



Complete Agenda  
**Cyd-Bwyllgor Corfforedig  
Gogledd Cymru  
North Wales  
Corporate Joint Committee**



Mae'r ddogfen hon hefyd ar gael yn Gymraeg.

This document is also available in Welsh.

Meeting

**NORTH WALES CJC GOVERNANCE AND AUDIT SUB-COMMITTEE**

Date and Time

**10:00am, TUESDAY 13<sup>th</sup> JANUARY, 2026**

Location

**Virtual Meeting**

**(For public access to the meeting, please contact us)**

Contact Point

**Sera Jane Whitley**

**[serajanewhitley@gwynedd.llyw.cymru](mailto:serajanewhitley@gwynedd.llyw.cymru)**

(DISTRIBUTED 07/01/2026)

## **NORTH WALES CJC GOVERNANCE & AUDIT SUB-COMMITTEE**

### **Elected Members**

Cllr. Gareth Jones  
Cllr. Carol Holliday  
Cllr. Andrew Parkhurst  
Cllr. Paul Rogers  
Cllr. Ioan Thomas  
Cllr. Geraint Bebb

Conwy County Borough Council  
Denbighshire County Council  
Flintshire County Council  
Wrexham County Borough Council  
Cyngor Gwynedd  
Isle of Anglesey County Council

### **Lay Members**

Nigel Rudd  
Carys Edwards  
William Parry

### **Elected Members (Substitutions)**

TBC  
Cllr. Bobby Feeley  
Cllr. Jason Shallcross  
Cllr. Trevor Bates  
Cllr. Richard Glyn Roberts  
Cllr. Keith Roberts

Conwy County Borough Council  
Denbighshire County Council  
Flintshire County Council  
Wrexham County Borough Council  
Cyngor Gwynedd  
Isle of Anglesey County Council

### **Officers in Attendance**

Alwen Williams  
Iwan Evans  
Claire Incledon  
Dewi Morgan  
David Hole  
Sian Pugh  
Luned Fôn Jones

Chief Executive of the Corporate Joint Committee  
Monitoring Officer  
Deputy Monitoring Officer  
Chief Finance Officer  
CJC Implementation Programme Manager  
Assistant Head of Finance - Cyngor Gwynedd  
Audit Manager - Cyngor Gwynedd

# AGENDA

## 1. ELECT CHAIR FOR 2025/26

To elect a Chair for 2025/26.

## 1. ELECT VICE-CHAIR FOR 2025/26

To elect a Vice-Chair for 2025/26.

## 1. APOLOGIES

To receive any apologies for absence.

## 1. DECLARATION OF PERSONAL INTEREST

To receive any declaration of Personal Interest.

## 1. URGENT BUSINESS

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

## 1. THE GOVERNANCE AND AUDIT SUB-COMMITTEE FORWARD WORK PLAN 4 - 9

Claire Incledon, Deputy Monitoring Officer (interim) to present the report.

## 1. 2024/25 FINANCIAL OUT-TURN, FINAL ACCOUNTS AND AUDIT REPORTS OF THE NORTH WALES CORPORATE JOINT COMMITTEE AND NORTH WALES ECONOMIC AMBITION BOARD 10 - 109

Dewi A. Morgan, Head of Finance (CJC's Statutory Finance Officer) and Sian Pugh, Assistant Head of Finance to present the report.

## 1. 2026/27 BUDGET, LEVY ON CONSTITUENT AUTHORITIES AND PARTNER CONTRIBUTIONS 110 - 121

Dewi A. Morgan, Head of Finance (CJC's Statutory Finance Officer) and Sian Pugh, Assistant Head of Finance to present the report.



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**REPORT TO THE GOVERNANCE AND AUDIT SUB-COMMITTEE**

**13th January, 2026**

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**TITLE:** The Governance and Audit Sub-Committee Forward Work Plan

**AUTHOR:** Claire Incledon, Deputy Monitoring Officer (interim)

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**1. PURPOSE OF THE REPORT**

1.1. To consider the Forward Work Plan for the Governance and Audit sub-committee.

**2. DECISION SOUGHT**

2.1. To note the Forward Work Plan.

2.2. That the Chair may amend the Plan to take account of variations in work scheduling subject to the Plan being brought to the following meeting of the sub-committee for agreement.

**3. REASON FOR THE DECISION**

3.1. The Forward Work Plan sets out an indicative calendar of meetings for the next year. It aligns with the meeting dates of the CJC, and will be subject to the annual municipal calendar of committee dates to be agreed at the AGM in June. The Forward Work Plan ensures that the sub-committee fulfils its role as set out in the North Wales Corporate Joint Committee Regulations 2021.

**4. BACKGROUND AND RELEVANT CONSIDERATIONS**

4.1. The Forward Work Plan sets out the calendar of meetings, and in addition outlines the work to be undertaken by the sub-committee further to its legislative functions. Further to the inaugural meeting on 9th December 2025 the Chair identified a number of matters they wish to see reported to the sub-committee in the future which are set out in the attached Plan (Appendix 1). Members are also asked to consider whether there are any additional reports which should be brought to their attention, along with any training requirements.

**5. FINANCIAL IMPLICATIONS**

5.1. There are no financial implications arising out of this report.

**6. LEGAL IMPLICATIONS**

6.1. The legal and governance implications are addressed in the body of the report.

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**APPENDICES:**

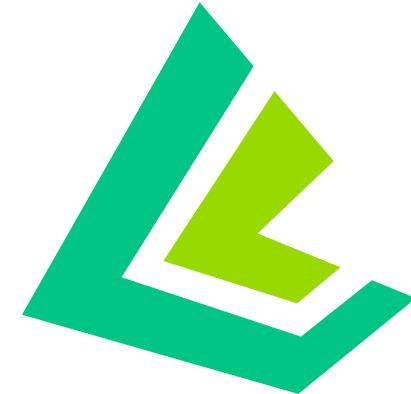
**STATUTORY OFFICERS RESPONSE:**

**i. Monitoring Officer:**

The democratic process of the sub-committee is properly addressed through an agreed work programme, which is set out in this Forward Work Plan.

**ii. Statutory Finance Officer:**

No comments from the perspective of financial propriety.



