00	0.00	24.63
	Trawsfynydd Power Station	Cwmni Eginio	0.00	0.00	0.00	0.00	1.97	2.96	4.92	9.85	5.00	0.00	0.00	0.00	19.70
	Deeside Waste to Fuel**	The Circular Economy	0.00	0.00	0.00	3.20	3.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.40
	Holyhead Hydrogen Hub**	Menter Môn	0.00	0.00	0.00	1.90	1.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.80
Land and Property	Western Gateway, Wrexham	Economic Ambition Board	0.00	0.00	0.00	0.00	4.48	4.48	0.00	0.00	0.00	0.00	0.00	0.00	8.96
	Warren Hall, Broughton	Economic Ambition Board	0.00	0.00	0.00	0.00	7.38	7.39	0.00	0.00	0.00	0.00	0.00	0.00	14.77
	Former North Wales Hospital, Denbigh	Economic Ambition Board	0.00	0.00	0.74	6.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.94
	Parc Bryn Cegin, Bangor	Economic Ambition Board	0.00	0.00	0.00	5.91	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.91
	Holyhead Gateway	Stena line	0.00	0.00	1.40	17.24	15.83	0.00	0.00	0.00	0.00	0.00	0.00	0.00	34.47
	Kinmel Studios**	Stage Fifty	0.00	0.00	0.00	3.40	3.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.80
	Wrexham Gateway**	Wrexham County Borough	0.00	0.00	0.00	2.79	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.79
Agrifood and Tourism	Glynllifon Rural Economy Hub	Grŵp Llandrillo Menai	0.00	0.00	0.00	7.20	4.62	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11.82
	Tourism Talent Network	Grŵp Llandrillo Menai	0.00	0.00	0.00	0.00	2.13	2.30	0.00	0.00	0.00	0.00	0.00	0.00	4.43
	Responsible Adventure**	Zip World	0.00	0.00	0.10	2.20	3.70	0.20	0.00	0.00	0.00	0.00	0.00	0.00	6.20
Innovation in High Value Manufacturing	Enterprise Engineering and Optics Centre	Glyndwr University	0.00	0.00	1.63	5.41	4.34	0.17	0.00	0.00	0.00	0.00	0.00	0.00	11.55
	Centre for Environmental Biotechnology	Bangor University	0.00	0.00	1.25	1.71	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.96
Portfolio Management Office Costs															5.15
Total															240.00

* 2021/22 and 2022/23 profile is actual expenditure. Remaining profile is as forecast in the 2023/24 Capital Budget.

** Provisional information for new projects included.

12. Growth Deal Projects: Capital Funding Allocation Profile

Programme	Project	Project Sponsor	Profile 23/24 (£m)	Actual YTD (£m)	Variance (£m)*	Rationale
Digital	Digital Signal Processing Centre	Bangor University	0.39	0.00	-0.39	One claim is due for the DSP project during the year.
	Connecting the Last Few %	North Wales Economic Ambition Board	0.60	0.00	-0.60	
	Connected Key Sites and Corridors	North Wales Economic Ambition Board	0.00	0.00	0.00	
	Connected Campuses	North Wales Economic Ambition Board	0.00	0.00	0.00	
Low Carbon Energy	Cydnherth (Morlais)	Menter Môn	0.00	0.00	0.00	No Full Business Cases have been approved. Expenditure profile now aligned to 2023 Portfolio Business Case update.
	Hydrogen Hub & Transport Decarbonisation	North Wales Economic Ambition Board	0.00	0.00	0.00	
	Egni	Bangor University	0.00	0.00	0.00	
	Smart Local Energy	North Wales Economic Ambition Board	0.00	0.00	0.00	
	Trawsfynydd Power Station	Cwmni Eginio	0.00	0.00	0.00	
	Deeside Waste to Fuel	The Circular Economy Development	0.00	0.00	0.00	
	Holyhead Hydrogen Hub	Menter Môn	0.00	0.00	0.00	
Land and Property	Western Gateway, Wrexham	North Wales Economic Ambition Board	0.00	0.00	0.00	No Full Business Cases have been approved. Expenditure profile now aligned to 2023 Portfolio Business Case update.
	Warren Hall, Broughton	North Wales Economic Ambition Board	0.00	0.00	0.00	
	Former North Wales Hospital, Denbigh	North Wales Economic Ambition Board	0.74	0.00	-0.74	
	Parc Bryn Cegin, Bangor	North Wales Economic Ambition Board	0.00	0.00	0.00	
	Holyhead Gateway	Stena line	1.40	0.00	-1.40	
	Kinmel Studios	Stage Fifty	0.00	0.00	0.00	
	Wrexham Gateway	Wrexham County Borough Council	0.00	0.00	0.00	
Agri-food and Tourism	Glynllifon Rural Economy Hub	Grŵp Llandrillo Menai	0.00	0.00	0.00	No Full Business Cases have been approved. Expenditure profile now aligned to 2023 Portfolio Business Case update.
	Tourism Talent Network	Grŵp Llandrillo Menai	0.00	0.00	0.00	
	Responsible Adventure	Zip World	0.00	0.00	0.00	
Innovation in High Value Manufacturing	Enterprise Engineering and Optics Centre	Glyndwr University	1.63	0.00	-1.63	No Full Business Cases have been approved. Expenditure profile now aligned to 2023 Portfolio Business Case update.
	Centre for Environmental Biotechnology	Bangor University	1.25	0.00	-1.25	
Portfolio Management Office Costs			1.02	0.368	1.02	0.368
Total			6.18	0.368	7.13	0.368

