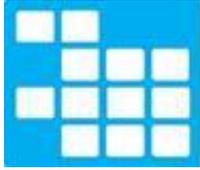


# Complete Agenda



north wales economic ambition board  
bwrdd uchelgais economaidd gogledd cymru

Meeting

**NORTH WALES ECONOMIC AMBITION BOARD**

Date and Time

**1.00 pm, FRIDAY, 31ST JULY, 2020**

Location

**Virtual Meeting**

Contact Point

**Eirian Roberts**

**01286 679018**

**EirianRoberts3@gwynedd.llyw.cymru**

(DISTRIBUTED 24/7/20)

# **NORTH WALES ECONOMIC AMBITION BOARD**

## **MEMBERSHIP OF THE JOINT COMMITTEE**

### **Voting Members**

#### **Councillors**

Hugh Evans	Denbighshire County Council
Llinos Medi Huws	Isle of Anglesey County Council
Mark Pritchard	Wrexham County Borough Council
Ian B. Roberts	Flintshire County Council
Dyfrig L. Siencyn	Gwynedd Council
Sam Rowlands	Conwy County Borough Council

### **Advisers - Non-voting**

Dafydd Evans	Grwp Llandrillo Menai
Maria Hinfelaar	Glyndwr University
Yana Williams	Coleg Cambria
Jim Jones	North Wales and Mersey Dee Business Council
Askar Sheibani	Business Delivery Board
Professor Iwan Davies	Bangor University

### **Chief Officers - Non-voting**

Annwen Morgan	Isle of Anglesey County Council
Iwan Davies	Conwy County Borough Council
Colin Everett	Flintshire County Council
Judith Greenhalgh	Denbighshire County Council
Ian Bancroft	Wrexham County Borough Council
Dilwyn Williams	Gwynedd Council

### **Officers in Attendance**

Dafydd L. Edwards	Section 151 Officer
Iwan G. Evans	Monitoring Officer
Alwen Williams	Programme Director

# **A G E N D A**

## **1. APOLOGIES**

To receive any apologies for absence.

## **2. DECLARATION OF PERSONAL INTEREST**

To receive any declarations of personal interest.

## **3. URGENT BUSINESS**

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

## **4. MINUTES OF THE PREVIOUS MEETING**

4 - 10

The Chair shall propose that the minutes of the previous meeting held on 12th June, 2020 be signed as a true record.

## **5. RISK MANAGEMENT**

11 - 22

Report by Hedd Vaughan-Evans, Operations Manager.

## **6. GOVERNANCE AGREEMENT 2**

23 - 27

Report by Iwan G. D. Evans, Monitoring Officer – Host Authority.

## **7. NORTH WALES GROWTH DEAL - ENGAGEMENT WITH THE PRIVATE SECTOR**

28 - 35

Report by Alwen Williams, Programme Director.

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

The Chairman shall propose that the press and public be excluded from the meeting during the discussion on the following item due to the likely disclosure of exempt information as defined in paragraph 14, Part 4, Schedule 12A of the Local Government Act 1972. This paragraph is relevant as the contents of the item includes confidential and commercially sensitive information on the projects. This is relevant to the situation of the Councils, but also in particular the parties who are seeking, or are partners to the projects in the Growth Deal Programmes.

## **9. PROJECT BASELINE REVIEW**

Report to be circulated separately for Board members only.

---

## NORTH WALES ECONOMIC AMBITION BOARD 12/06/20

---

### Present:

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

Advisors – Dafydd Evans (Grŵp Llandrillo Menai), Maria Hinfelaar (Glyndŵr University), Prof. David Thomas (Bangor University), Steve Jackson (Coleg Cambria), Jim Jones (North Wales Mersey Dee Business Council) and Askar Sheibani (Business Delivery Board).

Chief Officers - Annwen Morgan (Isle of Anglesey County Council), Iwan Davies (Conwy County Borough Council), Judith Greenhalgh (Denbighshire Council), Ian Bancroft (Wrexham County Borough Council), Dilwyn Williams (Gwynedd Council), Colin Everett (Flintshire Council).

Officers in attendance - Alwen Williams (Programme Director), Dafydd Edwards (Statutory Finance Officer), Iwan Evans (Monitoring Officer), Jane Richardson (Chair of the Executive Officers Group), Hedd Vaughan-Evans (Operations Manager) and Annes Siôn (Democracy Services Officer).

### **1. APOLOGIES**

No apologies were received.

### **2. DECLARATION OF PERSONAL INTEREST**

No declarations of personal interest were received.

### **3. URGENT BUSINESS**

None to note.

### **4. MINUTES OF THE PREVIOUS MEETING**

The Chair signed the minutes of the previous meeting of the EAB held on 24 January 2020, as a true record.

### **5. HEADS OF TERMS**

The report was submitted by Alwen Williams - Programme Director.

### **RESOLVED**

To note the completion of the Heads of Terms.

### **REASONS FOR THE DECISION**

The Heads of Terms Agreement had been drafted by both Governments in the context of the Proposition Document and in line with the offer from the NWEAB within the Implementation Plan. The NWEAB had discussed and approved the draft document during meetings on 26 July and 6 September 2019. With the publication of the final document, the document was formally submitted to the Board to be noted publically.

## **DISCUSSION**

The report was submitted noting that it was a signed version of the Heads of Terms agreement prepared in the context of the Proposition Document and Implementation Plan. It was noted that a decision was needed to note that the Heads of Terms had been completed.

During the discussion the following matters were raised:

- It was emphasised that signing the Heads of Terms was significant as it showed the clear commitment of both Governments to the work of the Ambition Board. It was also added that the Heads of Terms displayed a good partnership with both Governments and it was noted that the Board looked forward to signing the final document before the end of the year.

## **6. PROGRAMME GOVERNANCE**

The report was submitted by Hedd Vaughan-Evans - Operations Manager.

### **RESOLVED**

Resolved to:

- Endorse the principle of adopting a programme and project management approach to the delivery of the North Wales Growth Deal, including the establishment of Programme Boards to oversee operational delivery.
- Approve the proposed delivery structure as set out in Appendix 1 and the proposed Programme Board Terms of Reference as set out in Appendix 2.
- Approve the appointment of Programme SROs and Deputy SROs as set out in Appendix 3 and appoint a Lead Member from the North Wales Economic Ambition Board to sit on each Programme Board.
- Note that the existing sub-groups for Energy and Digital, will be replaced by the Programme Board once established.
- Delegate authority to the Programme Director in consultation with the Monitoring Officer and the Executive Support Group to implement the programme governance arrangements and make all other appointments to the Programme Boards.

### **REASONS FOR THE DECISION**

The NWEAB needed to adopt a programme governance model based on best practice to ensure the successful delivery of the North Wales Growth Deal.

Given the scale and complexity of the partnership and the portfolio of work to be delivered, the need to establish a clear model for portfolio, programme and project governance was expressed.

## **DISCUSSION**

The report was submitted, and the decision noted. The importance of project governance was stressed not for arrangements but for the vision. It was noted that the model was based on a best practice approach for managing projects and was built on the present structure.