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NORTH WALES CORPORATE JOINT COMMITTEE GOVERNANCE AND AUDIT SUB COMMITTEE  
FORWARD WORK PLAN 2025

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The North Wales Corporate Joint Committee Governance and Audit Sub-Committee is responsible for the review and scrutiny of the CJC's financial affairs, risk management, performance management, complaints management, audit arrangements and corporate governance arrangements.

| Meeting date            | Report Title                              | Report Purpose  | Report Author   | Exempt |
|-------------------------|---|---|-----------------|--------|
| 9 December 2025<br>10am | Elect Chair & Vice Chair                  | To elect a Chair and Vice-Chair for 2025/26.                        |                 |        |
|                         | Terms of Reference                        | For the sub-committee to note                                       | Claire Incledon | no     |
|                         | Forward Work Plan                         | For the sub-committee to note                                       | Claire Incledon | no     |
|                         | Corporate Joint Committee progress report | Overview on the CJC, its progress and next steps – for information. | Dave Hole       | no     |
|                         | Internal Audit Charter                    | Approve the Charter   | Luned Fon Jones | no     |

|                                       |                                    |   |                                 |    |
|---------------------------------------|------------------------------------|---|---------------------------------|----|
| <b>13 January 2026</b><br><b>10am</b> | Elect Chair & Deputy Chair         | Deferred from 9 December  |                                 |    |
|                                       | Forward Work Plan                  | To note   | Claire Incledon                 | no |
|                                       | Annual Statement of Accounts 24/25 | For information.  | Dewi A Morgan                   |    |
|                                       | Draft Budget                       | For recommendation to CJC 23 January  | Dewi                            |    |
|                                       | Annual Return (post audit) 24/25   | For information   | Dewi                            |    |
|                                       |                                    |   |                                 |    |
|                                       |                                    |   |                                 |    |
|                                       |                                    |   |                                 |    |
| <b>March/April 2026</b><br><b>TBC</b> | Induction/training for Members     | 1. Corporate Planning<br>2. Financial Planning to include Growth Deal and Investment Zone<br>3. Performance Management<br>4. Risk Management<br>5. Workforce Planning (resource)<br>6. Asset Management<br>7. Procurement | Alwen / Iwan / Dewi /<br>Claire | No |
|                                       |                                    |   |                                 |    |
| <b>June 2026</b><br><b>TBC</b>        | Internal / External audit plan     | Program of work and action plan   | Luned Fôn Jones                 |    |
|                                       | Risk Register                      | Corporate and internal risk and strategy  | Dewi                            |    |
|                                       | Corporate Plan                     | For review and recommendations to CJC 19 June   | Alwen                           | No |
|                                       | Treasury Management                |   | Dewi                            |    |

|                                     |  |                             |                   |  |
|-------------------------------------|--|-----------------------------|-------------------|--|
|                                     |  |                             |                   |  |
|                                     |  |                             |                   |  |
| <b>September/October 2026 - TBC</b> | Elect Chair & Deputy Chair             |                             |                   |  |
|                                     | Draft medium term financial strategy   | Target operating modelling  | Dewi              |  |
|                                     | Asset management and capital disposals |                             | Dewi              |  |
|                                     | Financial Outturn report               |                             | Dewi              |  |
|                                     | Complaint management                   | Review strategy and process | Nia Medi Williams |  |
|                                     |  |                             |                   |  |
| <b>December TBC</b>                 | Anti-fraud controls                    |                             | Dewi              |  |
|                                     | Draft Budget                           |                             | Dewi              |  |
|                                     | Annual Governance Statement            |                             | Nia               |  |
|                                     |  |                             |                   |  |

## Past Meetings 2025

| Meeting date | Report Title | Report Purpose | Report Author | Report Decisions | Action Points |
|--------------|--------------|----------------|---------------|------------------|---------------|
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The Sub-Committee has the power to report or make recommendations to the CJC on any matter on which it exercises its functions.

## General: Sub - Committee Responsibilities – Deliverables:

- Provide accountability and scrutiny of performance and financial controls
- Co-opted Members (voting) – to be kept under review



## GOVERNANCE AND AUDIT SUB-COMMITTEE

**13 January 2026**

**TITLE:** 2024/25 Financial Out-turn, Final Accounts and Audit Reports of the North Wales Corporate Joint Committee and North Wales Economic Ambition Board

**AUTHOR:** Dewi A. Morgan, Head of Finance (CJC's Statutory Finance Officer)  
Sian Pugh, Assistant Head of Finance

### **1. PURPOSE OF THE REPORT**

- 1.1. The purpose of this report is to provide the Governance and Audit Sub-committee with contextual information on the financial position of the North Wales Corporate Joint Committee – including the Growth Deal – during the 2024/25 financial year.

### **2. DECISION SOUGHT**

- 2.1. As requested at its December meeting, this report is presented for information only to provide the Governance and Audit Sub-committee with the financial context in which the North Wales Corporate Joint Committee is operating. Members are asked to consider the information contained in this report and its appendices and to seek further information from officers.

### **3. REASON FOR THE DECISION**

- 3.1. The 2024/25 Statements of Account for both the CJC and the former North Wales Economic Ambition Board have been approved by the Corporate Joint Committee in November 2025 and have been subsequently certified by the Auditor General for Wales.
- 3.2. This report, therefore, does not provide members of the Governance and Audit Sub Committee with an opportunity to “re-open” the Statements of Account but rather provides information on the financial situation of the Corporate Joint Committee at the start of the current financial year.

### **4. BACKGROUND AND RELEVANT CONSIDERATIONS**

- 4.1. For the purposes of the 2024/25 Statements of Accounts pursuant to the Accounts and Audit (Wales) Regulations 2014, the NWEAB was considered a “larger relevant body” which meant that an annual Statement of Accounts in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom was produced for 2024/25.
- 4.2. Conversely, since neither the income nor the expenditure of the CJC exceeded £2.5million during 2024/45 nor 2023/24, it was considered a “smaller relevant body” for the purposes of the Regulations, meaning that an annual return was produced.

4.3. The NWEAB's role and functions were transferred to the CJC on 1st April 2025, which included staff, resources, financial liabilities and assets, including the Growth Deal and funding, and will therefore be included within the CJC's Statement of Accounts from 2025/26, which will be accounts for a larger relevant body.

