



Complete Agenda

**Bwrdd Uchelgais Economaidd
Gogledd Cymru**

**North Wales
Economic Ambition Board**

Meeting

NORTH WALES ECONOMIC AMBITION BOARD

Date and Time

9.30 am, FRIDAY, 15TH MARCH, 2024

Location

Virtual Meeting

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

Contact Point

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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 | Wrexham University |
| Yana Williams | Coleg Cambria |
| Askar Sheibani | Business Delivery Board |
| Professor Edmund Burke | Bangor University |

Chief Officers - Non-voting

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

Officers in Attendance

| | |
|--------------------|---------------------------|
| Dewi Morgan | Section 151 Officer |
| Iwan G. Evans | Monitoring Officer |
| Alwen Williams | Portfolio Director |
| Hedd Vaughan Evans | Head of Operations |
| Nia Medi Williams | Senior Operations Officer |

AGENDA

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 - 10

The Chair shall propose that the minutes of the meeting held on 2nd February, 2024 be signed as a true record.

5. 2024/25 REVENUE AND CAPITAL BUDGET 11 - 22

Dewi Morgan (Host Authority Head of Finance and Statutory Finance Officer) and Sian Pugh (Host Authority Assistant Head of Finance) to present the report.

6. INVESTMENT STRATEGY 23 - 43

Alwen Williams (Portfolio Director) to present the report.

7. FUNCTIONS OF THE NORTH WALES ECONOMIC AMBITION BOARD - TRANSFER TO THE CORPORATE JOINT COMMITTEE 44 - 48

Alwen Williams (Portfolio Director and CJC Interim Chief Executive) to present the report.

8. NORTH WALES CORPORATE JOINT COMMITTEE (CJC) - EXTENDING THE PART-TIME SECONDMENT OF THE EAB PORTFOLIO DIRECTOR AS INTERIM CJC CHIEF EXECUTIVE 49 - 51

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

9. 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 for the reasons noted:

- **Items 10 and 11:** 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.

- **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 the Local Government Act 1972. There is an acknowledged public interest in openness in relation to the use of public resources and related financial issues. It is also acknowledged that there are occasions, in order to protect the financial and commercial interests that matters related to such information need to be discussed without being publicised. The report deals specifically with financial and business matter and related discussions. It also includes legal advice for the Board which is needs to be protected in order to have a full 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 SITED AND CORRIDORS) - OUTLINE BUSINESS CASE

Stuart Whitfield (Digital Programme Manager) to present the report.

11. HYDROGEN SPONSOR CHALLENGE - FINAL RECOMMENDATIONS

Alwen Williams (Portfolio Director) and Hedd Vaughan-Evans (Head of Operation) to present the report.

12. DEESIDE ANAEROBIC DIGESTION PLANT - OPTIONS PAPER

Alwen Williams (Portfolio Director) and Hedd Vaughan-Evans (Head of Operation) to present the report.

NORTH WALES ECONOMIC AMBITION BOARD
02/02/2024

Present:

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

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

Chief Officers – Dylan Williams (Anglesey County Council), Rhun ap Gareth (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), Iwan Evans (Monitoring Officer), Sian Pugh (Assistant Head of Finance) and Rhodri Jones (Democracy Services Officer).

Ambition North Wales - Alwen Williams (Portfolio Director), Hedd Vaughan-Evans (Head of Operations), Nia Medi Williams (Senior Executive Officer), Stuart Whitfield (Digital Programme Manager), David Mathews (Land and Property Programme Manager) and Elgan Roberts (Energy Programme Manager)

Observers – Bryn Richards (UK Government).

1. APOLOGIES

Apologies were received from:-

- Cllr Llinos Medi Huws (Anglesey County Council) with Cllr Robin Williams deputising;
- Yana Williams (Coleg Cambria);
- Professor Edmund Burke (Bangor University) with Paul Spencer deputising;
- Dafydd Gibbard (Cyngor Gwynedd);
- Wendy Boddington (Observer, Welsh Government) with Bryn Richards deputising.

The Chairman welcomed the deputies to the meeting.

2. DECLARATION OF PERSONAL INTEREST

There were no declarations of personal interest.

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. FINAL ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023 AND THE RELEVANT AUDIT

The report was submitted by the Finance Officer.

RESOLVED

- 1. To approve the 'ISA260' report by Audit Wales in respect of NWEAB**
- 2. To approve NWEAB's final Statement of Accounts for 2022/23 (post-audit)**

REASONS FOR THE DECISION

The Chair, together with the Head of Finance, are required to certify the Letter of Representation, electronically (Appendix 1) after the NWEAB approve the above. The Auditor General for Wales (Adrian Crompton) will issue the Certificate on the accounts.

DISCUSSION

It has been confirmed that the annual Statement of Accounts has been prepared in accordance with the Code of Practice on Local Authority Accounting, and has been verified by Audit Wales. It was noted that Audit Wales were the external auditors of NWEAB, and had reviewed the statements. Attention was drawn to the fact that Audit Wales intended to publish an unqualified audit opinion on this year's accounts, when the Board will have issued a Letter of Representation based on what is set out in Appendix 1. The need for the Chair and the Statutory Finance Officer to sign that letter before forwarding it was explained.

It was explained that Appendix 3 referred to corrections he made to the accounts during the audit. One correction was detailed as the result of correcting information received by the actuary from the perspective of information about the pension commitment. It was explained that the second correction related to an item which had been included in the cash flow statement where it should not. It was confirmed there was no impact on Total Comprehensive Income and Expenditure or the pension reserve fund closure situation.

The relevant officers of Audit Wales and Cyngor Gwynedd's Finance Department were thanked for their work.

6. REVENUE AND CAPITAL BUDGET 2023/24 - END OF DECEMBER REVIEW 2023

The report was submitted by the Assistant Head of Finance.

RESOLVED

- 1. To note and accept the NWEAB's end of December 2023 revenue review (Appendix 1).**
- 2. To note and accept the NWEAB's reserves update (Appendix 2).**
- 3. To agree the NWEAB's revised capital expenditure profile (Appendix 3).**

REASONS FOR THE DECISION

An underspend of £340,768 was forecast against the revenue budget in 2023/24. Any underspend at the end of the financial year may be transferred to reduce the amount used from the North Wales Growth Deal Grant.

To note a further slippage on the capital programme, with an estimate of £3.36m expenditure in 2023/24 compared with the approved budget of £11.25m for the year.

DISCUSSION

Members were guided through the end of December 2023 financial review, referring to Appendix 1 which set out the true revenue position to the end of December and the projected position to the end of the financial year. Attention was drawn to the following main points:

- That there was a net overspend of £33,000 on the Portfolio Management Office, with the main overspend on employees. It was noted that this would be funded from income from the Shared Prosperity Fund and the Corporate Joint Committee (noted as income).
- There was an underspend of £35,000 on Support Services. It was explained that this money would be used to fund the external financial support expenditure.
- That there was an underspend of £39,000 on the CJC due to underspending within the fields of 'external legal support', 'financial fees' and the 'Business Delivery Board'.
- That there was a net underspend of £109,000 on Projects due mainly to underexpenditure on developing the projects' business cases.

Sources of income for 2023/24 were reported upon and Members were reminded that an underexpenditure of £267,000 had been predicted in the August 2023 review. It was explained that this underspend had now increased to £341,000 and therefore it was suggested that a smaller amount of the growth deal be used in order to leave the Board in a neutral position for the year. It was confirmed that this figure would be confirmed at the end of the financial year.

The fund balances were confirmed as follows:

- The General Reserve Fund balance at 31 March 2023 was £552,000. It was noted that £274,000 had been allocated in this year's budget which left a balance of £278,000.
- The Balance of the Projects Fund as at 31 March 2023 was £152,000 and there was likely to be no movement on the fund this year.
- The Interest Fund Balance as at 31 March 2023 was £1.7million. It was explained that a balance of around £4.4million was forecast by the end of the financial year with the addition of the partners' interest contributions of £251,000 for 2023/24 together with around £2.5million interest on the balances (including the Growth Deal Fund) for this year being added to the fund.

It was reported that there was a £7.89million reduction in expected spending in the capital programme for 2023/24, compared to the budget approved in March 2023. It was explained that this was due to a further reduction of £3.77million to what was envisaged in the August 2023 review following a reduction on four projects.

It was noted that the Board was unlikely to receive a £20million annual grant contribution this year but confirmed that officials had been in discussion with the UK Government to work on a capital re-profile. It was explained that if this was successful, it could mean

receiving a UK Government grant allocation in line with expenditure rather than as a flat rate over 10 years. It was recognised that this would reduce the Board's borrowing costs but borrowing costs would still exist for the Welsh Government funded element. It was confirmed that borrowing costs would result as the grant payment would be received at the end of the financial year rather than during the year as the expenditure took place.

The Officers were thanked for their work and the report.

7. NORTH WALES GROWTH DEAL - QUARTER 3 PERFORMANCE AND RISK REPORT

The report was submitted by the Head of Operations with support from the Digital Programme Manager, Land and Property Programme Manager and the Energy Programme Manager.

RESOLVED

- 1. To consider and note the Quarter 3 Performance Report and updated Portfolio Risk Register.**
- 2. To approve the submission of the Quarter 3 Performance Report to Welsh Government and UK Government as well as the local authority scrutiny committees.**

REASONS FOR THE DECISION

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

DISCUSSION

There was a presentation on a number of Quarter 3 highlights including:

It was reported that a Gateway 2 review for the '4G+' Key Sites and Connected Corridors project had been carried out in November with inspectors providing an 'Amber-Green' assessment with several recommendations as usual. It was noted that the Digital Programme Manager was working to address these recommendations before submitting the outline business case for consideration by the Portfolio Board and the Economic Ambition Board this year.

