



Complete Agenda

Democratic Services
Swyddfa'r Cyngor
CAERNARFON
Gwynedd
LL55 1SH

Meeting

EDUCATION AND ECONOMY SCRUTINY COMMITTEE

Date and Time

10.00 am, THURSDAY, 21ST JUNE, 2018

Location

Siambr Hywel Dda, Council Offices, Caernarfon, Gwynedd, LL55 1SH

*** NOTE**

This meeting will be webcast

<http://www.gwynedd.public-i.tv/core/portal/home>

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(DISTRIBUTED 13/06/18)

EDUCATION AND ECONOMY SCRUTINY COMMITTEE

MEMBERSHIP (18)

Plaid Cymru (10)

Councillors

Menna Baines
Aled Ll. Evans
Judith Mary Humphreys
Olaf Cai Larsen
Paul John Rowlinson

Steve Collings
E. Selwyn Griffiths
Huw Gruffydd Wyn Jones
Mair Rowlands
Cemlyn Rees Williams

Independent (5)

Councillors

Freya Hannah Bentham
Keith Jones
Elfed Powell Roberts

Elwyn Jones
Beth Lawton

Llais Gwynedd (2)

Councillors

Alwyn Gruffydd

Gareth Williams

Gwynedd United Independents (1)

Councillor
Dewi Owen

Ex-officio Members

Chair and Vice-Chair of the Council

Other Invited Members

Council Leader – Item 7

CO-OPTED MEMBERS:

With a vote on education matters only

Anest Gray Frazer	Church in Wales
Rita Price	The Catholic Church
Dylan Davies	Meirionnydd Parent/Governors' Representative
Karen Vaughan Jones	Dwyfor Parent/Governors' Representative
[vacant seat]	Arfon Parent/Governors' Representative

Without a vote:

Dilwyn Elis Hughes	UCAC
David Healey	ATL

A G E N D A

1. ELECTION OF CHAIRMAN

To elect a Chairman for 2018/19.

2. ELECTION OF VICE-CHAIRMAN

To elect a Vice-chairman for 2018/19.

3. APOLOGIES

To receive any apologies for absence.

4. DECLARATION OF PERSONAL INTEREST

To receive any declarations of personal interest.

5. URGENT BUSINESS

To note any items that are a matter of urgency in the view of the Chairman for consideration.

6. MINUTES

5 - 10

The Chairman shall propose that the minutes of the previous meeting of this committee held on 17th April, 2018 be signed as a true record (attached).

7. NORTH WALES GROWTH DEAL BID - PROGRESS REPORT

11 - 42

To consider the report of the Leader (attached).

*10-10am – 10.55am

*estimated times

(The meeting will be followed by a members workshop at 11.00am to prioritise items and formulate the committee's work programme for 2018/19.)

EDUCATION AND ECONOMY SCRUTINY COMMITTEE

17.04.18

Present: Councillor Beth Lawton - Chair
Councillor Nia Jeffreys - Vice-chair

Councillors: Menna Baines, Freya Bentham, Steve Collings, Selwyn Griffiths, Alwyn Gruffydd, Judith Humphreys, Elwyn Jones, Cai Larsen, Dewi Owen, Paul Rowlinson and Cemlyn Williams.

Co-opted Members: David Healey (ATL) and Dilwyn Elis Hughes (UCAC).

Officers present: Gareth James (Members' Manager - Support and Scrutiny) and Eirian Roberts (Member Support and Scrutiny Officer).

Present for item 5 below:

Councillor Gareth Thomas (Cabinet Member for Education)
Garem Jackson (Head of Education)
Gwern ap Rhisiart (Gwynedd Area Education Officer)

Present for item 6 below:

Councillor Gareth Thomas (Cabinet Member for Education)
Garem Jackson (Head of Education)
Gwern ap Rhisiart (Gwynedd Area Education Officer)
Einir Thomas (Senior Manager - Additional Learning Needs)

Present for Item 7 below:

Councillor Gareth Thomas (Cabinet Member for Education)
Garem Jackson (Head of Education)

1. APOLOGIES

Councillors Aled Evans, Huw Wyn Jones, Keith Jones, Elfed Roberts and Gareth Williams; Anest Gray Frazer (Church in Wales) and Rita Price (Catholic Church).

2. DECLARATION OF PERSONAL INTEREST

No declarations of personal interest were received from any members present.

3. URGENT ITEMS

None to note.

4. MINUTES

The Chair signed the minutes of the previous meeting of this committee held on 23 January 2018 as a true record.

5. OUTCOMES OF GWYNEDD FOUNDATION PHASE

The report of the Cabinet Member for Education was submitted, noting the outcomes of the report commissioned into the Foundation Phase.

During the discussion, the following main points were highlighted:

- Despite the finding that social skills were lower among children than in the past, the performance in Gwynedd in terms of the personal and social indicator was high and suggested that it was not as great a problem as the linguistic factor.
- The fact that the performance among children in Gwynedd in terms of output was third throughout Wales, including in the language field, suggested that the primary system as a whole was functioning as it should and that children were leaving the primary system with the necessary skills to enable them to reach their full potential.
- Pressure should be put on governors to make every effort to employ Welsh speakers for every post at a school, although admittedly this could be challenging in some areas.
- the report jumped from one thing to another rather than concentrating solely on the foundation phase.
- several references were made in the report to the weakening of the Welsh language, e.g. the comment that not every staff member adhered to the school's language policy at all times and that they turned to speak English with non-Welsh speaking pupils. There was also a suggestion here that children were allowed to answer tests in English when the situation arose, contrary to the policy of responding to tests in Welsh. It was also necessary to bear in mind, when referring to pupils with 'English as an additional language', that English was also an additional language for the 64% of the children of Gwynedd who came from Welsh speaking households.
- there was no reason why all children, with the exception of newcomers, could not pursue their schooling in Welsh.
- the fall in the number of Welsh speakers at our primary schools was a cause for concern and this needed to be addressed at once or there was a danger that the numbers would fall to such a degree that it would not be possible to justify the policy at all.
- It was acknowledged that immersion education in the foundation phase was critically important and that the language centres played a very important role in immersing KS2 pupils.
- Although it was understood that there had been no empty spaces at these language centres to date, should such a situation arise in future, consideration could be given to extending the provision beyond year 2 only, but bearing in mind that the younger the child, the less pertinent the course was to them.
- there was room to strengthen the bridging element between the foundation phase and meithrin groups in the field of oracy. There were some excellent people in the meithrin groups who promoted language acquisition skills and who also had clear expertise in the foundation phase who could also assist meithrin groups so that the children's baseline would improve when they started attending school.
- It was not believed that there was any value in setting up specific language centres to teach children English since learning English posed no difficulty for anyone due to the language's influence on children of all backgrounds. In contrast, Welsh lacked the opportunities to speak it outside school.

- there were roles for members, as councillors and primary school governors, to exert influence to ensure the language policy was strongly implemented within the schools.
- the technological revolution that had taken place over recent years meant that a balance had to be struck between ensuring that children developed to be natural communicators with people and, considering the demands that would eventually be placed on them in the field of employment, simultaneously ensuring that they were not deprived of future experiences in the field of technology.
- Cuts to the education improvement grant would be a great cause for concern, bearing in mind that 64% of the grant paid the salaries of foundation phase assistants. Since some assistants had recently received pay rises, and since the Council was unable to fund salary increases to those funded by grant, there was less money available to employ assistants generally.
- Cutting the pay of the assistants would increase teacher workload and there was a need to persist in challenging the governments in Westminster and Cardiff about the situation.

The Cabinet Member thanked the schools for their efforts in the foundation phase field, and specifically in the Welsh language field, and stated that there was evidence that shows that children, by the age of 11, were achieving appropriately and beyond their age in every field, including Welsh.

The Head of Education referred to the series of main recommendations at the end of the report, explaining that some of them were recommendations for the authority and others were recommendations for GwE. He would ensure that the recommendations for the authority formed part of the service's business plan for the foundation phase and that the recommendations for GwE had been incorporated in the requested schedule.

The Cabinet Member warned that it would be difficult to achieve a number of the recommendations on account of the cut to the education improvement grant.

It was agreed that a further report would be submitted to this committee on the effect of implementing the recommendations at the end of the report.

6. ADDITIONAL LEARNING NEEDS AND INCLUSION

Submitted - the report of the Cabinet Member for Education, giving an outline of the Additional Learning Needs and Inclusion Service that came into force in September 2017, detailing the main successes of the service and the fields that required further development to ensure an effective and efficient service to the Gwynedd and Anglesey Education Authority partnership.

During the discussion, the following main points were highlighted:

- The Other Net programme, which supported parents where there was uncertainty or lack of understanding of the implications of home education, was praised and it was noted that individuals who had been outside the education system for years had moved back into mainstream education with the input of this programme and Comic Relief. Councillor Cemlyn Williams declared a personal interest, as he was a director of Cwmni Sylfaen which had links with

this programme in the past. He was not of the view that it was a prejudicial interest and did not leave the meeting.

- Schools were central to the success of the new system and it was important that the teachers / assistants received the necessary training to move this forward.
- The support of the Health Board was also central to the success of the service.
- Concern was expressed that the Counselling Service currently had a waiting list of almost 100, but collaboration with CAMHS was welcomed. It was noted that this work bisected the remits of several scrutiny committees and that preventive philosophy was also becoming more prevalent in schools. It was noted that there was a need to look at the reasons for the increase in anxiety among young people.
- The report did not refer to able and talented children, who were also children with additional learning needs.
- the service was very much appreciated in the main stream.
- the individual development plans were long-winded documents that generated an additional workload for schools.

The Area Education Officer was asked to give his impressions of how things had progressed so far and of any problems he anticipated in future. He noted that:

- the changes had been substantial and significant, not only to include the provision for schools and the way of working with schools, but also in terms of the work across two counties.
- That an important element of the success of Phase 1 of the statutory review was that, as a whole, the process had responded to any changes as it progressed. Nevertheless, some things had already changed, in response to the observations made by schools and in order to make the service even more efficient.
- Since it was a very broad field and that questions often arose, the user group was set up so that the improvement process could continue indefinitely.
- Phase 2 of the review would mean more changes again, and that lessons learnt in Phase 1 would be incorporated in Phase 2 so that it could be considered as part of the brief for the next steps.
- the plan to rationalise the team, etc., had addressed half the anticipated financial savings and the remainder had come from reducing the integration budget and that this had already been modelled at the schools in the budgets they had received.