**5. NORTH WALES ECONOMIC AMBITION BOARD 2024/25 OUT-TURN POSITION**

5.1. The final net out-turn position for 2024/25 was an underspend of £385,605.

**Portfolio Management Office**

5.2. There was a £75,140 underspend on the Portfolio Management Office (PMO) and the main underspend was seen in the Employee Expenditure heading. This was mainly due to the actual pay inflation for 2024/25 being around 3% compared to the budgeted amount of 6%. Funding from the Shared Prosperity Fund was also extended to March 2025 therefore the underspend in the Shared Prosperity plans heading was used to fund the costs of three officers which had previously been budgeted as part of the core budget.

5.3. Part of the underspend on the Employee Expenditure heading was used to fund temporary consultancy staff to cover a Programme Manager role.

**Accountable Body Support Services**

5.4. The underspend on this heading was £41,730 which is the result of the reduced net expenditure on the Accountable Body (Host Authority) support services.

**Joint Committee**

5.5. The underspend on this heading was £48,935, due to an underspend on the External Legal Support, External Financial Fees, External Audit Fees and the Business Delivery Board.

**Projects**

5.6. The underspend on this heading was £65,034 mainly due to costs that were previously considered within the Project Business Case Development costs being capitalised. However, there was a high demand for external legal support for the projects during the year.

**Grant Schemes**

5.7. The expenditure under this heading mainly includes grant funded Local Area Energy and Shared Prosperity Fund projects and an extension was received on both projects until March 2025 therefore leading to a net overspend of £96,820 against the annual budget.

5.8. The overspend on the Local Area Energy project was funded by the surplus grant whilst the underspend on the Shared Prosperity plans was used to fund the overspend on the Shared Prosperity Fund employee costs as well as contribute towards the overhead costs of the Portfolio Management Office.

### **Transfers to Reserves**

5.9. At the NWEAB meeting on 14 February 2025, a request from the PMO to transfer the interest received in 2024/25 and 2025/26 on the North Wales Growth Deal grant balances to a specific reserve to fund additional government requirements and project development costs from 2025/26 and the retention of PMO's capacity for an additional two years beyond March 2026 was approved. Interest received was £2,800,231 which was transferred to the resources reserve.

### **Funding Contributions**

5.10. The main income streams for 2024/25 included partner contributions, the revenue allocation for the North Wales Growth Deal grant, Welsh Government energy grant, UK Shared Prosperity Fund, the CJC's contribution for staff secondment and the earmarked reserve.

5.11. The original North Wales Growth Deal grant allocation was £1,100,000, but due to the net underspend position of £385,605 for 2024/25, a reduced amount of £714,395 was needed in order to leave a neutral position for the year.

### **NWEAB Reserves**

5.12. The total earmarked reserve balance at 31 March 2025 was £210,977. The NWEAB at its meeting on 14 February 2025 approved the use of £60,990 of this reserve as part of the 2025/26 budget.

5.13. The projects reserve balance at 31 March 2025 was £29,167. In the December 2024 review, it was noted that the reserve would be used to finance the Smart Local Energy project costs included within the Project Business Case Development heading. These costs have been subsequently capitalised but since the Full Business Case was yet to be approved, these costs have been met from the projects reserve. The costs for the year were £123,133.

5.14. The interest reserve balance at 31 March 2025 was £4,733,483.

5.15. The resources reserve balance at 31 March 2025 was £2,800,231 due to the transfer of the interest received in 2024/25 on the North Wales Growth Deal grant balance.

### **Capital**

5.16. The total Capital expenditure for the year up to 31 March 2025 was £15.31m.

5.17. There was a net reduction of £13.3m in the expenditure in 2024/25 and this was due to slippage on four projects (Digital Signal Processing Centre, Smart Local Energy, Holyhead Gateway and Former North Wales Hospital) and the withdrawal of the Deeside Anaerobic Digestion Plant project. However, the commencement of the Centre of Environmental Biotechnology, Enterprise Engineering & Optics Centre and the Tourism Talent Network projects during the year brought forward some their profiled spend.

5.18. The 2.15% budget for revenue funding in 2024/25 was also reduced to £0.71m to reflect the final revenue out-turn position.

## 6. CORPORATE JOINT COMMITTEE 2024/25 OUT-TURN POSITION

6.1. The final net out-turn position for 2024/25 was an underspend of £401,598. The CJC approved the transfer of this underspend to the earmarked reserve. The CJC had already approved for £564,740 of this reserve to be used as part of the 2025/26 budget at its meeting on 17 January 2025.

### Employees

6.2. The final underspend on this heading was £333,674.

6.3. The expenditure on the Transport sub-heading included the secondment costs of the Implementation Programme Manager from Welsh Government and costs for the Strategic Communication and Engagement Lead (1 day a week). The expenditure on the CJC sub-heading includes costs for the interim Chief Executive (2 days a week) together with the support of the Personal Assistant (1 day a week).

6.4. The budgeted allowance cost of the lay members relates to Governance and Audit Committee meetings; these meetings will be held from 2025/26.

### Travelling

6.5. The travel allowance and staff subsistence budget had not been used in 2024/25 which leaves an underspend of £6,000 for the year.

### Supplies and services

6.6. There was a net underspend of £129,140 against the supplies and services heading for 2024/25.

6.7. There was an overspend in the miscellaneous supplies heading of £7,502 due to training and printing costs associated with the Regional Transport Plan.

6.8. Audit Wales' fees showed as negative for 2024/25 as the fees accounted for in previous years were higher than the actual amounts. In addition, an Annual Return was required for 2024/25 rather than a full set of accounts due to the turnover not exceeding the £2.5m threshold.

6.9. The expenditure on the external consultants heading for the year was £222,231 and £180,517 of this expenditure was funded from the Welsh Government Transport Grant. The external consultants' expenditure for Strategic Planning is expected to commence in 2025/26.

6.10. There is an underspend of £46,763 on the insurance costs and this is due to an interim insurance policy being in place for 2024/25, with the full insurance policy commencing in April 2025.

### Support Services

6.11. The final underspend on the support services heading is £7,230.

6.12. The overspend on the corporate support heading was mainly due to translation costs. The underspend on the legal heading will be used to fund part of the overspend on the legal costs from external consultants shown under set-up costs.

