



REPORT TO THE NORTH WALES ECONOMIC AMBITION BOARD 18 OCTOBER, 2019

TITLE: *Update on the EAB Work Programme and Programme Office Premises*

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1. PURPOSE OF THE REPORT

- 1.1. The North Wales Economic Ambition Board requested that the work programme be submitted to each Board meeting for consideration.
- 1.2. To update members on development since the last meeting.

2. DECISION SOUGHT

- 2.1. Review, update and approve the RAG status of all actions within the Work Programme.
- 2.2. Approve the Transition Plan.
- 2.3. That the Accountable Body be authorised to enter into a lease of the premises at Conwy Business Centre in accordance with the report and to agree other terms on the basis of advice from the Monitoring Officer, Chief Finance Officer and the Accountable Body's Senior Manager Property.

3. REASONS FOR THE DECISION

- 3.1. To update on the progress of the actions within the Work Programme.
- 3.2. To report on the Transitional Plan to support the Work Programme pending the commencement in post of the Programme Director.
- 3.3. The NWEAB need to identify a suitable office based location for the Programme Office.

4. BACKGROUND AND RELEVANT CONSIDERATIONS

4.1. Work Programme (Appendix 1)

- 4.1.1. The Work Programme sets out initial key actions for the North Wales Economic Ambition Board. The Work Programme outlines 10 key categories, supported by key actions required. Each action has a timeframe and has been assigned responsibility, and a RAG status.
- 4.1.2. All tasks have been reviewed and given a RAG status, in accordance with the guidelines below:

RAG Status	Action Status	Action required
GREEN	On track for completion within the desired timescale	No action required

AMBER	Action may be at risk to meet the deadline	Action required to address the issues
RED	Action is at risk to miss the completion date	Immediate action required to address issues.

4.1.3. All tasks within the Work Programme have been given an Amber or Green RAG status, as they are on track.

4.1.4. Since the last meeting of the NWEAB, the timeframe for the tasks have been reviewed, and the RAG status re-considered.

4.1.5. The Executive Officers Group added new tasks to the work programme:

- Agree Transitional Plan
- Manage the Transitional Plan
- Agree location for the Programme Office
- Determine the planning and consents information for all projects

4.2. Progress Update

Please see below progress on specific tasks:

4.2.1. Heads of Terms

- Since the NWEAB meeting on 6th September, 2019 a revised draft Heads of Terms was received on 24th September, 2019 with minor textual changes in two paragraphs (para 8 and para 38) made by UK Government.
- Our officers are liaising with UK Government and Welsh Government representatives on a draft statement on Heads of Terms.
- A Heads of Terms Briefing Note is currently being drafted and will be shared with all partners to ensure that all members are briefed accordingly.

4.2.2. Governance

4.2.2.1. Sub-Committees

- The first meeting of the Transport Delivery Sub-Committee took place on the 23rd September, 2019 and a forward work plan was agreed for the group.

4.2.2.2. Commercial Governance / Delivery Arrangements

- A workshop was arranged on 13th October, 2019 to discuss the commercial governance / delivery arrangements for the Growth Deal projects. The workshop proved useful, identifying potential options for delivery of projects and programmes. There will be another workshop to further explore the models with specialist advice from experts.

4.2.2.3. Business Delivery Board

- There was a meeting of the Shadow Business Delivery Board on the 1st October, 2019.
- The Business Delivery Board Chair post has been advertised, with the closing date for applications on 27th September, 2019. The process for shortlisting and interviewing will be arranged over the coming weeks.

4.2.3. Programme Office

4.2.3.1. Appointment of staff within the Programme Office

- Four posts were advertised alongside the Programme Director post, including the Operations Manager, Digital Programme Manager, Energy Programme Manager and Land & Property Programme Manager. Closing date for applicants was the 13th September, 2019.
- The interview process has started, with the aim to appoint to all four posts by the end of the month.

4.2.3.2. Programme Office location

- With the appointments to the Programme Office imminent, a central office base is required.
- The Conwy Business Centre has been identified as a suitable location. This would be an initial arrangement for one year. This will be reviewed, and a long term location would need to be discussed and agreed.
- The office available would offer sufficient space for up to 8 staff seated at workstations on the first floor of the building.