* Variance is the difference between the planned profile (Portfolio Business Case 2023) and the Actual Year to Date (YTD) expenditure.

	Project	Sponsor	Summary
Digital	Digital Signal Processing Centre (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.
	The last few %	Ambition North Wales	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).
	Connected Key Sites and Corridors	Ambition North Wales	This project aims to enhance the reliability and quality of mobile services on the main roads and rail routes in North Wales, enabling full-fibre services to key commercial sites across the region. Focussing on developing fibreoptic networks, which are essential for delivering 4G, 5G and gigabit capable broadband.
	Connected Campuses	Ambition North Wales	The project will accelerate the development of a range of digital connectivity options with a current focus at 18 key regional economic sites.
Low Carbon Energy	Cydnorth (Morlais)	Menter Môn	Investing in infrastructure to connect to the National Grid network and monitor marine environmental effects. This will enable an increase in the deployment of turbines by tidal developers and the generation of renewable energy.
	Hydrogen Hub and Transport Decarbonisation	Ambition North Wales	Support delivery of a demonstrator project involving the production of green hydrogen from low carbon energy sources and its use within regional transport networks.
	Egni (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	Ambition North Wales	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.
	Trawsfynydd	Cwmni Eginio	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.
	Deeside Waste to Fuel	The Circular Economy Ltd	Creation of a facility to convert 182,000 tonnes per year of commercial food waste destined for landfill/incineration into green bio-methane, power, and fertiliser.
	Holyhead Hydrogen Hub	Menter Môn	This project will build a green hydrogen production facility at Parc Cybi, Holyhead, producing around 2000+kg/day of green hydrogen, supplying road, maritime and rail transport customers across North Wales.
Land and Property	Western Gateway, Wrexham	Ambition North Wales	Delivery of primary services to enable the site to be brought to the market for sale and development.
	Warren Hall, Broughton	Ambition North Wales	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.
	Parc Bryn Cegin, Bangor	Ambition North Wales	Provide industrial floor space to meet known demand for units.
	Former North Wales Hospital, Denbigh	Ambition North Wales	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
	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	Wrexham County Borough Council	This project is a sustainable development of a vibrant regenerated area, creating a focal point to support business investment and a multi-modal transportation hub with links to active travel.
	Kinmel Studios	Stage Fifty	This project will design, build and operate film and television studios at Tir Llwyd Enterprise Park along with a training academy and incubator units.
Agri-food and Tourism	Glynllifon Rural Economy Hub	Grŵp 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.
	Tourism Talent Network	Grŵp 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.
	Responsible Adventure	Zip World	A multi-element project as part of a sustainable and eco-tourism package including a new sustainable Cable Car, Slate Explorer including visitor viewing platform and an eBus Network.
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	Wrexham University	The Enterprise Engineering & Optics Centre will provide facilities targeted to boost high-level skills development for the region and enable Small and medium-sized enterprises (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.