The Cabinet Member noted the intention to report back to the committee on the progress of the plan on an annual basis, or more often, and suggested that the best time to do so would be at the end of October/November as this would allow for any backlog from pupil absences over the summer holidays to be addressed before the assessments took place. The changes to the services would also be clearer by this time.

The committee accepted that the plan had so far been successful and looked forward to seeing the results of the next stages.

7. THE PRINCIPLES OF A FIT FOR PURPOSE EDUCATION SYSTEM

Submitted - a report on behalf of the Cabinet Member for Education seeking the opinion of the scrutiny committee on the proposed education principles that would form the basis

for fulfilling the Education Department's vision for the system to ensure a high quality of education for the children and young people of Gwynedd for the twenty first century.

Based on the results of the consultation with Governors and schools, and the Education Department's vision, members of the scrutiny committee were specifically asked for their views on the following principles that were being considered as the foundation for the education system for Gwynedd in future:

- A system of viable secondary schools;
- Two age ranges within the same class in the primary sector;
- Approximately 80% of non-contact time for the Head teacher to concentrate on leadership issues in the primary sector.

Based on readily available information, the following observations were highlighted during the discussion:

- There must be clarity about what the impact of adopting these principles will be.
- It was likely that a teacher or a teacher's hours would be cut in some schools and that would be very difficult for a head teacher, especially if he/she was in charge of two or three schools.
- This was only the beginning and there was a great deal more scrutiny to be done.
- The lack of applicants for posts in the majority of primary and secondary schools was a cause for concern.
- The system was too fractured to attract the next generation of leaders. For example, department heads at the smallest secondary schools did not have the opportunity to develop leadership skills because, as single person departments, they did not have the time to lead the department and there was no one in the department to manage it. Furthermore, since primary schools were often too small to have a deputy head teacher, opportunities here were also lacking for people to develop leadership skills.
- The substantially greater demands imposed on people with regard to educating and leading meant that posts in schools had become far less attractive.
- The questions in the questionnaire could have been more penetrating, e.g. rather than asking only for an opinion on the statement "*It is important to give Head teacher enough time to manage and lead ...*", the respondents should also have been asked whether they agreed with the statement despite its implications.
- As regards the suggestion that secondary school head teachers should be in charge of around 900 pupils, there was a wish to see robust evidence in support of this in the form of research work in this country and throughout Europe about the size of school that worked best and yielded the best result among children.
- Although the intention to merge some small schools to make them more viable was welcomed, this was not practically possible in Gwynedd at present and the head teachers would spend a large proportion of their time travelling between sites.
- the colleges' recruitment policy, which insisted that those seeking to pursue a teacher training course held a 2:1 degree at least, meant that young people would go to England to train as teachers and that this, in turn, was leading to a shortage of teachers locally.
- recruiting teachers in Meirionnydd and Dwyfor was especially problematic as specialist teachers in different subjects were reluctant to teach at schools that were unable to provide them with a sixth form teaching experience.

- Tywyn Secondary School, which only had 280 pupils, had had an excellent report from Estyn recently; why, therefore, consider that a school needed 900 pupils to be viable?
- the way forward to ensure the future of schools with fewer pupils / teachers was to make greater use of technology, such as Skype, where children at one school could join in with lessons at another school that had a specialist teacher.
- no changes should be introduced without prior consultation with the communities affected and to always presume against closing schools.
- Since a number of head teachers would reach retirement age in the coming years, sufficient preparation should be made in anticipation of this, e.g. through providing a portfolio highlighting the advantages of teaching in Gwynedd and circulating it widely.
- Teaching posts in Gwynedd were only advertised on the Council website and people teaching in other parts of the country were unlikely to look at it. Jobs should be advertised farther afield and teachers, consequently, would be attracted back to the county.
- There were concerns that collaborative arrangements between secondary schools would affect the lifelong learning schools established in Bala and Dolgellau.
- In terms of teaching a range of ages, collaborating up was likely to mean moving children from one school to another and the only way of doing this, eventually, was to close a few schools.
- There was general support for the principles, but it was acknowledged that there were huge challenges in being able to deliver on this.

The meeting commenced at 10.00am and concluded at 1.00pm.

REPORT TO THE EDUCATION AND ECONOMY SCRUTINY COMMITTEE

Date of Meeting: 21 June, 2018

Cabinet Member: Councillor Dyfrig Siencyn, Council Leader

Author: Iwan T. Jones, Corporate Director

Contact Telephone Number: 01286 679685

Title of Item: North Wales Growth Deal Bid - Progress Report

1. INTRODUCTION

- 1.1. The purpose of this report is to provide an update on the Growth Deal for North Wales, together with information about the proposed governance arrangements.

2. SUMMARY OF THE LATEST SITUATION

- 2.1. Several workshops have been held with Council Members in order to share information about the Growth Deal. The background to the process of developing the Growth Deal bid was provided, together with the expectations from UK and Welsh Governments. In addition, Members were given a flavour of the types of projects which would likely be part of the North Wales Growth Deal, and the financial asks. In particular, the importance of the private sector in the process of identifying ideas and possible projects was highlighted, in order to benefit from Growth Deal funding. Reference was also made to the fact that the North Wales Economic Ambition Board has been set up to co-ordinate the development of the Growth Deal.
- 2.2. It is intended to give an oral presentation to the Committee on the latest situation in terms of negotiations with UK and Welsh Governments.

3. THE PROPOSITION DOCUMENT

- 3.1. The Ambition Board has prepared the "proposition document" which brings together the justification for investment in the North, our vision and the objectives of our Strategic Programmes and the portfolio of Projects, and the economic and financial cases for investment.
- 3.2. This document also notes our requirements in relation to new powers and responsibilities for the North, and notes the governance arrangements which will be in place to deliver the Growth Vision.
- 3.3. A copy of the Document's Executive Summary and key messages is included as **Appendix 1**.

- 3.4. You will also see a narrative of each project included in the Growth Deal in **Appendix 2**. This gives you as Members a good idea of the purpose and key outcomes of each project.
 - 3.5. Tables are presented also summarising the financial case and the economic case for investment in **Appendix 3**. This will be the basis for discussions with both Governments, with the intention of reaching agreement regarding the Heads of Terms Agreement by October/November 2018.
 - 3.6. Information about the governance arrangements and the Governance Agreements is presented in **Appendix 4**. It is intended to submit the proposed Governance Agreement to the Cabinet on 3 July and to the Full Council on 12 July.
 - 3.7. The Committee's observations and views about the Governance Agreement are invited.
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Appendices:

Appendix 1	Executive Summary and Key Messages
Appendix 2	Projects
Appendix 3	Financial Case and Economic Case Tables
Appendix 4	Governance Arrangements

Background Documents:

None.

EXECUTIVE SUMMARY AND KEY MESSAGES

- There is a real diversity within the economic geography of North Wales, characterised by variation in GVA and wage levels;
- There has been solid and positive growth in productivity and employment over recent years, but the region is still lagging behind other regions in the UK in relation to key economic indicators;
- There has been a track record of very strong growth in North East Wales, but this is now being constrained by a lack of infrastructure (sites and transport) as well as labour market shortages and skills supply;
- In North West Wales the private sector is weaker and the economy more dependent on the public sector. There is a need for publicly funded infrastructure to stimulate and facilitate private sector growth, and to support supplier developments related to large scale investment projects;
- The region has a big opportunity to generate growth due to proposed investments by the private sector in key economic sectors such as advanced manufacturing and energy. One key strategic project is the £15bn Wylfa Newydd Project, the largest infrastructure project in Wales for a generation which will have a large impact on businesses and labour market in the region;
- To capitalise on such opportunities, the region has developed a single, joined-up vision for economic and employment growth, with a commitment between all the partners to work together collaboratively for a common purpose;
- It has been agreed to focus more on “inclusive growth”, addressing social and spatial irregularities within the region. Growth will need to be dispersed and scalable, in accordance with the priorities of the Welsh Government’s Economic Action Plan and our obligation under the Well-Being of Future Generations Act;
- There is clear ambition for the region to position itself as one of the leading UK locations for energy generation and advanced manufacturing – as well as becoming a hub of innovation and technology expertise, and a centre of excellence for high value tourism. This ambition builds on strengths and opportunities, and its delivery will create a more sustainable and balanced approach to economic development;
- The Strategic Programmes and the portfolio of Projects identified in the document reflect the vision and approach. They have been co-designed and developed by key stakeholders, particularly the private sector. There are 8 Strategic Programmes which are broad-based and long term, and 25 Projects which provide solutions for the shorter term and are principally capital projects;
- The focus of many of our Projects is to create the appropriate conditions to attract private sector investment. Many of our sites for business or industrial development are currently “stalled” for example, and we require up-front investment to enable these sites to be “market ready” for the private sector. This reflects the need for intervention and to maximise the value of assets available for economic growth across the region;
- Collectively, the projects identified are transformational – it is an exciting package of innovative projects that are inter-related and co-dependant. Their delivery will support the region to overcome the barriers currently faced by the private sector to invest in the region and create jobs. They will also support the region to adjust to and prepare for “new

forces” impacting businesses, such as decarbonisation, automation, artificial intelligence and other forms of digitalisation. There is a focus in particular on supporting low carbon technologies to boost productivity and create high value jobs;

- The total cost of investment proposed is **£790.3m**, with nearly **£100m** of direct private sector contributions and **£272.2m** of contributions from various partners. We are seeking **£393m** from the Growth Deal and **£28.9m** revenue funding for the Growth Deal;
- Nearly **5,000** direct jobs will be created, and the value of private sector investment achieved as a direct consequence of the projects being delivered (private sector leverage) will be **£3.2bn**;
- The overall aim is to increase the value of the north Wales economy from **£12.8billion** in 2016 to **£22billion** by 2035;
- We also seek the support of the UK Government and Welsh Government to be given more capacity and flexibilities to make key decisions at a regional level. New powers and responsibilities is sought to facilitate growth in key policy areas such as transport and employment;
- The region has established new and robust governance arrangements to co-ordinate and deliver the Growth Vision for the region. Functions such as economic development, skills and employment, transport and land use planning will now be co-ordinated by the newly-formed “North Wales Economic Ambition Board”;
- A new stakeholders group will also be established, led by the private sector, to support, advise and challenge the North Wales Economic Ambition Board;
- The North Wales Economic Ambition Board, together with its governance arrangements and structure, will provide leadership and accountability for strategic direction and outcomes. It will also be a strong and united voice for North Wales.