It was explained that three Shared Prosperity Fund projects were due to run this year so that Local Authorities could find ways to improve 4G mobile coverage in their regions. It was noted that the work also offered support for local businesses to understand options for adopting new digital technologies for the future.

It was discussed that a number of outline business cases were currently underway and the full business cases would be submitted to the Board when timely.

Pride was shown that two new members of staff had been appointed to assist as Energy Project Officer and Energy Project Manager. These appointments would help to ensure projects continued to be delivered in a timely manner.

An update was provided on a number of Land and Property projects including Warren Hall, Western Gateway, Holyhead Gate, Parc Bryn Cegin, Kinmel Studios and Wrexham Gateway.

It was recognised that planning issues remained a significant risk to Agri-food and Tourism projects at the moment. It was also noted that a Task and Finish group had been set up to examine the agriculture and horticulture gap in the Growth Deal. It was explained that they had commissioned research looking at food supply and demand in the region through collaboration with Local Authorities and the Welsh Government.

Reference was made to the Portfolio Risk Register stating that the risk of the Economic Context had increased this quarter. It was explained that the risk had been updated following the wars in the Middle East at present, as it could affect the costs of supplying goods. It was also explained that Delay risk had reduced this quarter as a number of outline and full business cases had been approved by the Board. Despite this, it was noted, that it was still a significant risk and was being overseen.

Following a question about a project it was highlighted that it was necessary to refer to commercially sensitive information in order to provide an answer. On legal advice it was proposed and seconded to remain closed for this particular aspect and it was agreed to approve the decisions sought.

8. EXCLUSION OF PRESS AND PUBLIC

RESOLVED to exclude the press and public from the meeting during the discussion on the remainder of Item 7 and Item 9 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 was 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.

9. FORMER NORTH WALES HOSPITAL, DENBIGH - OUTLINE BUSINESS CASE

The report was submitted by the Land and Property Programme Manager.

RESOLVED

- 1. That the Board approve the Outline Business Case for the Former North Wales Hospital project subject to Welsh and UK Governments' approval of the assurance process, and Jones Bros Civil Engineering UK Ltd addressing the matters set out in the report, as described in Section 7, and recommend to the NWEAB that a Full Business Case is prepared for the Board to consider.**
- 2. To note that as Jones Bros have been procured already by Denbighshire County Council as the developer for the site, there is no main procurement that needs to be completed before the FBC is approved. The Commercial Case sets out how Jones Bros will meet the Ambition North Wales Procurement Principles themselves and through their use of sub-contractors. The Funding Agreement to be developed will need to include provisions to cover this arrangement.**

3. 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 Former North Wales Hospital project.

DISCUSSION

The report was discussed.

The meeting commenced at 2.00pm and concluded at 3.15pm.

Chair



REPORT TO THE NORTH WALES ECONOMIC AMBITION BOARD

15/03/2024

Title: 2024/25 Revenue and Capital Budget

Author: Dewi A Morgan, Host Authority Head of Finance (Statutory Finance Officer)

Sian Pugh, Host Authority Assistant Head of Finance

1. Purpose of the Report

1.1 The purpose of this report is to propose the North Wales Economic Ambition Board's (NWEAB) Revenue and Capital Budget for 2024/25.

2. Decision Sought

The Board is asked to approve the:-

2.1 2024/25 Revenue Budget as presented in Appendix 1.

2.2 Funding contributions to include the partner contributions and local authorities' supplementary contributions.

2.3 Capital Budget for the Growth Deal as presented in Appendix 2.

2.4 Extension of the fixed term staff contracts from March 2025 to March 2026.

3. Reasons for the Decision

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

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

- 3.3 Appendix 2 sets out the proposed capital budget per project and the corresponding capital funding for the £240m Growth Deal.
- 3.4 Appendix 3 sets out a summary of the 2024/25 budget against the draft budget for 2025/26.

4. Background and Relevant Considerations

- 4.1 Although the NWEAB could come under the economic well-being power of the North Wales Corporate Joint Committee (CJC) during the financial year, a budget must be established for the Board's current functions.
- 4.2 The proposed detailed revenue budget for 2024/25 is shown in Appendix 1 and the proposed capital budget is shown in Appendix 2.
- 4.3 As the North Wales Growth Deal is entering its key delivery period, the Portfolio Director has requested that the employee fixed term contracts be extended until March 2026. This will not require additional contributions from partners as it will be funded from the current funding sources as shown in Appendix 3.

Revenue Budget

4.4 Portfolio Management Office - £1,532,940

The budget for the Portfolio Management Office (PMO) is based on 20 employees as well as an additional student placement grant post until August 2024. It also includes advertising and assessment of candidates; travel and subsistence; training; engagement and meetings; communications and public relations; supplies and services; premises; portfolio and programme development.

4.5 Accountable Body Support Services - £212,300

The Accountable Body provides the support services required to facilitate the work of the Joint Committee, and the budget for 2024/25 includes Finance Services Support, Legal (including Monitoring officer), Corporate Support, Information Technology (IT) and Insurance.

- 4.6 The scope of the services offered, charging mechanisms and estimated costs will be agreed with each department.

Joint Committee

4.7 External Legal Support - £18,000

This includes a budget for external legal support required for specialised work in relation to governance and policy issues.

4.8 External Financial Fees - £10,000

This budget will mainly cover the input from external treasury and pension advisors.

4.9 External Audit Fee – £27,520

This fee will cover the audit of the annual financial statement of accounts as well as Performance Audit, and these will be conducted by Audit Wales as the External Auditor.

4.10 Business Delivery Board - £15,000

This budget will be used to support the work of the Business Delivery Board.

Projects

- 4.11 The budget figures are based on the most current information available, and they will be reviewed during the year as the capital programme develops.

4.12 Project Business Case Development - £200,000

The projects require a Business Case that is approved by the NWEAB. The NWEAB will be responsible for funding the business cases for the NWEAB led projects, and this will involve extensive specialised work from external companies.

4.13 External Legal Support - £100,000

This includes a budget for external legal support required for specialised work involving the project business cases.

4.14 External Procurement Support - £35,000

This includes a budget for external procurement support required for the projects.

4.15 Assurance - £40,000

This includes a budget for the Government Gateway Reviews for the NWEAB and Project Sponsor led projects.

Grant schemes - £772,560

- 4.16 The expenditure under this heading includes employee expenditure to deliver the Local Area Energy Plans that are funded by a specific grant from Welsh Government. It also includes the expenditure for employees and specific schemes that are directly funded from the UK Shared Prosperity Fund.

Funding Contributions

4.17 Partner Contributions – (£463,080)

In accordance with Governance Agreement 2 (GA2), the 2024/25 Budget includes a contribution of £57,880 from the six local authorities and £28,950 from the four advisors, to give a total contribution of £463,080. The partner contributions have increased by 4.6%, to reflect the out-turn adjustment for 2023/24 and the proposed salary inflation for 2024/25, in line with clause 15.4.3 of the GA2.

4.18 Local Authorities' Supplementary Contributions – (£240,000)

Again, in accordance with GA2, the budget includes £40,000 from the six local authorities to give a total contribution of £240,000.

4.19 North Wales Growth Deal grant – (£1,100,000)

Although the North Wales Growth Deal grant is a capital grant, 2.15% - which equates to £5.15m of the North Wales Growth Deal grant – has been allocated to fund the NWEAB'S revenue expenditure, with £1.1m included in the 2024/25 budget. This flexibility can be achieved in the same way that local authorities have flexibility to manage the funding of their own capital programmes.

4.20 Welsh Government Energy grant (£106,180)

This funds the expenditure on the Projects heading as well as contributing towards two of the Energy posts in the Portfolio Management Office.

4.21 UK Shared Prosperity Fund (£973,600)

This funds the UK Shared Prosperity's expenditure on employees and specific schemes that are shown under the Projects heading as well as contributing to the PMO core staff costs.

4.22 Earmarked Reserve – (£66,950)

A balance of £277,927 is estimated in the earmarked reserve at 31 March 2024, and after using £66,950 to fund the 2024/25 budget, £210,977 will be available to fund one-off costs in future years.

Capital Budget

4.23 The capital budget is based on a risk-adjusted expenditure profile for each project within the Deal over the period 2021/22 to 2034/35, as well as the 2.15% top-slice to fund the revenue budget over the same period. It's based on the latest projects' timescale, and it will be reviewed during the year as the business cases are approved.

4.24 Although the £240m expenditure will be funded from the Growth Deal, the timing of the grant receipt will mean that borrowing will be required in the short term. The cost of borrowing will be funded by partners and project sponsors, and partners have already been contributing an annual sum towards these costs of which has been set aside in a specific reserve. Significant interest has also been received on balances, and this is also transferred to the same reserve.

4.25 We have been informed by both Governments that Growth Deal funding will not be received in 2023/24 and Ambition North Wales have been in discussion with both governments, and a report has been presented to UK Government on the rationale behind a revised funding profile and the re-allocation of funds from this year.