NORTH WALES GROWTH DEAL PORTFOLIO RISK REGISTER

Risk ID	Date	Strategic Risk Category	Risk Name	Risk Owner	Description of the Risk	Current Gross		Trend	Mitigating Actions	Action Due Dates	Action owner	Residual Risk		Trend	Status (Open / Closed)	Commentary	Date of last update		
						P	I					Score	P					I	Score
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	5	5	25	↔	<p>Project Business Cases will set out detailed project level financial, commercial and risk management measures to manage costs.</p> <p>Robust performance, risk and financial reporting arrangements will be established for all projects</p> <p>Once Project Business Cases are approved, any additional costs incurred will be the responsibility of the Project Sponsor and alternative funding options will be considered.</p> <p>Ongoing discussions with UK/WG on mitigation strategy for managing the risk of increasing costs</p> <p>Portfolio Delivery Fund approved by the NWEAB and requests for funding approved in Feb 2023</p> <p>PMO engaging with sponsors at project level to identify mitigation for cost increases</p>	<p>N/A</p> <p>Monthly</p> <p>N/A</p> <p>Monthly</p> <p>In place</p> <p>Monthly</p>	<p>PMO, Project Sponsor</p> <p>PMO</p> <p>PMO</p> <p>PMO</p> <p>PMO</p>	4	4	16	↔	Open	Risk reviewed. No changes to gross or residual risk scores.	05/10/23
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	↔	<p>Integrated Assurance and Approval Plan (IAAP) agreed with Welsh and UK Government as part of Final Deal.</p> <p>Continued engagement with Welsh Government Assurance Hub to refine and update the Integrated Assurance and Approval Plan (IAAP)</p> <p>PMO assurance lead to coordinate delivery of assurance in accordance with the IAAP</p>	<p>Complete</p> <p>Quarterly</p> <p>N/A</p>	<p>PMO</p> <p>PMO</p> <p>PMO</p>	2	4	8	↔	Open	Risk reviewed. No changes to gross or residual risk scores.	05/10/23
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	↔	<p>Each programme and project will be responsible for benefits management through a Benefits Realisation Plan.</p> <p>Monthly highlight reports to Programme Board to monitor benefits realisation</p> <p>Procurement Principles adopted with focus on community benefits and social value</p> <p>Benefits Realisation guidance developed and being disseminated to project sponsors for use in project business cases</p>	<p>N/A</p> <p>Monthly</p> <p>Complete</p> <p>N/A</p>	<p>PMO, Programme and Project SROs</p> <p>PMO</p> <p>PMO</p> <p>PMO</p>	3	3	9	▲	Open	Risk reviewed. Residual risk score increased. A number of projects are experiencing delays which will impact on the timing of benefits realisation. Position to be reviewed as part of the Portfolio Business Case update for 2023.	05/10/23
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	4	5	20	↔	<p>NWEAB approval for fixed term contract extensions to March 2025. Majority of PMO Team in place</p> <p>Additional procurement and legal technical capacity to be secured for projects as required</p> <p>PMO to utilise external technical support when necessary</p> <p>PMO supporting partners to ensure capacity for delivery and support recruitment activity</p> <p>Backfill arrangements in place to manage the impact of part-time secondment of Portfolio Director to the Corporate Joint Committee</p> <p>SPF bid includes contribution towards some existing PMO costs</p> <p>Approval from both Governments to increase the top slice from 2% and enabling PMO to draw down additional funding through Growth Deal budget and extend contracts to 2025</p> <p>Recruitment of Replacement Energy Programme Manager</p>	<p>In place</p> <p>Ongoing</p> <p>Reviewed monthly</p> <p>Reviewed monthly</p> <p>In place</p> <p>March 2023</p> <p>In place</p> <p>June and July 2023</p>	<p>PMO</p> <p>PMO</p> <p>PMO</p> <p>PMO, Project Sponsors</p> <p>PMO</p> <p>PMO</p> <p>PMO</p>	4	4	16	↔	Open	Risk reviewed. No changes to gross or residual risk scores. Capacity remains a risk with a number of vacancies in the team. However recruitment is underway to fill these roles which should see the risk reduced in the next quarter.	05/10/23
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	4	3	12	↔	<p>Position statement on Climate Change and Biodiversity adopted by the NWEAB.</p> <p>Project business cases to demonstrate delivery against the adopted NWEAB position.</p> <p>Methodology on how to take account of carbon emissions and biodiversity loss within project business cases now published and shared with all projects</p>	<p>N/A</p> <p>N/A</p> <p>In place</p>	<p>NWEAB</p> <p>PMO, Project SROs</p> <p>PMO</p>	3	3	9	↔	Open	Risk reviewed. No changes to gross or residual risk scores. Roll out of methodology and associated training continues	05/10/23
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.	5	5	25	↔	<p>Monthly highlight reports to Programme Board with escalation routes to NWEAB</p> <p>Programme and project RAID logs in place to record risks and manage issues</p> <p>Project business cases and implementation plans to clearly set out risks to project delivery and mitigations. PMO working with sponsors to identify opportunities to minimise delay and where delay is unavoidable minimise impact</p> <p>Quarterly reports to the NWEAB and Portfolio Board</p> <p>Project timetables reviewed as part of the 2022 Portfolio Business Case</p> <p>Project Delivery Fund approved by the NWEAB with change requests approved in Feb 2023</p> <p>PMO working with sponsors at project-level to identify opportunities to minimise delay and where delay is unavoidable minimise impact</p>	<p>Monthly</p> <p>Monthly</p> <p>N/A</p> <p>Quarterly</p> <p>In place</p> <p>Feb 2023</p> <p>In place</p>	<p>PMO</p> <p>PMO, Project Sponsor</p> <p>Project Sponsor</p> <p>Project Sponsor</p> <p>PMO</p> <p>PMO, Project sponsor</p> <p>PMO, Project Sponsors</p>	5	4	20	↔	Open	Risk reviewed. No changes to overall scores. A number of projects are experiencing delays which will impact on the timing of benefits realisation.	05/10/23
R020	03/10/22	Programme and Project Delivery	Economic Context	Portfolio Management Office	If there are significant changes to the UK economy (e.g. cost of living crisis and the energy security crisis), then the strategic and economic cases for programmes and projects may be adversely impacted	3	5	15	↔	<p>Project business cases and implementation plans to clearly set out the case for projects and the risks to project delivery, including the impact of recent economic developments</p>	<p>N/A</p>	<p>PMO, Project Sponsors</p>	2	5	10	↔	Open	Risk reviewed. No changes to gross or residual risk scores.	05/10/23

