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**NORTH WALES ECONOMIC AMBITION BOARD**  
**5.2.21**

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Present:

Voting Members - Councillors:- Hugh Evans (Denbighshire Council), Llinos Medi Huws (Isle of Anglesey County Council), Mark Pritchard (Wrexham County Borough Council), Ian B.Roberts (Flintshire Council), Sam Rowlands (Conwy County Borough Council) and Dyfrig L.Siencyn (Gwynedd Council) (Chair).

Advisors – Dafydd Evans (Grŵp Llandrillo Menai), Maria Hinfelaar (Glyndŵr University), Askar Sheibani (Business Delivery Board) and Bryn Jones (Bangor University).

Chief Officers - Nicola Stubbins (Denbighshire Council), Annwen Morgan (Isle of Anglesey County Council), Ian Bancroft (Wrexham County Borough Council), Colin Everett (Flintshire Council), Jane Richardson (Conwy County Borough Council / Chair of the Executive Officers Group) and Dilwyn Williams (Gwynedd Council).

Officers in attendance - Dafydd Edwards (Statutory Finance Officer - Host Authority), Iwan Evans (Monitoring Officer - Host Authority), Alwen Williams (Portfolio Director), Hedd Vaughan-Evans (Operations Manager), Nia Medi Williams (Senior Operational Officer), Sian Pugh (Group Accountant - Corporate and Projects), David Mathews (Land and Property Programme Manager), Stuart Whitfield (Digital Programme Manager), Henry Aron (Energy Programme Manager), Robyn Lovelock (Growth Deal Programme Manager), Kirrie Moore (Digital Connectivity Project Manager), Erin Thomas (Communication and Engagement Officer), Annes Sion (Democracy Team Leader) and Eirian Roberts (Democracy Services Officer).

**1. APOLOGIES**

Yana Williams (Coleg Cambria), Professor Iwan Davies (Bangor University), Iwan Davies (Conwy County Borough Council) and Judith Greenhalgh (Denbighshire Council).

**2. DECLARATION OF PERSONAL INTEREST**

Askar Sheibani declared a personal interest in item 7 - Portfolio Highlight Report - as he was a member of the DSP project consortium (the Digital Signalling Processing Centre).

He was not of the opinion that it was a prejudicial interest, and he did not withdraw from the meeting during the discussion on the item.

**3. URGENT ITEMS**

None to note.

**4. MINUTES**

The Chair signed the minutes of the previous meeting of the NWEAB held on 11 December 2020 as a true record.

**5. REVENUE BUDGET 2020/21: THIRD QUARTER REVIEW (DECEMBER 2020)**

The report was submitted by Sian Pugh (Group Accountant - Corporate and Projects).

## **RESOLVED**

**To receive and note the NWEAB Joint-Committee's Third Quarter Review for 2020/21.**

**To receive the Joint-Committee's approval to transfer any underspend in 2020/21 to the earmarked reserve that will be available for future years.**

## **REASONS FOR THE DECISION**

It was anticipated that there would be £156,255 of underspend in 2020/21. It was noted that any underspend at the end of the financial year could be transferred to the earmarked reserve fund.

In order to work effectively, the Joint-committee (NWEAB) must be aware of its expenditure situation to date and this year's spending projections against its annual budget.

## **DISCUSSION**

The report was submitted, which provided details of the actual expenditure and income for the third quarter of the 2020/21 financial year, together with a projected full year out-turn against the annual budget.

Details were provided about the background and relevant considerations and the consultations held.

In response to questions, the following was noted:-

- That the underspend had not had any impact on what we should have achieved by now.
- That the balance at the end of the 2020/21 financial year would be higher than projected, mainly due to Covid-19 and the delay in recruiting to jobs. It was intended to present the 2021/22 budget to the Board in March, following a discussion with the Portfolio Director and the Operations Manager to see whether some of this year's underspend needed to be committed in next year's budget. It would be essential to ensure that we had a safety net in the longer-term, as larger sums of money would be spent.
- That there was no right answer in terms of how much reserves should be held in future, and that this needed to be considered in the context of other risks that we would commit to as we move forward, and how much would be included for provisions such as inflation, etc. Consideration would be given to that when the budget would be presented.