### **Set-up costs**

- 6.13. The net overspend on the set-up costs heading is £195,753.
- 6.14. Due to the delay in the transfer of the Growth Deal functions to the CJC to 1 April 2025, the legal and external consultant costs associated with the transfer was £262,686 compared to the budget of £50,000.
- 6.15. The £125,886 expenditure on legal and democratic costs includes the costs for an external law firm as well as a legal consultant and a democratic consultant who were commissioned to provide specialised advice and support on the establishment of the CJC.
- 6.16. The £136,800 on external consultants relates to project management costs associated with the CJC implementation.

### **Income**

- 6.17. CJC was successful in its bid to Welsh Government for funding towards the Regional Transport Plan, and £125k was awarded in 2023/24 and a further £100k in 2024/25. £180,517 of this grant income is shown in 2024/25, with £80,517 of the grant income funding external consultant costs that were commissioned in 2023/24 but the work not completed until April 2024.
- 6.18. Confirmation was received in the October 2024 Budget that the Investment Zone programme would continue UK wide. There is an annual allocation of £640k to fund revenue costs, and one third of this budget will be allocated to the CJC. The first claim will include the £83k costs incurred in 2024/25, and although both Wrexham and Flintshire County Councils have between them underwritten £50,000 of this expenditure, the CJC reserve will be used to fund this expenditure in 2024/25 and will be repaid once the grant income is approved from Government.
- 6.19. The interest on balances for 2024/25 was £57,723.

### **Constituent Authority Contributions**

- 6.20. The levy on the constituent authorities for 2024/25 was approved by the CJC in its meeting on 26 January 2024.

### **Reserve**

- 6.21. On 1 April 2024, there was £892k in the reserve and £98k of this reserve was approved to be used for the 2024/25 budget and £100k to fund the Investment Zone expenditure until the grant income from Government is approved. Due to the underspend in 2024/25, the reserve balance at 31 March 2025 has increased to £1.113m.

## **7. STATEMENT OF ACCOUNTS**

- 7.1. The draft (pre-audit) Statement of Accounts for the North Wales Economic Ambition Board were signed by the Responsible Finance Officer (Section 151 Officer) on 27 June 2025 and considered by the Corporate Joint Committee on 18 July 2025.
- 7.2. The pre-audit Annual Return for the Year Ended 31 March 2025 for the Corporate Joint Committee was signed by the Responsible Finance Officer (Section 151 Officer) on 4 June 2025 and considered by the Corporate Joint Committee on 13 June 2025.
- 7.3. Following the audit of the accounts by Audit Wales, the auditor's report together with the final account of the North Wales Economic Ambition Board and the final return for the Corporate Joint Committee were approved by the CJC on 28 November 2025.
- 7.4. Audit Wales provided an unqualified opinion on the accounts of both NWEAB and NWCJC.

## **8. FINANCIAL IMPLICATIONS**

- 8.1. The report sets out the financial position of the NWEAB and NWCJC during the 2024/25 financial year, as requested by the Governance and Audit Sub Committee at its meeting on 9 December 2025. There are no financial implications arising from the decision sought.

## **9. LEGAL IMPLICATIONS**

- 9.1. The Statements of Accounts and Annual Return included in the appendices, together with the reports by Audit Wales have already been considered and approved by the Corporate Joint Committee on 28 November and the accounts have been certified by the Auditor General for Wales. These items are therefore presented to the Governance and Audit Sub Committee for information only.

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## **APPENDICES:**

**Appendix 1: Statement of Accounts for the North Wales Economic Ambition Board 2024/25**

**Appendix 2: Audit of Accounts Report – North Wales Economic Ambition Board Joint Committee**

**Appendix 3: North Wales Corporate Joint Committee Annual Return 2024/25**

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## **STATUTORY OFFICERS RESPONSE:**

### **i. Monitoring Officer:**

The report is before Members to provide the contextual position on the financial position of the North Wales Corporate Joint Committee (including the Growth Deal) for the financial year 2024/25. The report is presented for information only to explain the financial context in which the North Wales Corporate Joint Committee is operating to support the sub-committee's understanding and legislative function.

ii. **Statutory Finance Officer:**

Report author.



**Uchelgais Gogledd Cymru  
Ambition North Wales**

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**Statement of Accounts 2024/25 –  
North Wales Economic Ambition Board Joint  
Committee**

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# **NARRATIVE REPORT**

## **INTRODUCTION**

The North Wales Economic Ambition Board's (NWEAB) Joint Committee was established on 1 February 2019 to develop a regional approach to economic growth and to address the challenges and barriers facing the North Wales economy. It covers the six local authority administrative areas of North Wales comprising Gwynedd, Anglesey, Conwy, Denbighshire, Wrexham and Flintshire councils. The Joint Committee also includes the University of Bangor, Wrexham University, Coleg Cambria and Grŵp Llandrillo Menai. In December 2020, the Joint Committee agreed the North Wales Growth Deal with UK Government and Welsh Government securing an investment of £240 million into the North Wales economy as part of the Deal. A Portfolio Management Office has been established to deliver the Growth Deal and the full business case of the first project was approved in December 2021 and is now in its fourth year of delivery.

On 1 April 2025, the Growth Deal, its funding and the Portfolio Management Office transferred to the North Wales Corporate Joint Committee (CJC).

Cyngor Gwynedd was appointed as host authority for the NWEAB and is also providing the support services for the CJC.

The NWEAB's accounts for the year 2024/25 are presented here on pages 7 to 36. The Statements of Accounts are prepared in accordance with CIPFA's *Code of Practice on Local Authority Accounting in the United Kingdom 2024/25*.

The Statement of Accounts consist of:

- **Expenditure and Funding Analysis** - Whilst this is not a statutory statement, it shows how annual expenditure is used and funded in accordance with generally accepted accounting practices.
- **Comprehensive Income and Expenditure Statement** - This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices.
- **Movement in Reserves Statement** - This statement shows the movement in year on the different reserves held by the Joint Committee, analysed into 'usable reserves' and 'unusable reserves'.
- **The Balance Sheet** - Sets out the financial position of the Joint Committee on 31 March 2025.
- **The Cash Flow Statement** - This statement summarises the flow of cash to and from the Joint Committee during 2024/25 for revenue and capital purposes.