It was explained that the main change was the establishment of the programme board which would replace the sub-groups. These would not be formal sub-boards of the NWEAB, rather, programme boards which would oversee work and propose recommendations not make decisions. Attention was drawn to the structure and it was explained which Members would be Lead Members for each programme, who would act as a link between the boards and the NWEAB.

It was reported that the NWEAB had been identified as a Group to co-ordinate Economic Recovery post Covid-19. It was noted that the aim and objective of the Economic Recovery Co-ordination Group would be to facilitate the period post Covid.

During the discussion the following matters were raised:-

- A member enquired how the Recovery Group and NWEAB structure worked together and whether there would be an impact on projects. It was noted that four themes had been highlighted for the recovery groups across the region and the economy was one of these; further information would be sent to the members.
- It was added that the Board, via the Recovery Group, would set objectives and lead on the work but would not respond directly. It was stressed that there would be a need to work in partnership with the Government.

## **7. GOVERNANCE AGREEMENT 2**

The report was presented by Iwan Evans - Host Authority Monitoring Officer.

### **DECISION**

To approve the report together with the revised Governance Agreement 2 Project Plan subject to receiving an update at the next meeting of the Board.

### **REASONS FOR THE DECISION**

The agreement of the underlying partnership and governance framework was key to agreeing a comprehensive Governance Agreement 2. GA2 is a document which primarily codifies the relationship and commitment of the parties, their responsibilities and accountability as well as establishing the supporting governance framework. The Board was required to scrutinise and agree a schedule for completing this work to support the aim of getting a Final Growth Deal Agreement in place by December 2020.

### **DISCUSSION**

The report was submitted, and it was noted that it had been scheduled for March in order to follow the timeframe of the work programme so as to sign the final deal in December but that Covid had delayed things until this meeting. It was stressed that Governance Agreement 2 was crucial for a Final Deal.

It was noted that a Governance Workshop had been held to identify and understand the matters which needed agreement or resolution between the partners. The key issues

were outlined. It was noted that there was slippage to the timeframe which would be challenging and a further report would be required at the next meeting.

During the discussion the following matters were raised:-

- The need to ensure that the scrutiny procedure was as straightforward as possible and would be incorporated in arrangements which authorities already had in place, was noted. It was added that the scrutiny timeframe would make it difficult to reach the target of completing the Final Growth Deal by December 2020.
- It was noted that a further, comprehensive report would be submitted to the members at the next meeting.

## **8. COMMERCIAL MODELS**

The report was submitted by Hedd Vaughan-Evans - Operations Manager.

### **DECISION**

Comments were made on the paper and it was noted that further work on how commercial and funding models could be applied to programmes and projects will be carried out by the Programme Office, the Executive Support Group and partners' Finance Officers, while noting that a further report on this matter will be presented to the NWEAB in due course.

### **REASONS FOR THE DECISION**

As part of the development of the programme business cases, the NWEAB needed to develop the funding models for the Programmes and Projects. There was a need to draw attention to the type of potential commercial and funding models and the relevant considerations which also presented an opportunity to recycle funds back in to the Growth Deal for further future investment.

### **DISCUSSION**

The report was submitted and the need to proceed with the work on commercial and funding models as part of the package of work that was needed to secure a Final Deal with the Governments, was noted. Three potential models were outlined which were grant, loan or investment or a combination of the three.

During the discussion, the following matters were raised:-

- It was noted that the ideas about models were flexible and that every project need not work in the same way.
- It was stated that this would need to be looked at to secure funding to invest in projects, and that a further report would follow.
- It was stressed that these models were to look at ways of using the funds the Board had and not to look for further investment.

## **9. 2019/20 OUT-TURN REPORT AND ANNUAL RETURN**

The report was submitted by Dafydd Edwards - Host Authority Head of Finance Department.

## **DECISION**

To note and accept the Joint-committee's Revenue Income and Expenditure Account for 2019/20.

To approve the Joint-committee's Official Annual Return for 2019/20 (subject to External Audit), which had been duly completed and certified by the Joint-committee's Statutory Finance Officer in line with the statutory deadline of 15 June 2020.

## **REASONS FOR THE DECISION**

The Joint-committee must be aware of its financial position for 2019/20 and comply with the statutory requirements with regard to completing the Annual Return.

## **DISCUSSION**

The report was submitted noting that it outlined the final accounts and that approval was needed for the Joint Committee's official annual return. It was added that the accounts and report would be the subject of an audit by Deloitte and if any changes were needed, an amended version would be submitted to the next Joint Committee.

Attention was drawn to the underspend, noting that the reasons for the underspend included a reduction in the Accountable Body's support services. It was added that the European Social Fund money had not been received until May 2020 which meant that it did not appear in the 2019/20 accounts. Therefore, it was added that it would be claimed retrospectively during 2020/21 and back-dated to 1 July 2018. It was explained that there was an underspend of £161,316 that had been transferred to an allocated reserve fund to give a balance of £497,529 which would be available to fund future one-off costs.

During the discussion the following matters were raised:-

The officers were thanked for their work.

- It was noted that a confirmation letter for the European Social Fund money had been received which would allow the Programme Office Team to start preparing for the next phase.

## **10. 2020/21 BUDGET**

The report was submitted by Dafydd Edwards - Host Authority Head of Finance Department.

### **DECISION**

To approve the 2020/21 Budget with ESF Grant Funding (Appendix 1b) and to allow the Programme Director, in consultation with Gwynedd Council's Section 151 Officer and Monitoring Officer and the Chairman, to commit up to an additional £100,000 from the earmarked reserve within the year, on the Planning, Development and Project Support heading if required, in order to maintain and realise the work programme timetable for the final Growth Deal.

### **REASONS FOR THE DECISION**

The NWEAB was required to set out the proposed budget per expenditure heading and the corresponding funding streams for the year. With the Board's approval received, it is possible to operate effectively within the funding available.

## **DISCUSSION**

The report was submitted noting that this item had been agreed via e-mail following the postponement of the previous meeting as a result of the Covid-19 crisis in order to allow the NWEAB to operate over the previous two months. It was added that, when the report had been written, formal confirmation in relation to the ESF grant had not been received; therefore, members were required to focus on scenario 2 in the budget.

The main changes between the 2019/20 and 2020/21 budget were highlighted, namely an increase in staffing costs and a reduction in the budget for project planning, development and support. It was added that the Growth Bid Grant Income would be received during the year but if it were received during the last quarter, it was confirmed they would deal with that at the time.

Attention was drawn to the need to make one-off virements to be funded from the reserve fund to fund expenditure under the following headings "Communication and Public Relations" and "Project Planning, Development and Support". The Budget was discussed and it was noted that it used £272,470 to fund one-off expenditure which would leave a balance of £358,000 in the allocated reserve fund to fund future one-off costs.

During the discussion the following matters were raised:-

- The finance team was thanked for their work and it was noted that an additional £100,000 needed to be committed to the Project Planning, Development and Support heading to ensure that plans were completed.

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

### **DECISION**

Resolved to exclude the press and public for the subsequent two items.

