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**NORTH WALES ECONOMIC AMBITION BOARD**  
**15/03/2024**

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Present:

Voting Members - Councillors:- Jason McLellan (Denbighshire County Council), Gary Pritchard (Isle of Anglesey County Council), Mark Pritchard (Wrexham County Borough Council), Paul Johnson (Flintshire County Council), Charlie McCoubrey (Conwy County Borough Council) and Dyfrig Siencyn (Cyngor Gwynedd) (chairing).

Advisors – Dr Maria Hinfelaar (Wrexham University), Askar Sheibani (Business Delivery Board), Gwenllian Roberts (Grŵp Llandrillo Menai) and Chris Drew (Bangor University).

Chief Officers – Dafydd Gibbard (Cyngor Gwynedd), Dylan Williams (Isle of Anglesey County Council), Sarah Ecob (Conwy County Borough Council), Neil Cockerton (Flintshire County Council), Ian Bancroft (Wrexham County Borough Council) and Graham Boase (Denbighshire County Council).

Officers in attendance -

Host Authority - Dewi A. Morgan (Statutory Finance Officer), Siôn Huws (Deputy Monitoring Officer and Propriety and Elections Manager), Siân Pugh (Assistant Head of Finance) and Rhodri Jones (Democracy Services Officer).

Ambition North Wales - Alwen Williams (Portfolio Director), Hedd Vaughan-Evans (Head of Operations), Dylan J Williams (North Wales Councils' Lead Chief Executive), Nia Medi Williams (Senior Operations Officer) and Stuart Whitfield (Digital Programme Manager).

Observers - Dewi Williams (UK Government).

## **1. APOLOGIES**

Apologies were received from:-

- Iwan G Evans (Monitoring Officer)
- Councillor Llinos Medi Huws (Isle of Anglesey County Council) with Councillor Gary Pritchard deputising;
- Councillor Ian Roberts (Flintshire County Council) with Councillor Paul Johnson deputising;
- Yana Williams (Coleg Cambria);
- Professor Edmund Burke (Bangor University) with Chris Drew deputising;
- Rhun ap Gareth (Conwy County Borough Council) with Sarah Ecob deputising;
- Dafydd Evans (Grŵp Llandrillo Menai) with Gwenllian Roberts deputising;
- Wendy Boddington (Observer, Welsh Government) with Dewi Williams deputising.

The Chair welcomed the deputies to the meeting.

## **2. DECLARATION OF PERSONAL INTEREST**

A declaration of personal interest was received from Alwen Williams (Portfolio Director) for Item 8 due to her appointment as interim Chief Executive of the North Wales Corporate

Joint Committee. It was noted that it was a prejudicial interest and she withdrew from the meeting for the 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 2 February 2024, as a true record.

### **5. 2024/25 REVENUE AND CAPITAL BUDGET**

The report was presented by the Host Authority's Head of Finance Department.

#### **RESOLVED**

To approve:

- 1. The 2024/25 Revenue Budget as presented in Appendix 1.**
- 2. Funding contributions to include the partner contributions and local authorities' supplementary contributions.**
- 3. Capital Budget for the Growth Deal as presented in Appendix 2.**
- 4. Extension of the fixed term staff contracts from March 2025 to March 2026.**

#### **REASONS FOR THE DECISION**

In order to operate effectively within the funding available, the NWEAB requires an annual budget to be approved.

Appendix 1 sets out the proposed budget per expenditure heading and the corresponding funding streams for the year.

Appendix 2 sets out the proposed capital budget per project and the corresponding capital funding for the Growth Deal of £240m.

Appendix 3 provides a summary of the 2024/25 budget against the draft budget for 2025/26.

#### **DISCUSSION**

Members were guided through the revenue budget of the Ambition Board and specific attention was drawn to the following headings:

- Portfolio Management Office - noting that expenditure included twenty employees as well as a student placement grant-funded post until August 2024.
- Support Services - it was explained that these included finance, legal, corporate support, information technology and insurance.
- Joint Committee - it was noted that these were relevant to the Ambition Board as a joint committee and it included external legal costs for the Governance Agreement, Financial Budgetary Fees, External Audit Fees and the budget of the Business Delivery Board.
- Projects - it was confirmed that it included the revenue expenditure that was associated with the capital projects of the Growth Deal, which included the projects' business cases, external legal and procurement support as well as Assurance Reviews by the Government.

