



REPORT TO THE NORTH WALES ECONOMIC AMBITION BOARD

31st July, 2020

TITLE: *Governance Agreement 2*

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1. PURPOSE OF THE REPORT

1.1. The purpose of the report is to present the Board with and up dated GA2 Plan.

2. DECISION SOUGHT

2.1. Approve the timetable.

3. REASONS FOR THE DECISION

3.1. The agreement of the partnership is key to agreeing a comprehensive Governance Agreement 2 (“GA 2”). These matters were reported on to the previous meeting. This report updates the time table for the work.

4. BACKGROUND AND RELEVANT CONSIDERATIONS

4.1. The proposed GA2 project plan was reported to the NWEAB in May of 2019. This set out the anticipated steps for preparation of the document in preparation for signature of the final growth deal. A draft amended plan identifying the steps which have been taken and the next actions is attached to this report as **Appendix 1**.

4.2. GA2 is a document which primarily codifies the relationship and commitment of the parties, their responsibilities and accountability as well as establishing the supporting governance framework.

4.3. The work to date has enabled development of a draft GA2 which takes many elements of GA1. It also reflects the key change from GA1 to GA2 namely from supporting the bid and approval process to being an agreement around delivery of the Growth Deal and Growth Vision. It may also provide the basis for further and wider Joint Working in due course.

5. TIMETABLE

5.1. By now given the impact of the COVID -19 crisis there has been an inevitable slippage in the intent and the revised timetable is appended in order to support the aim of getting a Final Agreement in place by December 2020. In this context it is appropriate to note that this is a challenging timetable and will require commitment by all stakeholders to achieve. Inevitably there are elements which are being revived in order to establish a specific timetable. The following table sets out the proposed decision process for Local Authorities. All three items are obviously co-dependent decisions and the other Partners will need to be in a position to approve the documentation through their governance arrangements to the same timetable.

Decision Required	Scrutiny	Decisions
Adoption of GA2	Governance Scrutiny	Cabinet for delegations and governance and Full Council for adoption of Scrutiny arrangements
Adoption of Overarching Business Plan	Economic Development Scrutiny. Scrutiny of Programmes, Financial Models, Implementation Plan, Programme Change process and delegations	Cabinet and Full Council
Authorising Accountable Body to sign FDA	Intrinsic part of above items but will require governance Scrutiny in particular for the Host Authority	Cabinet and Full Council

6. FINANCIAL IMPLICATIONS

6.1. There are no specific financial implications.

7. LEGAL IMPLICATIONS

7.1. The report deals with the preparation of a legal governance agreement which will have legal implications. These will be subject to specialist advice and input as they are developed.

8. STAFFING IMPLICATIONS

8.1. None at this stage.

9. IMPACT ON EQUALITIES

9.1. None at this stage.

10. CONSULTATIONS UNDERTAKEN

10.1. The contents of this report was discussed by the Executive Support Group on 17th July, 2020.

APPENDICES:

Appendix 1 Revised timetable for preparation of GA2

STATUTORY OFFICERS RESPONSE:

i. Monitoring Officer – Host Authority:

Author of the report.

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

“I have co-operated with relevant officers to contribute to financial aspects in the Governance Agreement 2 project and I support the proposal for the Board to approve the updated timetable.”

APPENDIX 1 - Revised timetable for preparation of GA2

Action	Start Date	End Date	Lead	Status	Comment
Initial conference with Pinsents	13/05/2019	13/05/2019	Legal		
Circulate Initial Issues list and Questionnaire with initial draft GA1	23/08/2019	14/06/2019	Legal		
Commission specific work streams/ steer from Finance Exec Group and Partners	20/05/2019	To be determined as part of an agreed timetabled work stream based on overall Work Programme.	Legal and relevant specialism		
Review responses and prepare initial working draft GA2	17/06/2019	30/06/2019	Legal		
Report to Exec Group / Workshop	05/07/2019	05/07/2019	Legal		
Hold Workshop with Pinsents to review responses	23/10/2019	23/10/2019			
Prepare revised second Draft GA2	Prepared and Circulated 28/11/2020	Closing Date for Responses 07/02/20	Legal		
Report on progress to Exec Group 6/2/2020		06/02/2020	Legal		
Governance Workshop on Key Issues		14/02/2020			
Report on Progress to the NWEAB		12/06/2020	Legal		Report Circulated
Agree Partner Contributions basis and proportional liabilities and indemnities	06/03/2020	In accordance with the timescale for adopting GA2	Partners Finance Officers		A workshop will be held in August for EAB members with an options paper to be presented to the Board in its subsequent meeting to form recommendations.
Identify Options for apportionment notional borrowing costs to cover negative cash flow	06/03/2020	In accordance with the timescale for adopting GA2	Programme Office and Finance Officers		A workshop will be held in August for EAB members with an options paper to be presented to the Board in its subsequent meeting to form recommendations.
Identify Commercialisation Options for Programmes and Projects	06/03/2020	To be confirmed	Programme Office Legal and Finance Officers		A workshop will be held in August for EAB members with an options paper to be presented to the

					Board in its subsequent meeting.
Overarching Business Plan	06/03/2020	This will be determined by development of the wider project and maturity of information and consensus on key elements which will feed into the document	Programme Office with Legal and Finance Officers.		
Draft Model for Scrutiny	20/03/2020	30/09 2020	Legal and Democratic Services		This can be prepared in tandem with the above. The favoured model built around existing Scrutiny Committees will still require agreement with the individual Councils.
Up-date partner bodies on progress and next steps	01/09/2020	30/09/2020	Programme Office		A series of workshops will be held for these bodies and in particular elected members of the Councils during September. The aim of these will be to raise awareness and understanding of the journey to Heads of Terms and the next steps.
Report to democratic processes and Partners on proposed models and final documents	01/10/2020	30/11/2020	Legal and Democratic Services		Scrutiny Committees to be held in October with Cabinet and Full Council in November.
Secure Agreement on final draft		This will be determined by development of the wider project and maturity of information and consensus on key elements which will feed into the agreement.	November 2020	Legal	Outcome of the above

Prepare final draft for confirmation and approvals.	This will have to be in accordance with overall Work Programme	November/December 2020	Legal		Should be a formality following the previous actions
Complete Agreement	In parallel with approvals process for Growth Deal.	December 2020	Legal		Should be a formality following the previous actions