## **12. PROJECT BASELINE REVIEW**

### **DECISION**

1. To note the content of the report and the presentation delivered at the meeting.
2. To note that the Final Deal with UK and Welsh Government on the North Wales Growth Deal will be based on Programme Business Cases.
3. To agree that the Regional Transport Decarbonisation project be delivered as part of the Low Carbon Energy Programme and that no Transport Programme business case will be developed as part of the Final Deal agreement.

### **REASONS FOR THE DECISION**

The Programme Office had carried out a baseline review of the fourteen projects and six programmes that form part of the North Wales Growth Deal. Following the review, there was a need to update the NWEAB on the position of each programme and the process to achieve a final deal.

**DISCUSSION**

The report was discussed.

**13. BUSINESS DELIVERY BOARD**

**DECISION**

Owing to the change in context, to postpone proceeding with the process of appointing a Chair for the Business Delivery Board in order to give the NWEAB an opportunity to consider whether the role of the Business Delivery Board needed to be revised.

A further report will be submitted following a consultation with the private sector and the Business Delivery Board.

**REASONS FOR THE DECISION**

Given that six months had passed since the shortlist of candidates had been created, that Covid-19 had changed the regional economic context significantly, along with changes in viewpoint in terms of the input of both governments to the appointment, the NWEAB needed to reflect on the situation and consider how best to proceed.

**DISCUSSION**

The report was discussed.

The meeting commenced at 1.00 pm and concluded at 3.50 pm

---

**CHAIRMAN**



---

## REPORT TO THE NORTH WALES ECONOMIC AMBITION BOARD

31<sup>st</sup> July, 2020

---

**TITLE:** *Risk Management*

**AUTHOR:** *Hedd Vaughan-Evans, Operations Manager*

---

### 1. PURPOSE OF THE REPORT

- 1.1. The purpose of the report is to update the North Wales Economic Ambition Board on risk management arrangements for the delivery of the North Wales Growth Deal.

### 2. DECISION SOUGHT

- 2.1. Adopt the attached Risk Management Framework as set out in **Appendix 1** and request the Programme Office to develop a Risk Management Strategy in line with the principles in the framework as part of the Final Deal package for the North Wales Growth Deal.
- 2.2. Review and comment on the current Risk Register as set out in **Appendix 2** and note that the risk register will be revised in line with the new framework.

### 3. REASONS FOR THE DECISION

- 3.1. The Programme Office need to put in place effective risk management arrangements to ensure the successful delivery of the North Wales Growth Deal.

### 4. BACKGROUND AND RELEVANT CONSIDERATIONS

- 4.1. The North Wales Growth Deal is a complex portfolio consisting currently of 14 projects across five programmes of work, with a total value of approx. £1billion to be delivered over the next 15 years. An additional Skills Programme sits outside the terms of the Growth Deal but is a crucial component of delivering the vision for North Wales. It is to be delivered by the Programme Office, on behalf of the North Wales Economic Ambition Board, a partnership of six local authorities, two universities, two further education establishments and a business council. Given the scale and complexity of the partnership and the portfolio of work to be delivered, there is a need to put in place robust and effective risk management arrangements.
- 4.2. The proposed risk management framework is the start of this process, establishing a clear hierarchy through which risk at all level within the North Wales Growth Deal will be managed.
- 4.3. **Appendix 1** sets out the proposed risk management framework.
- 4.4. **Appendix 2** is the current risk register which will need to be revised following the adoption of the framework.

### 5. FINANCIAL IMPLICATIONS

- 5.1. None at this stage.

**6. LEGAL IMPLICATIONS**

6.1. None at this stage.

**7. STAFFING IMPLICATIONS**

7.1. None at this stage.

**8. IMPACT ON EQUALITIES**

8.1. None at this stage.

**9. CONSULTATIONS UNDERTAKEN**

9.1. The contents of this report was discussed by the Executive Support Group on the 17<sup>th</sup> July, 2020.

---

**APPENDICES:**

**Appendix 1** Risk Management Framework

**Appendix 2** North Wales Growth Deal Risk Register

---

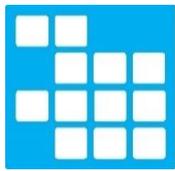
**STATUTORY OFFICERS RESPONSE:**

**i. Monitoring Officer – Host Authority:**

“It is one of the key tasks of the EAB to monitor the project risks. The Board needs to consider the register and satisfy itself that it constitute an accurate reflection of the risk status and that mitigation actions are being addressed.”

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

“I believe the new Risk Management Framework is appropriate and support the proposal for Board approval. Some of the risk ratings in the appendix are a matter of opinion and interpretation, while many issues are developing / have yet to be confirmed, and I intend to review the financial aspects of the Risk Register with the author. Further comments will be submitted verbally, as necessary, at the Joint Committee (NWEAB) meeting.”

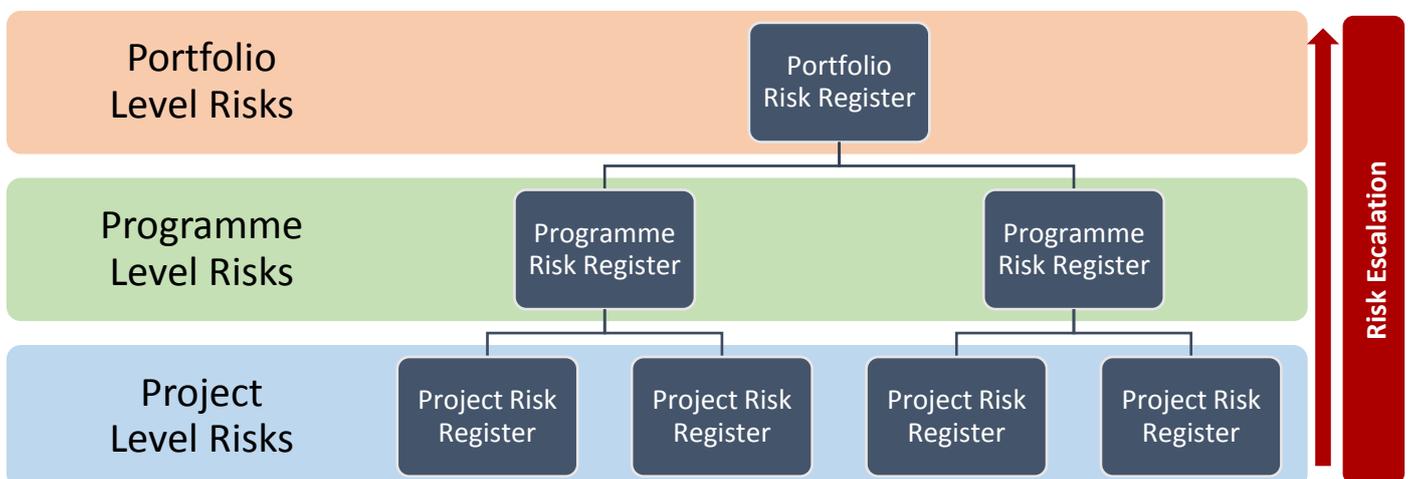


## APPENDIX 1 - RISK MANAGEMENT FRAMEWORK

### Risk Hierarchy

There are three levels of risk that the programme office will deal with:

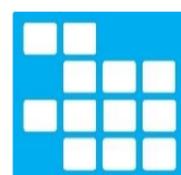
- **Portfolio Level Risks** – A portfolio risk is an uncertain event or condition that, if it occurs has an effect on one or more of the strategic goals of the Growth Deal portfolio. There will be one portfolio risk register. This risk register will be owned by the NWEAB and managed by the Programme Office on its behalf. The NWEAB will have additional strategic risks that sit outside this framework relating to the overall Growth Vision for North Wales.
- **Programme Level Risk** – A programme risk is an uncertain event or condition that, if it occurs, has an effect on at least one programme benefit. Each programme will have its own risk register. These risk registers will be owned by the Programme Office and managed by the respective Programme Managers.
- **Project Level Risks** – A project risk is an uncertain event or condition that, if it occurs, has an effect on at least one project objective. Each project will have its own risk register. These risk registers will be owned by the Lead Delivery Partner for that project and managed by their respective Project Managers. Programme Managers will have access to and oversight of all project risk registers within their programme with a remit to challenge and provide a quality assurance function.



