

Complete Agenda



north wales economic ambition board
bwrdd uchelgais economaidd gogledd cymru

Meeting

**NORTH WALES ECONOMIC AMBITION BOARD
ANNUAL GENERAL MEETING**

Date and Time

1.00 pm, FRIDAY, 18TH JUNE, 2021

Location

Virtual Meeting - Zoom

Contact Point

Eirian Roberts

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(DISTRIBUTED 11/06/21)

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
Charlie McCoubrey	Conwy County Borough Council

Advisers - Non-voting

Dafydd Evans	Grwp Llandrillo Menai
Maria Hinfelaar	Glyndwr University
Yana Williams	Coleg Cambria
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
Dafydd Gibbard	Gwynedd Council
Ian Bancroft	Wrexham County Borough Council
[vacant seat]	Denbighshire County Council

Officers in Attendance

Dafydd L. Edwards	Section 151 Officer
Iwan G. Evans	Monitoring Officer
Alwen Williams	Portfolio Director
Hedd Vaughan Evans	Operations Manager
Nia Medi Williams	Senior Executive Officer

A G E N D A

1. ELECTION OF CHAIR

To elect a Chair for 2021/22.

2. ELECTION OF VICE-CHAIR

To elect a Vice-chair for 2021/22.

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 urgent business in the view of the Chair for consideration.

6. MINUTES OF THE PREVIOUS MEETING

4 - 8

The Chair shall propose that the minutes of the meeting held on 14th May, 2021 be signed as a true record.

**7. ECONOMIC AMBITION BOARD FORWARD WORK PROGRAMME 9
- JULY 2021 - JULY 2022**

To submit the EAB Forward Work Programme.

NORTH WALES ECONOMIC AMBITION BOARD
14 MAY 2021

Present:

Voting Members - Councillors:- Hugh Evans (Denbighshire Council), Llinos Medi Huws (Isle of Anglesey County Council), Charlie McCoubrey (Conwy County Borough Council) and Dyfrig Siencyn (Gwynedd Council) (Chair).

Advisors – Dafydd Evans (Grŵp Llandrillo Menai), Maria Hinfelaar (Glyndŵr University), Askar Sheibani (Business Delivery Board), George Fisher (Coleg Cambria) and Professor Paul Spencer (Bangor University).

Chief Officers - Annwen Morgan (Isle of Anglesey County Council), Iwan Davies (Conwy County Borough Council), Colin Everett (Flintshire Council), Graham Boase (Denbighshire Council) and Ian Bancroft (Wrexham County Borough Council).

Officers in attendance - Dafydd L. Edwards (Statutory Finance Officer - Host Authority), Iwan Evans (Monitoring Officer - Host Authority), Alwen Williams (Portfolio Director), Hedd Vaughan-Evans (Operations Manager), Nia Medi Williams (Senior Operational Officer), Jane Richardson (Chair of the Executive Officers Group), Sian Pugh (Group Accountant - Corporate and Projects), Robyn Lovelock (Growth Deal Programme Manager), Henry Aron (Energy Programme Manager), David Mathews (Land and Property Programme Manager), Elgan Roberts (Energy Project Manager), Kirrie Moore (Digital Connectivity Project Manager), Sara Jones (Procurement and Social Value Manager), Catherine Evans (Digital Project officer), Cath Morris-Roberts (Skills and Employment Project Manager), Elin Angharad Evans (Graduate Skills and Employment Project Manager), Gerallt Llewelyn Jones (Menter Môn), John Jenkins (Menter Môn), Annes Sion (Democracy Team Leader – Host Authority) and Eirian Roberts (Democracy Services Officer – Host Authority).

Rhys Horan (Welsh Government Energy Service), Anita Davies (European Funding Project Manager - Growth Vision), Erin Thomas (Communication and Engagement Officer) and Eirian Roberts (Democracy Services Officer).

1. APOLOGIES

Apologies were received from Cllr Ian Roberts (Flintshire County Council), Cllr Mark Pritchard (Wrexham County Borough Council), Professor Iwan Davies (Bangor University) and Dafydd Gibbard (Gwynedd Council)

2. DECLARATION OF PERSONAL INTEREST

A declaration of personal interest was received from Cllr Llinos Medi Huws (Isle of Anglesey County Council) for item 8 because, as Leader, she attended the Board of Menter Môn, but it was not a prejudicial interest, so she was able to take part in the discussion.

3. URGENT ITEMS

None to note.

4. MINUTES

The Chair signed the minutes of the previous meeting of the NWEAB held on 26 March 2021 as a true record.