- 4.26 As a one-off measure for 2024/25 we will not be billing the partners for interest contributions and will review again the level of contributions required for the remaining years as more information becomes available during the year.
- 4.27 With capital projects, there is always a risk of overspending, and controls will be put in place to limit overspending costs on specific projects. For regional projects, the Portfolio Management Office will be responsible for controlling expenditure and ensuring that sufficient contingency budgets are included in the project business cases. Overspend would be a matter for the project sponsor to deal with in relation to their own projects.

Portfolio Management Office Resourcing

- 4.28 The majority of staff within the Portfolio Management Office (excluding 7 permanent posts) are employed on fixed term contracts until March 2025, and in order to mitigate the risk of staff leaving when the North Wales Growth Deal is going into its key delivery period, the Portfolio Director has requested for their contracts to be extended until March 2026. This will not apply for those members of staff whose posts are funded by specific grants (e.g. Energy and SPF) as their contract periods are linked directly to the grant period. The UKSPF funding that Ambition North Wales has received in 2023/24 and will receive in 2024/25 towards the core PMO staff has reduced the Growth Deal Funding requirement that had originally been allocated during these years, and therefore has allowed the funding to be reallocated to subsequent years. The extension of staff contracts to March 2026 will not require additional contributions from partners as it will be funded from the current funding sources (Appendix 3).

5. Governance Context

- 5.1 The Annual Budget is required to be prepared by the accountable body and agreed by the NWEAB Joint Committee.
- 5.2 The proposed budget for 2024/25 has been prepared based on the roles, activities and responsibilities identified to date, with the expectation that the level of resources allocated is continually reviewed and updated as the projects move forward and more information becomes available.
- 5.3 Regular budget monitoring reports will be presented to the Portfolio Management Office staff. A further detailed review will also be undertaken at the end of August 2024 and December 2024 and presented to the Portfolio Board and the Economic Ambition Board, with any issues highlighted and appropriate action taken.

6. Consultations Undertaken

- 6.1 Appendices 1,2 and 3, and the information within this report was presented to the Portfolio Board on 23 February 2024.

7. IMPACT ASSESSMENT

- 7.1 The NWEAB is subject to duties under the Equality Act 2010 and the Well-being of Future Generations (Wales) Act (2015).
- 7.2 In accordance with the legal duties under the Equality Act 2010, when making decision, the NWEAB must give due attention to the need (1) to eliminate unlawful discrimination (2) advance equality of opportunity and (3) encourage good relations based on the protected characteristics. As setting a budget falls within the decisions which can be considered strategically, there is a duty to give due attention to operating in a way which is designed to minimise inequalities which stem from socio-economic disadvantage. As each project is subject to a very detailed business case in line with the 'Better Business Case' guidance developed by HM Treasury and Welsh Government, it is not considered that any specific impacts stem from the decisions submitted.

7.3 The Well-being of Future Generations (Wales) Act 2015 involves improving the social, economic, environmental and cultural well-being of Wales. The act places a well-being duty on public bodies which is aimed at delivering the seven well-being goals, namely a prosperous, resilient, healthier, more equal Wales with cohesive communities and a vibrant culture and thriving Welsh language which is globally responsible. Given the context, the recommendations are in accordance with these duties.

8. Appendices

Appendix 1 – 2024/25 North Wales Economic Ambition Board Revenue Budget.

Appendix 2 – 2024/25 North Wales Economic Ambition Board’s Capital Budget.

Appendix 3 – 2024/25 Revenue Budget and 2025/26 Draft Revenue Budget.

STATUTORY OFFICERS’ RESPONSE:

i. Monitoring Officer – Accountable Body:

No observations to add in relation to propriety.

ii. Statutory Finance Officer – Accountable Body:

Author of this report.

| Expenditure | (£) |
|---|------------------|
| Portfolio Management Office | |
| Employee Expenditure (Pay, N.I. & Superannuation) | 1,395,940 |
| Advertising and Assessment of Candidates | 3,000 |
| Travel and Subsistence | 11,000 |
| Training | 11,000 |
| Engagement and Meetings | 10,000 |
| Communications and Public Relations | 25,000 |
| Supplies and Services | 11,000 |
| Premises | 36,000 |
| Portfolio and Programme Development | 30,000 |
| Total Portfolio Management Office | 1,532,940 |
| Accountable Body Support Services | |
| Finance Services Support | 110,860 |
| Legal (includes Monitoring Officer) | 29,690 |
| Corporate Support | 45,700 |
| Information Technology | 21,920 |
| Insurance | 4,130 |
| Total Accountable Body Support Services | 212,300 |
| Joint Committee | |
| External Legal Support | 18,000 |
| External Financial Fees | 10,000 |
| External Audit Fee | 27,520 |
| Business Delivery Board | 15,000 |
| Total Joint Committee | 70,520 |
| Projects | |
| Project Business Case Development | 200,000 |
| External Legal Support | 100,000 |
| External Procurement Support | 35,000 |
| Assurance | 40,000 |
| Total Projects | 375,000 |
| Grant schemes | |
| Employee Expenditure - Local Area Energy Project | 99,420 |
| Employee Expenditure - Shared Prosperity Fund | 122,640 |
| Shared Prosperity Schemes | 550,500 |
| Total Grant schemes | 772,560 |
| Total Expenditure | 2,963,320 |

2024/25 North Wales Economic Ambition Board Revenue Budget.

| Income | (£) |
|---|--------------------|
| Funding Contributions | |
| Partner Contributions | |
| Conwy County Borough Council | (57,880) |
| Denbighshire County Council | (57,880) |
| Flintshire County Council | (57,880) |
| Cyngor Gwynedd | (57,880) |
| Isle of Anglesey County Council | (57,880) |
| Wrexham County Borough Council | (57,880) |
| Bangor University | (28,950) |
| Wrexham Glyndwr University | (28,950) |
| Coleg Cambria | (28,950) |
| Grŵp Llandrillo Menai | (28,950) |
| Local Authorities' Supplementary Contributions | |
| Conwy County Borough Council | (40,000) |
| Denbighshire County Council | (40,000) |
| Flintshire County Council | (40,000) |
| Cyngor Gwynedd | (40,000) |
| Isle of Anglesey County Council | (40,000) |
| Wrexham County Borough Council | (40,000) |
| Other | |
| North Wales Growth Deal grant | (1,100,000) |
| Welsh Government Energy grant | (106,180) |
| UK Shared Prosperity Fund | (973,600) |
| Welsh Government Grant - Student Placement | (13,510) |
| Earmarked Reserve | (66,950) * |
| Total Income | (2,963,320) |
| Net Budget | 0 |

* This would leave an estimated balance of £210,977 in the earmarked reserve.

North Wales Economic Ambition Board's Capital Budget 2024/25 (risk adjusted)

Appendix 2

| 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) | 2033/34 (£m) | 2034/35 (£m) | Total (£m) |
|--|---|--------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|---------------|
| Digital | Digital Signal Processing Centre (DSP) | Bangor University | 0.12 | 1.66 | 0.37 | 0.81 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 2.96 |
| Digital | Connected Key Sites and Corridors | NWEAB | 0.00 | 0.00 | 0.00 | 0.00 | 0.50 | 4.00 | 2.00 | 2.37 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 8.87 |
| Digital | Connected Campus | NWEAB | 0.00 | 0.00 | 0.00 | 0.00 | 0.94 | 10.10 | 4.93 | 4.71 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 20.68 |
| Digital | Connecting the last few percent | NWEAB | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 2.32 | 1.85 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 4.17 |
| Low carbon energy | Cydnorth (Morlais) | Menter Môn | 0.00 | 0.00 | 0.00 | 0.00 | 3.33 | 4.44 | 1.10 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 8.87 |
| Low carbon energy | Egni (Low Carbon Energy Centre of Excellence) | Bangor University | 0.00 | 0.00 | 0.00 | 0.00 | 1.97 | 1.97 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 3.94 |
| Low carbon energy | Trawsfynydd Power Station | Cwmni Eginio | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.50 | 2.50 | 5.00 | 5.70 | 5.00 | 0.00 | 19.70 |
| Low carbon energy | Hydrogen Hub and Transport Decarbonisation | NWEAB | 0.00 | 0.00 | 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 |
| Low carbon energy | Smart Local Energy | NWEAB | 0.00 | 0.00 | 0.00 | 0.75 | 3.00 | 9.25 | 9.25 | 2.38 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 24.63 |
| Low carbon energy | Deeside Waste to Fuel* | The Circular Economy Ltd | 0.00 | 0.00 | 0.00 | 3.20 | 3.20 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 6.40 |
| Low carbon energy | Holyhead Hydrogen Hub* | Menter Môn | 0.00 | 0.00 | 0.00 | 0.00 | 1.90 | 1.90 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 3.80 |
| Land and property | Holyhead Gateway | Stena Line | 0.00 | 0.00 | 0.00 | 7.64 | 17.00 | 9.83 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 34.47 |
| Land and property | Warren Hall Strategic Site | NWEAB | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 7.38 | 7.39 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 14.77 |
| Land and property | Former North Wales Hospital, Denbigh | NWEAB | 0.00 | 0.00 | 0.00 | 3.90 | 3.04 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 6.94 |
| Land and property | Parc Bryn Cegin Strategic Site | NWEAB | 0.00 | 0.00 | 0.00 | 0.00 | 5.91 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 5.91 |
| Land and property | Western Gateway, Wrexham | NWEAB | 0.00 | 0.00 | 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 |
| Land and property | Kinmel Studios* | Stage Fifty | 0.00 | 0.00 | 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 |
| Land and property | Wrexham Gateway* | Wrexham County Borough Council | 0.00 | 0.00 | 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 |
| Innovation in High Value Manufacturing | Centre of Environmental Biotechnology (CEB) | Bangor University | 0.00 | 0.00 | 0.00 | 0.00 | 2.96 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 2.96 |
| Innovation in High Value Manufacturing | Enterprise Engineering & Optics Centre | Glyndŵr University | 0.00 | 0.00 | 0.00 | 7.27 | 4.28 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 11.55 |
| Agri-food and tourism | Glynllifon Rural Economy Hub | Grŵp Llandrillo Menai | 0.00 | 0.00 | 0.00 | 0.00 | 7.20 | 4.62 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 11.82 |
| Agri-food and tourism | Tourism Talent Network | Grŵp Llandrillo Menai | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 2.13 | 2.30 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 4.43 |
| Agri-food and tourism | Responsible Adventure* | Zip World | 0.00 | 0.00 | 0.00 | 0.00 | 2.30 | 3.70 | 0.20 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 6.20 |
| | 2.15% to fund the NWEAB's revenue budget | | 0.22 | 0.28 | 0.68 | 1.10 | 1.15 | 0.70 | 0.30 | 0.15 | 0.15 | 0.10 | 0.10 | 0.10 | 0.07 | 0.05 | 5.15 |
| Programme Total | | | 0.34 | 1.94 | 1.05 | 24.67 | 58.68 | 68.53 | 44.81 | 19.71 | 1.65 | 2.60 | 5.10 | 5.80 | 5.07 | 0.05 | 240.00 |