### Risk Escalation Process

**Project > Programme Risks:** Project risks of significant concern will be escalated for consideration as part of the Programme Risk Register if they are considered to pose a threat to the wider programme and its expected benefits.

**Programme > Portfolio Risks:** Programme risks of significant concern will be escalated for consideration as part of the Portfolio Risk Register if they are considered to pose a threat to the wider portfolio and/or the strategic goals of the NWEAB.



Programme Risk Register  
Planning and Development Stage

Ref	Title	Risk Description	A Probability (0-10)	B Impact (0-10)	Risk Value Total (A x B)	Mitigation	Action with	Action by	Status	Ownership
<b>FINAL DEAL</b>										
FD 01	Loss of Personnel with knowledge and background	Turnover of staff and ministers with loss of expertise and relationships with an impact on timescales.  (This applies to the region and both Governments)	8	6	48	(1) Sign final deal by December 2020 (2) Maintaining a strong relationship with both Governments. (3) Programme Office established. (4) Programme SROs and Deputy SROs appointed	NWEAB / UKG / WG	Ongoing	Live	NWEAB
Page 214 FD 02	Approval of 5CBM	Failure to agree/sign off 5CBMs (by UKG and WG).	4	10	40	(1) Regular face to face meetings with UKG and WG to discuss OBC's. (2) Challenge by NWEAB and Business Delivery Board on the 5CBMs. (3) Programme Business Case template agreed with WG.	NWEAB / UKG / WG	Ongoing	Live	NWEAB
FD 03	Capacity to deliver Final Deal	Capacity within the Partnership to deliver Final Deal by December 2020 particularly in light of Covid-19.	8	8	64	(1) Business Case consultants appointed to support process; (2) Programme SROs and Deputy SROs appointed (3) Recruitment process started	Programme Office	Ongoing	Live	NWEAB
<b>GOVERNANCE</b>										
GO 04	Full participation of partners in the Board	Partners not sufficiently engaged in the Board's work leading to: - <ul style="list-style-type: none"> <li>Insufficient attendance at meetings of the Board by one or more partners;</li> <li>Secondary status for non-LA partners;</li> <li>Disengagement of one or more Las.</li> </ul>	3	8	24	(1) Commitment by all Board members.	All Partners	Ongoing	Live	NWEAB
GO 06	Drafting Governance Agreement 2	Failure to develop a draft Agreement in good time for partners to consider and in readiness for the delivery stage of the final Growth Deal	5	10	50	(1) Legal capacity commissioned (Pinsents) to guide and advise in the drafting of Governance Agreement. (2) Project plan to be developed for GA2. (3) Councils and Partners to give GA2 full consideration. (4) Workshop to discuss GA2 issues.	Heads of Legal	31/08/2020	Live	Heads of Legal
GO 07	Adoption of Governance Agreement 2 and Final Deal Agreement	Risk of Non-adoption of Governance Agreement 2 and/or Final Deal Agreement by one or more partners	7	8	56	(1) Ensuring professional networks are involved in agreeing to the content (Heads of Legal, CFOs and Professional Groups affected) (2) Careful and detailed attention by the partners to	All partners	31/12/2020	Not yet opened	NWEAB

Ref	Title	Risk Description	A Probability (0-10)	B Impact (0-10)	Risk Value Total (A x B)	Mitigation	Action with	Action by	Status	Ownership
						<p>balancing risks and liabilities with benefits – collectively and individually to partners – in both Governance Agreement 2 and the final Deal Agreement itself</p> <p>(3) advocacy of Governance Agreement 2 and the Final Deal Agreement within all partner organisations in advance of formal decision-making to adopt with strong and determined leadership within each partner organisation</p> <p>(4) preparation of a compelling template report supported by legal and financial advice</p> <p>(5) Preparedness to progress additional or disputed functions on an incremental basis, i.e. commence GA2 on a narrower basis if there is dispute over a wider range of functions being delegated to the Joint Committee or living with more reserved matters.</p>				
GO 09	Scrutiny Arrangements	Failure to agree on Scrutiny Arrangements.	6	5	30	<p>(1) Report on Scrutiny Arrangements to the NWEAB.</p> <p>(2) Detailed arrangements to be made within GA2.</p>	Heads of Legal and Exec Group	31/08/2020	Live	NWEAB
GO 01	Public Appointments Process for Chair of the Business Delivery Board	Failure to appoint a Chair to the Business Delivery Board.	6	8	48	(1) NWEAB agreed on 12/06/2020 to pause the recruitment process and review the Business Delivery Group	Programme Office	TBC	Live	NWEAB and Programme Office
<b>FINANCE</b>										
FIN 01	Budget contributions from partners	<p>Failure from partners to agree budget contributions.</p> <p>Insufficient funding contributions from partners.</p>	4	7	28	<p>(1) Budget contributions are incorporated within GA1.</p> <p>(2) NWEAB to agree budget contributions for 2019/20 at the NWEAB meeting on 15/03/2019.</p> <p>(3) NWEAB to agree budget contributions within GA2</p>	Gwynedd and all partners	Ongoing	Live	NWEAB and accountable body CFO
FIN 02	NNDR and capitalisation	<p>The WG have asked the Board to make a proposal on the financial aid it needs from WG to make the NW Growth deal work. The risks are: -</p> <ul style="list-style-type: none"> <li>Unable to agree the ask for NNDR and capitalisation.</li> <li>The region is unable to identify / agree project commitments and profiles soon enough to submit a timely response</li> <li>Ask not accepted</li> </ul> <p>The issue is high impact because of budget limitations within Local Authorities and the requirement to fund the Growth Deal (interest and programme office) in the</p>	3	6	20	<p>(1) A pre-condition of this is to scope the programme and calculate how much it will cost</p> <p>(2) The region needs to commission a piece of work to submit to the WG with a number of well-argued asks including: -</p> <ul style="list-style-type: none"> <li>A rate of NNDR retention,</li> <li>Capitalisation of salaries where possible and</li> <li>Interest subsidy.</li> </ul> <p>(3) Work with elected members to prepare them for a Growth Deal revenue pressure offset by a set of benefits locally and for the region.</p>	All partners	31/08/2020	Live	NWEAB and accountable body CFO