SECTION 6 – PROJECT SCHEDULE LIST

The Projects for which investment is sought are included in this section. They are all strategic and their delivery will transform the performance and opportunities across the region. They have been developed in the context of our Vision and Aims, and are presented within the Strategic Programmes.

The Projects are inter-related and co-dependent. They have all been tested in terms of strategic fit, delivering value for money, commercial sustainability, deliverability and partnership support and commitment.

They have been designed and developed through partnership working and co-production amongst the public, higher education, further education and particularly the private sector in the region.

The Project Schedule List includes a mix of solutions that are:

- Spatially targeted
- Global across the region
- Enablers, e.g. transport, housing
- Supporting growth and attracting private sector investment
- Promoting innovation

The balance of benefits from the investment will be shared to support sustainable and inclusive growth across the region – in accordance with our Vision as well as the priorities of the Well-Being of Future Generation Act.

An Outline Business Case (OBCs) for each Project is included in **Appendix 1**. These OBCs have been prepared in accordance with the Treasury's Green Book.

A narrative of each Project is included below:

1. *Digital Connectivity Programme*

This Programme will bring forward Projects that will improve digital connectivity for business and households across the region, as well as digital skills and innovation in digital signalling.

- **North Wales Digital Connectivity Project**
[Lead Sponsor: 6 Local Authorities]

This Project will develop improvements in fixed broadband and mobile infrastructure necessary to support new and existing competitive business activity in North Wales. It will also enhance the region as a place to invest, work and live. It will focus in particular on full fibre passive infrastructure, an affordable gigabit service, and rural broadband deployment.

The private sector across the region view this project as a top priority. They have been engaged and involved in its design and development.

The Project will also be the vehicle to leverage private sector funding from the private sector, particularly from network operators. Serious consideration will be given by network operators to invest direct private sector money in the Project through a joint venture.

The need for the Project is highlighted by the fact that four of the six counties in North Wales are ranked in the bottom 25% of UK Local Authority areas for Superfast (>30 Mbps) broadband coverage (March 2018).

The Project will be delivered between 2019-2021.

The Project will have clear outcomes and impact, including 80% of strategic employment sites will be “passed” by direct infrastructure and 100% of the duct provided will be accessed by at least one network provider. These outcomes will be delivered by 2021.

The cost of the Project is £69,750,000.

- **Digital Signal Processing Centre Project**
[Lead Sponsor: Bangor University]

This Project will transfer market-driven Research & Development activities into commercial exploitable products, processes and services for digital communication. It will ensure that the region is at the forefront of the new digital economy, and will undertake market-drivers Research & Development for digital signal processing for both wired and wireless networks.

The Project will be based at Bangor University – the University has a worldwide reputation in the application of this technology with the Telecoms sector. Close collaboration with major international companies will take place through this project.

Funding is required in order to develop the Processing Centre and ensure it has the appropriate equipment and facilities.

This Project will position the region as a Centre for International Expertise in digital signalling, and increase in particular levels of commercialisation of research in high value sectors. It will also raise the number of graduates and post-graduates in high demand disciplines within the region.

It will create 160 direct jobs, and generate 30 additional highly skilled graduates in the local workforce annually.

The Project aligns closely with the Digital Infrastructure Connectivity Project, together with the core business of M-Sparc Science Park on Anglesey.

The Project will be delivered between 2019-2021.

The total Project cost is £7.5m.

- **Digital Skills for North Wales Project**
[Lead Sponsor: 6 Local Authorities]

This Project aims to develop a clear delivery plan to improve the digital skills of the current and future workforce of North Wales.

It will be a partnership approach between Bangor University, Glyndwr University, Grwp Llandrillo Menai, Coleg Cambria and the 6 Local Authorities. The delivery plan will be co-ordinated by the Regional Skills & Employment Partnership.

This is a key project within the Programme and will ensure that the workforce is equipped with the necessary skills to keep up with the speed of digital and technological change. We need to increase the supply of digital skills across the economy. Highly skilled and highly paid digital jobs grew at twice the rate of non-digital jobs between 2011-2015 (UK Industrial Strategy). We need to ensure that the computing curriculum for pupils aged 5-16, including coding and the basics of programming, is ambitious and rigorous. We need to deliver a comprehensive programme to improve the teaching of computing and drive up participation in computer science.

The new digital age will change jobs and businesses, and we want to ensure that the local workforce in North Wales are able to capitalise on these opportunities.

This is a Project that is currently under development.

2. Land and Property Development Programme

This Programme includes a package of projects to unlock growth opportunities in the region. Their development will deliver high quality sites and premises to accommodate innovation and expansion in the business base, in particular in advanced manufacturing and low carbon energy related industries.

- Bodelwyddan Strategic Site Project**
[Lead Sponsor: 6 Local Authorities]

The purpose of the Project is to support the development of a strategic mixed-use development site at Bodelwyddan in Denbighshire.

The site is located as a key strategic site within the Denbighshire Local Development Plan and planning consent has been agreed.

Funding is required in order to support up-front infrastructure costs. The site comprises 137Ha of land on which a master plan has been developed to accommodate housing development, employment, land and local facilities. The site will complement the existing St.Asaph Business Park and Kimmel Park employment sites, and will provide additional capacity for development in the central part of the A55.

There is a “named” developer for the site who will contribute £4m of direct private sector investment into the Project. The Project is expected to secure private sector leverage of £185m and will create up to 3,000 indirect or construction jobs. A joint venture mechanism will be used to generate a return on investment. This will be used to fund future projects within the Land and Property Development Programme.

The Project will be completed by 2021.

The total Project cost is £10m.

- Warren Hall Strategic Site Project**
[Lead Sponsor: 6 Local Authorities]

Warren Hall is a major strategic site in Flintshire that has been in public sector ownership since the early 1990's. Although some primary road junction infrastructure has been installed, the site remains undeveloped and incapable of further development until additional on-site infrastructure has been provided. The site is located close to the A55 and has planning consent.

Funding is required to support up-front infrastructure costs. The site comprises 65Ha of land available for development. The proposals include a mixed-use development of housing and Business Park, and will complement and capitalise on the success of the Deeside Industrial Zone and Chester Business Park.

There is clear evidence of demand from the private sector, and major enquiries are currently under discussion. However, private investment cannot be secured and interest can't proceed unless the primary infrastructure is provided.

The site has the potential to generate private sector investment leverage of £55 million, with a scope for up to 4,000 indirect or construction jobs.

The Project will be delivered between 2019-2021.

The total cost of the Project is £15m.

- **Expansion to Wrexham Business Park Project**
[Lead Sponsor: 6 Local Authorities]

The purpose of this Project is to bring forward an extension to the Wrexham Technology Park – which is a strategic site located between the town centre and the main A483 road corridor. Additional brown field site is available for development, but new road access is required, together with improved junctions on the A483, electricity grid connections and other new primary infrastructure.

Recent progress by Welsh Government to support significant junction improvements to be delivered over the next few years means that the site can now be bought forward for development.

The site comprises 5Ha of development land, in four plots, with a proven demand from the private sector for development. A major local occupier with significant growth and job creation potential is known to require additional development land.

Funding is required in order to support up-front infrastructure work to bring forward the site. The site has been in public ownership for many years and has not progressed due to the inadequate infrastructure supporting the site. The site has the potential to accommodate significant opportunities for digital and financial services employment opportunities.

The Project will deliver direct private sector investment of £2 million. It is also considered that there will be an additional indirect leverage of £32.4 million. The Project will generate up to 1,000 direct jobs and 500 indirect jobs.

The Project will be delivered between 2022-2025.

The total Project cost will be £11 million.

- **Parc Bryn Cegin, Bangor Project**
[Lead Sponsor: 6 Local Authorities]

Parc Bryn Cegin is a strategic development site close to the A55 on the outskirts of Bangor. The site has remained undeveloped – despite investment in primary infrastructure in the early 2000's.

There is known private sector interest in the site and area, in particular in view of opportunities related to the energy sector and Wylfa Newydd. However, the return on investment is not deemed sufficient to persuade private sector developers to build units for occupation on terms acceptable to potential occupiers.

Funding is required to provide industrial floor space to meet known demand for units. It is proposed that up to 10km² of industrial and B1 floor space will be provided on the site. The completed development could be sold on completion, either to end users or on the investment market. There is potential for a return on some of the investment made from the sale of the occupied units.

There is scope to generate 250 indirect jobs, and up to 5 large businesses could be accommodated. It has potential to generate £12m private sector leverage.

The total cost would be £12million.

The Project will be delivered between 2019-2021.

- **Sites and Premises Fund Project**
[Lead Sponsor: 6 Local Authorities]

The purpose of the Project is to enable on-going arrangements to increase the supply and delivery of sites and premises in North Wales.

The defined early “Projects” within the Programme are sites where pump-priming investment is needed to bring forward development. These sites will produce income generated from rents and disposals of land and property that has successfully achieved occupation. This Project will enable income from such sites to be recycled to fund further “land and property” projects in the region.

The Project will require a high-level joint venture between the Welsh Government and North Wales Economic Ambition Board.

Funding is required in order to support the de-risking of certain sites and provide up-front infrastructure costs. There will also be revenue costs associated with this Project to fund a technical expertise unit at a cost of £250,000 annually.