*Replacement projects

2024/25 Revenue Budget and 2025/26 Draft Revenue Budget.

Appendix 3

| | 2024/25 | 2025/26 |
|--|--------------------|--------------------|
| | £ | £ |
| Expenditure | | |
| Portfolio Management Office | 1,532,940 | 1,569,710 |
| Accountable Body Support Services | 212,300 | 209,480 |
| Joint Committee | 70,520 | 70,520 |
| Projects | 375,000 | 147,500 |
| Grant schemes | 772,560 | 0 |
| Total Expenditure | 2,963,320 | 1,997,210 |
| Income | | |
| Partner Contributions | (463,080) | (486,220) |
| Local Authorities' Supplementary Contributions | (240,000) | (240,000) |
| North Wales Growth Deal grant | (1,100,000) | (1,150,000) |
| Welsh Government Energy grant | (106,180) | 0 |
| UK Shared Prosperity Fund | (973,600) | 0 |
| Welsh Government Grant - Student Placement | (13,510) | 0 |
| Capitalisation of salaries | 0 | (60,000) |
| Earmarked Reserve | (66,950) | (60,990) * |
| Total Income | (2,963,320) | (1,997,210) |
| Net Budget | 0 | 0 |

* This would leave an estimated balance of £149,987 in the earmarked reserve.

REPORT TO THE NORTH WALES ECONOMIC AMBITION BOARD
15 March, 2024

TITLE: Investment Strategy
AUTHOR: Alwen Williams, Portfolio Director

1. PURPOSE OF THE REPORT

- 1.1. The purpose of the report is to present the investment strategy and plan for attracting Growth Deal and wider regional economic development in North Wales. The strategy comprises the investment principles agreed by the Board in December 2023 and is founded on research and analysis conducted by Savills consultancy on behalf of Ambition North Wales and the Business Delivery Board.

2. DECISION SOUGHT

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

3. REASONS FOR THE DECISION

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

4. BACKGROUND AND RELEVANT CONSIDERATIONS

- 4.1. The five Growth Deal programmes have a total capital investment target of £1billion.
- 4.2. Of this total, £240million has been committed by UK and Welsh Governments and £760 million of additional capital is expected to come from other public and private sector sources. The investment will collectively contribute to the region's economic growth over a ten to fifteen-year term.
- 4.3. This joint financial commitment and objective is crucial to enhance the region's infrastructure, thereby creating a more attractive opportunity for the business sector. The approach not only amplifies our regional strengths but also significantly boosts our competitiveness within the UK wide and Global market. The Growth Deal lays a solid foundation for the North Wales economy to thrive and deliver social, economic, and environmental benefits that surpass its initial investment objectives.

- 4.4. The investment strategy in **Appendix 1** has been developed in consultation with the Business Delivery Board and Portfolio Board and is informed by a research exercise carried out by Savills consultancy which evaluated the investment landscape and the key considerations and opportunities to attract private sector investment to North Wales.

5. FINANCIAL IMPLICATIONS

- 5.1. Investment objectives 5, 6 and 7 within the strategy will require funding to be identified to ensure their successful delivery. This funding has not yet been estimated or identified.

6. LEGAL IMPLICATIONS

- 6.1. There are no legal implications from the decision sought.

7. IMPACT ASSESSMENTS

7.1. The Well-Being of Future Generations (Wales) Act 2015

The investment strategy supports the delivery of the North Wales Growth Deal. Ambition North Wales through its portfolio of programmes and projects along with the processes put in place aim to ensure that the Growth Deal will have a positive impact against all the 7 well-being goals. The investment strategy will ensure that our approach to securing investment for the Growth Deal is line with the Well-being of Future Generations (Wales) Act 2015.

7.2. Equality Act 2010

The Growth Deal will have a neutral impact on equalities against the 11 protected characteristics. The Growth Deal projects are being co-produced through partnerships involving the public and private sector, research bodies and the regional skills partnership, with a focus on engagement to positively impact those disadvantaged by gender, disability, ethnicity or age.

7.3. Welsh Language Act

Delivery of the Growth Deal will have a positive impact on the Welsh Language, proactively seeking opportunities to promote and facilitate the use of the Welsh language across the region.

APPENDICIES:

- Appendix 1 Investing in North Wales: Approach to secure investment
-

STATUTORY OFFICERS RESPONSE:

i. Monitoring Officer – Host Authority:

“Attraction of private sector investment is a key aspect of the Growth Deal model. In the light of the changing context for the Growth Deal it is appropriate that the Board adopts an up to date strategy to develop and progress this aspect.”

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

“I welcome the Investment Strategy and support the principle of establishing it. However, I note from the document that no funding sources has been identified for the realisation of Objectives 5, 6 and 7. Finance officers will support the PMO with this work as required.”



Investing in North Wales

Approach to secure investment



Uchelgais Gogledd Cymru
Ambition North Wales

Version Control

| Version | Date | Editor | Details |
|---------|------------|----------------|-----------------------|
| 1.0 | 08/02/2024 | Alwen Williams | 1 st Draft |
| | | | |
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1. Purpose

- 1.1 This document outlines the portfolio level strategy, principles, and plan, adopted by the Portfolio Management Office (PMO), to coordinate and manage activity by partners and project sponsors to leverage the required private sector investment for the £1bn North Wales Growth Deal. The strategy also acknowledges the broader investment opportunities for the region.
- 1.2 It builds on the publication of Welsh Government's new Economic Mission: Priorities for a Stronger Economy¹ which outlines the focus required for a stronger, fairer, and greener Welsh economy, aimed at giving young people the confidence to plan ambitious futures in Wales. The Growth Deal is a demonstration of joint working across governments, public sector, and the private sector to build a more prosperous economy based on sustainable jobs and fair work.
- 1.3 A research project, conducted by Savills consultancy, was commissioned to inform this regional investment approach. Key insights and recommendations are made to identify, unlock, and capture private sector investment into a wide range of economic opportunities. Savills conducted extensive stakeholder engagement which has led to the development of seven key investment principles that underpin our strengths and opportunities for investment. The research assessed the economic, investment and property market.