Ref	Title	Risk Description	A Probability (0-10)	B Impact (0-10)	Risk Value Total (A x B)	Mitigation	Action with	Action by	Status	Ownership
		context of cutting local services with reducing government grants due to austerity.								
FIN 03	LA borrowing requirements	Failure to identify and agree LA and partner borrowing requirements. The key risks are: <ul style="list-style-type: none"> <li>Exposure to the cost of interest payments</li> <li>Apportionment of costs between councils and partners</li> </ul>	3	8	24	(1) Sequencing of projects. (2) Continue the good work of the CFOs and involve partner CFOs, producing indicative costs and funding mechanisms for consideration by the Board. (3) Borrowing requirements will vary with the sequencing and profiling of projects.	Programme Office and CFOs	31/08/2020	Live	NWEAB and accountable body CFO
FIN 04	Financial Plan	Failure to agree the Financial Plan	6	10	60	(1) Accountable Body / NWEAB to approve Financial Plan	All partners	31/08/2020	Live	NWEAB and Accountable Body
<b>PROGRAMME OFFICE</b>										
PO 02	Programme Office	Lack of capacity and capability to deliver the programme post Final Deal	5	8	40	(1) ESF funding secured to expand the Programme Office (2) Recruitment underway for phase 1 jobs (3) Review structure ahead of phase 2 jobs to ensure Programme Office has the right capacity/capability.	NWEAB & Programme Office	Ongoing	Live	NWEAB and accountable body
<b>COMMISSIONED STRATEGIES AND PROJECTS</b>										
CSP 01	Project Approval Process	Failure to agree a project approval process which will then lead to long and complicated sign off procedures for business cases involving multiple partners and delaying investment.	4	7	28	(1) Agree twin track approach for the 14 projects. (2) Deliver strong 5 Case Business Models. (3) Challenge sessions with UKG and WG. (4) Delegated approval process (delegation from Councils and Partners and governments to the NWEAB).	Lead Director / All partners	31/03/2020	Not yet open	NWEAB
CSP 03	Side Deals	Failure to agree Side Deals and Partnerships with WG	5	8	40	(1) Assign resources to lead on Side Deal discussions. (2) Establish clear work-streams, negotiating processes and accountability for side deals. (3) Early exploration of the appetite for collaboration between Councils to pool resources to sit alongside WG regional teams. (5) Work on MoUs for each partnership between Councils and WG.	All partners	31/12/2020	Not yet open	NWEAB
CSP 04	Project Delivery	Failure to deliver on the projects prompts a review of funding – lose credibility	2	10	20	(1) Agree Final Deal and project approval process; (2) Commitment of resources for the projects. (3) Programme Office in place and managing the projects.	All partners	31/12/2020	Live	NWEAB
CSP 05	Private sector withdrawal	Risk of significant private sector partner withdrawing from a project within the region undermining the region's basic strategy and/or projects.	8	8	64	(1) Secure Final Deal by December 2020; (2) Pipeline of projects. (3) NWEAB to be reactive to any changes within the region, as demonstrated with the withdrawal of Wylfa Newydd. (4) Timely delivery of the deal so that projects remain viable over the deal's development lifetime.	All partners	Ongoing	Live	NWEAB

Ref	Title	Risk Description	A Probability (0-10)	B Impact (0-10)	Risk Value Total (A x B)	Mitigation	Action with	Action by	Status	Ownership
						(5) Continued engagement with private sector at Growth Deal and project level.				
CSP 07	Commercial investment opportunity	Loosing commercial investment opportunity	7	8	56	(1) Continuous engagement with the sector; (2) Timely delivery of the deal.	All partners	Ongoing	Live	NWEAB
CSP 08	Preliminary work	NWEAB will need to invest in preliminary work before reaching final deal.	6	8	48	(1) Identify the preliminary work required for projects and programmes; (2) Discuss possibilities to draw down funding early for preliminary work.	All partners	Ongoing	Live	NWEAB
<b>LEGAL AND PROCUREMENT</b>										
LP 02	Procurement	Failure to agree a Procurement Strategy.	4	7	28	(1) Adopt accountable body's procurement strategy.	Accountable Body and Programme Office	31/12/2020	Not yet open	NWEAB
LP 03	Final Deal	Failure to sign the final deal in 15 months	5	10	50	(1) Maintaining a strong dialogue with both Governments, to discuss any issues.	NWEAB	31/12/2020	Not yet open	NWEAB
<b>MONITORING AND EVALUATION PLAN</b>										
MP 02	Monitoring and Evaluation	Failure to develop a Monitoring and Evaluation Plan.	5	5	25	(1) Develop a Monitoring and Evaluation Plan. (2) Develop a performance framework. (3) Central Coordination.	Programme Office	31/12/2020	Not yet open	NWEAB
<b>STAKEHOLDER ENGAGEMENT AND COMMUNICATION</b>										
SEC 01	Stakeholder Engagement and Communication	Failure to comply with the communication protocol.  Reputational damage to partners and projects as well as the overall deal.	5	5	25	(1) Communication Plan and Protocol in place. (2) Communication Plan and Protocol shared with all involved. (3) Recruit Communications and Engagement Officer	All partners	Ongoing	Live	NWEAB

## CLOSED RISKS

Ref	Title	Risk Description	A Probability (0-10)	B Impact (0-10)	Risk Value Total (A x B)	Mitigation	Action with	Action by	Status	Ownership
<b>CLOSED RISKS</b>										
GO 01	Governance Agreement 1	Non-adoption of Governance Agreement 1 by one or more partners	0	10	10	(1) advocacy of Governance Agreement 1 within all partner organisations in advance of formal decision-making to adopt (2) strong and determined leadership within each partner organisation (3) preparation of a compelling template report supported by legal and financial advice	<b>Closed</b>	<b>Closed</b>	<b>Closed</b>	Heads Of Legal