These accounts have been prepared on a going concern basis and are supported by this Narrative Report, the Accounting Policies and various notes to the accounts.

## **NWEAB'S ambition**

The NWEAB'S ambition is to build a more vibrant, sustainable and resilient economy for North Wales to:

- Focus on improving the region's economic, social and environmental well-being.
- See the region develop in a sustainable way, with opportunities for people to gain new skills for the future and develop rewarding careers, seeing businesses grow and communities prosper.
- Champion our language, culture and heritage, in line with the well-being goals for Wales.

## **North Wales Growth Deal**

The Growth Deal aims to bring over £1 billion of investment to north Wales in order to generate over 4,000 new jobs and an increase in Gross Value Added (GVA) of £2.4 billion. The UK and Welsh governments have committed to jointly investing £240 million capital over a 15-year period, with the remainder leveraged from private and public sources. The desired outcomes of this investment are to be delivered through the delivery of a portfolio of five separate programmes which:

- Build on our regional strengths in manufacturing and low carbon energy

**Page 19**

- Target digital innovation and infrastructure to better connect the region
- Invest in key sites and premises for the developer market
- Enable innovation to boost productivity
- Support our key industries in tourism and agriculture to develop for the future

The five programmes are:-

- Low Carbon Energy
- Agri-food and Tourism
- Innovation in High-Value Manufacturing
- Digital Connectivity
- Land and Property.

## 2024/25 Budget

The Joint Committee adopted its budget for 2024/25 at its meeting on 15 March 2024 and is available at: [Agenda for North Wales Economic Ambition Board on Friday, 15th March, 2024, 9.30 am](#)

There have been a number of historical factors that have contributed to the overall slippage of the North Wales Growth Deal's capital portfolio since the agreement of the Final Deal in December 2020, including optimism bias in original estimates, the impact of the Covid-19 pandemic and significant cost inflation. The slippage during 2024/25 on the agreed capital profile is down to more project specific matters including planning and consenting delays, and business case development delays. The capital delivery profile is updated annually and agreed with Welsh Government and UK Government.

## 2024/25 Performance

The NWEAB reports quarterly on the progress against the North Wales Growth Deal, and the Annual Report is available at:

[North Wales CJC Economic Well-being Sub-committee](#)

## 2024/25 Financial Performance

- The Comprehensive Income and Expenditure Statement on page 8 shows that the Joint Committee's gross revenue expenditure on 'cost of services' level was £13,542k during 2024/25, with a net position of £137k.
- The financial out-turn position for 2024/25 was reported to the Economic Well-being Sub-committee on 16 May 2025 and the North Wales Corporate Joint Committee on 13 June 2025 and is available at: [Agenda for North Wales Corporate Joint on Friday, 13th June, 2025, 2.30 pm](#)
- The Comprehensive Income and Expenditure Statement and the Movement in Reserves Statement on pages 8 and 9 detail the analysis in movements for the year.

## TABLE I - Budget and Actual Comparison Summary (Net)

Table I provides a budgetary performance comparison at a summary level, which is detailed further in Table 2.

|  | Budget<br>£'000 | Actual<br>£'000 | Variance<br>£'000 |
|--|-----------------|-----------------|-------------------|
| Expenditure on Operations              | 2,963           | 5,629           | 2,666             |
| Financed by-                           |                 |                 |                   |
| Partners' Contributions                | (703)           | (703)           | 0                 |
| Grants, contributions and other income | (2,193)         | (5,245)         | (3,052)           |
| Contribution from the General Fund     | (67)            | (67)            | 0                 |
| <b>Net (Underspend)/Overspend</b>      | <b>0</b>        | <b>(386)</b>    | <b>(386)</b>      |

**TABLE 2 –Transposition movement between ‘Budget and Actual Comparison Summary (Net)’ (Table 1) to the Income and Expenditure format**

|                             | Performance Report (Out-turn)<br>£'000 | Transposition Adjustment<br>£'000 | Net Position to be funded by / transferred to the General Fund<br>£'000 | Adjustments between Funding and Accounting Basis<br>£'000 | Income & Expenditure Statement<br>£'000 |
|-----------------------------|--|-----------------------------------|---|---|---|
| Expenditure                 | 5,629                                  | (2,800)                           | 2,829   | 10,713  | 13,542                                  |
| Income                      | (6,015)                                | 3,253                             | (2,762)   | (10,643)  | (13,405)                                |
| <b>Net Cost of Services</b> | <b>(386)</b>                           | <b>453</b>                        | <b>67</b>   | <b>70</b>   | <b>137</b>                              |

*Transposition Adjustment - Adjustments in the transposition column relate to the net contribution to and from reserves, the interest on balances received during the financial year and the reduction to the Growth Deal Grant required in year.*

### **Material Items of Income and Expenditure**

Related Items include :-

- £2,800k in interest receivable and similar income (Note 11).
- £13,405k in grants and contributions and equivalent expenditure (Note 20).

### **Other Issues**

- Economic instability and financial risks continue in the UK and globally, especially considering the new tariffs between the USA and the rest of the world. With the Office for Budget Responsibility predicting increases in inflation and energy rates and a decrease in interest rates in their report 'Economic and Fiscal Outlook' dated March 2025, the Joint Committee has taken these circumstances into account in its financial plans, maintaining a prudent level of reserves.
- Cost inflation is a risk for the North Wales Growth Deal's capital projects and the Joint Committee has allocated additional funding for the most mature projects to reduce this risk.

### **Capital Expenditure in 2024/25**

Capital expenditure for 2024/25 amounted to £10.8m. The following table gives an analysis of this expenditure and the way it was financed.

**TABLE 3 - SUMMARY OF CAPITAL EXPENDITURE AND FINANCING**

|                                | 2023/24<br>£'000 | 2024/25<br>£'000 |
|--------------------------------|------------------|------------------|
| 1,547 Projects                 |                  | 10,766           |
| <b>1,547</b>                   |                  | <b>10,766</b>    |
| <b>FINANCED BY -</b>           |                  |                  |
| 1,547 Grants and Contributions |                  | 10,643           |
| 0 Reserve                      |                  | 123              |
| <b>1,547</b>                   |                  | <b>10,766</b>    |

The £10,766k in the above table is Revenue Expenditure Funded from Capital under Statute and has been charged to the Income and Expenditure Statement in the year. The £10,643k financed by the Growth Deal Grant has been spent

on the Enterprise Engineering & Optics Centre project by Wrexham University, Centre of Environmental Biotechnology project by Bangor University and the Tourism Talent Network project by Grŵp Llandrillo Menai. The £123k expenditure relates to the Smart Local Energy project which was financed by the Projects Reserve.