2. Introduction

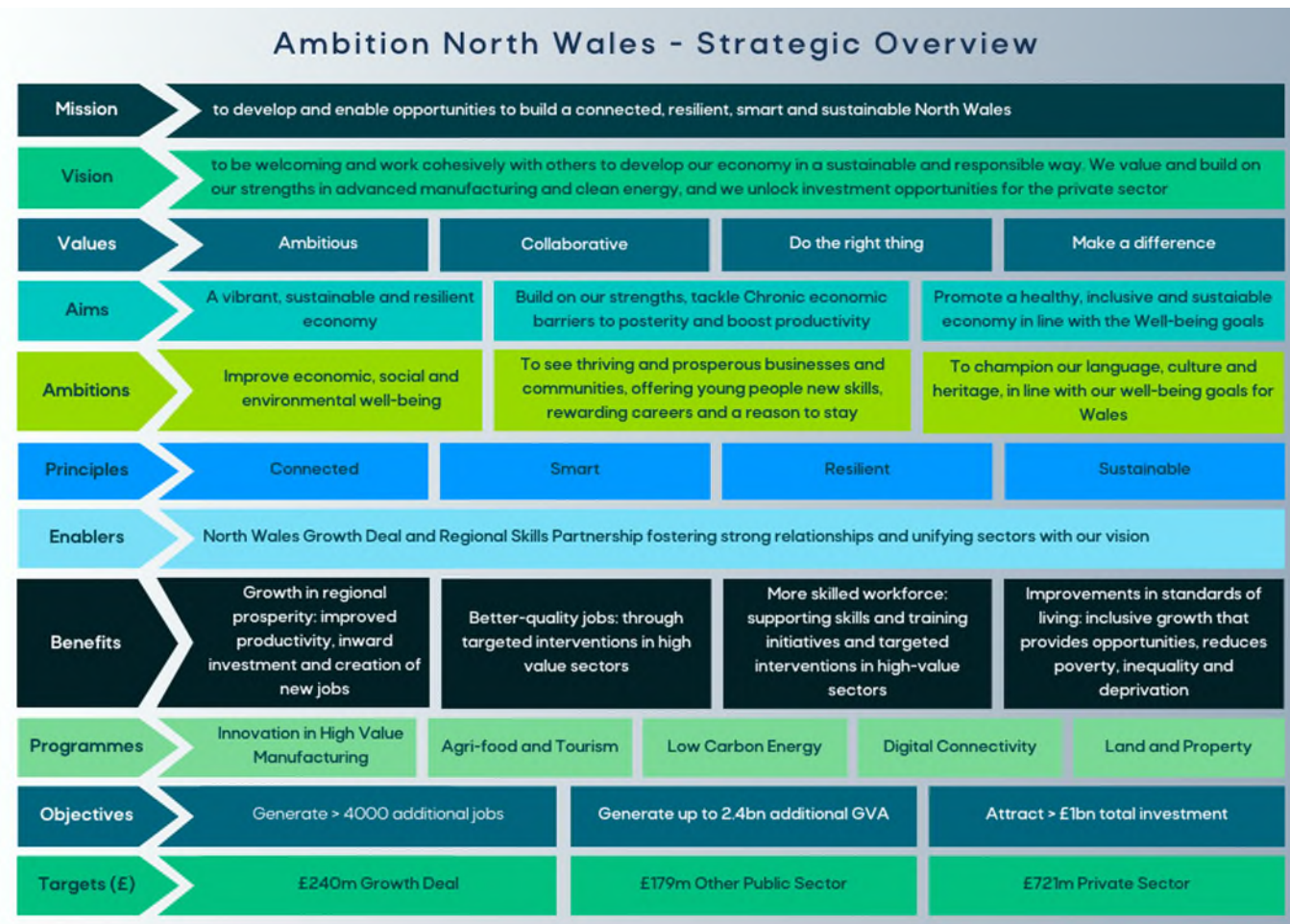
- 2.1 Ambition North Wales has a long association and relationship with the private sector. The North Wales Mersey Dee Business Council were a key partner in developing the Growth Deal's portfolio until late 2020 when Covid re-prioritised their attention. The Business Delivery Board, as an advisory body, is represented by founders and senior members of private sector organisations across key industry sectors and it is instrumental within the Growth Deal's delivery structure. And the North Wales Regional Skills Partnership which sits within Ambition North Wales has a broad reach into industry and education to inform our skills and employability plans. This collaboration fosters alignment between the Growth Deal's projects and the business sectors in North Wales.
- 2.2 UK and Welsh Government have jointly committed, by means of the Growth Deal agreement, to invest £240million of capital to help unlock the potential in the North Wales economy. A further £760million of additional capital is targeted from other public and private sector sources. The investment will collectively contribute to the region's economic growth by 2036.
- 2.3 The Growth Deal is a long-term, large, and diverse portfolio of transformational projects which will evolve and change over time. The portfolio will continue to evolve and as such the investment strategy and plan is agile and can flex to respond to project level change i.e., projects dropping out or ceasing to be feasible.

¹ Welsh Government: Economic mission: priorities for a stronger economy - [Economic mission: priorities for a stronger economy](#)

3. Strategic Overview

3.1 Ambition North Wales under the leadership of the Economic Ambition Board has set out its strategic overview all of which is underpinned by the overarching vision, mission, and values.

Diagram 1: Strategic Overview summary



Growth Deal Programme Investment Breakdown

3.2 The North Wales Growth Deal is contributing to achieving the vision through a portfolio of five programmes, each comprising a set of projects. The Portfolio Business Case sets out the investment objectives for the North Wales Growth Deal, which are to:

- create up to 4,200 new jobs.
- add to the economy up to £2.4bn in net additional GVA.
- deliver total investment of over £1bn.

Successful delivery of these objectives requires a strong and collaborative partnership with Governments and the private sector.

3.3 Investment is targeted at strategically important industrial sectors, via the portfolio's five programmes, in two categories;

- a) those increasing the value of high growth sectors:
 - Low carbon energy programme
 - Innovation in high value manufacturing programme
 - Agri-food and tourism programme
- b) those addressing key barriers to growth:
 - Land and property programme
 - Digital programme

3.4 The Growth Deal aims to maximise investment across the portfolio to achieve sustainable economic growth for North Wales.

A breakdown of the forecasted investment split is presented in Table 1.1

| Programmes | Growth Deal Investment (£m) | Other Public Sector Investment (£m) | Private Sector Investment (£) | Total Capital Investment (£m) |
|--|-----------------------------|-------------------------------------|-------------------------------|-------------------------------|
| Digital Programme | 36.7 | 0.1 | 0.4 | 37.2 |
| Low Carbon Energy Programme | 78.5 | 247.8 | 157.0 | 483.3 |
| Land and Property Programme | 82.7 | 2.0 | 362.2 | 446.9 |
| Innovation in High Value Manufacturing Programme | 14.5 | 5.4 | 0.0 | 19.9 |
| Agri-food and Tourism Programme | 22.5 | 11.7 | 8.0 | 42.2 |
| GROWTH DEAL TOTAL | 234.8 | 267.0 | 527.6 | 1029.5 |

* Remainder of £240m is allocated to support the Portfolio Management Office

Table 1.1: Growth Deal programme – required funding breakdown.

3.5 The Growth Deal, serving as a catalyst for long-term economic prosperity, is reliant on investment as outlined from the public and private sector. This joint financial commitment is crucial to enhance the region’s infrastructure, thereby creating a more attractive opportunity for the business sector. This approach not only amplifies our regional strengths but also significantly boosts our competitiveness within the UK wide and Global market. The Growth Deal lays a solid foundation for the North Wales economy to thrive and deliver social, economic, and environmental benefits that surpass its initial investment objectives.

Growth Deal Project Investment Breakdown

3.6 The Growth Deal comprises 23 projects across the five programmes. Their primary driver is to deliver long-term economic and social benefits to North Wales in line with the strategic outcomes set out in the portfolio business case.

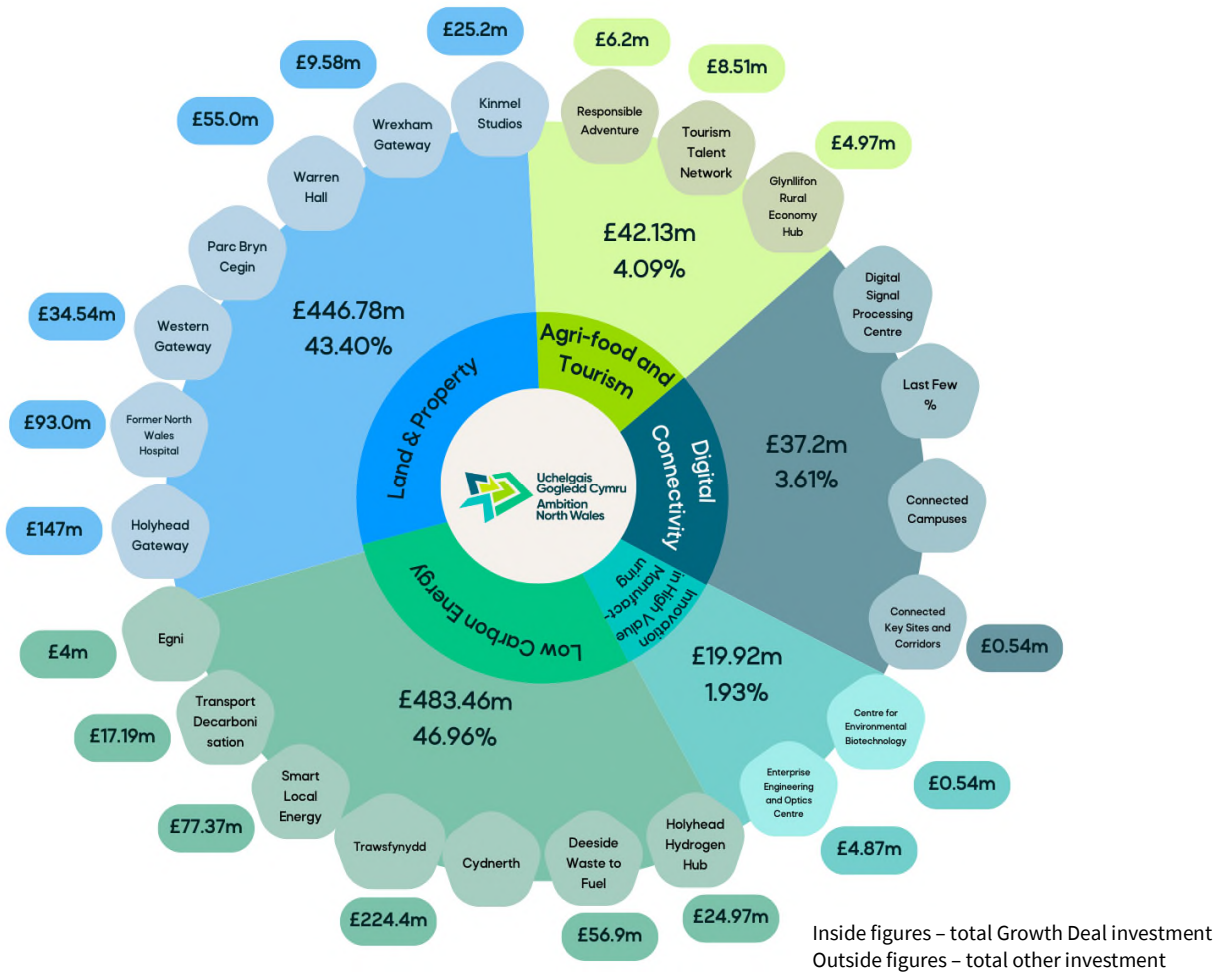


Diagram 2: Project investment breakdown

3.7 A total of £760 million of other public and private sector investment is required to achieve the portfolio investment target of £1billion. The Low Carbon Energy programme and projects will deliver 58 percent of this target and Land and Property 32 percent. The remaining 10 percent is split across the other three programmes.