Ref	Title	Risk Description	A Probability (0-10)	B Impact (0-10)	Risk Value Total (A x B)	Mitigation	Action with	Action by	Status	Ownership
MP 01	Risk Register	Failure to develop and update risk register	4	7	28	(1) Develop a risk register for improvement over time and regularly review and update the risk register	Accountable Body, Executive Group and Programme Office	<u>Closed</u>	<u>Closed</u>	NWEAB
GO 03	Transition to Joint Committee	Failure to transition to a formal Joint Committee, with full resourcing, to meet the requirements of Governance Agreement and 1 and in readiness for the delivery stage of the final Growth Deal. Financing (for the accountable body and the programme office) is the main risk to this transition.	1	10	10	(1) GA1 signed and sealed by all parties (2) planned agreement to transition to take place at Board on 01.02.19 (1) preparation for the transition agreed with the Host Authority (2) Report to NWEAB 1 <sup>st</sup> February to effect transition (2) Financing for GA1 to be agreed for 2019/20	Lead CEO and Gwynedd CC	<u>Closed</u>	<u>Closed</u>	NWEAB
GO 05	Identify and Agree the six-month work programme for the Joint Committee pursuant to GA1	The risk is that the work programme is not agreed and insufficiently developed from the outline to be submitted at the 1 <sup>st</sup> February board meeting. All Board members need to buy into the work programme as it will drive the costs of the programme and will give shape to the monitoring of the delivery of the Board's ambitions	3	9	27	(1) The work programme will be developed collectively by the Programme Office for sign off by the Exec Group and the Board. (3) Therefore, moving to appointing/resourcing a Programme Director and a programme office will reduce the risk of an inadequate and ill-thought through work programme that cannot command the Board's support.	The Exec Group and the Board	<u>Closed</u>	<u>Closed</u>	NWEAB
HT 02	Setup challenge sessions with Ministers	Inability or delays in setting up Challenge sessions with UKG and WG.	6	8	48	(1) Submit OBCs and Implementation Plan to both Governments. (2) Set up challenge sessions at an early stage so that dates are in the diaries.	Lead Director / UKG / WG	<u>Closed</u>	<u>Closed</u>	NWEAB
GO 02	Risk of being unable to make and Appointment of the Accountable Body	Non-agreement of a chosen Accountable Body for GA2.	2	10	20	(3) Continuation with Gwynedd as Accountable Body under Governance Agreement 1. (2) Continue negotiations with Gwynedd Council to take the accountable body role.	Lead CEO and Gwynedd CC	<u>Closed</u>	<u>Closed</u>	NWEAB
HT 01	Heads of Terms	Failure to reach Heads of Terms within the agreed timescale.  To deliver a HoTs by 31/07/2019 there is much to be done and that suggests a high risk of not achieving the HoTs in time.  Delay in receiving the HofT document, not giving enough time for the NWEAB to review. Resulting in a delay in the timeline.	2	10	20	(1) Approval of the Implementation Plan as requested by both Governments. (2) Approach to Heads of Terms as stated within letters to both Governments (25/03/2019). (3) Satisfactory OBCs for governments. (4) Challenge Sessions with both Governments Ministers prior to HofT. (4) Maintaining the strong dialogue with both Governments, to discuss any issues.	All partners	<u>Closed</u>	<u>Closed</u>	NWEAB
		Issues in regards to the wording within Heads of Terms – particularly with Phase 2 projects	2	10	20	(1) NWEAB to discuss and draft HofT with both Governments.	All partners	<u>Closed</u>	<u>Closed</u>	NWEAB

Ref	Title	Risk Description	A Probability (0-10)	B Impact (0-10)	Risk Value Total (A x B)	Mitigation	Action with	Action by	Status	Ownership
						(5) Share and discuss draft HofT with Executive Officers Group and the NWEAB.				
HT 04	Approval of OBCs	Failure to agree/sign off OBCs (by UKG and WG).	4	10	40	(4) Submit revised OBC's to both Governments by end of March 2019. (5) Regular face to face meetings with UKG and WG to discuss OBC's. (6) Challenge by NWEAB and Business Delivery Board on OBC's. (2) Challenge Sessions with both Governments Ministers prior to HofT.	NWEAB / UKG / WG	<u>Closed</u>	<u>Closed</u>	NWEAB
HT 05	Delay in approval of Implementation Plan	Failure to agree Growth Deal Implementation Plan.  The implementation plan is dependent on achieving a twin track approach and signing Heads of Terms (i.e. knowing what we are going to implement)	5	5	25	(1) Submit Draft Implementation Plan to the Executive Group and NWEAB during March 2019. (2) Submit Draft Implementation Plan to UKG and WG by the end of March 2019. (3) Identify twin track approach for HofT.	NWEAB / UKG / WG	<u>Closed</u>	<u>Closed</u>	NWEAB
GO 00	Agree Terms of Reference with Business Delivery Board	Failure to agree the Terms of Reference for the Business Delivery Board.	3	8	24	(1) Report on the ToFR of the Business Delivery Group presented to the NWEAB on 12/04/2019.	Programme Office and BLG	<u>Closed</u>	<u>Closed</u>	EAB
PO 01	Programme Director	Failure to recruit / appoint Programme Director	5	10	50	(1) Agree on recruitment process. (4) Proceed in a timely fashion.	All partners	<u>Closed</u>	<u>Closed</u>	NWEAB and accountable body
PO 04	Programme Managers	Failure to appoint Programme Managers.	3	6	18	(1) Agree on a recruitment process. (2) Robust and inclusive appointment process.	All partners	<u>Closed</u>	<u>Closed</u>	NWEAB
GO 08	Establish the Sub-Committees	Failure to set up the sub-committees, to meet the requirements set out within the Governance Agreement.  Failure to develop Terms of Reference of Sub-Committees.	6	8	48	(1) Set up the Sub Committees as and when required. (2) Accountable Body's Legal department to support with drafting the terms of reference.	All partners  The Exec Group Initially	<u>Closed</u>	Not yet opened	NWEAB
PO 03	ESF Institutional Capacity Bid	Failure to secure ESF funding to support the work of the Programme Office.	3	6	18	(1) Submit OLT to WEFO in a timely manner. (2) Submit Full Business Plan to WEFO. (3) Secure and agree match funding. (2) Commitment of resources for developing the bid.	Accountable Body / WEFO	<u>Closed</u>	<u>Closed</u>	NWEAB
CSP 02	Business Network North Wales	Risk of Duplication with Welsh Government regionalisation model and lack of support from WG and Councils as a result	6	8	48	(1) Escalation to the Minister. (2) Joint venture to engage support in WG. (3) Clear visibility and accountability to the Board for negotiations. (4) Close joint working between councils to agree a model that has the support of all councils. (5) Report to the NWEAB during September 2019.	All partners	<u>Closed</u>	<u>Closed</u>	Business Network North Wales

## Assessment Criteria

<b>POSSIBILITY (A)</b>	<b>High</b>	<b>10</b>	10	20	30	40	50	60	70	80	90	100
		<b>9</b>	9	18	27	36	45	54	63	72	81	90
		<b>8</b>	8	16	24	32	40	48	56	64	72	80
	<b>Possible</b>	<b>7</b>	7	14	21	28	35	42	49	56	63	70
		<b>6</b>	6	12	18	24	30	36	42	48	54	60
		<b>5</b>	5	10	15	20	25	30	35	40	45	50
		<b>4</b>	4	8	12	15	20	24	28	32	36	40
		<b>3</b>	3	6	9	12	15	20	21	24	27	30
		<b>2</b>	2	4	6	8	10	15	14	16	18	20
	<b>Rare Possibility</b>	<b>1</b>	1	2	3	4	5	6	7	8	9	10
			1	2	3	4	5	6	7	8	9	10
			<b>Very low</b>		<b>Medium</b>					<b>Very high</b>		
			<b>IMPACT (B)</b>									

## Key

<b>HT</b>	Heads of Terms
<b>GO</b>	Governance
<b>FIN</b>	Finance
<b>PO</b>	Programme Office
<b>CSP</b>	Commissioned Strategies and Projects
<b>LP</b>	Legal and Procurement
<b>MP</b>	Monitoring and Evaluation
<b>SEC</b>	Stakeholder Engagement and Communication