## **Reserves**

The Joint Committee has usable reserve of £7,774k. These are detailed in the Balance Sheet, Movement in Reserves Statement and in Note 10.

## **Pension Fund**

An assessment has been carried out by Gwynedd Pension Fund's Actuary, Hymans Robertson, of the Joint Committee's actuarial position. In order to comply with International Accounting Standard 19, the Joint Committee has shown a nil net liability as at 31 March 2025 on its Balance Sheet. Refer to Note 24 for further information.

The net pension liability is a position at one point in time. Market prices can move substantially up or down in the short-term and it is therefore not possible to quantify the long-term effect such movements in market prices will have on the Pension Fund. The accounts are based on the valuation held on 31 March 2022, the accounts for the financial year 2026/27 onwards will be based on the valuation held on 31 March 2025.

## **Governance**

The NWEAB is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk. Further information is included within the Annual Governance Statement.

## **Accounting Policies**

The accounting policies adopted on behalf of the Joint Committee comply with all relevant recommended accounting practices and are fully explained in the Accounting Policies set out in Note 1 of the Accounts commencing on page 12.

## **Changes in Accounting Policies and to the Accounts**

The Joint Committee's existing accounting policies have been amended to reflect only the changes required in accordance with proper accounting practices, following adjustments for the 2024/25 financial year to the Code of Practice on Local Authority Accounting in the United Kingdom.

## **Further Information**

The Statement of Accounts is available on Cyngor Gwynedd's website ([www.gwynedd.llyw.cymru](http://www.gwynedd.llyw.cymru)) and on the CJC's website ([www.ambitionnorth.wales](http://www.ambitionnorth.wales)).

Further information relating to the accounts is available from:

Sian Pugh  
Assistant Head of Finance -  
Sustainability and Developments  
01286 679134

Finance Department  
Cyngor Gwynedd  
Council Offices  
Caernarfon  
Gwynedd  
LL55 1SH

This is part of the Council's policy of providing full information relating to the Council and the Joint Committees' affairs. In addition, interested members of the public have a statutory right to inspect the accounts before the audit is completed. The availability of the accounts for inspection is advertised on the Council's website at the appropriate time.

# **NORTH WALES ECONOMIC AMBITION BOARD**

## **STATEMENT OF ACCOUNTS**

### **STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS**

#### **THE JOINT COMMITTEE'S RESPONSIBILITIES**

The North Wales Corporate Joint Committee is required to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. The Statutory Finance Officer of Cyngor Gwynedd is the responsible financial officer of the Corporate Joint Committee. It is the Joint Committee's responsibility to manage its affairs to secure economic, efficient and effective use of its resources, to safeguard its assets, and to approve the Statement of Accounts.



**Councillor Mark Pritchard**  
**North Wales Corporate Joint Committee Chair**

**28 November 2025**

#### **THE STATUTORY FINANCE OFFICER'S RESPONSIBILITIES**

The Joint Committee's Statutory Finance Officer is responsible for the preparation of the North Wales Economic Ambition Board's Joint Committee Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC *Code of Practice on Local Authority Accounting in the United Kingdom* ("the Code").

In preparing the statement of accounts, the Statutory Finance Officer has selected suitable accounting policies and then applied them consistently; has made judgements and estimates that were reasonable and prudent and complied with the Code.

The Statutory Finance Officer has also kept proper accounting records which were up to date, and has taken reasonable steps for the prevention and detection of fraud and other irregularities.

#### **RESPONSIBLE FINANCIAL OFFICER'S CERTIFICATE**

I certify that the Statement of Accounts has been prepared in accordance with the arrangements set out above, and presents a true and fair view of the financial position of the North Wales Economic Ambition Board's Joint Committee at 31 March 2025 and the Joint Committee's income and expenditure for the year then ended.



**Dewi Aeron Morgan CPFA**  
**Statutory Finance Officer, North Wales Corporate Joint Committee**

**18 November 2025**

## EXPENDITURE AND FUNDING ANALYSIS

The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources in accordance with generally accepted accounting practices. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

| 2023/24   |  |  | 2024/25   |  |  |
|---|--|--|---|--|--|
| Net Expenditure<br>Chargeable to the General<br>Fund<br>£'000 | Adjustments between the<br>Funding and Accounting<br>Basis (Note 8)<br>£'000 | Net Expenditure in the<br>Comprehensive Income<br>and Expenditure Statement<br>£'000 | Net Expenditure<br>Chargeable to the General<br>Fund<br>£'000 | Adjustments between the<br>Funding and Accounting<br>Basis (Note 8)<br>£'000 | Net Expenditure in the<br>Comprehensive Income<br>and Expenditure Statement<br>£'000 |
| 1,380   | (39)   | 1,341  | Programme Management Office                                   | 1,458  | (53)   |
| 162   | 0  | 162  | Accountable Body Support Services                             | 171  | 0  |
| 45  | 0  | 45   | Joint Committee   | 22   | 0  |
| 456   | 1,547  | 2,003  | Projects  | 310  | 10,766   |
| 608   | 0  | 608  | Grant Schemes   | 868  | 0  |
| (2,617)   | (1,547)  | (4,164)  | Income  | (2,762)  | (10,643)   |
| <b>34</b>   | <b>(39)</b>  | <b>(5)</b>   | <b>Cost of Services</b>                                       | <b>67</b>  | <b>70</b>  |
| (2,826)   | (1)  | (2,827)  | Financing and Investment Income and<br>Expenditure            | (2,677)  | (124)  |
| <b>(2,792)</b>  | <b>(40)</b>  | <b>(2,832)</b>   | <b>(Surplus)/ Deficit on Provision of<br/>Services</b>        | <b>(2,610)</b>   | <b>(54)</b>  |
| (2,372)   |  |  | Opening Balance   | (5,164)  |  |
| (2,792)   |  |  | (Surplus)/ Deficit in Year                                    | (2,610)  |  |
| <b>(5,164)</b>  |  |  | Closing Balance   | <b>(7,774)</b>   |  |

## COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

This statement shows the accounting cost in the year of providing the Joint Committee service in accordance with generally accepted accounting practices.

| Gross<br>Expenditure | 2023/24               |                          | Note   | 2024/25                    |                          |
|----------------------|-----------------------|--------------------------|--|----------------------------|--------------------------|
|                      | Gross Income<br>£'000 | Net Expenditure<br>£'000 |  | Gross Expenditure<br>£'000 | Net Expenditure<br>£'000 |
| 1,341                | 0                     | 1,341                    | Programme Management Office  | 1,405                      | 0                        |
| 162                  | 0                     | 162                      | Accountable Body Support Services                                  | 171                        | 0                        |
| 45                   | 0                     | 45                       | Joint Committee  | 22                         | 0                        |
| 2,003                | 0                     | 2,003                    | Projects   | 11,076                     | 0                        |
| 608                  | 0                     | 608                      | Grant Schemes  | 868                        | 0                        |
| 0                    | (4,164)               | (4,164)                  | Income   | 0                          | (13,405)                 |
| <b>4,159</b>         | <b>(4,164)</b>        | <b>(5)</b>               | <b>Cost of Services</b>  | <b>13,542</b>              | <b>(13,405)</b>          |
| 0                    | (2,827)               | (2,827)                  | Financing and Investment Income and Expenditure                    | 11                         | 0                        |
| <b>4,159</b>         | <b>(6,991)</b>        | <b>(2,832)</b>           | <b>(Surplus) / Deficit on Provision of Services</b>                | <b>13,542</b>              | <b>(16,206)</b>          |
|                      |                       |                          | Remeasurement of the net pension defined benefit liability/(asset) | 15.2                       | 66                       |
|                      |                       | <b>36</b>                | <b>Other Comprehensive Income and Expenditure</b>                  |                            | <b>66</b>                |
|                      |                       |                          |  |                            |                          |
|                      |                       | <b>(2,796)</b>           | <b>Total Comprehensive Income and Expenditure</b>                  |                            | <b>(2,598)</b>           |
|                      |                       |                          |  |                            |                          |

## MOVEMENT IN RESERVES STATEMENT

The Movement in Reserves Statement shows the movement from the start of the year to the end on the different reserves held by the Joint Committee, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure) and other 'unusable reserves'. The Statement shows how the movements in year of the Joint Committee's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and the statutory adjustments required to return to the amounts chargeable to council tax (via the Councils' contributions). The Net Increase/Decrease line shows the statutory General Fund Balance movements in the year following those adjustments.

|  |         | Movement in Reserves Statement |                   |                                  |
|--|---------|--------------------------------|-------------------|----------------------------------|
| Note   |         | Total Usable Reserves          | Unusable Reserves | Total Joint Committee's Reserves |
|  |         | £'000                          | £'000             | £'000                            |
| <b>Balance 31 March 2023 carried forward</b>                             |         | (2,372)                        | 34                | (2,338)                          |
| <b>Movement in reserves during 2023/24</b>                               |         |                                |                   |                                  |
| (Surplus)/Deficit on provision of services                               |         | (2,832)                        | 0                 | (2,832)                          |
| Other Comprehensive Income and Expenditure                               |         | 0                              | 36                | 36                               |
| <b>Total Comprehensive Income and Expenditure</b>                        |         | (2,832)                        | 36                | (2,796)                          |
| Adjustments between accounting basis and funding basis under regulations | 9       | 40                             | (40)              | 0                                |
| <b>Net (Increase)/Decrease before Transfers to Earmarked Reserves</b>    |         | (2,792)                        | (4)               | (2,796)                          |
| <b>(Increase)/Decrease in 2023/24</b>                                    |         | (2,792)                        | (4)               | (2,796)                          |
| <b>Balance 31 March 2024 carried forward</b>                             | 10 & 15 | (5,164)                        | 30                | (5,134)                          |
| <b>Movement in reserves during 2024/25</b>                               |         |                                |                   |                                  |
| (Surplus)/Deficit on provision of services                               |         | (2,664)                        | 0                 | (2,664)                          |
| Other Comprehensive Income and Expenditure                               |         | 0                              | 66                | 66                               |
| <b>Total Comprehensive Income and Expenditure</b>                        |         | (2,664)                        | 66                | (2,598)                          |
| Adjustments between accounting basis and funding basis under regulations | 9       | 54                             | (54)              | 0                                |
| <b>Net (Increase)/Decrease before Transfers to Earmarked Reserves</b>    | 10 & 15 | (2,610)                        | 12                | (2,598)                          |
| <b>(Increase)/Decrease in 2024/25</b>                                    |         | (2,610)                        | 12                | (2,598)                          |
| <b>Balance 31 March 2025 carried forward</b>                             |         | (7,774)                        | 42                | (7,732)                          |

## BALANCE SHEET

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Joint Committee. The net assets of the Joint Committee (assets less liabilities) are matched by the reserves held by the Joint Committee. Reserves are reported in two categories. The first category of reserves is usable reserves, i.e. those reserves that the Joint Committee may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use. The second category of reserves is those that the Joint Committee is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

| <b>31 March</b> |  | <b>Note</b> | <b>31 March</b> |                 |
|-----------------|--|-------------|-----------------|-----------------|
| <b>2024</b>     |  |             | <b>2025</b>     |                 |
|                 |  |             | <b>£'000</b>    |                 |
| 0               | Long-term Debtors                              |             |                 | 3               |
| <b>0</b>        | <b>Long-term Assets</b>                        |             |                 | <b>3</b>        |
| 325             | Short-term Debtors                             | 12          |                 | 133             |
| 58,916          | Cash and Cash Equivalents                      | 13          |                 | 53,716          |
| <b>59,241</b>   | <b>Current Assets</b>                          |             |                 | <b>53,849</b>   |
| (1,157)         | Short-term Creditors                           | 14          |                 | (4,540)         |
| (23,949)        | Capital and Revenue Grants Receipts in Advance | 20b         |                 | (30,787)        |
| <b>(25,106)</b> | <b>Current Liabilities</b>                     |             |                 | <b>(35,327)</b> |
| 0               | Pension Liability                              | 24          |                 | 0               |
| (29,001)        | Capital and Revenue Grants Receipts in Advance | 20b         |                 | (10,793)        |
| <b>(29,001)</b> | <b>Long-term Liabilities</b>                   |             |                 | <b>(10,793)</b> |
| <b>5,134</b>    | <b>Net Assets</b>                              |             |                 | <b>7,732</b>    |
|                 |  |             |                 |                 |
| (5,164)         | Usable Reserves                                | 10          |                 | (7,774)         |
| 30              | Unusable Reserves                              | 15          |                 | 42              |
| <b>(5,134)</b>  | <b>Total Reserves</b>                          |             |                 | <b>(7,732)</b>  |