The outcome over 15 year period will be to deliver 100Ha of “shovel ready” business land provided, and 15m² of business space provided. There is potential to achieve a private sector leverage of £180m, with the creation of 2,500 indirect or construction jobs.

The total cost of the Project is £41.2m.

The Project will be delivered over a period between 2020 and 2025.

- **Housing Acceleration Project**
[Lead Sponsor: 6 Local Authorities]

The purpose of the Project is to provide easier access to funding for local and regional house-builders to accelerate the rate of house building across the region. The aim is to work in partnership with the Development Bank of Wales to ring-fence, expand the scope of, and promote specific loans which are targeted at the SME house-building sector within the region.

There are a series of “stalled sites” across the region where progress has been halted for a variety of reasons, such as viability issues caused by high infrastructure costs and limited access to affordable finance for SME’s. Problems accessing finance limits the ability to unlock stalled sites which is a key barrier to house-builders in the region.

Supporting small and medium sized house-builders will have a direct knock-on effect on the local economy, as they in turn use local suppliers to source materials and skills.

Funding is required in order to enlarge the Property Development Fund delivered by the Development Bank of Wales, enabling a £30m allocation to be ring-fenced for projects in North Wales.

Only sites with planning permission for housing, will be considered for support under this Project.

The Project will achieve a £190m private sector investment as leverage, and at least 1,000 new homes - with 25% as affordable homes. It has the potential to create up to 1,250 indirect or construction jobs across the region.

The total cost of the Project is £40million.

The Project will be delivered between April 2020 and March 2025.

3. Smart Access to Energy Programme

This Programme includes a package of Projects that will focus on positioning North Wales as one of the leading UK locations for low carbon energy generation and production, as well as innovative small scale smart local energy networks. It will focus in particular on capitalising on the opportunities from the £15 billion investment taking place as a result of the Wylfa Newydd Nuclear Power Station.

- **Holyhead Port & Breakwater Project**
[Lead Sponsor: 6 Local Authorities]

The purpose of the Project is to upgrade and improve the infrastructure of Holyhead, a strategic gateway into North Wales and the UK. The Project will provide new deep-water cruise and heavy loading facilities, thereby, maximising the economic impact of the raft of North Wales energy projects, in particular Wylfa Newydd.

The Project will be developed and delivered in partnership with the private sector. Stena Line, the owners and operators of the Port of Holyhead, have made a clear commitment to inject private sector funding into the Project.

There is an urgent need for improved port facilities for the loading and unloading of heavy items. Very strong indications have been given by potential key customers that they will use Holyhead Port if the appropriate infrastructure improvement are delivered. This includes Horizon for the purpose of Wylfa Newydd.

Funding is required in order to support the infrastructure improvements to the Port, including reclamation of a site to deliver a multi-purpose berth and flexible holding area and the development of an integrated deep-water berth, enabling visits from larger cruise ships. There will also be a breakwater restoration scheme as part of the Project and the introduction of technologies to enable Holyhead to become the UK's first "smart" Port.

The Project will deliver up to 1,250 direct jobs and 1,400 indirect of construction jobs, and 17 acres of new and improved port facilities.

The overall Project cost is £80m, with a direct private sector contribution of £45m.

The Project will be delivered between April 2019 and March 2023.

- **Trawsfynydd Power Station Project**
[Lead Sponsor: 6 Local Authorities]

The purpose of this Project is to represent the first phase of infrastructure development to enable further energy-related development to take place at Trawsfynydd.

The site is within the designated area of the Welsh Government's Snowdonia Enterprise Zone – its inherent characteristics, infrastructure and grid connections lending itself well to further energy related development.

Funding is required in order to support complex feasibility studies in relation to the site, and upgrading infrastructure to and from the site. The aim is to enable the site to have the necessary licence to host a Small Modular Reactor.

Strong links have already been forged with key Small Modular Reactor developers, industry bodies, and governments, and consequently the benefits offered by the Trawsfynydd site are now widely recognised.

There is strong synergy between this Project with the ongoing and proposed developments at Bangor University, especially in Research & Development. The activities of the Energy Catapult Project, for example, will align closely with the Trawsfynydd Project, and enable innovation and testing to take place on advanced technology.

The Project will lead to 250 direct jobs, over 1,000 construction jobs, and support over 600 new long-term jobs across the North Wales supply chain. It has the potential to achieve a leverage of £2bn in private sector investment.

The total cost of the Project is £10.1m.

The Project will be delivered between April 2019 and March 2030.

- **Morlais Project**
[Lead Sponsor: 6 Local Authorities]

The Morlais Project is one of the most innovative marine energy Projects in the World. The Project will provide a "plug and play" seabed zone where tidal stream turbine manufacturers can install their turbines to generate energy.

The Project has identified sub-tenant customers with a range of technologies, a deliverable route to commercial readiness and proximity to expandable grid connectivity.

It has the potential to provide an output of 180MW of energy.

This Project has seven named tidal turbine manufactures signed up on the sequential contracts. It will generate a new innovative method of generating energy through renewable sources. The development will be the first of its kind, and may well lead the way in the tidal stream energy sector.

Funding is required in order to support up-front infrastructure costs to develop the “plug and play” model. The Project will deliver a fully consented and connected zone for commercial roll-out, with the potential of private sector leverage of £720m with 8 turbine manufacturing companies establishing bases in the region. The Project will facilitate over 300 direct jobs.

The cost of the Project is £28m and the Project will be delivered between 2019-2022.

- **Smart Local Energy Network Project**
[Lead Sponsor: 6 Local Authorities]

The purpose of this Project is to develop sustainable local energy solutions for communities across the region. There are significant opportunities for local energy generation in the region, but often these are constrained by grid capacity, especially in rural and peripheral areas. The project will support local community owned sustainable electricity generation schemes and develop local energy networks that provide balanced energy generation in rural areas where a mix of hydro, wind and solar generation, supported by storage and gas storage solutions, can provide a 24/7 mix of renewable energy. It will also deliver a pilot Project for producing hydrogen in modular facilities to support decarbonisation of transport networks.

The project would seek to develop local energy networks that improve resilience, use energy generated more locally, and store energy for times when gaps in supply occur.

Funding is required in order to support small-scale infrastructure costs associated with delivering the project. The project would be a means of demonstrating the potential of these solutions in rural and peripheral areas.

The Project will deliver a network of local energy networks across the region, empowering community, enterprises, and creating 25 direct jobs. It has the potential to achieve £3m of private sector leverage.

The overall Project cost is £18m.

The Project will be delivered between April 2019 and March 2023.

4. Smart Technology & Innovation Hubs Programme

This Programme includes Projects that will deliver world-class resources in sector leading facilities, building on expertise in the region to maximise local economic impact from research and technology. It will focus in particular on opportunities in low carbon energy and advanced manufacturing.

- **Sustainable Energy Centre & Nuclear Energy Catapult**
[Lead Sponsor: Bangor University]

The purpose of this Project is to establish world-class facilities and expertise on Sustainable Energy with a strong nuclear focus. The economic opportunities for a Nuclear Energy Catapult arise from the proposal to build a £15bn new nuclear power station Anglesey and the plans by Rolls Royce, GE Hitachi and others to develop SMR technologies relevant to Trawsfynydd.

The plans in place and proposals being developed, namely the BWR Hub & Network, the academic capacity in nuclear engineering within the recently established Nuclear Futures Institute in Bangor University funded through Sêr Cymru, the attraction of world leading academics and the proposals for a Thermal Hydraulic Experimental Facility indicates a clear commitment by Bangor University, Imperial College London, Menai Science Park and their industry partners to bring transformational change to the economy of the region. These have the potential to bring about the biggest economic boost to the region in a generation.

Catapult centres are a network of world-leading centres designed to transform the UK's capability for innovation in specific areas and help drive future economic growth. They are a series of physical centres where the very best of the UK's businesses, scientists and engineers work side by side on late-stage research and development – transforming high potential ideas into new products and services to generate economic growth.

Funding is required in order to develop the Sustainable Energy Centre and the Nuclear Energy Catapult. The private sector will be a key partner in the development of the Centre. Companies such as GE Hitachi, Rolls Royce, The Wood Group and Horizon have shown a clear interest in supporting the Centre.

The Centre will increase innovation in the energy sector, and levels of commercialisation of research in high value sector. It will help to support positioning North Wales as a centre of international expertise in nuclear technology and create high value jobs. It will also increase the number of graduates within high demand disciplines.

It has the potential to create 90 direct jobs, and up to 900 indirect construction jobs.

The cost of the Project is £87.3m.

- **Enterprise Engineering & Optics Centre Project (EEOC)**
[Lead Sponsor: Wrexham Glyndwr University]

The project is to build on Wrexham Glyndwr's existing expertise in advanced manufacturing and optics to provide businesses in the region with facilities, research and innovation and skills in critical areas.

The Enterprise Engineering & Optics Centre will provide facilities targeted to boost high-level skills development for the region and enable SME's and large businesses to work in partnership with WGU on commercially driven research and development.

The provision of new state-of-the-art equipment that has wide industrial, R&D and educational application will support business in the region to deliver on the priority & growth sectors: advanced manufacturing, energy & environment, construction. Funding is therefore required to support the development of the Centre.

Key initiatives within the planned Enterprise Engineering & Optics Centre include: Precision Optics and Photonics (primarily based at St. Asaph); Microwave Technology & Composite Materials and Hydrogen Cell Technology (based in Wrexham).

Some 500 businesses will expect to be accessing services and facilities from the Centre with 30 being co-located on campus.

The total cost of the Project is £30.71m and it will create 145 direct jobs.

The Project will be delivered between April 2019 and March 2024.

- **3D Factory UK**
[Lead Sponsor: Wrexham Glyndwr University]

The project is to build on Wrexham Glyndwr's existing expertise in advanced manufacturing to provide businesses in the region and beyond with production-level capacity in additive manufacturing.

The 3D Factory UK is the UK's first comprehensive commercial production centre for additive manufacturing, based in Wrexham.

The facility will provide commercial production level 3D printing across key materials and multiple technologies. These will include titanium, plastics, steel, nylons, ceramics and printed circuit boards. This technology will support a wide spread of manufacturing and construction industries, from automotive, aerospace and energy to health and medical.