## Version control

Version	Date	Details of changes or comments
V1	11/01/2019	Draft developed
V2	23/01/2019	Draft amended by a small working group
V3	28/01/2019	Draft Amended by Stephen Jones for submission to the NWEAB Exec Group for comment.
V4	29/01/2019	Amendments and Reformatting by Nia Medi Williams
V5		
V6	30/01/2019	Amendments by Stephen Jones (on feedback from the Lead CEO)
V7	02/04/2019	Amendments following the Executive Support Group Meeting on 29/03/2019
V8	02/07/2019	Amendments
V9	02/09/2019	Amendments following the NWEAB meeting on 26/07/2019
V10	01/10/2019	Amendments following the Executive Support Group Meeting on 06/09/2019
V11	16/12/2019	Amendments following the NWEAB meeting on 15/11/2019
V1`2		Update to present to the Executive Group and the NWEAB



---

## REPORT TO THE NORTH WALES ECONOMIC AMBITION BOARD

31<sup>st</sup> July, 2020

---

**TITLE:** *Governance Agreement 2*

**AUTHOR:** *Iwan G. D. Evans, Monitoring Officer – Host Authority*

---

### 1. PURPOSE OF THE REPORT

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

### 2. DECISION SOUGHT

2.1. Approve the timetable.

### 3. REASONS FOR THE DECISION

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

### 4. BACKGROUND AND RELEVANT CONSIDERATIONS

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

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

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

### 5. TIMETABLE

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

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

## **6. FINANCIAL IMPLICATIONS**

6.1. There are no specific financial implications.

## **7. LEGAL IMPLICATIONS**

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

## **8. STAFFING IMPLICATIONS**

8.1. None at this stage.

## **9. IMPACT ON EQUALITIES**

9.1. None at this stage.

## **10. CONSULTATIONS UNDERTAKEN**

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

## **APPENDICES:**

**Appendix 1** Revised timetable for preparation of GA2

## **STATUTORY OFFICERS RESPONSE:**

### **i. Monitoring Officer – Host Authority:**

Author of the report.

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

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

APPENDIX 1 - Revised timetable for preparation of GA2

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

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

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



---

**REPORT TO THE NORTH WALES ECONOMIC AMBITION BOARD****31<sup>st</sup> July, 2020**

---

**TITLE:** *North Wales Growth Deal - Engagement with the Private Sector***AUTHOR:** *Alwen Williams, Programme Director*

---

**1. PURPOSE OF THE REPORT**

- 1.1. To present an overview of the current relationship and engagement channels between the North Wales Economic Ambition Board and the private sector in North Wales (**Appendix 1**).
- 1.2. To present an update to members on the status of the North Wales Mersey Dee Business Council as a partner of the North Wales Economic Ambition Board (**Appendix 2**).
- 1.3. To present a proposed draft Terms of Reference presented for consideration by the interim Chair of the Business Delivery Group (**Appendix 3**).
- 1.4. To propose next steps and approach to strengthening the relationship, engagement and involvement of the private sector in the North Wales Growth Deal (**Appendix 4**).

**2. DECISION SOUGHT**

- 2.1. To note the status of the current relationships and engagement channels with the Private Sector.
- 2.2. To note the intent of the North Wales Mersey Dee Business Council to withdraw as a partner of the North Wales Economic Ambition Board.
- 2.3. To note a draft Terms of Reference presented by the interim Chair of the Business Delivery Group and to ask for a further report by the Programme Director in consultation with the Host Authority's Monitoring Officer on proposed revisions to the terms of reference for the Business Delivery Group adopted by the Economic Ambition Board.
- 2.4. To endorse the proposed next steps and actions to improve private sector engagement and understanding.

**3. REASONS FOR THE DECISION**

- 3.1. A decision is required in order to enable the Programme Office to invest in designing and delivering mechanisms for enhancing engagement with the private sector in North Wales.

**4. BACKGROUND AND RELEVANT CONSIDERATIONS**

- 4.1. The Growth Deal projects are designed to help the region to overcome the barriers to investment currently faced by the private sector. The approach to deliver the Growth Deal successfully is founded on a strong and collaborative relationship between the Welsh and UK Governments, regional partners and the private sector.

4.2. From the outset, the North Wales Economic Ambition Board has comprised the North Wales Mersey Dee Business Council as a partner. This relationship has enabled the business community, who are members of the NWMD Business Council, to have their voice represented.

4.3. Play a central role in supporting, challenging and advising the design and delivery of key interventions to address those barriers and issues.

## **5. FINANCIAL IMPLICATIONS**

5.1. None.

## **6. LEGAL IMPLICATIONS**

6.1. Although active in the work of the Economic Ambition Board the North Wales Mersey Dee Business Council were not parties to Governance Agreement 1.

## **7. STAFFING IMPLICATIONS**

7.1. None.

## **8. IMPACT ON EQUALITIES**

8.1. None.

## **9. CONSULTATIONS UNDERTAKEN**

9.1. Proposal received from the North Wales Mersey Dee Business Council on 16<sup>th</sup> June, 2020.

9.2. The Chair and Programme Director for the North Wales Economic Ambition Board met with Chair and Vice Chair of the North Wales Mersey Dee Business Council to discuss possible opportunities for strengthening the relationship with the private sector through the business council on 7<sup>th</sup> July, 2020.

9.3. The Programme Office issued a short survey to members of the Business Delivery Group to understand the current sentiment towards the co-working and engagement with the North Wales Growth Deal.

---

### **APPENDICES:**

<b>Appendix 1</b>	Overview of private sector engagement with the Growth Deal
<b>Appendix 2</b>	Summary of letter received by the North Wales Mersey Dee Business Council
<b>Appendix 3</b>	Proposed Draft Terms of Reference received from the Business Delivery Group
<b>Appendix 4</b>	Proposal for strengthening the Private Sector Engagement

---

---

**STATUTORY OFFICERS RESPONSE:**

**i. Monitoring Officer – Host Authority:**

“This is a timely report and offers positive steps to develop the relationship between the Ambition Board and the private sector following the decision of the NWMDBC. The Business Delivery Group was established by the Ambition Board in April 2019 to be a body which would advise it, develop contacts and bring forward expertise, Investment and experience. It’s sensible that the review takes place and the draft terms of reference in the report prepared by the Chair of the Business Delivery Group provide a basis for that review. Nevertheless as a body established by the Ambition Board and which is acknowledged in the Heads of Terms it’s important that the review ensures the appropriate balance in the relationship from a good governance perspective but to also ensure that the arrangements are effective and meet the needs of the Ambition Board.”

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

“Further comments will be submitted verbally, as necessary, at the Joint Committee (NWEAB) meeting.”

## APPENDIX 1

### North Wales Growth Deal – Engagement with the Private Sector

#### Background

At the meeting of the North Wales Economic Ambition Board (NWEAB) on 12<sup>th</sup> June, 2020 a decision was taken to postpone proceeding with the process of appointing a Chair for the Business Delivery Board in order to give the NWEAB an opportunity to consider whether the role of the Business Delivery Board needed to be revised.

An action was noted that further consultation with the private sector representatives was to take place and a further report and recommendations presented to the NWEAB.