- Grant Schemes - it was explained that it was relevant to the Local Area Energy Schemes that were funded by a specific grant from Welsh Government and also included the schemes funded by the UK's Shared Prosperity Fund.

Attention was drawn to the Funding Contributions heading within the revenue budget, noting that it included partners' contributions and councils' supplementary contributions. It was elaborated that it also included a Growth Deal Grant of £1.1m and which was part of the 2.15% that had been earmarked for revenue expenditure. It was noted that Welsh Government's Energy Grant funded the expenditure of the 'Grant Schemes' along with the UK's Shared Prosperity Fund. It was explained that the Shared Prosperity Fund funded the expenditure of the 'Grant Schemes' heading and also contributed towards the costs of core staff of the Portfolio Management Office. It was reported that £211,000 would be in the reserve fund after £67,000 was used in the budget this year.

It was added that one student from Bangor University worked with the Portfolio Management Office and the salary was funded by Welsh Government following a request from Ambition North Wales to one of the government's procurement programmes. It was noted that this plan was very valuable and other universities in north Wales would be happy to benefit from them.

It was reported that the capital budget was based on expenditure profile that had been adapted according to risk and was reviewed during the year if business cases were approved by the Ambition Board. It was noted that expenditure of £240 million would be funded from the Growth Deal but the timing of receiving the grant would mean that short-term borrowing would be required. It was elaborated that the cost of borrowing would be funded by partners and sponsors of projects who had already been contributing an annual sum towards this in a specific reserve fund. It was confirmed that substantial interest had accumulated on the balances and it would be transferred to the same fund.

It was explained that the Growth Deal grant would not be received in 2023/24 and Ambition North Wales had been discussing the implications of this with both governments, and a report had been submitted to the UK Government on the logic behind an amended funding profile and the reallocation of funding from this year onwards. As a one-off measure for 2024/25, it was reported that partners would not be invoiced for interest contributions to meet additional costs when they arise, and the levels of contributions would be reviewed as required for the coming years as more information would be available throughout the financial year.

## 6. INVESTMENT STRATEGY

The report was submitted by the Portfolio Director.

### RESOLVED

**To approve the detailed Investment Strategy comprising both the principles and plan, accepting that realising aspects of its implementation are subject to funding being secured.**

### REASONS FOR THE DECISION

The investment strategy and plan build on assurance that our collective ambition to deliver the £1bn Growth Deal for North Wales can be achieved.

### DISCUSSION

Members were reminded that this was the first investment strategy to be developed for the north Wales area. It was explained that the strategy was essential for the future as it set the framework to attract investors to the area.

An update was provided on the North Wales Ambition Investment Strategy, reminding Members that the Investment Strategy was expected to attract £1bn into the North Wales economy. The members were guided through the report that planned how this target would be met. It was elaborated that the Growth Deal Project included 23 projects across five programmes and an analysis was provided of how those projects fed into the target of attracting £1bn of investment in the region.

It was reported that Ambition North Wales had commissioned the Saville consultation company to provide advice on the Investment Strategy. It was elaborated that they had carried out research with stakeholders in 2023 to ensure strong development of the Strategy. It was recognised that this research had identified several barriers for investment in north Wales, which included:

- Scale and value
- Risk and uncertainty
- Gaps in information and knowledge
- Specialist nature of some opportunities
- Cohesion across the public sector
- Speed of response
- Public investment.

It was confirmed that several investment principles had been developed in response to these barriers and they were approved by the Ambition Board in December 2023. Members were reminded that the principles included: 'collaboration', 'visibility to unlock investment', 'strategic development', 'building on strength and scale of opportunities', 'promoting magnet sites as foundations for regional growth' and 'promoting our town centres'. It was explained that these principles had been used to develop the Objectives of the Investment Strategy. It was ensured that the objectives had been developed to ensure rational and careful development for investment when meeting requirements and targets in a timely manner.

It was explained that the first objective - research analysis, had now been completed following Savilles' work. It was elaborated that the principles discussed had been noted as the strategy's objectives, confirming that they were considered continuously when making decisions.