Risk ID	Date	Category	Risk Name	Risk Owner	Description of the Risk	Current Gross			Trend	Mitigating Actions	Action Due Dates	Action owner	Residual Risk			Trend	Status (Open / Closed)	Commentary	Date of last update
						P	I	Score					P	I	Score				
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 reviewed. No changes to gross or residual risk scores.	05/10/23
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 reviewed. No changes to gross or residual risk scores.	05/10/23
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 at project level Local authority phosphates strategies in place as part of Local Plan adoption. PMO delivered review of project consenting progress for each project and will incorporate into reports going forward Lessons learnt review to be delivered following project-level consenting delays Chair and/or Portfolio Director to write to consenting authorities highlighting the impact of delayed decisions when individual project risks are escalated	N/A N/A In place Summer 2023 In place As required	PMO, Project SROs PMO Local Authorities PMO PMO, Project sponsors Portfolio Director	4	5	20	↔	Open	Risk reviewed. No changes to gross or residual risk scores. Consenting remains a high risk, however the approval of the Harbour Revision Order (HRO) for Holyhead Gateway removes a significant project consenting risk.	05/10/23
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. New members to be briefed on the Growth Deal Portfolio following the change in leadership Engagement with new UK Government Ministers	N/A Complete Complete Ongoing	NWEAB, PMO NWEAB PMO PMO	2	4	8	↔	Open	Risk reviewed. No changes to gross or residual risk scores.	05/10/23
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 Delivery of project process for identifying replacement Growth Deal projects Following PAR recommendation, an investment strategy has been developed with further work to be commissioned in early 2023	N/A N/A July 2023 March 2023	PMO, Project SROs PMO, Project SROs NWEAB, PMO PMO	4	4	16	↔	Open	Risk reviewed. No changes to gross or residual risk scores. Securing the private sector investment for the Growth Deal remains a high risk, however the position has improved with the selection of five new projects through the project replacement process.	05/10/23
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.	4	4	16	↔	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	Complete N/A	NWEAB PMO, Project SROs	4	4	16	↔	Open	Risk reviewed. No changes to gross or residual risk scores.	05/10/23
R018	01/10/20	Financial	Revenue Funding	Portfolio Management Office and Project Sponsors	If sufficient revenue funding is not in place to support the activities of the NWEAB and delivery of the Growth Deal, then project delivery and achievement of spending objectives and benefits may be impacted	4	5	20	↔	NWEAB has approved extension of fixed term contracts to March 2024. Longer term solutions continue to be investigated Partners and project sponsors responsible for sourcing revenue funding to support non-NWEAB led projects PMO working to identify additional funding opportunities for NWEAB led projects PMO exploring the potential capitalisation of project salary costs. Growth Deal top slice increased to 2%, allowing extension of FTAs to March 2025 SPF bid to 5 local authorities successful, separate application currently being drafted for Wrexham.	N/A N/A N/A N/A May 2023 Sep 2023	PMO PMO, Project SRO PMO, Project SRO PMO PMO, Portfolio Board PMO	3	4	12	▼	Open	Revenue position has improved through the increase in the top slice from the Growth Deal to 2.15% and securing SPF funding.	05/10/23
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.	5	4	20	↔	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 Project review and change control process in place. Launch of process to identify replacement Growth Deal Projects Following 2021 PAR recommendation, investment strategy has been developed	N/A N/A July 2023 In place	PMO, Project SROs PMO NWEAB, PMO PMO	4	4	16	↔	Open	Risk reviewed. No changes to gross or residual risk scores.	05/10/23