5. 2020/21 OUT-TURN REPORT AND ANNUAL RETURN

The report was submitted by Dafydd L. Edwards (Statutory Finance Officer - Host Authority) and Sian Pugh (Group Accountant - Corporate and Projects).

RESOLVED

Note and accept the Joint Committee's Revenue Income and Expenditure Account for 2020/21.

Approve the Joint Committee's Official Annual Return for 2020/21 (subject to External Audit), in line with the statutory deadline of 31 May 2021. The Annual Return has been duly completed and certified by the Responsible Financial Officer, namely Gwynedd Council's Head of Finance, as the Statutory Finance Officer for the Joint Committee. The Chair was authorised to sign the Annual Return in order to confirm that the Joint Committee had approved the financial statements therein.

Approve the transfer of the £241,023 underspend to the earmarked reserve.

Allocate the £4,953 interest received on the £16m grant against future borrowing costs.

REASONS FOR THE DECISION

The Joint Committee must be aware of its financial position for 2020-21 and comply with the statutory requirements with regard to completing the Official Annual Return of Wales Audit, which is the usual procedure for reporting on Joint Committee accounts and income and expenditure less than £2.5 million.

DISCUSSION

The report was submitted noting that this year would be the final year that the NWEAB would approve the Officer Annual Return as the income and expenditure would increase to over the threshold of £2.5m, therefore more detailed statements would be needed. It was noted that the grant had been received prior to the end of the financial year for 2021/22 and is therefore noted as creditor in the report. It was noted that the report was very similar to the monitoring report received earlier in the year.

It was noted that an underspend of £641k could be seen in the Portfolio Management Office which was a slight increase since the third quarter review, and it was explained that this had been as a result of a reimbursement received from Conwy Council on the Regional Engagement Team contribution and a reduction in the expenditure on the Project Planning, Development and Support heading. It was noted that there was an underspend of £29k on the Support Services heading as a result of a reduction in the expenditure on the support services within the Accountable Body.

The income for 2020/21 included partners' contribution, ESF Grants and other small grants. In addition, it was explained that the Engagement Team reimbursement for 2019-20 had been received and interest on balances which included almost £5k of interest on the capital grant of £16m received in mid-March. It was explained that this capital grant was shown as

creditor in the Statement of Balances on the Annual Return, and that it would be available to fund the capital programme in 2021/22 once the final business cases had been approved.

It was noted that this left a final financial position for 2020/21 of a £241k underspend. It was explained that the money had been transferred to the reserve fund to give a balance of £738k. It was added that £415k from the fund had already been earmarked as part of the 2021/22 budget as approved by the NWEAB back in March. It was explained that this would leave a balance of £323k in the reserve fund.

During the discussion, the following matters were raised:-

- It was asked if the situation was as officers had expected it to be. It was noted that the situation was slightly better, while noting that underspend was as a result of failing to appoint.
- It was asked if there was a target for the reserve fund, and in response it was noted that there was no specific figure but that would be needed when looking at a medium term plan in order to deal with any risks which could arise.

6. NORTH WALES GROWTH DEAL - QUARTER 4 AND ANNUAL REPORTS

The report was submitted by Alwen Williams (Portfolio Director) and Hedd Vaughan-Evans (Operations Manager).

RESOLVED

Note the Quarter 4 Performance Report, updated Portfolio Risk Register and the Portfolio Management Office Annual Report for 2020-21.

Agree on the format of the quarterly report and identify improvements for future iterations.

Approve the submission of the Quarter 4 Performance Report and the Portfolio Management Office Annual Report for 2020-21 to Welsh Government and UK Government as well as the local authority scrutiny committees.

REASONS FOR THE DECISION

In December 2020, the NWEAB and the Welsh and UK Governments agreed the Final Deal Agreement for the North Wales Growth Deal. Regular reporting on progress against the North Wales Growth Deal is a requirement of the Final Deal Agreement.

DISCUSSION

The report was submitted noting that it provided an overview of the progress with the programmes and projects for Quarter 4 following the signing of the Final Deal back in December 2020. It was explained that the focus had been on moving to the implementation stage through a Baseline review in January to review all projects to reconfirm timescales for developing and delivering business cases. It was added that several project workshops had been held in order to develop business cases in accordance with the Better Business Cases guidelines. It was noted that, during this period, the Grant Award Letter had been signed and the relevant documents had been submitted. As a result, it was reported that the first instalment of £16m had been received in March 2021.

It was explained that two projects, the Morlais Project and the Enterprise Engineering and Optics Centre Project, had completed their Gateway Reviews and were now working to address the recommendations made prior to submitting business cases. It was noted

highlighted that two projects were currently reporting as 'red' - the Bodelwyddan Key Strategic Site as a result of outline planning permission expiring, and Holyhead Port as a result of increased costs and the need to review the project.

