
NORTH WALES ECONOMIC AMBITION BOARD
15/12/23

Present:

Voting Members – Councillors:- Jason McLellan (Denbighshire County Council), Gary Pritchard (Isle of Anglesey County Council), Mark Pritchard (Wrexham County Borough Council) (Chairing), David Healey (Flintshire County Council), Charlie McCoubrey (Conwy County Borough Council) and Nia Jeffreys (Cyngor Gwynedd).

Advisors – Dr Maria Hinfelaar (Wrexham University), Askar Sheibani (Business Delivery Board) and Bryn Jones (Bangor University).

Chief Officers – Dylan Williams (Isle of Anglesey County Council), Rhun ap Gareth (Conwy County Borough Council), Neal Cockerton (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).

Ambition North Wales – Alwen Williams (Portfolio Director), Hedd Vaughan-Evans (Head of Operations), Nia Medi Williams (Senior Operations Officer), Elgan Roberts (Energy Programme Manager) and Graham Williams (Temporary Project Officer – Energy and Transport Decarbonisation).

Observers – Wendy Boddington (Welsh Government) and Gareth Ashman (UK Government)

1. APOLOGIES

Apologies were received from:-

- Councillor Dyfrig Siencyn (Cyngor Gwynedd), with Councillor Nia Jeffreys deputising;
- Councillor Llinos Medi Huws (Isle of Anglesey County Council) with Councillor Gary Pritchard deputising;
- Councillor Ian Roberts (Flintshire Council) with Councillor David Healey deputising;
- Dafydd Evans (Grŵp Llandrillo Menai);
- Yana Williams (Coleg Cambria);
- Professor Edmund Burke (Bangor University) with Professor Bryn Jones deputising;
- Dafydd Gibbard (Cyngor Gwynedd) with Sioned Williams deputising;
- Ian Bancroft (Wrexham County Borough Council) with David Fitzsimon deputising.

The Chairman welcomed the deputies to the meeting.

2. DECLARATION OF PERSONAL INTEREST

Bryn Jones declared a personal interest in item 7, as Bangor University was a sponsor of the Egni Project. He believed it was a prejudicial interest and withdrew from the meeting for the entire item.

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 17 November, 2023 as a true record.

5. EXCLUSION OF PRESS AND PUBLIC

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

There is an acknowledged public interest in openness in relation to the use of public resources and related financial issues. It is recognised, however, that there are occasions in order to protect public financial and commercial interests, where such information must be discussed without being publicised. The reports relate specifically to 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.

6. DEESIDE ANAEROBIC DIGESTION PLANT – OUTLINE BUSINESS CASE

The report was presented by Elgan Roberts (Energy Programme Manager) and Hedd Vaughan-Evans (Head of Operations).

RESOLVED

- 1. That the Board approves the Outline Business Case for the Deeside Anaerobic Digestion Plant project subject to The Circular Economy Development Ltd addressing the matters set out in the report, as described in Section 7, and recommends to the Economic Ambition Board that a Full Business Case is prepared for the Board to consider following the completion of the procurement process and the consenting process.**
- 2. That the Board notes that the primary procurement for the project has already been completed, and on approval of the Outline Business Case it is intended that a Full Business Case will be presented to the Board in February 2024 for approval.**
- 3. That the Board, noting that the proposed funding model for the project is 50% grant and 50% loan subject to confirmation of the subsidy control position on approval of the Full Business Case, approves the principle that the interest from the loan once the cost of borrowing charges for the loan element have been covered is allocated to a reserve to be used to fund the Portfolio Management Office in future years.**
- 4. That the Board authorises the Portfolio Director in consultation with the Host Authority's Section 151 Officer and Monitoring Officer to agree draft funding terms in accordance with this report as a basis for the final funding arrangements for the project, to be agreed by the Board at the Full Business Case stage.**

5. That the Board designates the decision as an urgent matter which can be implemented immediately in accordance with paragraph 2.9 of the Scrutiny Protocol in Governance Agreement 2.

REASONS FOR THE DECISION

To seek the Portfolio Board's approval of the Outline Business Case for the Deeside Anaerobic Digestion Plant project.

DISCUSSION

The item was discussed.

7. Egni – OUTLINE BUSINESS CASE

The report was presented by Elgan Roberts (Energy Programme Manager) and Hedd Vaughan-Evans (Head of Operations).

RESOLVED

1. That the Board approves the Outline Business Case for the Egni project subject to Bangor University addressing the matters set out in the report, as described in Section 7, and recommends to the Economic Ambition Board that a Full Business Case is prepared for the Board to consider following completion of the procurement and consenting processes.
2. That the Board delegates final approval of the procurement strategy and the procurement specification and social value criteria to be included by Bangor University in their procurement process, to the Portfolio Director in consultation with the Chair and Vice Chair.
3. That the Board authorises the Portfolio Director in consultation with the Host Authority's Section 151 Officer and Monitoring Officer to agree draft terms in accordance with this report as a basis for the final funding arrangements for the project, which will determine the funding to be agreed by the Board at the Full Business Case stage.

