
NORTH WALES ECONOMIC AMBITION BOARD 9/12/22

Present:

Voting Members - Councillors:- Jason McLellan (Denbighshire Council), Carwyn Elias Jones (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 – Dafydd Evans (Grŵp Llandrillo Menai), Dr Maria Hinfelaar (Glyndŵr University), Askar Sheibani (Business Delivery Board) and Professor Paul Spencer (Bangor University).

Chief Officers - Dylan Williams (Isle of Anglesey County Council), Rhun ap Gareth (Conwy County Borough Council), Neal Cockerton (Flintshire Council), Sioned Williams (Cyngor Gwynedd), David Fitzsimon (Wrexham County Borough Council), Graham Boase (Denbighshire Council).

Officers in attendance - Dewi Morgan (Statutory Finance Officer - Host Authority), Iwan Evans (Monitoring Officer - Host Authority), Alwen Williams (Portfolio Director), Hedd Vaughan-EVans (Head of Operations), Nia Medi Williams (Senior Operations Officer), David Mathews (Land and Property Programme Manager), Henry Aron (Energy Programme Manager), Sian Pugh (Group Accountant - Corporate and Projects - Host Authority) and Eirian Roberts (Democracy Services Officer - Host Authority).

Observers - Wendy Boddington and Gareth Ashman (Welsh Government)

1. APOLOGIES

Apologies were received from Councillor Llinos Medi Huws (Isle of Anglesey County Council), Professor Edmund Burke (Bangor University), Dafydd Gibbard (Cyngor Gwynedd), Ian Bancroft (Wrexham County Borough Council) and Jane Richardson (Chair of the Executive Officers Group).

2. DECLARATION OF PERSONAL INTEREST

Dafydd Evans and Maria Hinfelaar declared a personal interest in item 5 as the report referred to allocating specific resources to Grŵp Llandrillo Menai and Glyndŵr University projects, and due to the direct funding nature of the item.

The representatives were of the opinion that it was a prejudicial interest, and they withdraw from the meeting during the discussion on the item.

3. URGENT ITEMS

None to note.

4. MINUTES OF THE PREVIOUS MEETING

The Chair signed the minutes of the previous meeting, held on 28 October 2022, as a true record.

5. PORTFOLIO DELIVERY FUND

The report was submitted by Hedd Vaughan-Evans (Head of Operations).

RESOLVED that the Board agree to establish a Portfolio Delivery Fund for 2023-24 and allocate up to £7m of the unallocated £20m Growth Deal funding released by the withdrawal of the Bodelwyddan Key Strategic Site and the Llysfasi Net Zero Farm projects to this fund.

REASONS FOR THE DECISION

The North Wales Growth Deal has a change management process in place to ensure potential changes to the scope of the Growth Deal and the projects are captured, assessed and where relevant considered by the Board.

The Final Deal agreement sets out the board position in relation to potential replacement projects:

"Any new or replacement projects to be brought forward for consideration must demonstrate delivery against the relevant programme business case and the objectives of the portfolio business case. Where those projects are within the existing agreed financial envelope for the partnership, those projects would be a matter for the Economic Ambition Board to decide."

In September 2022, the Board agreed a set of principles for identifying replacement projects including that the Board will initially consider on a case-by-case basis requests from existing projects for additional funding from projects that meet a set criteria.

Building on the principle adopted by the Board in September, the Board was asked to consider that a proportion of the funding released from the Bodelwyddan and Llysfasi projects is allocated to a Portfolio Delivery Fund to support mature projects within the portfolio dealing with cost inflation or viability issues to move into delivery during 2023-24 (subject to separate Board decisions).

DISCUSSION

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

In response to a question, the Head of Operations stated that he believed that allocating £7m of the £20m of unallocated Growth Deal funding to the Portfolio Delivery Fund was proportionate and adequate to ensure that three of the projects listed in paragraph 4.8 of the report could move forward, within the timeframe noted.

It was further noted that the Board would see the details of the formal applications from the various projects at its next meeting, and it was also suggested that it would be beneficial to submit a detailed report on this to the January meeting of the Business Delivery Board.