3.8 The Portfolio Business Case² (Table 1.4) outlines the rationale and process, during 2023, which led to a recommendation for five new projects to receive Growth Deal funding, subject to business case approval. The five new projects were recommended for support following assessments against the investment return, net jobs, quality, financial due diligence, and subsidy control information. This illustrates the changing nature of the Growth Deal’s portfolio.

3.9 The Portfolio Business Case’s financial case (Section 4) outlines the key capital requirements at a project level, including a project level breakdown of the private sector investment position. Changes in the programme expenditure profile, summarised in Diagram 3, demonstrates the impact of the project changes, approvals, and project delays. The Growth Deal is still on track to meet the investment target (£1bn); however, this is now forecast to be reached in 2032/33, rather than in 2027/28 as set out in the 2021 portfolio profile.

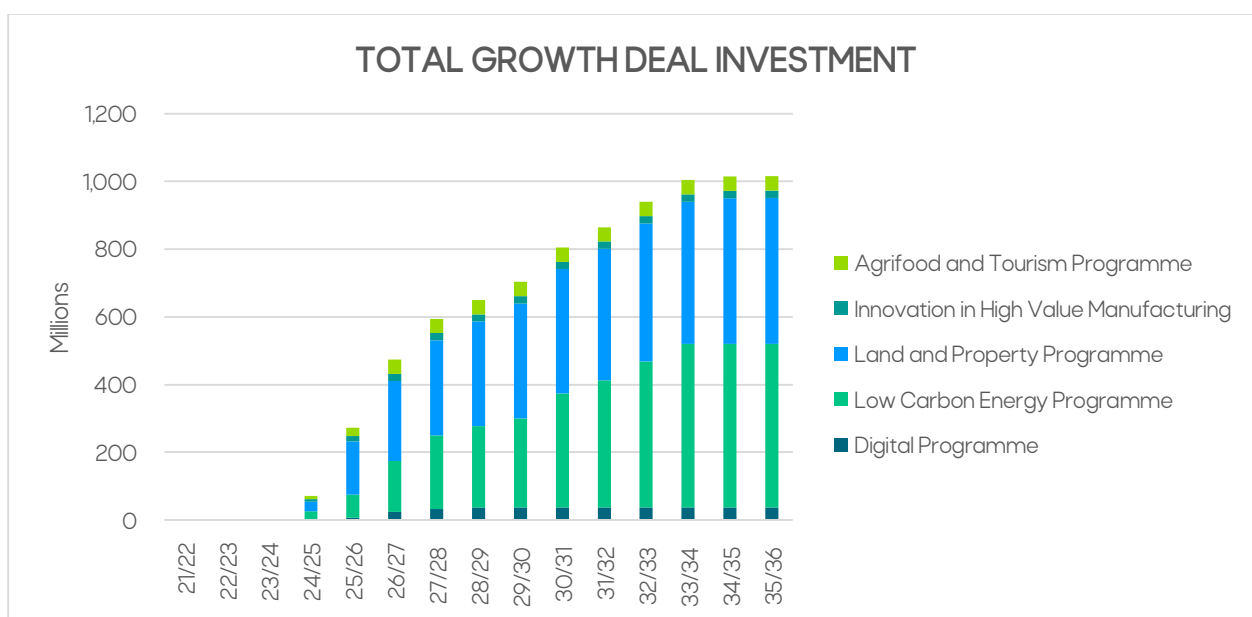


Diagram 3: Programme expenditure profile

4. Investment Strategy Principles

4.1 The following key principles found the strategy for investment and wider regional economic sustainable development in North Wales. Each serves as a guide to underpin our strengths and opportunities for investors.

4.2 Drive **collaboration** – Ambition North Wales plays a pivotal role in unifying regional stakeholders – to present a cohesive, collaborative ‘Team North Wales’s welcome for potential investors, to build relationships and leverage cross-border opportunities.

² The Portfolio Business Case is not a public document due to commercially sensitive information.

- 4.3 Build **on our strengths** – we prioritise our people, skills, culture, language, and heritage, and capitalise on our industrial and low-carbon energy sectors, inviting investors to join us to create impactful partnerships that emphasise social value and community benefits.
- 4.4 Promote **our magnet sites as foundations for regional growth** – highlighting their potential for new investments, skills, and collaborations, and demonstrating our readiness for business.
- 4.5 Enhance **our visibility to unlock investment** – we commit to developing and marketing strategic investment opportunities, actively promoting them to bridge information gaps and empower confident and effective investor engagement.
- 4.6 Build **opportunities of scale** – we aim to target a broad spectrum of investors, from local to international. By packaging schemes to create opportunities of significant scale we can achieve projects likely to appeal in a wider investor market.
- 4.7 Promote **our town centres** – dynamic town centres are crucial to support the development of year-round economies and address labour market challenges. We will actively promote the opportunity for investment and ongoing partnerships that are transforming our towns.
- 4.8 Cultivate **opportunity through strategic development** – we commit to reversing the trend of population decline and outmigration of skilled people by co-creating and delivering strategic development and regional transport plans that create thriving, accessible and well-connected communities.

5. Investment Landscape

- 5.1 Savills Consultancy were appointed to conduct an Investment Research Analysis to inform development of this strategy. The analysis focuses on the current investment market, barriers to investment, and suggests a range of interventions that may support Ambition North Wales and partners unlock further investment. While there is a focus on Growth Deal areas there is a broader scope for the recommendations to consider investment opportunities across the whole of the North Wales economy.

5.2 Barriers to Investment in North Wales

The research has identified several barriers to private sector investment in North Wales. They include:

- **Scale and Value** – Limited scale or limited focus on high value opportunities that attract investors to break into a new market, or make the case for long term investment (e.g. Grade A space, or £500m + investments etc);
- **Risk and uncertainty** – Limited market evidence of demand, delivery, or high values being unlocked can increase risk for developers considering increasing costs and limited labour force and supply chain issues.
- **Information and knowledge gaps** – Poor understanding of current assets, the routes to delivery for major projects, funding gaps, or the scale of investment potential and impact.

- **Specialist nature of some opportunities** – Many of the large-scale opportunities are very specialised in advanced manufacturing, emerging low carbon projects, or digital technologies that require specialist advice to understand the investment pipeline and profile.
- **Coordination across public sector** – Gaps in the links between local, regional, and national government in coordinating support, and delivering support at scale and in a targeted way.
- **Speed of response** – Potential delays in decision making, timeframes to respond, or certainty of direction may have resulted in opportunities going elsewhere.
- **Public investment** – Perceptions of limited public investment in placemaking place quality, or delivery of allocations to support growth.

6. Investment Action Plan

Objectives

- 6.1 The following objectives aim to effectively encourage regional collaboration and seek to identify opportunities and potential threats associated with securing private sector investment in North Wales.

| INVESTMENT STRATEGY OBJECTIVES | |
|---|--|
| Title | Aim |
| 1. Research Analysis | Commission an independent investment research analysis study in 2023 to inform a more detailed regional action plan. The action plan should be founded on the key investment principles and identified by impact, cost, and timeframe to support delivery of the private sector investment required for successful delivery of the Growth Deal and wider investment opportunities. |
| 2. Investment Principles | Agree the Growth Deal principles for investment. |
| 3. Investment Group | Establish a Private–Public sector Stakeholder Investment Group to drive forward the investment opportunities |
| 4. Communications and Engagement | Devise, adopt and execute a communications and engagement plan to drive investment in North Wales |
| 5. Marketing Communications | Commission a North Wales investment prospectus which communicates a clear and compelling message to promote and encourage investment. |
| 6. Investment Toolkit | Create a knowledge bank of tools to aid with the investment process. |
| 7. Investment Framework | Develop an investment framework for North Wales to help perspective investors make informed decisions based on the investment opportunities within the region. |

- 6.2 Successfully delivering on these objectives will ensure there is an informed cohesive approach to securing the required investment.