REASONS FOR THE DECISION

To seek the Portfolio Board's approval of the Outline Business Case for the Egni project.

DISCUSSION

The item was discussed.

8. RE-ADMISSION OF THE PRESS AND PUBLIC

RESOLVED to re-open the meeting to the press and public.

9. GATEWAY REVIEW (PAR) ACTION PLAN

The report was presented by Alwen Williams (Portfolio Director) and Hedd Vaughan-Evans (Head of Operations).

RESOLVED

1. That the Board supports the action plan developed by the Portfolio Director and timescales for implementation in response to the 2023 Gateway Review (PAR) recommendations.

- 2. That the Board notes that there may be a requirement to amend the action plan in light of the follow-up Assurance of Action Plan (AAP) review in December and that in such an instance the Portfolio Director would consult the Chair and Vice-Chair on those amendments.**

REASONS FOR THE DECISION

The North Wales Growth Deal was required to respond to the recommendations set out in the Gateway Review report.

DISCUSSION

A member expressed fierce objection to the comment in the Gateway Review that the Business Delivery Board did not challenge the projects, and emphasised that the recommendations should not be blindly accepted as the way forward.

It was questioned who would pay for the Non-Executive Director for the Ambition Board, and what kind of person would be sought for the role, bearing in mind that the expertise already existed within the partnership.

It was suggested that all this bureaucracy held things back, and that we should have greater autonomy so that we could proceed more quickly.

Members welcomed the fact that additional extraordinary meetings of the Board could be convened if urgent decisions were required.

It was noted that although the action of implementing the recommendation to appoint a Non-Executive Director to the Board had been designated to the Chair of the Board, it would be beneficial if the six Leaders were involved in the discussion regarding this, as it was not clear from the report what the options would be etc.

In terms of the recommendation regarding training around social procurement in the public sector, a member noted that it was not clear what was lacking here since everyone around the table was very well versed in those matters, and questioned whether there was anything we could have done differently or better. It was noted further that the bar had been set high in terms of social value requirements, and there were also requirements in terms of net zero. It would not be an easy matter to find tenderers that reached all those thresholds, and it was enquired whether this had been considered as part of the discussions.

In response to some of the observations and questions, the following was noted:-

- Although the action of implementing the recommendation to appoint a Non-Executive Director to the Board had been designated to the Chair of the Board, the document highlighted that the appointment was a matter for the whole Board.
- That the Board and Portfolio Management Office had access to procurement expertise as required and that our processes were scrutinised at a professional level before reaching the Board to ensure that those processes were followed properly.
- That we were not just accepting the recommendations and were taking our time to consider how best we as a Board, and as a Team, wished to address the concerns behind some of those recommendations.
- It must be remembered that any external review such as this was a snapshot in time. At the time of conducting this review in early October, the Board had approved only one outline business case in 9 months, but by today the Board had approved three outline business cases and one full business case in 3 months.

- A follow-up review would be held the following week, which was an opportunity for the officers to challenge some of the recommendations.
- In terms of the observation regarding procurement, they believed the Review Team were referring specifically to our method of engaging with our private sector sponsors and improving their understanding of some of our needs, rather than our partners in the public sector who were very knowledgeable in this field.
- That guidance and advice had been sought from the Civil Engineering Contractors Association in Wales regarding what more we could do to assist companies and organisations that tendered for work.
- Some of these requirements should make it easier for local companies and local contractors to tender successfully, as they were in the best position to offer social value and community benefits, and they also had the advantage of having a low carbon footprint if they employed local staff and used local materials.

The Chair noted that the Board had a very robust process in place.

10. INVESTMENT PRINCIPLES

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

RESOLVED

- 1. That the Board supports the founding principles which will underpin the strategy to achieve the investment objectives for the North Wales Growth Deal.**
- 2. That the Board notes that the detailed investment strategy, comprising the founding principles and the delivery plan, will be presented to the Board in February 2024.**

REASONS FOR THE DECISION

To underpin the development of the detailed strategy that will build on assurance that our collective ambition to deliver the £1bn Growth Deal for North Wales can be achieved.

DISCUSSION

The Monitoring Officer noted, having heard the presentation and on the understanding that a detailed report would be submitted to the Board in February, that he did not have comments to add.

The Head of Finance reiterated the comment, noting that any financial information would be considered later on, therefore he had nothing to add at present.

The meeting commenced at 2.00pm and concluded at 3.00pm.

Chair