#### Update on progress and action taken

##### North Wales Mersey Dee Business Council

- Chair and Programme Director for the North Wales Economic Ambition board met with Chair and Vice Chair of the North Wales Mersey Dee Business Council to discuss possible opportunities for strengthening the relationship with the private sector through the business council. A proposal whereby the NWMDBC would convene a new Business Senedd/Parliament comprising of 60 individual businesses from across North Wales to represent the full business voice was presented for consideration.
- Chair and Vice Chair of the North Wales Economic Ambition Board received a letter stating their intent to withdraw as a partner due to changing priorities and circumstances driven by Covid-19 and the need to focus resources on directly supporting their member organisations on the private sector during this time (**Appendix 2**).

##### Business Delivery Group

- Dyfrig Siencyn, Chair of the North Wales Economic Ambition Board has attended the last two meetings of the Business Delivery Group and will continue to attend regularly.
- The role of secretariat for the Business Delivery Group has been handed over to the Programme Office. This decision was mutually agreed due to current Covid-19 refocusing priorities for the current secretariat which was carried out by Gerry Beer, Glyndwr University.
- The Programme Office issued a short survey to members of the Business Delivery Group to understand the current sentiment towards the co-working and engagement with the North Wales Growth Deal.
- The Business Delivery Group have collaborated to create a draft Terms of Reference which outlines their proposed framework for co-working with the North Wales Economic Ambition Board (**Appendix 3**).

#### Summary of current situation

The withdrawal of the North Wales Mersey Dee Business Council as a member of the North Wales Economic Ambition Board leaves the board without a representative partner who can participate and speak on behalf of the private sector in North Wales. The Business Delivery Group Chair is invited to attend each meeting of the Economic ambition Board in an advisory capacity.

The relationship with the advisory body, the Business Delivery Group is strengthening. The outcome of the survey conducted with members has given clear areas for increased engagement but also identifies that some of the actions already put in place are having an impact.

## **APPENDIX 2**

### **Letter received by the North Wales Mersey Dee Business Council**

On the 16<sup>th</sup> July, 2020 the Chair of the North Wales Mersey Dee Business Council wrote to Cllr. Dyfrig Siencyn, Chair of the North Wales Economic Ambition Board to notify their intent to withdraw from the North Wales Economic Ambition Board.

The letter explains that the impact of Covid-19 has dramatically affected their business, the Business Council Membership organisations and in consequence the Business Council itself.

It goes on to state:

“If we are to continue making a positive difference to our region’s economy, we have to focus our very limited resources where they are needed most, and we can make the greatest immediate impact. As you know over the last few years we have dedicated much of our resource to working hand in hand with the other NWEAB members and now the central programme office to help formulate and deliver the North Wales Growth Deal.”

“With that in mind we must unfortunately formally withdraw from the NWEAB, as we do not have the resources available to devote to both NWEAB work and private sector focused work/the securing of our long term future. We have set our withdrawal date as the 3<sup>rd</sup> August, 2020.”

“Over recent years the Business Council and its membership have valued the partnership with the other members and officers of the NWEAB and we wish our withdrawal to be an amicable one. We will still be very open to organizing our membership and wider private sector for engagement on the NWEAB and the Growth Deal but as with all other organizations we have had to make hard choices because of the impact of Covid-19.”

## **APPENDIX 3**

### **North Wales Growth Deal Business Delivery Group**

**Draft Terms of Reference, 22<sup>nd</sup> July 2020**

#### **Purpose of the group:**

To support the NWEAB in achieving the best possible return on investment from the North Wales Growth Deal.

#### **Membership:**

- Up to 18 members, all from private sector businesses.
- Members must aim to be available to attend at least 80% of the meetings.
- 80% of the members must have a track-record in entrepreneurship and building their own successful businesses.
- Members must be independently minded and have a passion for North Wales and its economic development.
- Members ideally must have a wide network of businesses, especially within North Wales.
- Where possible, the membership will have a balance across various sectors of business and will have within it experience of capital investment.
- The group will aim to be as diverse as possible.
- Members of the group will be selected according to their track record and expertise, and do not have to be from North Wales.
- Members for the Business Delivery Group will be nominated by the Chair and approved by the Group.
- All the group members including the chair will be selected for two years and can stand to continue for a further two years if the group approves.
- All the expenses of the Group will be undertaken by the NWEAB or the Programme Office.
- The chair of the Group and the members will offer their work on a voluntary basis only.
- The Group will appoint a Vice Chair at its discretion, if required.

#### **The specification for the chair of the group:**

- An entrepreneur with a solid track record in building businesses.
- Experience in working with Local, Welsh and UK governments.
- A leader who can represent North Wales at a National and International level.
- A leader who has awareness of the economic potential of North Wales.
- A person with credibility and respect within the business community.
- A person who has knowledge of the programme areas outlined in the visionary document.

Selection of the Group Chair will be carried out jointly with representatives from the NWEAB and the Business Delivery Group.

The chair will work very closely with the Programme Director for the North Wales Growth Deal and the chair/vice chair of the NWEAB.

**Accountability:**

- The Group will operate as an independent body.
- The Group will scrutinise and analyse all the North Wales Growth Deal projects and will report its findings and give feedback to the NWEAB. The respective Chairs of both bodies will indicate and report on a formal basis the level of support or concern associated with each project contained within the NWGD Program and report any formally raised items to all involved with the project.
- The Chair of the NWEAB will have an open invitation to the Business Delivery Group to raise any issues of concern or merit.
- The chair will be the responsible person for reporting the Group's recommendations and advice to the NWEAB on each project.

**Review:**

- The terms of reference will be reviewed by the Group every six months and will be amended as appropriate.

**Meetings**

- The Group must meet minimum six times a year. All Group members will meet together.
- The venue will be arranged by the programme office.
- The secretariat will call the meeting and the chair of the Group will chair the meeting.
- The Chair will decide on the agenda items for each meeting.
- The meeting papers will be circulated two weeks before the meeting.
- Non-members from the programme office and the NWEAB will be invited to meetings as appropriate.
- The programme office will provide the secretariat for the group.
- The Group members will scrutinise and challenge the NWGD projects and should be viewed as "program/project stakeholders" requiring an informal sign-off on the plans, activities and actions of any related program/project. The final recommendations will be put forward to the NWEAB.
- External independent experts may be invited to the meetings to as necessary in order to provide advice.

## APPENDIX 4

There are a number of actions proposed to support the continued strengthening of the private sector engagement.

If supported by the Board, the programme office will lead on this work and will present a report on progress at the next meeting.

1. The development of a communications and engagement strategy that clearly defines the private sector as a key audience for messages and involvement and illustrates the channels for this to happen. The strategy will include the development of an on-line communication channel where the work of the Economic Ambition Board can be targeted to key sectors and industries to help build awareness and understanding.
2. Continued working with the Business Delivery Group to strengthen relationships and build on the understanding and involvement in programme business case development.
3. A proposal on how to bring a representative private sector partner to work with the NWEAB given the circumstances outlined by the North Wales Mersey Dee Business Council.
4. Assess and implement options to work with existing Growth Deal partners on a joined up approach to building private sector engagement and involvement. This should feel like a movement which once it gains understanding and support will build momentum and support in the run up to achieving a final deal this year.