The 3D Factory UK's physical facilities will be underpinned by senior design engineers who will be able to advise commercial partners on technology applications and design solutions and work closely with partner staff on process management.

The rise of the digitally-driven economy and "Industry 4.0" are transforming manufacturing industry and revolutionising the development and prototyping of new products. This facility will be a significant regional asset, placing North Wales at the forefront of manufacturing and supporting our place as a centre for leading-edge engineering.

Funding is required in order to support the development of the facility. The Project cost is £14.9m and it will create 92 direct jobs.

Over 300 businesses will access the facility, capitalising on the first multiple technology platform 3D Manufacturing Facility in the UK.

The Project will be delivered between April 2019 and March 2023.

- **Glynllifon Rural Economy Hub Project**
[Lead Sponsor: Grwp Llandrillo Menai]

The purpose of the Project is to develop the role and contribution of the Grwp Llandrillo Menai Glynllifon campus to support rural economic development, specifically to stimulate economic growth and create jobs. The Rural Economy Hub (REH) will be a regional centre of excellence supporting rural enterprises with the space, knowledge and tools to enable them to reach their productive potential. Customers and users will include pre-start-ups, start-ups and growing SMEs who will take advantage of the support infrastructure, research and innovation excellence to become competitive in the global market place.

The Hub will provide an innovation bridge between research in agriculture methods and the local farming community and the land-based sector in general. The Hub will work closely with GLLMs current Food Technology Centre at Llangefni who have a very positive regional reach and impact. The Hub will enhance this reach and impact across the region.

The REH will be a joint venture between national and regional partners with the aim of supporting the regional rural economy through nurturing entrepreneurship, innovation and enterprise development. The hub will comprise of three facilities: the **Knowledge Centre** – which is centred on creating a pool of “know-how” and practical experience to support innovation and enterprise growth in the region; **Food Enterprise Park** – including incubator space for start-ups and flexible food grade units designed to attract growing SMEs; and the **Demonstration space** – which will stimulate research and innovation in rural development across all sectors, e.g. sustainable energy, robotics and telecommunications.

The project will address the challenge of Brexit, provide higher value employment opportunities for young, skilled people and provide a solid local and regional infrastructure to support the growth and development of the rural economy.

Funding is required in order to support the infrastructure costs associated with the development of the Hub.

The Project will achieve £3m of partner investment and create at least 80 new jobs. Some 2,300sq.m. of dedicated space for specialist food grade accommodation will be developed and near 1,000sq.m. for the Knowledge Centre. Around 200 businesses will expect to be accessing services and facilities from the hub.

The total cost of the Project is £13m.

The Project will be delivered between April 2019 and December 2022.

- **Centre of Environmental Technology and Industrial Accreditation Project**
[Lead Sponsor: Bangor University]

The purpose of the Project is to provide businesses with industrial-scale facilities to enable them to design and test new products and materials, and help achieve the necessary industrial and environmental standards and accreditation.

The Centre for Environmental Biotechnology (CEB) will apply Bangor University’s international excellence in environmental science and biochemistry to contribute to the development, long-term sustainability and competitiveness of a new high-tech industrial sector in North Wales, providing innovative solutions to improve the efficiency and reduce the environmental footprint of traditional processes. This commercial use of natural resources in a sustainable manner or Green Growth – is a key contribution Bangor University can make to the future economic development of the region reflecting true Smart Specialisation whilst maintaining an important sense of environment and place. The CEB project thus contributes significantly to the principle of place-based innovation that is key to the Growth Deal’s Smart Technology and Innovation Resource Hubs programme.

The CEB project is focused on transforming biological processes into industrial/ commercial applications (bioengineering and biocatalysis). One of many potential applications is pulp extraction for paper-making which currently takes place at 80°C, and employs corrosive, toxic and greenhouse-gas producing chemicals such as Sodium Hydroxide, Sodium Sulphide and Chlorine. In efforts to complement the current procedures, enzymatic bio-pulping is becoming an attention-grabbing approach as it offers an eco-friendly, safer, and profitable solution for the pulp and paper industry.

The Accreditation Arm of the Centre will provide Welsh and wider UK businesses with industrial-scale facilities to enable them to design and test new products and materials for a wide range of high value sectors, including: nuclear, solar photovoltaics, photonics, aerospace, automotive and space technology. This facility will enable businesses achieve the necessary industrial and environmental standards and qualifications, providing direct commercial benefits by decreasing time to market and improving product quality/conformance, for example, for export.

The proposed Centre will provide access to highly specialised equipment supported by world-class academic expertise, focussing not just on engineering product design but on commercially vital lifetime and reliability testing. This capacity will be a critical addition to the engineering and manufacturing research and development infrastructure in the region and the UK post Brexit.

The Centre will provide access to highly specialised equipment supported by world-class academic expertise, focussing not just on engineering product design but on commercially vital lifetime and reliability testing. This capacity will be a critical addition to the engineering and manufacturing R&D infrastructure in the region. Private sector project partners include TWI - one of the world's foremost independent research and technology organisations, with expertise in materials joining and engineering processes - Qioptiq Ltd (North Wales) and IQE Ltd (South Wales) - the leading global supplier of advanced wafer products and wafer services to the semiconductor industry and a Welsh company at the forefront of the compound semiconductor industry for more than twenty-five years. Supporters / potential customers from across North Wales include Raytheon UK, QinetiQ Group plc, Denis Ferranti Group, PPM Technology, Siemens, Menai Organics, Dyesol Ltd, and UK Micromachining Ltd.

Funding is required in order to support the development of the Centre, enabling investment in world-class facilities and equipment.

The Project will achieve £20.1m of partner investment and create at least 50 new jobs.

The total cost of the Project is £29.15m.

The Project will be delivered between April 2019 and March 2023.

- **The Wrexham Food Centre Project**
[Lead Sponsor: 6 Local Authorities]

The purpose of the Wrexham Food Centre is to strengthen and enhance the regional food and beverage sector, improve opportunities for local people to start and grow food-based businesses; and demonstrate best practice in energy use and sustainability. These objectives will be achieved through the development and provision of speculative business units and a Hub to support the regional food industry.

Meeting the needs of the food and drink manufacturing sector can be complex considering the varying fit-out requirements for different food categories. Without exception, successful food parks have required public intervention to become established. Best practise indicates the provision of 1,250 sq.ft. (115m²) units up to 5,000 sq.ft. (465m²) units with the opportunity for businesses to share individual units. The positioning of units is important in order to allow businesses to access multiple units to grow. The North Wales region has a strong food and drink offering and the development of the Wrexham Food Centre is designed to complement existing and prospective projects at mid and west North Wales. Wrexham Food Park should include 'grow on space' for long-term development of the industry as well as enable Wrexham to compete for inward investment. Focus in the short to medium term must be to develop speculative rental units with onsite support to create a small sector cluster and an appropriate skills base for the future.

The Project will achieve c. £300k of private sector rent and service charges pa through providing a total of over 23,000sq.ft. (2,135m²) NIA lettable space for production units with associated Hub Office with meeting rooms and hot desk office space. The gross number of jobs supported at maximum capacity is estimated at 60 jobs

The total cost of the Project is £10m.

The Project will be delivered between April 2019 and December 2023.

5. *Regional Growth Business Fund & Hubs Programme*

This Programme will deliver Projects that will provide financial, technical and coherent advice to businesses in the region, focusing in particular on accelerating the rate of decarbonisation and promoting innovation with the business base.

- **The North Wales Regional Business Growth Fund Project(RBGF)**
[Lead Sponsor: 6 Local Authorities]

The North Wales Regional Business Growth Fund (RBGF) is a targeted, dedicated regional suite of business support aids that will lever in significant private sector investment and accelerate the rate of decarbonisation within the North Wales business base. The RBGF will complement existing services and strategic projects across North Wales, adding substantial value to the area's current offer and ensuring that business support and advice is much more co-ordinated and coherent across the region. The Project has been designed and developed by the private sector in the region.

The focus for the Regional Business Growth Fund is to ***accelerate Innovation, increase Productivity and Harness Local Talent through the following:***

Accelerating Innovation

- Cultivate and Commercialise World Leading Research & Development
- Adoption and Commercialisation of Digital - Industry 4.0 technologies across all Sectors
- Increasing Knowledge Transfer and collaboration

Increasing Productivity

- Increasing Exports
- Boost Supply Chain / Accreditation development
- Targeted Marketing of the North Wales region

- Supporting Clean Business Growth – Accelerate the decarbonisation of the business base

Harnessing Local Talent

- Boosting Graduate Recruitment and Retention

Funding is required in order to support the development of the Business Growth Fund.

The Project will achieve circa £100m of private sector investment as leverage, create at least 1250 new jobs, increase export sales by over £80m, deliver 140 significant R&D projects and save 450,000+ tonnes of carbon within the NWMD region. 1000s of businesses will benefit ranging from micro-businesses (which are usually excluded or ineligible) to the very largest in the North Wales economy.

One key component of the Project is the establishment of a “Business Growth Hub” to deliver a more co-ordinated and integrated support network for businesses. It will enable the co-location of existing officers working in various organisations to achieve a more co-ordinated, joined-up service in the region.

The total cost of the Project is £52.5m.

The Project will be delivered April 2019 and March 2024.

6. Pathways to Skills & Employment Programme

This Programme includes Projects that will tackle economic inactivity and deliver a more co-ordinated skills and employment advice and support service in the region.

- **Information & Advice Gateway**
[Lead Sponsor: 6 Local Authorities]

The aim of the project is to facilitate the upskilling of the North Wales Population for future employment needs, by improving the regional skills and employment knowledge, advice and support available across the region for individuals, employers and service providers.

This is a bespoke enabling project that will support delivery of a number of other key growth deal projects by ensuring appropriate skilled labour is available at the right time and in the right place that is also aligned to and supportive of national policy.