The Head of Finance and the team were thanked for their work.

## **6. FINAL DEAL AGREEMENT**

The report was submitted by Alwen Williams, Portfolio Director.

## **DECISION**

**To note that the Final Deal Agreement had been completed.**

### **REASONS FOR THE DECISION**

In November 2019 the NWEAB and the Welsh and UK Governments agreed the Heads of Terms, with a Final Deal Agreement to be completed in 2020. It was highlighted that the Final Deal Agreement was a declaration of contract between the Partners, UK Government and Welsh Government for the delivery of the North Wales Growth Deal.

In October 2020, the NWEAB recommended the draft Final Deal Agreement and the Final Deal Agreement was presented through the partners' democratic and decision-making processes. The final document was developed jointly by agreement with both Governments. A Final Deal Agreement signing ceremony took place during December 2020. It was outlined to the Board that the Final Deal Agreement had been completed. The agreement was submitted to the Board to report on completing this process.

### **DISCUSSION**

The report, which presented the final version of the Final Deal Agreement, was submitted. It was highlighted that a draft had been submitted back in October and that a ceremony to sign the Agreement had been held in December. It was noted that the report presented the agreement and reported on the completion of the process.

## **7. PORTFOLIO HIGHLIGHT REPORT**

The report was submitted by Hedd Vaughan-Evans

### **DECISION**

**To note the Portfolio Highlight Report for February 2021 and the progress made since the completion of the Final Deal Agreement in December 2020.**

**To delegate the power to the Operations Manager in consultation with the Chair to update the report as noted orally during the Board meeting prior to submitting the Portfolio Highlight Report for February 2021 to Welsh Government and UK Government.**

### **REASONS FOR THE DECISION**

In December 2020, the NWEAB and the Welsh and UK Governments agreed the Final Deal Agreement for the North Wales Growth Deal.

It was highlighted that the report provided an update on progress since signing the deal, an overview of the current position of each programme and project within the deal and an updated timetable for delivery. It was stressed that the report focused in particular on the timetable for the consideration of Outline Business Cases by the NWEAB.

### **DISCUSSION**

The report was submitted, noting that it updated the NWEAB on the progress made since completing the Final Deal Agreement. It was added that it focused specifically on a timeline

for the NWEAB to consider the Outline Business Cases. It was stressed that considering and presenting the report to both Governments was one of the requirements to draw down the first instalment of the funding.

The main developments were noted and it was highlighted that three projects had arranged Gateway Reviews, which included Morlais, the Enterprise Engineering and Optics project and the Glynllifon Rural Economy Hub. In relation to the Website and Brand Tender, it was stressed that following a procurement exercise, Tinint had been chosen to develop the new website and brand. It was added that the first meeting with the Company had been held and that a timeframe of 12 weeks was in place, and therefore the work was timely and achievable.

It was noted that a Digital Connectivity Project Manager and a European Funding Project Manager had now been appointed, and an amended staffing structure for the Portfolio Management Office had been agreed with WEFO. It was noted that the final jobs would be advertised in February and March.

Attention was drawn to the AOR Recommendations, noting that the team was working through the nine recommendations. It was stated that a further report on the recommendations would be presented at the next meeting.

Members were guided through the work programmes, and the timetable for all the projects was outlined. It was noted that some projects were being delayed or dependent on cases beyond the control of the NWEAB. It was added that many of the business plans would be approved in 2022-23.

Observations arising from the discussion

- Officers were thanked for the overview noting that the projects were moving ahead consistently. The need to add updates to the report before it was sent to both Governments was noted.
- It was stated that many business plans would be timetabled in June, and it was noted that it must be ensured that everything was not presented at the same time. It was noted that there was a high number of business cases and it was hoped to present them two at a time to the NWEAB as they were technical cases.

## **8. FUNDING AND BUSINESS CASE PROCESSES**

The report was submitted by Hedd Vaughan-Evans.