Reference was made to the other five objectives that would be implemented in future. It was explained that some would be funded from the current budget but it was recognised that the support of stakeholders would be required to realise some of the objectives. Details were provided on the objectives, noting:

- Establish a Private-Public sector Stakeholders' Investment Group: It was hoped to work closely with stakeholders to ensure that successful investments were submitted. It was explained that the initial steps to realise this objective was to identify suitable stakeholders for the group.
- Communication and Engagement: It was emphasised that there were opportunities to strengthen communication and engagement systems with the investment market, including promoting advertising opportunities with suitable companies.
- Communication and Marketing: The desire to extend communication methods in the marketing field was shared in order to share awareness of the opportunities available in north Wales.

- Investment support package: It was explained that it was hoped to develop an equipment information database to assist with the investment process.
- Investment framework: It was noted that it was wished to develop an investment framework for north Wales to help prospective investors to make informed decisions based on the investment opportunities that are available in the region.

The desire of the Business Delivery Board was expressed to draw the attention of the Welsh Government to available opportunities in north Wales, noting that it was timely to do so with the appointment of the new First Minister and Government Ministers.

## **7. FUNCTIONS OF THE NORTH WALES ECONOMIC AMBITION BOARD - TRANSFER TO THE NORTH WALES CORPORATE JOINT COMMITTEE**

The report was submitted by the Portfolio Director.

### **RESOLVED**

- 1. To support the progress update on work to establish the Corporate Joint Committee (CJC), and to respond to the tasks required by its statutory functions.**
- 2. To support the proposed plan and provisional timetable for the transfer of the North Wales Growth Deal to the North Wales CJC.**

### **REASONS FOR THE DECISION**

In December 2021/January 2022, the Cabinet and Executives in each of the six Local Authorities agreed, in principle, that the functions of the North Wales Economic Ambition Board should be transferred by way of a delegation agreement to the CJC. The statutory framework and the establishment of the CJC means that the proposed transfer needed to be progressed.

### **DISCUSSION**

It was explained that the report submitted the latest information on the progress of establishing the North Wales Corporate Joint Committee, responded to its statutory functions and delivered the proposal of transferring the functions of the North Wales Economic Ambition Board to the North Wales Corporate Joint Committee.

It was recognised that substantial work needed to be completed to establish the Joint Committee and completing those transfers effectively without affecting the quality of the North Wales Economic Ambition Board's work was a priority for officers, in order to proceed with the Growth Deal.

It was reported that it was intended to transfer staff from the North Wales Economic Ambition Board to the North Wales Corporate Joint Committee on 1 July 2024. It was noted that several work streams needed to be established to enable this transfer, namely:

- Agreement on transferring legal and governance services
- Consult with staff to ensure that appropriate policies and policies were in place to ensure successful transfer of People and Human Resources to the Joint Committee. It was emphasised that engagement with staff was crucial to ensure that everyone coped with the transfers and work that derived from the Growth Deal.
- Transfer Growth Deal funding and project funding arrangements ensuring that every process and operational system are in place to transfer the Portfolio Management Office to the Joint Committee.

- Ensure communication with staff and key stakeholders and include them throughout the process. It was noted that this would ensure that the Growth Deal continued to be delivered on time.

It was ensured that input from representatives from the private sector would be an integral part of the Joint Committee, and this was supported by Members. It was elaborated that it was possible to co-opt members from the private sector for specific discussions to ensure that their voices were heard as part of the Joint Committee's work.

A desire was expressed to support the work streams in order to confirm timely transfers. It was proposed and seconded to amend the decision to reflect this.

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

The report was submitted by the North Wales Councils' Lead Chief Executive for the NWEAB.

### **RESOLVED**

- 1. To support the extension of the arrangement to release the Portfolio Director's time for two days per week until 30 June 2024 to continue to undertake the Interim Chief Executive role.**
- 2. It was noted that all employment and associated costs would continue to be covered by the North Wales CJC.**

### **REASONS FOR THE DECISION**

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 were safeguarded as the CJC moved forward.

By now, 1 July 2024 this year had been identified as the date for the final transfer of the Board's functions to the CJC and a report outlining the steps to be taken in order to realise that transfer would be submitted to the Corporate Joint Committee's next meeting on 22 March 2024.

### **DISCUSSION**

It was reported that it was hoped that the transfer to the North Wales Corporate Joint Committee would be completed by the end of the 2023/24 financial year but it was recognised that this was not possible due to the complex nature of the transfer. It was confirmed that the amended timetable was to deliver the transfer on 1 July 2024 as discussed above (Item 7).