Work will be focused on increasing the level of impartial employer engagement in the region, to increase and share knowledge about future employment and training needs and stimulate apprenticeships. Providing a brokerage service for skills development and recruitment for large regional projects, to aid successful implementation and capitalise on skills development opportunities. Piloting Welsh Governments ‘Employment Advice Gateway’ in the region, including an Adult Bursary Scheme, to influence and increase the availability of good quality impartial advice and support, to inspire people to train in skills related to future job opportunities in North Wales.

The project will aim to stimulate an 8% shift in skilled labour available in the regional market by 2034, with a 50% increase in the number of higher level apprenticeships in key and growth sectors undertaken and 4000 job opportunities taken up by the local workforce, facilitated via the brokerage service by 2024.

Funding is required to support the pilot, stimulate employer engagement and resource the brokerage service and adult bursary scheme. Private sector investment of circa £1.5m will be leveraged for the brokerage service.

The total cost of the project is £15.3m.

The project will be delivered between 2018 and 2024.

- **Employability Pathway**
[Lead Sponsor: 6 Local Authorities]

It is important to recognise that for those who need help and support in to employment, many are not thinking about work, are not job ready and/or have too many barriers in their way. To support these people on their journey to employment, there is a need to respond locally with bespoke support, but added value in the response can be achieved through a regionally co-ordinated approach.

The aim is to develop a Regional Employability Pathway Framework, which partners in the region would sign up to and use to influence their funding, commissioning and service delivery decisions. The Framework is underpinned by the delivery of a variety of programmes and services both locally and regionally and will be complimented by the National commissioning of the Working Wales employability programme contracts, currently out for tender.

Work will focus on better understanding and co-ordination of the delivery of these programmes and services within the commonality of the Framework, to make best use of available funding, especially in the changing landscape of funding, with the ending of ESF funding.

The project will aim to achieve a 15% reduction in the number of people claiming work related benefits and a 20% reduction in the number of households claiming work related benefits by 2024.

Funding is required initially to stimulate the framework development and co-ordination activity.

The initial cost of the project is £0.3m.

The project will be delivered between 2019 and 2024.

7. Skills Centres of Excellence Programme

This Programme includes a package of Projects that will improve the skills infrastructure in the region to increase the supply of skills in key growth sectors.

- **Renewable Energy and Digital Precision Technology Centre**
[Lead Sponsor: Coleg Cambria]

The vision is to create a centre of excellence in renewable energy technologies that will act as an innovation demonstrator platform and test bed for new and existing renewable low carbon technologies. This will facilitate growth in the commercial Agricultural sector in North Wales and wider regions through the efficient use of digital precision primary food production.

The digitalisation of the sectors and the business infrastructure delivering rural sustainability are all closely related with the skills base, and the future development of innovation. The aim is to provide a dynamic workforce with the correct skills and knowledge for the rural and wider Welsh economy.

This project fits into the vision by Welsh Government that Wales becomes a global leader in clean energy and low carbon electricity generation, and the aspirations of 'best in class' of Wales industry in future years.

The project will be achieved by working in partnership and forming close collaborations a range of organisations including: Welsh Government; Natural Resource Wales (NRW); Local Government; A range of appropriate Universities - UK and international; Tillhill / BSW Forestry management, wood processing and transport logistics; LEAF-FACE (Linking Environment and Farming- Food and Countryside Education with links to schools and careers education); National Renewable Energy businesses - The Greener Group, FreEnergy, Aeolus Energy group. Dulas; UK renewables; Wales farming unions (National Farmers Union - Cymru, Farmers Union Wales); Young Farmers Wales (YFC Wales); Levy boards (AHDB, HCC); General public and local/regional communities; plus a further range of blue chip businesses Regional, National and International.

The project will aim to improve the uptake of renewable energy projects with a target of 40 projects over five years, along with improved knowledge transfer to 500 businesses/communities. It will provide a test bed for commercial testing of near market technology, with the target of 20 projects over the next five years, whilst delivering economic rural diversification enhancement.

Capital funding is required towards building development and equipment and machinery purchase. Private/commercial sector and Coleg Cambria investment of £5m each is being leveraged, to match fund the ask from the Growth Deal bid.

The total capital cost of the project is £20m

The capital element of the project will be delivered within 2 years of the funding being secured.

- **North Wales Tourism & Hospitality Centre of Excellence**
[Lead Sponsor: Grwp Llandrillo Menai]

The Tourism and Hospitality Centre of Excellence aims to provide targeted skills development, product research and business support across North Wales. It seeks to increase the resilience of tourism businesses, support the development of sustainable high value tourism jobs, position tourism as an aspiration career choice and support the growth and value of the tourism industry in North Wales.

It will operate in partnership with the private sector as a hub and spoke model. The primary skills excellence hub will be a purpose-built new facility at Coleg Llandrillo in Rhos-on-Sea with much of the training and development being delivered by partner tourism businesses across the region, supported by the very latest training delivery technology in bespoke training facilities.

The hub and spokes will provide training, exhibitions, taster sessions and real work experience to several cohorts including: school pupils, full-time post 16 learners, apprentices and those who are not in employment, education or training. Facilities will be developed that support the development of the skills in demand across the sector with each spoke potentially developing a different area of training. An integral part of this will be that each spoke will commit to operating a high quality apprentice scheme that could be in partnership with other smaller or newer business.

Strong engagement and support is being demonstrated by the private sector with partners involved so far including Zipworld, Surf Snowdonia, Always Aim High, Continuum/Greenwood Forest Park, Dylan's, North Wales Tourism, British Hospitality Association, Llandudno Hospitality Association, Wrexham County Council, Conwy County Borough Council, DWP/JCP. Letters to formally register their interest in the project have been received from a number of these partners.

The project aims to achieve 45 new junior apprenticeships and 50 new apprenticeship opportunities, with 480 hospitality and tourism level 1 to 3 qualifications available at the Hub and Spokes across North Wales.

Funding is required to establish the hub and spoke model, with a potential leverage of £1.25m private sector investment and £5m investment from Grwp Llandrillo Menai.

The total anticipated cost of the project is £16.25m

A timeframe for the delivery of the project currently being developed.

- **North Wales Rail Engineering Centre of Excellence**
[Lead Sponsor: Grwp Llandrillo Menai]

The purpose is to develop workforce skills in rail engineering that support rail infrastructure improvements in Wales and North West / Mid England.

Aligned with the aspirations set out in Growth Track 360, the West and Wales Rail Prospectus and discussions between Network Rail, Grwp Llandrillo Menai and Denbighshire County Council, this project will provide a highly skilled regional workforce, able to support the significant rail infrastructure improvements required across North Wales. To achieve this, a new North Wales Rail Engineering Centre of Excellence will be developed in the town of Rhyl.

The centre will house a wide range of skills development opportunities across the broad spectrum of rail engineering. Training will be offered to those seeking employment and to those wishing to upskill. Initially the centre will focus on signal engineering to meet the demands of the ongoing upgrade to the North Wales line.

The project will aim to deliver 1000 training days for upskilling, 24 new junior apprenticeships, 36 rail engineering trainees and 24 rail engineering apprenticeships in the each year. With the development of a new higher education programme in rail engineering in year two.

Capital funding is required to fund the development of the infrastructure of the facility and will leverage £0.5m from Network Rail, along with £3.5m from Grwp Llandrillo Menai.

The total capital cost of the project is £7.5m

The construction of the centre can potentially commence in the summer 2019 with completion the following year.

- **Regional STEM – Achieving Excellence in Skills Development**
[Lead Sponsor: TBC – currently with Regional Skills Partnership]

This project is in its early development phase and is currently being scoped by the Regional Skills Partnership, ensuring it interlinks with other STEM related projects taking place in the region.

- **North Wales Health & Social Care with Higher Education –Achieving Excellence in Skills Development**
[Lead Sponsor: TBC – currently with Regional Skills Partnership]

This project is currently at concept stage and the Regional Skills Partnership has commissioned a piece of work to understand the skills requirements in the region for Health and Social Care, to inform the scoping of a solution.

- **North Wales Digital Automation –Achieving Excellence in Skills Development**
[Lead Sponsor: TBC – currently with Regional Skills Partnership]

This project is co-dependent on the Digital Skills for North Wales project. It is currently at concept stage and the Regional Skills Partnership has commissioned a piece of work to understand the skills requirements in the region for digital automation, to inform the scoping of a solution.

8. Strategic Transport Programme

This Programme will include Projects to improve local transport infrastructure to support accessibility and connectivity.

- **Strategic Transport Project**
[Lead Sponsor: 6 Local Authorities]

The purpose of the project is to improve transport connectivity across North Wales. The transport network is heavily dependent of private cars and good vehicles to service business and tourism. Journey times are long, there is increasing congestion on the road network, public transport provision is fragmented and there is little integration between transport modes.

The project will deliver a number of Integrated Transport Zones across North Wales. These are areas where there is conflict between local journeys and longer distance travel on the strategic road network. This causes specific congestion points, impacting on access to employment and services, reducing the ability to travel to work and adds costs to business supply chains.

Integrated Travel Zones have been identified for the following locations:

- Deeside Corridor
- A483 and Wrexham Town Centre
- Prestatyn, Abergele, St Asaph and Llandudno, Conwy, Colwyn Bay
- Caernarfon Menai Corridor
- North Anglesey

In addition there are some region wide projects aimed at preparing the ground for decarbonisation of transport, improving integration between modes and providing public transport solutions in rural and peripheral areas currently dependent on private cars for transport.

Funding is required in order to deliver intertwined transport projects in the areas identified above. The project will be delivered between March 2019 and March 2024.

The project supports all other projects in the Proposition bid and outcomes and outputs are likely to be related to transport objectives rather than specific job and private investment. Transport is fundamentally an enabler of economic growth and without the interventions being developed, growth will be stifled. Outcomes to be achieved from the project are:

- Enable businesses to access markets, goods, services and labour
- The local population to access employment, education and services
- Visitors to access destinations, accommodation and attractions in the region
- A fully integrated transport system that enables non private car journeys to be undertaken easily and cost effectively
- A sustainable transport infrastructure that does not damage the environment

The cost of the Project is £150million. It is estimated that the Project will create over 1,950 indirect or construction jobs across the region.