Attention was drawn to the risk register, stressing that the risk profile was stable on the whole and that there were no new significant areas of concern. It was noted that significant risks remained with a few individual projects and that the appetite and ability of the private sector to invest remained unclear as a result of Covid-19. The main adaptations to the risk register were noted, which included:

- Capacity gross and residual risk had decreased following the completion of the last recruitment campaign for the Portfolio Management Office.
- Public Sector Investment gross and residual risk had decreased following the signing of the Final Deal and Governance Agreement 2

The annual report was submitted which looked back at progress during the 2020/21 financial year which highlighted the Growth Deal and other activities supported by the Portfolio Office.

During the discussion, the following matters were raised:-

- It was noted that the report displayed all the work which had been undertaken over the year and the team was thanked for creating it.
- The need to emphasise the feeling of strong partnership seen in the Joint Committee was stressed. The need to highlight collaboration between politicians and officers to ensure that the deal was delivered was explained.

7. EXCLUSION OF PRESS AND PUBLIC

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

There is an acknowledged public interest in openness in relation to the use of public resources and related financial issues. It is also acknowledged that there are occasions, in order to protect the financial and commercial interests that matters related to such information need to be discussed without being publicised. The report deals specifically with financial and business matter and related discussions. Publication of such commercially sensitive information could adversely affect the interests of the bodies and the Councils and undermine the confidence of other Growth Deal participants in sharing sensitive information for consideration. This would be contrary to the wider public interest of securing the best overall outcome.

8. OUTLINE BUSINESS CASE – MORLAIS PROJECT

The report was submitted by Henry Aron (Energy Programme Manager) and Hedd Vaughan-Evans (Operations Manager).

RESOLVED

Approve the Outline Business Case for the Morlais project and, subject to Welsh and UK Government approval of the assurance process undertaken, Menter Môn addressing the matters set out in Section 7 of the report, request that a Full Business Case is prepared

for the Board to consider following the completion of the procurement process and the consenting process.

Note that the final funding arrangements for the project which will form the basis of the Grant Offer Letter will be agreed at the Full Business Case stage and authorise the Portfolio Director, in consultation with the Board Section 151 Officer and Monitoring Officer, to agree draft terms for approval by the Board.

REASONS FOR THE DECISION

As per the Final Deal agreement, business cases are to be developed for each project within the Growth Deal, in line with the 'Better Business Case' guidance developed by Welsh Government and HM Treasury. The Board's approval is required for each business case to enable the project to move to the next phase.

DISCUSSION

The report was discussed.

The meeting commenced at 2.30pm and concluded at 4.50pm.

Economic Ambition Board Forward Work Programme

(July 2021 – July 2022)

NWEAB Meeting date	Report Title	Before NWEAB submission			Responsible Officer
		Programme Board	Business Delivery Board	Portfolio Board	
July 30 2021	Quarter 1 2021-22 Report			✓	Hedd Vaughan-Evans
	Digital Signal Processing Centre Outline Business Case	Digital	✓	✓	Stuart Whitfield
	Glynllifon Rural Economy Hub Outline Business Case	Agrifood and Tourism	✓	✓	Robyn Lovelock
September 17 2021	Portfolio and Programme Business Cases	✓	✓	✓	Alwen Williams / Hedd Vaughan-Evans
	Enterprise Engineering and Optics Centre Outline Business Case	Innovation in high value manufacturing	✓	✓	Robyn Lovelock
October 22 2021	Quarter 2 2021-22 Report			✓	Hedd Vaughan-Evans
	Quarter 2 2021-22 Financial Review			✓	Dafydd L Edwards
	Morlais Full Business Case	Low Carbon Energy	✓	✓	Henry Aron
	Digital Signal Processing Centre Full Business Case (TBC)	Digital	✓	✓	Stuart Whitfield
December 10 2021	2 Project Business Cases (project details to be confirmed)	✓	✓	✓	TBC
January 28 2022	Quarter 3 2021-22 Report			✓	Hedd Vaughan-Evans
	Quarter 3 2021-22 Financial Review			✓	Dafydd L Edwards
March 25 2022	2022-23 Budget			✓	Dafydd L Edwards
May 20 2022	Quarter 4 2021-22 Report			✓	Hedd Vaughan-Evans
	2021-22 Annual Report			✓	Hedd Vaughan-Evans
	2021-22 Out-turn Report			✓	Dafydd L Edwards
Gorffennaf 15 2022	Adroddiad Chwarter 1 2022-23			✓	Hedd Vaughan-Evans