Approach and Action Plan

6.3 Investment Strategy Objective 1

| Research Analysis | Expected date of completion |
|---|-----------------------------|
| Undertake/Commission an investment research analysis study to identify: <ul style="list-style-type: none"> • The socioeconomic baseline and understanding of the investment landscape. • Barriers to investment • Investment principles • Ways of working to leverage investment. • North Wales investment opportunities | 13/12/2023 |
| Progress achieved | Status |
| Research analysis completed December 2023. | Complete |
| RAG Status | 100% |

6.4 Investment Strategy Objective 2

| Investment Principles | Expected date of completion |
|---|-----------------------------|
| The Growth Deal investment principles will seek to secure sustainable ethical investment which is resilient and safeguards the region's economic growth | 13/12/2023 |
| Progress achieved | Status |
| Investment principles achieved board support 15 December 2023 | Complete |
| RAG Status | 100% |

6.5 Investment Strategy Objective 3

| Investment Group | Expected date of completion |
|--|-----------------------------|
| To establish a Private-Public sector Stakeholder Investment Group to drive forward the investment opportunities for North Wales. The | 2024 |

| | |
|---|---------------|
| <p>dynamics and diversity of the group will enhance the collective knowledge gained. To achieve this, we will ensure we:</p> <ul style="list-style-type: none"> • work with existing members of the Business Delivery Board (BDB), the Confederation of British Industry (CBI), the Federation Small Businesses (FSB), the Executive Group for Ambition North Wales, and both UK and Welsh Government to gain insights and understanding about investors and potential partners. An institutional mapping exercise will help identify and understand the channels for possible investment, future partnerships, and key relationships. • draw on the Growth Deal’s Business Delivery Board for their collective and individual expertise as business owners/representatives, employers, ambassadors, activators, and influencers to drive forward the investment needs, identify potential opportunities and promote North Wales as an Economy to invest in. • allocate and agree roles and responsibilities ensuring risks and benefits associated with the investment at Portfolio, Programme and Project level are managed appropriately. • collaborate with members that are supportive and influential and able to champion and challenge assumptions and provide other options and solutions. | |
| Progress achieved | Status |
| Terms of reference to be drafted. | Not started |
| RAG Status | |

6.6 Investment Strategy Objective 4

| | |
|---|------------------------------------|
| Communications and Engagement | Expected date of completion |
| <p>To put in place a targeted plan for attracting investment and ensure that this is appropriately adopted by regional stakeholders, including the Portfolio Management Office, the Economic Ambition Board, and its partners. The plan will bring together engagement and communication activities and present a joined-up approach that:</p> <ul style="list-style-type: none"> • invests time to build relationships and trust by timetabling regular consultations about investment. | 2024 |

| | |
|--|---------------|
| <ul style="list-style-type: none"> • provides a platform for discussion, collaboration, engagement and learning. • ascertains and defines measurable results to ensure effectiveness and continued adaptation and learning. • agrees the communications channels to be used for the target audiences. • embeds the agreed investment plan into the overarching communications strategy and plan managed by the Regional Portfolio Management Office. | |
| Progress achieved | Status |
| Objective not started. | Not started |
| RAG Status | |

6.7 Investment Strategy Objective 5

| | |
|---|------------------------------------|
| Marketing Communications | Expected date of completion |
| <p>The investment prospectus will showcase the regions unique selling points and opportunities as well as communicate a clear and compelling message that promotes and encourages the inward investment. The potential investor will understand the reasons to invest in North Wales which include:</p> <ul style="list-style-type: none"> • other investments • digital connectivity • transport links • quality of life | 2024 |
| Progress achieved | Status |
| Objective not started. Funding to be identified and secured. | Not started |
| RAG Status | |

6.8 Investment Strategy Objective 6

| | |
|---------------------------|------------------------------------|
| Investment Toolkit | Expected date of completion |
|---------------------------|------------------------------------|

| | |
|---|---------------|
| <p>The knowledge bank will inform potential investors of the opportunities available and provide a library of relevant documentation, information, support and advice as determined by the Stakeholder Investment Group. This will provide a shared understanding of the investment expectations and seek to create favourable conditions for investors. In effect this will be a one stop shop/portal providing a hub of information to forearm investors and potentially alleviate some of the associated commercial risk.</p> <ul style="list-style-type: none"> • investor enquiry points of contact • relevant key policies • signposting links to financial aid, grants, challenge funds and loans • inspiring case studies from the region’s successful investors • details of potential partner collaborations • connecting investors to appropriate local networks | |
| Progress achieved | Status |
| Objective not started. Funding to be identified and secured. | 2024 |
| RAG Status | |

6.9 Investment Strategy Objective 7

| | |
|---|------------------------------------|
| Investment Framework | Expected date of completion |
| <p>The investment framework will outline the investment required by the Growth Deal Portfolio which will be mapped against:</p> <ul style="list-style-type: none"> • any secured investment and potential investment opportunities available • help to identify and focus efforts on any investment gaps. • cross reference potential investors with investment opportunities. • score potential investors using a due diligence risk assessment methodology which measures the potential likelihood of investment. • mitigations and alternative options at Programme and Project level • enable regularly reporting. • highlight where investment is needed, and efforts are required. | 2024 |
| Progress achieved | Status |

| | |
|--|-------------|
| Objective not started. Funding to be identified and secured. | Not started |
| RAG Status | |

7. Budget and Resource Requirements

7.1 **Budget** and resources to support Private Sector Investment (coordination, oversight, management)

- The development and execution of this strategy will require joint working, particularly as the strategy’s scope is broader than the private sector investment required to deliver the Growth Deal projects.
- Budget and resources required to deliver against each of the objectives will be developed in greater detail within the detailed plan.
- Specific funding of £25,000 to commission an Investment Prospectus has been outlined as an ask of Welsh Government within the North Wales Economic Recovery Prospectus.

7.2 **Budget** assumptions and main sources of financing (including any plans for external funding, and arrangements to secure long-term financial sustainability)

- Budget will be required, particularly with regards to developing regional investment marketing materials, the investment toolkit and the investment framework.
- Budget and resources will be scoped in further detail in alignment with the plan

8. Results Measurements

8.1 The monitoring and evaluation activities should be developed further in consultation on this draft strategy. This includes the development and agreement of:

- Participatory methods/mechanisms to be used to measure and evaluate effectiveness and impact.
- Key indicators to be tracked (including business benefits) and baseline data required.
- Resource and budget requirements

Likely activities to be included are:

- Investor satisfaction survey and feedback
- Number of investors supported.
- Value of investment secured (Growth Deal/Non-Growth Deal)
- Number of investor events held.

9. Risks and Mitigating Measures

9.1 A risk assessment will be completed and updated regularly to identify the risks associated with any potential investment. This will aid the Portfolio Management Office to plan in the event the investment does not materialise and ensure mitigating actions to ensure that other sources of investment are identified are implemented. Risks and mitigations on investment aligned with the Growth Deal projects will be updated in line with the Programme and Project Management framework adopted by the Portfolio Management Office. Possible risks include:

- Who does the risk effect?
 - Growth Deal
 - North Wales Residents
 - Welsh Economy GVA
 - Businesses
 - Environment
- Type of risk
 - Growth Deal
 - North Wales Residents
 - Welsh Economy GVA

10. Governance

10.1 The Portfolio Management Office and ultimately Project Sponsors will be responsible for securing and monitoring the level of investment required. For projects within the North Wales Growth Deal, there are well established governance arrangements in place.

11. Reporting, Measurement and Monitoring

11.1 A series of reporting templates will be developed and used to measure and record the identified investment. Ongoing monitoring and evaluation to identify funding gaps will ensure that mitigating actions can be developed to respond to these gaps. For projects within the North Wales Growth Deal there are well established reporting and monitoring arrangements in place.

12. Conclusion

12.1 The draft investment strategy puts forward an approach to pull together key information and resources that will support North Wales as a region to develop understanding of the investor market, develop key relationships and identify possible sources of private sector funding for the Growth Deal and other investment opportunities in North Wales.

APPENDICES

APPENDIX 1: SWOT ANALYSIS

The SWOT matrix sets out the strengths, weaknesses, opportunities, and threats identified to inform the approach to securing the required private sector investment for the North Wales Growth Deal.

| Strengths | Weaknesses |
|---|---|
| <ul style="list-style-type: none"> • Long established partnership in Ambition North Wales • Investment in a central PMO team to drive delivery with partners • Land availability in North Wales • Nodes of core economic activity and major employers in advanced industry • Attractive historic towns • Quality of Life • Cultural and heritage assets • Environmental and sustainability assets • Natural assets, mountains, coast, countryside to attract residents • A portfolio level investment target allows for programmes and projects to share the risk • Education and skills assets • Sectoral regional analysis informs the strategy and plan³ • Connectivity - infrastructure, digital connectivity, and natural capital • Clusters of expertise across the region | <ul style="list-style-type: none"> • Ageing population • Low employment activity • High deprivation and social challenges in places • Limited economic diversity • Historic growth in low value or transitioning industries • Limited development pipeline • Lack of agglomeration • Potential structural challenges to support inward investment (e.g. planning, schooling, second home restrictions) • Coordination across public sector • Speed of response and funding decisions - not attractive to private sector • Low understanding in the private sector with regards to developing Five Case business cases • Differing experiences of accessing public funding by the private sector • Lack of PMO resource for business development and management of private sector/investor relationships • Lack of a coherent regional approach to inward investment (with both Governments and Local Government stakeholders) |

³ Independent analysis conducted by Savills Consultancy during 2023

| | |
|---|---|
| | <ul style="list-style-type: none"> • Demand on existing resources focused on delivery • Two of the five Growth Deal programmes carry over 90 percent of the overall Private Sector Investment target |
| Opportunities | Threats |
| <ul style="list-style-type: none"> • Major assets to build on and leverage growth • Agile/Flexible working – footloose industry and labour could support population growth and in-migration • Migration to take advantage of quality-of-life benefits • Affordability – more affordable homes, value for money, lower cost development sites and commercial properties • Learn from other Growth Deals i.e., value of MIPIM, UKREiiF • Co-production of regional investor prospectus and marketing collateral • Develop a regional vision for investment • Engage with existing businesses to support growth and retention • Encourage feedback from existing businesses and listen/respond to it • Encourage more private sector led approach to attracting regional investment (Business Delivery Board) • Focus on investment that can contribute towards decarbonisation targets | <ul style="list-style-type: none"> • Potential to be left behind, leading to further generational decline and negative social and economic impacts • Ageing population placing pressure on service • Affordability placing pressure on housing for residents • Inward migration could impact traditional communities • Organic growth is insufficient • Profile, and opportunities not realised • Uncertainty regarding energy policy decisions at UK Government. The Trawsfynydd project carries £360m of the overall target • Missed opportunities due to uncoordinated response to enquiries • Competition for private sector investment across City & Growth Deals in Wales • Welsh Government are overly focused on attracting investment into South Wales – North Wales voice/opportunities muted • Differing funding mechanisms available in other Growth Deals (Phase 1) i.e. CCR can offer capital from key funds – five case business case on the fund rather than the project • Investors lose interest due to costs and slow democratic process • Potential threat of the levelling up agenda focusing investment into English regions |

NORTH WALES ECONOMIC AMBITION BOARD

15 March, 2024

TITLE: Functions of the North Wales Economic Ambition Board – Transfer to the Corporate Joint Committee

AUTHOR: Alwen Williams, Portfolio Director and CJC Interim Chief Executive

1. PURPOSE OF THE REPORT

- 1.1. The purpose of the report is to present an update on progress to establish the Corporate Joint Committee (CJC), respond to its statutory functions and undertake the proposed transfer of the North Wales Economic Ambition Board’s functions into the CJC.