6. PROJECT REPLACEMENT PROCESS

The report was submitted by Hedd Vaughan-Evans (Head of Operations) and Alwen Williams (Portfolio Director) reiterated the comment that the wish was to identify a very ambitious package of deliverable projects, rather than projects that meet the minimum requirements only.

DECISION

1. To agree the scope and minimum requirements as set out in the report to the Board, subject to amending the wording '*Proposals must deliver for rural communities*' (Appendix A - Minimum Requirements - Strategic Fit - Agri-Food and Tourism Programme) to read '*Proposals should emphasise delivering for rural communities*'.
2. To agree to the timetable set out in this report including a formal launch in January 2023.
3. To delegate authority to the Portfolio Director to implement the Project Replacement Process as set out in the report and to undertake all necessary steps required to finalise the documentation required to commence the process.

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In September 2022, the Board agreed a set of principles for identifying replacement projects and a three-stage process, namely Stage 1: Horizon Scanning, Stage 2: Longlisting and Shortlisting and Stage 3: Approval and Business Case Development.

The Board was asked to agree the scope and minimum requirements for the horizon scanning stage.

DISCUSSION

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

It was noted that it had been reported at a recent North Wales Business Council meeting that £13m of unallocated Growth Deal funding was available, but that no details regarding the criteria and the need for match funding etc. had been shared. In light of that, it was suggested that those messages should be conveyed as soon as possible in order to manage expectations. In response, the Head of Operations noted that, subject to the Board's decision on this item, the information would be shared immediately with some of our key stakeholders, such as the Business Council, and that it was not intended to wait until the official launch in January.

With reference to Appendix A to the report - Basic Requirements - Strategic Fit - Agri-food and Tourism Programme, concern was expressed that the statement '*Proposals must deliver for rural communities*' could exempt good projects in town centres. In response, the Head of Operations explained:-

- That the Agri-food and Tourism Programme Board was of the opinion that this programme in particular was one that did deliver for rural communities, and therefore that any alternative projects should deliver for rural communities also.

- That he believed that the Programme Board was also of the opinion that any urban projects received in the fields of agriculture, food or tourism should be able to exhibit how they would be beneficial to the more rural communities in those areas.

Councillor Charlie McCoubrey, the Lead Member for this programme, noted that a project did not have to be located in a rural ward in order to be able to deliver benefits to that ward, and that it was possible to be pragmatic regarding exhibiting benefits, having seen what projects would be received, and satisfy both things.

The Chair noted that he would be concerned to see funding intended for rural areas flowing to an urban area, but he agreed that it would be better to wait and see what projects were received, and assess those projects according to their ability to contribute to the rural areas.

During the ensuing discussion, the following points were noted:-

- That it was believed that the current wording of the statement captured all of North Wales, as the vast majority of North Wales was rural, even the towns in rural areas.
- That it was not desired to see the rural areas being left behind, and that there was a need to ensure that the town centre projects collaborated with the neighbouring rural areas.
- That towns such as Wrexham, Rhyl and Llandudno were not rural, but the neighbouring rural areas would depend on the services in those towns.
- That the rural areas had missed out on economic development historically, and that this type of investment was needed in those areas.
- That it was believed that the discussion was going in the wrong direction. The emphasis should not be on the rural areas, or on town centres indeed, but rather that the proposals should deliver for the region as a whole.

In response to the comments, the Portfolio Director noted that it would be possible to amend the statement to make it more inclusive.

It was suggested that the word '*must*' could be softened, while continuing to include the wording which referred to placing an emphasis on rural areas.

The following amendment to the first recommendation in the report was proposed and seconded:-

"To agree the scope and minimum requirements as set out in the report to the Board, subject to amending the wording '*Proposals must deliver for rural communities*' (Appendix A - Minimum Requirements - Strategic Fit - Agri-Food and Tourism Programme) to read '*Proposals should emphasise delivering for rural communities*'."

A vote was taken on the amendment and it was carried.

Councillor Mark Pritchard, Leader of Wrexham County Borough Council, noted that he voted against the amendment based on his concern that the Board was moving in a completely different direction to the objectives established at the beginning.

The Chair confirmed that every project would be considered equally.

The meeting commenced at 2.00 pm and concluded at 2.55 pm

CHAIR