Risk ID	Date	Category	Risk Name	Risk Owner	Description of the Risk	Current Gross			Trend	Mitigating Actions	Action Due Dates	Action owner	Residual Risk			Trend	Status (Open /)	Commentary	Date of last update
						P	I	Score					P	I	Score				
R019	01/10/20	Programme and Project Delivery	Supply Chain & Skills Capacity	Portfolio Management Office	If the regional supply chain does not have the capacity to deliver projects, then projects delivery could be impacted and regional benefits could be lower.	4	4	16	↔	Project business cases and implementation plans to clearly set out risks to project delivery and mitigations, including supply chain risks. RSP working with PMO to identify regional supply chain / skills challenges and identify mitigations Additional funding secured for skills activity Projects to conduct early market engagement where appropriate	N/A N/A In place N/A	PMO PMO PMO Project Sponsors	3	4	12	↔	Open	Risk reviewed. No changes to gross or residual risk scores.	05/10/23

- Regulatory
- Environmental
- Financial
- Reputational and Social Impact
- Programme and Project Delivery
- Health & Safety

REPORT TO THE NORTH WALES ECONOMIC AMBITION BOARD 27 October, 2023

TITLE: North Wales Corporate Joint Committee (CJC)
– Extending the part-time secondment of the EAB Portfolio Director as interim CJC Chief Executive

AUTHOR: Dylan J Williams, North Wales Councils’ Lead Chief Executive for the Economic Ambition Board

1. PURPOSE OF THE REPORT

- 1.1. You will recall that the Corporate Joint Committee has submitted two requests to the North Wales Economic Ambition Board over the past twelve months to release the Portfolio Director on a part-time basis to fulfil the role of the CJC’s Temporary Chief Executive until the 31 March, 2023 in the first instance and then to extend further until the 30 September, 2023. The requests were approved at the Ambition Board’s meetings on the 30 September, 2022 in respect of the initial request and then on the 24 March, 2023 in respect of the request to extend the secondment. This report submits a further request (foreseen to be the final one) by the North Wales Corporate Joint Committee (CJC), to the North Wales Economic Ambition Board (EAB), to agree an extension to that secondment, for two days per week, up until the 31 March, 2024.

2. DECISION SOUGHT

- 2.1 That the EAB consider the following recommendations and proposed arrangements:
- That the EAB supports the extension of the arrangement to release the Portfolio Director’s time for two days per week until 31 March 2024 on a part time secondment basis to undertake the Interim Chief Executive role.
 - That all associated employment and associated costs are covered by the North Wales CJC

3. REASONS FOR THE DECISION

- 3.1. Taking into consideration the Councils’ decision, in principle, to the transfer of the North Wales Economic Ambition Board’s functions in assisting the region to establish a Corporate Joint Committee and to ensure that the Ambition Board’s interests are safeguarded as the CJC moves forward.

4. BACKGROUND AND RELEVANT CONSIDERATIONS

- 4.1. At its meeting on 22 July 2022, the North Wales Corporate Joint Committee reviewed the role of their Chief Executive and, after considering the options, resolved to submit a request to the North Wales Economic Ambition Board to release part of their Portfolio Director’s time to fulfil the role of the Corporate Joint Committee’s Chief Executive at least until 31 March 2023. As already stated, the Ambition Board agreed to this request at its meeting on the 30 September, 2022.