The Project will be delivered between April 2019 and March 2024.

SECTION 8 – FINANCE AND FUNDING

PROGRAMME	COSTS AND FUNDING					Current Ranking
	Total Investment / Costs	Direct Private Sector Contribution	Other Contributions from Various Partners	Regional Growth Deal Contribution Capital	Revenue	
1. Digital Connectivity						
1.1. North Wales Digital Connectivity Project	£56.7m	-	£29.2m	£27.5m	-	2
1.2. Digital Signal Processing Centre Project	£7.6m	£2.5m	£2.1m	£3m	-	1
1.3. Digital Skills for North Wales Project**	n/a	n/a	n/a	n/a	n/a	n/r
2. Land and Property Development						
2.1. Bodelwyddan Strategic Site Project	£22m	£12m	-	£10m	-	8
2.2. Warren Hall Strategic Site Project	£15m	-	-	£15m	-	9
2.3. Wrexham Technology Park Strategic Site Project	£11m	£2m	-	£9m	-	n/r
2.4. Bryn Cegin Strategic Site Project, Bangor	£12m	-	-	£12m	-	16
2.5. Regional Property Fund Project	£41.2m	£20m	-	£20m	£1.25m	5
2.6. Housing Accelerator Project	£40m	-	£10m	£30m	-	4
3. Smart Access to Energy						
3.1. Holyhead Port & Breakwater Project	£80m	£45m	-	£35m	-	7
3.2. Trawsfynydd Power Station Project	£10.1m	-	-	£10.1m	-	10
3.3. Morlais Project	£28m	-	£19m	£9m	-	12
3.4. Smart Local Energy Network Project	£18m	-	£6m	£12m	-	19
4. Smart Technology & Innovation Hubs						
4.1. Sustainable Energy Centre & Proposed Nuclear Catapult Project	£87.3m	-	£68.6m	£18.7m	£3.5m	3
4.2. Enterprise Engineering & Optics Centre Project	£30.7m	-	£20.3m	£10.4m	-	14
4.3. 3D Factory UK	£14.9m	-	£3.9m	£11.05m	-	14
4.4. Glynllifon Rural Economy Hub Project	£13m	-	£3m	£10m	-	18
4.5. Centre of Environmental Technology and Industrial Accreditation Project	£29.1m	£1m	£20.1m	£8m	-	21
4.6. The Wrexham Food Centre Project	£12m	£9m	-	£3m	-	n/r
5. Regional Growth Business Fund & Hubs						
5.1. The North Wales Regional Business Growth Fund (RBGF)	£52.5m	-	£0.75m	£41.6m	£10.9m	17
6. Pathways to Skills & Employment						
6.1. Information & Advice Gateway	£15.2m	£1.5m	£0.75m	-	£13.021m	11
6.2. Employability Pathway	£0.321m	-	-	-	£0.321m	22
7. Skills Centres of Excellence						
7.1. The Carbon Neutral Farm - Renewable Energy and Digital Precision Technology Centre	£20m	£5m	£5m	£10m	-	13
7.2. North Wales Tourism & Hospitality Centre of Excellence	£16.25m	£1.25m	£5m	£10m	-	15
7.3. North Wales Rail Engineering Centre of Excellence	£7.5m	£0.5m	£3.5m	£3.5m	-	20
7.4. Regional STEM - Achieving Excellence**	n/a	n/a	n/a	n/a	n/a	n/r
7.5. North Wales Health & Social Care with Higher Education - Achieving Excellence**	n/a	n/a	n/a	n/a	n/a	n/r
7.6. North Wales Digital Automation - Achieving Excellence**	n/a	n/a	n/a	n/a	n/a	n/r
8. Strategic Transport						
8.1. Regional Strategic Transport Project	£150m	-	£75m	£75m	-	6
TOTAL:	£790.3M	£99.7M	£272.2M	£393.8M	£28.95M	

* the value of private sector investment achieved as a direct consequence of the project being delivered

** under development

SECTION 7 – ECONOMIC CASE

PROGRAMME	Indirect / Construction Jobs	Direct Job Creation	Direct Private Sector Investment	Private Sector Leverage *	Improved Skills Base	Current Ranking
1. Digital Connectivity						
1.1. North Wales Digital Connectivity Project	3,600	n/a	n/a	£250m	Medium Impact	2
1.2. Digital Signal Processing Centre Project	120	160	£2.5m	£15m	High Impact	1
1.3. Digital Skills for North Wales Project**	n/a	n/a	n/a	n/a	n/a	n/r
2. Land and Property Development						
2.1. Bodelwyddan Strategic Site Project	3000	-	£12m	£185m	Medium Impact	8
2.2. Warren Hall Strategic Site Project	4,000	-	-	£55m	Medium Impact	9
2.3. Wrexham Technology Park Strategic Site Project	500	1,000	£2m	£32.4m	Medium Impact	n/r
2.4. Bryn Cegin Strategic Site Project, Bangor	250	-	-	£15m	Medium Impact	16
2.5. Regional Property Fund Project	2,500	-	£20m	£180m	Medium Impact	5
2.6. Housing Accelerator Project	1,200	-	-	£190m	Medium - High Impact	4
3. Smart Access to Energy						
3.1. Holyhead Port & Breakwater Project	1,400	1,250	£45m	£80m	Medium - High Impact	7
3.2. Trawsfynydd Power Station Project	2,500	250	-	£2bn	High Impact	10
3.3. Morlais Project	300	300	£0.4m	£5m	Medium Impact	12
3.4. Smart Local Energy Network Project	190	25	-	£3m	Medium Impact	19
4. Smart Technology & Innovation Hubs						
4.1. Sustainable Energy Centre & Proposed Nuclear Catapult Project	900	90	-	£21m	High Impact	3
4.2. Enterprise Engineering & Optics Centre Project	370	145	-	£31.4m	High Impact	14
4.3. 3D Factory UK	200	92	-	£46.9m	High Impact	14
4.4. Glynllifon Rural Economy Hub Project	170	80	-	-	High Impact	18
4.5. Centre of Environmental Technology and Industrial Accreditation Project	350	50	£1m	£11.2m	High Impact	21
4.6. The Wrexham Food Centre Project	130	60	£9m	-	Medium Impact	n/r
5. Regional Growth Business Fund & Hubs						
5.1. The North Wales Regional Business Growth Fund (RBGF)	-	1,250	-	£97.6m	Medium Impact	17
6. Pathways to Skills & Employment						
6.1. Information & Advice Gateway	-	-	£1.5m	-	High Impact	11
6.2. Employability Pathway					High Impact	22
7. Skills Centres of Excellence						
7.1. The Carbon Neutral Farm - Renewable Energy and Digital Precision Technology Centre			£5m		High Impact	13
7.2. North Wales Tourism & Hospitality Centre of Excellence	115		£1.25m		High Impact	15
7.3. North Wales Rail Engineering Centre of Excellence	48		£0.5m		High Impact	20
7.4. Regional STEM - Achieving Excellence**						n/r
7.5. North Wales Health & Social Care with Higher Education - Achieving Excellence**						n/r
7.6. North Wales Digital Automation - Achieving Excellence**						n/r
8. Strategic Transport						
8.1. Regional Strategic Transport Project	1,950				Medium Impact	6
TOTAL:	23,793	4,752	£99.7M	£3.215BN		

* the value of private sector investment achieved as a direct consequence of the project being delivered

** under development

CABINET

Date of Meeting	19 June, 2018
Report Subject	Growth Vision and Strategy for the Economy of North Wales: Governance Agreement
Cabinet Member	Leader of the Council and Cabinet Member for Regeneration
Report Author	Chief Executive and Chief Officer (Governance)
Type of Report	Strategic

EXECUTIVE SUMMARY

Cabinet adopted the *Growth Vision for the Economy of North Wales* in September 2016. The vision set out a collective and strategic ambition for North Wales for infrastructure development, skills and employment, and business growth. The cabinets of the five partner councils in the region similarly adopted the strategy.

Cabinet was advised in a second report in February 2017 that North Wales had been formally invited to develop the strategy into a Growth Deal Bid for national investment and the conferment of powers to the region by the UK and Welsh Governments. At the time a statutory joint committee model was adopted, by all partners, as the preferred one for governance of work on the Bid.

The regional Committee has adopted the working title The North Wales Economic Ambition Board from the former regional advisory body of the same name. This report presents the Inter Authority Agreement for the first stage of regional working for adoption. The term Governance Agreement is used in place of Inter Authority Agreement as the partnership has a membership beyond local authorities alone. The former Economic Ambition Board will become a stakeholder group with a membership of selected representatives from the growth and foundation sectors which make up the regional economy.

A Governance Agreement is required to formalise the constitutional arrangements and confer decision-making powers to the Board within prescribed limits. The Board has two stages of Bid development to manage. The first stage, leading to the agreement of a Growth Deal with Governments is the Bid preparatory and development stage. This will run until mid-2019. The second stage, post agreement of the Bid, which will run from mid-2019 will be the Bid implementation and delivery stage. This Governance Agreement covers this first stage. A more comprehensive

second Governance Agreement will be drafted for the second stage.

This report does not attempt to present the content of the developing Growth Deal Bid in depth as its prime purpose is to present the Governance Agreement for adoption. The Economic Ambition Board will be agreeing a Strategic Proposition for the Bid at its next meeting (15 July) and this will be made available to the memberships of the partner bodies once finalised.

RECOMMENDATION

1.	That progress on the development of a Growth Deal Bid is noted and welcomed.
2.	That the first stage Governance Agreement is recommended to Council for adoption.
3.	That the Council be presented with the final draft Growth Deal Bid for review and consent in September/October prior to the stage of reaching Heads of Terms with both Governments.