2. DECISION SOUGHT

- 2.1. To note the progress update on work to establish the North Wales CJC and respond to the tasks required by its statutory functions.
- 2.2. To note the proposed plan and provisional timetable for the transfer of the North Wales Growth Deal to the North Wales CJC.

3. REASON FOR THE DECISION

- 3.1 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 needs to be progressed.

4. BACKGROUND AND RELEVANT CONSIDERATIONS

- 4.1. Establishment of the CJC is a legal requirement and timetables to discharge the statutory duties prescribed in the legislation – to produce a Regional Transport Plan and a regional Strategic Development Plan are pressing.
- 4.2. Progress to date has been achieved by means of an interim part-time Chief Executive Officer with legal and financial service provided by Cyngor Gwynedd to fulfil the statutory officer responsibilities for the CJC. It is intended that these arrangements will be continued to support the transfer process.
- 4.3. The CJC is subject to the more general duties of local authorities, such as the Equalities Act, Future Generations Act, language standards under the Welsh Language Measure 2011, and other legislation, in the same way as local authorities.

Proposed Plan and Timetable

- 4.4. The functions and partnership arrangement of the Economic Ambition Board are currently set out in the Governance Agreement 2 (“GA2”). This also includes the long-term arrangements for financially supporting the Growth Deal and Portfolio Management Office. Transfer of these functions, and in particular the Growth Deal, was specifically reserved to the local authorities for decision. It is anticipated that the Growth Deal would be transferred to the CJC but maintaining the financial arrangements to support the Growth Deal. The CJC has a statutory power to provide for the economic well-being of the region. This function co-exists with the economic development powers of the Councils and how as part of the development of the CJC these functions work regionally will need to be developed. It also needs to be recognised that the original in principal decisions were made when the CJC concept was still being developed. So, the precise model for the arrangements for transfer will also be developed as part of this work.
- 4.5. To transfer the functions of the Economic Ambition Board, including the Growth Deal and the Portfolio Management Office into the CJC, four independent workstreams will be established. Each workstream will have a programme of work and an agreed timescale to achieve the transfer of Economic Ambition Board functions to the CJC. A North Wales CJC Implementation Project Board will oversee the workstreams to provide oversight and to ensure key milestones are achieved with key risks identified and managed. Key officers from the Portfolio Management Office and Cyngor Gwynedd will sit on the project board.
- 4.6. The following table provides an outline of the 4 key workstreams and their purpose:

| Workstream | Purpose | Key Milestones |
|---|--|--|
| Agreement on Transfer Legal / Governance | <p>To ensure that the necessary agreements and consents needed to achieve the transfer are secured and agreed.</p> <p>To ensure the necessary governance arrangements and agreements are put in place within the CJC for the delivery of the Growth Deal, including the role of advisors within the Economic Ambition Board.</p> | <ul style="list-style-type: none"> • Securing agreement of the 6 Constituent Authority Executives and GA2 parties to transfer. • Agreement of both governments to novation of the Growth Deal to the CJC that the Growth Deal delivery and draw down of the funding can be transferred to the CJC. • Agreement on the continuation of the current funding model for the Growth Deal. • Agreement on the post transfer inter-relationship between the CJC and the Constituent Councils. • Agreement on the role of existing EAB advisors within the CJC. • Agreement on how the CJC’s regional wider economic |

| | | |
|--------------------------------|--|---|
| | | development role will be shaped and co-exist with the concurrent functions of the Local Authorities in this area. |
| People and HR | Take forward TUPE process including consultation with staff, ensure that staff policies and protocols are in place to ensure a successful transition to the CJC. | <ul style="list-style-type: none"> • Relevant policies and processes adopted by CJC. • TUPE consultation undertaken. • Staff successfully transferred into the CJC. |
| Finance, Processes and Systems | To enable the transfer of Growth Deal funding and project funding arrangements as well as ensuring that all operational processes and systems are in place for the transfer of the PMO to the CJC. | <ul style="list-style-type: none"> • Approval from government for transfer of Growth Deal funding. • Necessary processes and systems in place prior to transfer of Growth Deal funding and PMO staff. |
| Communications and Engagement | Ensure staff and key stakeholders are communicated with and engaged throughout the process. | <ul style="list-style-type: none"> • Communications and Engagement Plan agreed. • Regular communications pre and post transfer. • TUPE consultation completed. |

4.7. Resources to meet the volume of activity required to implement a comprehensive set of transition arrangements, to maintain business as usual and the increase in the CJC's compliance activities, is managed through a secondee from Welsh Government and apportioned time from the interim CJC Chief Executive. Support is also being provided through Cyngor Gwynedd's 151 Officer and Monitoring Officer and the Legal and Finance Teams.

4.8. The 1st of July has been identified as the provisional target date for the transfer of functions from the Economic Ambition Board into the North Wales Corporate Joint Committee. However, this date may be impacted by a number of factors including the need for partner and government agreement to the transfer of the Growth Deal; decision making requirements and timescales; internal capacity constraints and TUPE considerations. There are key decisions which need to be in place to achieve the transfer that may result in some areas of transfer being undertaken in the Autumn period 2024.

5. FINANCIAL IMPLICATIONS

5.1. Costs associated with the transfer of functions to the CJC will be primarily related to officer time, legal and financial expenditure. Funding will be drawn from existing CJC and Economic Ambition Board budgets. Legal, HR, Finance, IT and Democratic Services support will be provided through Cyngor Gwynedd resources.

6. LEGAL IMPLICATIONS

6.1. The report sets out at a high level what is proposed.

- 6.2. The Growth Deal is a formal partnership between the UK and Welsh Governments and the 6 constituent authorities. It is portfolio based and funding is drawn down by a formal annual funding letter which is a grant agreement made by the host authority on behalf of the 10 GA2 partners, but primarily the 6 Constituent Councils. The release of funding for any period is subject to the performance of the implementation of the Growth Deal and may be held back by the Governments.
- 6.3. There are a number of governance and legal matters at the core of this project. These are highlighted in the table above. There are also risks which will need to be managed and resolved, as well as key consents, in order to active both transfer and timetable. There are dependencies built into the programme which means that whilst an element of concurrency can be achieved to facilitate progress there will be key decisions or approvals which will be needed to allow for progress.

7. IMPACT ASSESSMENTS

- 7.1. Equality Act 2010.
- 7.2. The Well-Being of Future Generations (Wales) Act 2015.

APPENDICES:

None

STATUTORY OFFICERS RESPONSE:

i. Monitoring Officer:

“The transfer of the Growth Deal to the CBC is a matter which is reserved to the Councils for decision. As the report outlines there are key decisions which are needed to enable this process to go forward. These will involve both the Council, Education partners and both Governments. Although there is agreement in principle this will require a lot of detailed work across a number of areas. In terms of the CJC it, in parallel will need to contribute to this process and set up the necessary internal governance and administrative arrangements to facilitate the transfer in. The discussion s on the proposed scrutiny model will also need to be brought to maturity as part of this element.

I welcome the intention to create a multidisciplinary project to team to lead on this matter. It will require close legal support, drawing on both internal and external resources. Given that the Ambition North Wales is based on a partnership structure the work will involve close liaison with all partners to reach agreement on key aspects of the proposed model. The initial work around this process is already in train and the key elements identified in this report are based on this input and advice.”

ii. Statutory Finance Officer:

“I support the decision sought, and I will assist with the work of implementing this project as required. I have no further comment to add from the perspective of financial propriety.”



REPORT TO THE NORTH WALES ECONOMIC AMBITION BOARD
15 March, 2024

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 requests to the North Wales Economic Ambition Board over the past eighteen 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, 2024. The initial request was approved at the Ambition Board's meeting on the 30 September, 2022 and then the two requests to further extend the secondment at the Board's meetings on the 24 March, 2023 and 27 October, 2023. This report submits a further request for the North Wales Economic Ambition Board (EAB), to agree an extension to that secondment, for two days per week, up until the 30 June, 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 30 June 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.

By now, the 1 July 2024 has 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 will be submitted to the North Wales Corporate Joint-Committee's next meeting on the 22 March, 2024.

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



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 and again on the 27 October, 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 31 March, 2024.
- 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 30 June, 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 22 March, 2024.

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



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.