It was confirmed that the North Wales Corporate Joint Committee would also discuss the amended timetable at its meeting held on 22 March 2024.

Officers of the Host Authority were thanked for their work to support the Ambition Board and the North Wales Corporate Joint Committee. The Portfolio Director and all officers were also thanked for their work.

## **9. EXCLUSION OF PRESS AND PUBLIC**

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

- **Items 10 and 11: Paragraph 14 of Schedule 12A of the Local Government Act (Information about the financial or business transactions of any specific person (including the authority that retains that information)).** There was an acknowledged public interest in openness in relation to the use of public resources and related financial issues. It was recognised, however, that there were occasions in order to protect public financial and commercial interests, where such information must be discussed without being publicised. The report dealt 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.
- **Item 12: Paragraph 14 (Information relating to the financial or business affairs of any particular person (including the authority holding that information) and Paragraph 16 (information in respect of which a claim to legal professional privilege could be maintained in legal proceedings)) of Appendix 12A of the Local Government Act 1972.** There was an acknowledged public interest in openness in relation to the use of public resources and related financial issues. It was also acknowledged that there were occasions, in order to protect the financial and commercial interests that matters related to such information needed to be discussed without being publicised. The report dealt specifically with financial and business matter and related discussions. It also included legal advice for the Board which needed to be protected in order to have an open and frank discussion. 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.

#### **10. 4G+ (CONNECTED KEY SITES AND CORRIDORS) - OUTLINE BUSINESS CASE**

The report was submitted by the Digital Programme Manager.

#### **RESOLVED**

- 1. To approve the Outline Business Case for the 4G+ (Connected Key Sites and Corridors) project subject to the portfolio management office addressing the matters set out in the report, as described in Section 7, and recommend that a Full Business Case was prepared for the Board to consider.**
- 2. To authorise the Portfolio Director in consultation with the Host Authority Section 151 Officer and Monitoring Officer to agree draft terms in accordance with this report for approval by the NWEAB as a basis for the final funding arrangements for the project which will form the basis of the Grant Offer Letter which will 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 4G+ (Connected Key Sites and Corridors) project.

#### **DISCUSSION**

The report was discussed.

## 11. HYDROGEN SPONSOR CHALLENGE - FINAL RECOMMENDATIONS

The report was submitted by the Portfolio Director and Head of Operations.

### RESOLVED

#### 1. To support the recommendation for the following projects:

- **HSC01 – North-east Wales Hydrogen Hub (NEW – H2):** To invite the project to join the North Wales Growth Deal, subject to agreeing an MOU with the project sponsor.
- **HSC03 – Project HydRive:** While not inviting the project to join the Growth Deal, to support the concept and further development of the project with the PMO with a view that the project could be considered for funding through the Smart Local Energy fund once launched.

#### 2. To delegate authority to the Portfolio Director and Monitoring Officer, in consultation with the Chair and Vice-chair to confirm conditions with the project sponsor of HSC01 and to enter into a Memorandum of Understanding (MOU) with the project sponsor confirming the requirements and expectations relating to Growth Deal Funding.

#### 3. To note that inviting a project to join the Growth Deal was not a decision to invest in the project. In line with the usual process to access funding, all projects would be required to produce a business case for consideration by the Board.

#### 4. It was noted that supporting the principle of project HSC03 did not provide any guarantee of funding through the alternative sources suggested. Any future application would need to be assessed on merit against the criteria set out.

### REASONS FOR THE DECISION

A decision was required following the conclusion of the Hydrogen Sponsor Challenge.

### DISCUSSION

The report was discussed.

## 12. DEESIDE ANAEROBIC DIGESTION PLANT - OPTIONS PAPER

The report was submitted by the Digital Programme Manager.

### RESOLVED

**To defer consideration of the Full Business Case in accordance with Option A and to ask for a further report to the next meeting of the Board with a recommendation on the way forward for the project.**

### REASONS FOR THE DECISION

To provide clarity to the Portfolio Management Office and the project sponsor on the next steps in relation to the project.

### DISCUSSION

The report was discussed.



The meeting commenced at 9.30am and concluded at 12.15pm.

Chair