- 4.2 The option to submit this request to the Ambition Board was selected as it is likely that the Ambition Board will be incorporated into the CJC, that there would be a substantially higher cost if a stand-alone Chief Executive post was created, and as there is insufficient availability of time required for one of the 6 local authority Chief Executives to oversee the CJC's development.
- 4.3 The part-time secondment of the Portfolio Director ensures that the Growth Deal and Growth Vision continue to be delivered during and after that transition, with turbulence minimised.
- 4.4 The EAB's Portfolio Director's involvement in establishing the CJC is required with respect to the Economic Wellbeing aspect regardless, and therefore extending this arrangement by means of the part-time secondment allows for that involvement to be focused and for duplication of resources to be avoided.
- 4.5 The decision in principle, to transfer the Ambition Board to the CJC, has already been taken by the Councils and following the recent legislative changes, it will now be possible to undertake this process over the next few months. As part of any transfer, the status of all Portfolio Staff will be addressed.
- 4.6 The Ambition Board, via Cyngor Gwynedd as the host Authority, remains as Alwen Williams' contractual employer whilst the CJC recompenses the Ambition Board for both direct and indirect costs associated with the secondment.
- 4.7 At its meeting on the 24 March, 2023, the Ambition Board agreed to extend its Portfolio Director's secondment in order to fulfil the role of the CJC's Chief Executive until 30 September, 2023.
- 4.8 In light of the fact that a number of critical matters still require further attention before the CJC is able to appoint a permanent Chief Executive e.g. the likely transfer of staff to the CJC's employment, there is a requirement to re-visit the decision taken.
- 4.9 Under current circumstances, the CJC needs to ensure a Chief Executive on a temporary basis and therefore, with the Ambition Board's agreement, it is recommended that Alwen Williams' secondment to that post is extended until 31 March, 2024 on current terms
- 4.10 On receipt of the Ambition Board's approval to release its Portfolio Director for a further period on current terms, the Corporate Joint Committee will consider the recommendation to extend Alwen Williams' appointment at its meeting on the afternoon of the 27 October, 2023.

5. FINANCIAL IMPLICATIONS

- 5.1. It can be confirmed that the proposed extension to this part-time secondment would be net cost-neutral with the CJC undertaking the relevant cost.

6. LEGAL IMPLICATIONS

- 6.1. The EAB has been established pursuant to Governance Agreement 2 to act as the decision-making body for the partnership of local authorities and the education bodies to deliver the North Wales Growth Deal and the Growth Vision. It's functions and the outcomes it needs to deliver are defined by the agreement and the related Overarching Business Plan which was completed in tandem with the Growth Deal. It is also required to appoint the Portfolio Director to Lead the Portfolio Management Office.

- 6.2. Nevertheless, the advent of the Corporate Joint Committees was presaged in GA2 and is specifically referenced as a matter reserved to the Councils. There is a specific provision in the agreement which acknowledges the anticipated creation of CJC's and that a transfer of functions might occur. This is reflected in the in-principle decision of the 6 executives in December 2021 to transfer the functions of the EAB to the CJC provided that the model and the statutory framework was in place to achieve this. The CJC's have now been established and the statutory model is practically completed. However, at this point in time the work of creating the CJC as a functioning public body with appropriate governance and management arrangements is being moved forward. This work needs to reflect and prepare for the assumption of the role of the EAB into the CJC and its governing model.
- 6.3. In terms of GA2 the proposed extension to the secondment does not require that EAB resources and contributions are provided to support the CJC. There also provision in the interim for maintaining capacity for supporting the work of delivering the EAB's functions. It is also relevant that the transition of the EAB's functions to the CJC needs to be properly planned and resourced to ensure that when the functions transferred this can be achieved effectively and efficiently.

APPENDICES:

None

STATUTORY OFFICERS RESPONSE:

i. Monitoring Officer – Host Authority:

I have had an input into the report and I am satisfied with the propriety of the recommendations

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

I think what is proposed offers a pragmatic solution to deal with the situation. I can confirm that arrangements are in place to reimburse Ambition North Wales for the Portfolio Director's time when they assume the role of Chief Executive of the Corporate Joint Committee. I have no objection to the decision sought from the perspective of financial propriety.