REPORT DETAILS

1.00	PROGRESS IN DEVELOPING THE GROWTH DEAL BID
1.01	A Growth Deal Bid is a formal proposal for Government investment and the conferment of devolved powers. Bidding regions are required to have a legal, resilient and accountable governance model for the planning and implementation of their strategy. Regions are expected to be prepared to invest in their own strategies, alongside Government(s), in capital allocations, sharing in capital borrowing, the use of land and assets, and in resourcing professional and project capacity. Each bid will have negotiated objectives and targets. For North Wales, the Cardiff Capital City Region and the Swansea Bay Region the bidding process involves both the UK and Welsh Governments.
1.02	Since the previous report to Cabinet the governance model of a joint statutory committee has been established in 'shadow form'. By 'shadow form' is meant that the Committee is meeting and operating by mutual agreement of all partners in a preparatory form but without the capacity to make binding decisions on behalf of the partners. An Inter Authority Agreement is required to formalise the constitutional arrangements and confer decision-making powers to the Board within prescribed limits. The Board has two stages of Bid development to manage. The first stage, leading to the agreement of a Growth Deal with Governments is the Bid preparatory and development stage. This will run until mid-2019. The second stage, post agreement of the Bid, which will run from mid-2019 and for a number of years, will be the Bid implementation and delivery stage.
1.03	The Committee has adopted the working title The North Wales Economic

	<p>Ambition Board from the former regional advisory body of the same name. The full members of the Board are the six unitary authorities within the region. Bangor University, Glyndwr University, Coleg Cambria and Grwp Llandrillo – Menai (College), and the North Wales Mersey Dee Business Council are advisory members of the Board. This report presents the Inter Authority Agreement for the first stage of regional working for adoption. The term Governance Agreement is used in place of Inter Authority Agreement as the partnership has a membership beyond local authorities alone.</p>
1.04	<p>The former Economic Ambition Board will become a stakeholder group with a membership of representatives from the growth and foundation sectors which make up the regional economy. The stakeholder group will be an important reference group to input concepts and proposals for regional growth, to provide expert advice and evidence to inform decision-making, and to hold the Board to account for progress with the regional vision and strategy and the Growth Deal Bid. The Chair of the stakeholder group will be invited to be an advisory member of the new Board at its discretion. The formal relationship with the stakeholder group, which is in the process of being formed, will be embodied in the second Governance Agreement.</p>
1.05	<p>This report does not attempt to present the content of the developing Growth Deal Bid in depth as its prime purpose is to present the Governance Agreement for adoption. The Economic Ambition Board will be agreeing a Strategic Proposition for the Bid at its next meeting (15 July) and this will be made available to the memberships of the partner bodies once finalised. All six councils are being encouraged to hold internal briefings with their members to both keep them up to date with developments and to take their views as part of ongoing consultation and engagement.</p>
1.06	<p>The developing Growth Deal Bid is based on these principal programme themes:-</p> <ul style="list-style-type: none"> • Land and property • Energy • Technology and innovation • Regional business growth • Skills and employment • Skills centres of excellence • Digital connectivity • Strategic transport
2.00	THE GOVERNANCE MODEL AND GOVERNANCE AGREEMENT
2.01	<p>All partners to the Growth Deal Bid work adopted the preferred governance model in 2017 and it is now a well-established model which is on track to present a Bid to Governments for initial agreement within 2018. A Governance Agreement has been developed for this first stage of the Growth Deal Bid for adoption by all partners to the North Wales Economic Ambition Board. The Governance Agreement (hereinafter referred to as the GA) has been developed by the regional Heads of Legal network and with the expert and independent advice of legal advisors Pinsents. Key features of the GA are summarised in the following paragraphs.</p>

2.02	<p>The Economic Ambition Board itself consists of representatives from each local authority (the leaders), the two universities and the two further education colleagues, and the North Wales Mersey Dee Business Council. Over time, the Board will be supported by a number of specialist sub-boards. These sub-boards will expand the range of stakeholders involved in the governance model. A diagrammatic representation of the Board and sub-boards is attached at Appendix 2. Draft Terms of Reference have been prepared for the Board and sub-boards covering membership; chairing; the roles, functions, responsibilities and powers; speaking and decision-making.</p>
2.03	<p>The adopted governance model for the Board is an executive joint committee i.e. a joint committee of cabinets. This model is not ideally suited for how the board wishes to operate, for example the non-local authority partners cannot be voting members of an executive joint committee, but the model is the best available one under the existing legislation. To work around these restrictions a method of operating is proposed whereby the Board will seek to achieve a consensus before taking a formal vote. A legislative model that permits full participation by all partners is expected to be included by Welsh Government in its Local Government Bill reform Bill due later this year.</p>
2.04	<p>The GA includes the right for any two parties to ask for a matter to be reconsidered at the next meeting of the Board. This would allow a “cooling off” period and would give the Board more time to find a resolution over challenging decisions. This provision reinforces the intention to work by consensus, and protects those parties who do not have a formal vote.</p>
2.05	<p>Some principal areas of decision-making, called “reserved matters”, will be outside the delegated authority of the Board. The proposed decision of the Board in the case of a reserved matter would first need to be considered and consented to by each partner body to the Board. In the case of the six councils this would require a formal decision by the Cabinet or Council. The list of reserved matters includes:-</p> <ul style="list-style-type: none"> • Agreement of functions to be given to the Board; • Agreement of annual budget contributions for the Board and the authority; • Investment and borrowing commitments and risk exposure levels; and • Allocation of land and other asset for pooling.
2.06	<p>This means that, for the six councils, the most important decisions will be taken locally, with the work of the Board having some direction from the wider membership. Constitutional provisions of this type are a source of assurance for members, and respect and value the role of the local overview and scrutiny function. During this first stage of work on the Bid it is proposed that the proposals of the Board for the Bid should be subject to local scrutiny through the most appropriate overview and scrutiny committee in each council, rather than introduce a form of regional scrutiny which could be</p>

	seen to be remote.
2.07	The Board has the capacity to create Sub-Boards which might either have a statutory basis or an advisory basis, depending on their functions, powers and memberships. The first Boards to be created are the Transport Sub-Board and the Digital Delivery Sub-Board. Both of these will be formally constituted as sub-committees, on a statutory basis, so as to be capable of having powers delegated to them. The pre-existing Regional Skills Partnership, a creation of Welsh Government, will report dually to Welsh Government and to the Board as an advisory Sub-Board. The set of recommended Sub-Boards needed for the second stage of the Growth Deal Bid will be embodied in the second Governance Agreement.
2.08	The GA also include reciprocal obligations between the partners and whichever council is chosen to be the host authority for the Board, such as shared liability for employment costs. All partners will sign the GA to give them certainty about the extent of their obligations and liability.
2.09	The Governance Agreement here presented is for the first stage of the work of the Board only. A second and more comprehensive Governance Agreement will be developed and presented for the second stage - Bid implementation and delivery - in early 2019.
3.00	NEXT STAGES OF GROWTH DEAL BID DEVELOPMENT AND APPROVAL
3.01	The Growth Deal Bid is now at an advanced stage of development with Bid content about to be prioritised according to (1) regional choice and ambition (2) informal Government advice on the programmes and projects which might qualify for their support and (3) business case assessments.
3.02	The Growth Deal Bid will move through two approval stages. Firstly, a Heads of Terms Agreement on the strategic content for further development and, secondly, final agreement of the detailed content supported by full and final five case business model evidence and analysis. We aim to have reached Heads of Terms Agreement in the Autumn of this year, and the final agreement for the new financial year 2019/20.
3.03	The partners to the Board, and signatories to the Governance Agreement, will be presented with the final draft Growth Deal Bid for review and consent in September/October prior to the stage of reaching Heads of Terms with both Governments.
3.04	The Growth Deal is not the only intervention to support the aims and objectives of the wider vision and strategy for the region. Welsh Government is already committed to significant capital investment in transport infrastructure in the region alongside the Bid, both road and rail, and other investments such as the opening-up of the Northern Gateway site for inward investment and the Advanced Manufacturing Research Institute at Broughton. The Growth Track 360 strategy for cross-border rail network investment is progressing at a UK Government level. Welsh Government has recently announced the new Wales and Borders Rail Franchise with infrastructure and service improvements. Further investment programmes might be negotiated separately. The unity of the region behind the vision and

	adopted strategy is an important factor in having negotiating purpose, credibility and leverage.
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4.00	RESOURCE IMPLICATIONS
4.01	A Growth Deal Bid is a major investment in a region by Governments with risks and benefits shared with the local authorities and their partners in the region. Investment capacity is a major consideration in designing the Bid. The full cost implications of the possible Growth Deal will be reported at the Heads of Terms stage.

5.00	CONSULTATIONS REQUIRED / CARRIED OUT
5.01	There is extensive consultation across sectors in the development of the Bid and its priority content. The partners to the Bid have been encouraged to hold internal briefings with their respective memberships. Engagement of the private sector has been continuous, primarily through the North Wales Mersey Dee Business Council. Engagement with the Welsh Government and UK Government is at Cabinet Secretary and Secretary of State level.

6.00	RISK MANAGEMENT
6.01	A full risk assessment of the possible Growth Deal will be reported at the Heads of Terms stage. Risk analysis is built into the business case modelling for the programmes and projects which make-up the developing Bid.

7.00	APPENDICES
7.01	Appendix 1: Governance Agreement 1 Appendix 2: Diagrammatic of the Governance Model

8.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
8.01	Regional vision and strategy; Shadow Board agenda papers.

9.00	GLOSSARY OF TERMS
9.01	Inter Authority Agreement or Governance Agreement - interchangeable terms for a legally binding agreement between collaborative partners to regulate constitutional working and the sharing of risk and benefit. Growth Deal - funds provided to Local Enterprise Partnerships in

	<p>England, and local authority partnerships in Wales, for economic intervention programmes which benefit the region and its economy.</p> <p>Devolution Deals– have no set format, but involve the devolution of powers and budgets for the delivery of interventionist programmes and services across a region.</p> <p>North Wales Mersey Dee Business Council - a membership-based representative body of the private and business sectors in North Wales and the Mersey Dee sub-region.</p> <p>Mersey Dee Alliance - a partnership of Flintshire, Wrexham, Wirral and Cheshire West and Chester councils, with the private sector and education institutions, working together for sustained economic growth in the cross-border region.</p> <p>Five Case Business Model - an established method for making business cases in support of proposals for investment operated under Treasury guidelines.</p>
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