4.2.3.3. Transitional Plan (Appendix 3)

- A Transitional Plan is in place until the Programme Director starts in post on the 1st January, 2020.
- The Transitional Plan identifies the following:
 - Programme Lead Officers who will oversee the development of the programme;
 - Project Lead Officers who will support the development of the 5 Case Business Model;
 - Other specific areas have been identified with a Lead Officer identified;
 - Gwynedd Council will continue to provide the Executive Management and support for the NWEAB.
- Once the Heads of Terms are signed, the region will need to start work on the 5 Case Business Models. Whilst some projects have some capacity to develop 5 Case Business Models, others will need additional support. The Programme Managers and/or Programme Lead Officers will oversee the production of the 5 Case Business Models; a Quality Assurance Group will be set up to guide the development; and there will be a need to commission expert advice.
- £50,000 of the Project Planning, Development and Support budget for 2019/20 has been allocated for this purpose.

4.2.3.4. ESF Funding

- The Business Plan applying for ESF funding is a substantial piece of work. A framework is in place to complete the application. Officers are currently drafting the Business Plan, and are on track to submit the Business Plan to WEFO by 31st October, 2019.

4.2.4. Finance

- The 2020/21 Budget will be submitted for the Board's approval in the first quarter of the 2020 calendar year, after discussions have taken place with the newly appointed Programme Director. There will be numerous unknown variables which could impact upon the budget for subsequent years, therefore it will be impossible to propose a 3 year budget at this time.
- Work on the 5 case business models will commence in the near future and subsequently, along with Board decisions on profiling programme expenditure, will inform the process to identify potential local authorities' and other partners' borrowing requirements. As the Growth Deal is now unlikely to be finally agreed until late in 2020, borrowing during 2020/21 is unlikely, hence we plan to inform stakeholders during the 2021/22 budget cycle. Agreeing the NNDR and capitalisation position as well as approval of the financial plan will also be part of this work.

4.2.5. Legal and Procurement

4.2.5.1. Governance Agreement 2

- A workshop has been arranged for the 23rd October, 2019 to work through the issues for Governance Agreement 2. The aim of the workshop is to work through the key high level partnership and governance elements to inform the creation of an agreed draft of GA2.

5. FINANCIAL IMPLICATIONS

- 5.1. The proposal by Conwy County Borough Council for the office space at Conwy Business Centre for one year is as follows:

Rental Charge	£6,850 + VAT
Service Charge	£2,530 + VAT
TOTAL	£9,380 + VAT

- 5.2. The service charge includes utility and heating charges - cleaning of all communal areas; shared kitchen facilities; parking space to the rear of the building; access fobs; assistance from the reception desk.
- 5.3. It is anticipated that the NWEAB would sign a lease for a year, starting at the earliest from 1st November, 2019.
- 5.4. The 2019/20 Budget includes £5,000 under Premises expenditure heading, and £3,908 has been allocated for the rental and service charge for the 5 month period in 2019/20.
- 5.5. The 2019/20 Budget includes an expenditure heading for "Supplies and Services" with sufficient budget to cover the costs of setting up the new office.

6. LEGAL IMPLICATIONS

- 6.1. The Accountable Body will need to enter into a formal lease of the premises on the instructions of the NWEAB. This will be in its capacity as the Accountable Body acting under GA1 and will be subject to the indemnities in the agreement in relation to undertaking the role.

7. STAFFING IMPLICATIONS

7.1. None at this stage.

8. IMPACT ON EQUALITIES

8.1. None at this stage.

9. CONSULTATIONS UNDERTAKEN

9.1. The Work Programme was reviewed and approved by the Executive Officers Group on 4th October, 2019.

9.2. The Accountable Body's Property Service have reviewed the proposal for the office space at the Conwy Business Centre, and confirm that the terms and rent proposed are appropriate.

APPENDICES:

Appendix 1	Work Programme
Appendix 2	List of Decisions
Appendix 3	Transitional Plan

STATUTORY OFFICERS RESPONSE:

i. Monitoring Officer – Accountable Body:

“The report includes appropriate recommendations for securing an initial location for the Programme Office. No observations to add in relation to propriety.”

ii. Statutory Finance Officer (the Accountable Body's Section 151 Officer):

“I confirm that I have reviewed the ‘Finance’ aspects of the Work Programme with the author. Further comments, as necessary, will be presented orally at the Board meeting.”