### **DECISION**

**To note the contents of the report.**

### **REASONS FOR THE DECISION**

In December, the NWEAB and the Welsh and UK Governments agreed the Final Deal Agreement for the North Wales Growth Deal.

The report provided an overview of the processes agreed by both Governments for the annual funding approval and the approval of individual business cases.

### **DISCUSSION**

The report was submitted noting that it highlighted the relevant processes for approving the project business cases in order to ensure that the funds would be drawn down annually. In terms of the Annual Budget approval process, it was added that a series of key documents would need to be presented to both Governments. It was noted that, after presenting them, both Governments would take the documents through their internal approval processes. The possibility of having to present additional information as part of the process was highlighted, and following approval a Grant Award Letter would be published.

Attention was drawn to the approval process for Project Business Cases, noting that the business cases would need to be developed in accordance with the Welsh Government and HM Treasury guidelines. It was explained that they would be developed in three stages - Strategic Outline Case, Outline Business Case and Full Business Case. It was added that several projects would go straight to the second stage to create an Outline Business Case. The specific purposes for the five cases within the model were highlighted.

It was noted that, although the NWEAB was the decision-making body for the Growth Deal, it was explained that both Governments would review and approve the assurance process for each project. It was explained that the Gateway Reviews were a crucial part of the assurance process and that they were independent reviews that would be arranged by both Governments. As a result of the maturity and existence of the Programme and Portfolio Business Cases, it was noted that the majority of the projects would move on to Stage 2 - Outline Business Case. In approving the Outline Business Case, it was noted that the NWEAB would enable the project to proceed with the necessary procurement activities, and allow the Full Business Case to be developed before it could be approved and then start delivery.

## **9. ENGAGEMENT WITH THE PRIVATE SECTOR**

The report was submitted by Alwen Williams.

### **DECISION**

**To endorse the amended Terms of Reference for the Business Delivery Board.**

**To delegate the right to the Portfolio Director in consultation with the Chair to complete the Terms of Reference and to agree on a public name for the Board.**

**To endorse that current Business Delivery Board members, in collaboration with the NWEAB Chair and the Portfolio Director, and to work together to appoint a permanent Chair for the group.**

### **REASONS FOR THE DECISION**

It had been agreed by members of the Business Delivery Group and the Portfolio Management Office, at their meeting held 12 January 2021, that it was timely and appropriate to look at the terms of reference of the Business Delivery Group.

The Business Delivery Group had been established as a Sub-group of the North Wales Economic Ambition Board. Approving the Board's draft Terms of Reference together with the Board's membership were Joint-Committee matters.

### **DISCUSSION**

The report was submitted and it was noted that work had been done to build the relationship with the Private Sector over the past 12 months. It was added that the Business Delivery Group and the Portfolio Management Office had agreed that it was timely and appropriate to look at the terms of reference of the Business Delivery Group.

It was noted that the draft Terms of Reference had been developed jointly between the Ambition Board, the Portfolio Management Office and representatives of the private sector. It was added that the current membership, led by the interim Chair, would recruit and appoint new members to represent all the sectors covered by the Growth Deal. Once the membership was agreed, it was noted that the Chair could nominate who would serve for a term of two years. It was stressed that there would be more collaboration between the Group and the NWEAB but that it would remain an advisory body.

Observations arising from the discussion:

- It was noted that establishing the Terms of Reference was a part of GA2 and that it was in line with the expectations of both Governments.
- It was agreed that the Portfolio Director in consultation with the Chair would complete the Terms of Reference and agree on a public name for the Board.

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

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

There is an acknowledged public interest in openness in relation to the use of public resources and related financial issues. It is also acknowledged that there are occasions, in order to protect the financial interests that matters related to commercial information need to be discussed without being publicised. The report deals 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. This would be contrary to the wider public interest of securing the best overall outcome. For these reasons, I am satisfied that the matter was closed for the public interest.

## **11. PROJECT BASELINE REVIEW - January 2021**

### **DECISION**

**To note the baseline report for every programme.**

### **REASONS FOR THE DECISION**

It was noted that the NWEAB needed to be updated on the position of each programme and project within the North Wales Growth Deal.

### **DISCUSSION**

The report was discussed.