## **CASH FLOW STATEMENT**

The Cash Flow Statement shows the changes in cash and cash equivalents of the Joint Committee during the reporting period. The statement shows how the Joint Committee generates and uses cash and cash equivalents by classifying cash flows as operating and investing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Joint Committee are funded by way of grant income or from the recipients of services provided by the Joint Committee. Investing Activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Joint Committee's future service delivery.

| <b>2023/24</b>  | <b>Note</b> | <b>2024/25</b>  |
|---|-------------|-----------------|
| £'000   |             | £'000           |
| (2,832) Net (Surplus) / Deficit on the Provision of Services                                  |             | (2,664)         |
| 896 Adjustments to net surplus or deficit on the provision of services for non-cash movements | 16a         | 7,864           |
| <hr/>   |             |                 |
| (1,936) Net cash flows from Operating Activities  |             | 5,200           |
| 0 Investing Activities  |             | 0               |
| 0 Financing Activities  |             | 0               |
| <hr/>   |             |                 |
| (1,936) Net (Increase)/Decrease in cash and cash equivalents                                  |             | 5,200           |
| (56,980) Cash and cash equivalents at the beginning of the reporting period                   | 13          | (58,916)        |
| <hr/>   |             |                 |
| <b>(58,916) Cash and cash equivalents at the end of the reporting period</b>                  | <b>13</b>   | <b>(53,716)</b> |
| <hr/>   |             |                 |

# **NOTES TO THE ACCOUNTS**

## **NOTE I – ACCOUNTING POLICIES**

### **I.1 General Principles**

The Statement of Accounts summarises the Joint Committee's transactions for the 2024/25 financial year and its position at the year-end of 31 March 2025. The Joint Committee is required to prepare an annual Statement of Accounts by the Accounts and Audit (Wales) Regulations 2014 (as amended), in accordance with proper accounting practices. These practices primarily comprise the *Code of Practice on Local Authority Accounting in the United Kingdom 2024/25*, supported by International Financial Reporting Standards (IFRS).

The accounting convention adopted in the Statement of Accounts is historical cost. The accounts have been prepared on a going concern basis.

The nature of the Joint Committee's transactions is limited and only the relevant policies can be seen below.

### **I.2 Accruals of Expenditure and Income**

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received.

- Revenue from contracts with service recipients, whether for services or the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

### **I.3 Cash and Cash Equivalents**

The Joint Committee does not have its own bank account and cash is administered by Cyngor Gwynedd within its own accounts.

### **I.4 Employee Benefits**

#### **I.4.1 Benefits Payable during Employment**

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave for current employees and are recognised as an expense for services in the year in which the employee renders service to the Joint Committee. An accrual is made for the cost of holiday entitlements (or any form of leave, e.g. time off in lieu) earned by employees but not taken before the year-end that employees can carry forward into the next financial year. The accrual is charged to the Surplus or Deficit on the Provision of Services, but then reversed out through the Movement in Reserves Statement to the accumulated absences account so that holiday benefits are charged to revenue in the financial year in which the holiday absence occurs.

#### **I.4.2 Termination Benefits**

Termination benefits are amounts payable as a result of a decision by the Joint Committee to terminate an officer's employment before the normal retirement date or an officer's decision to accept redundancy voluntarily and are charged on an accruals basis to the service in the Comprehensive Income and Expenditure Statement at the earlier of when the Joint Committee can no longer withdraw the offer of those benefits or when the Joint Committee recognises costs for a restructuring.

Where termination benefits involve the enhancement of pensions, statutory provisions require the Joint Committee fund balance to be charged with the amount payable by the Joint Committee to the Pension Fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits

## **NOTE I – ACCOUNTING POLICIES (continued)**

for pension enhancement termination benefits and replace them with debits for the cash paid to the Pension Fund and pensioners and any such amounts payable but unpaid at the year-end.

### **1.4.3 Post-employment Benefits**

Employees of the Joint Committee are members of one pension scheme:

- The Local Government Pensions Scheme, administered by the Gwynedd Pension Fund at Cyngor Gwynedd.

The scheme provides defined benefits to members (retirement lump sums and pensions), earned as employees when they worked for the Joint Committee and their previous employers.

### **1.4.4 The Local Government Pension Scheme**

All other staff, subject to certain qualifying criteria, are entitled to become members of the Local Government Pension Scheme. The pension costs charged to the Joint Committee's accounts in respect of this group of employees is determined by the fund administrators and represent a fixed proportion of employees' contributions to this funded pension scheme.

The Local Government Scheme is accounted for as a defined benefit scheme.

The liabilities of the Gwynedd Pension Fund attributable to the Joint Committee are included in the Balance Sheet on an actuarial basis using the projected unit method - i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions such as mortality rates, employee turnover rates, etc., and projections of earnings for current employees.

Liabilities are discounted to their value at current prices, using a discount rate of 5.85% calculated as a weighted average of 'spot yields' on AA rated corporate bonds.

The assets of the Gwynedd Pension Fund attributable to the Joint Committee are included in the Balance Sheet at their fair value as determined by the Fund's Actuary.

When the calculation results in a net asset for the Joint Committee, the net asset must be recognised at the lower of that net asset and the asset ceiling, which is calculated as the net present value of future service costs less net present value of future contributions over the future working lifetime. Where the asset ceiling is the lower, an adjustment will be required which is included as a remeasurement.

The change in the net pensions liability is analysed into the following components:

Service cost comprising:

- Current service cost – the increase in liabilities as a result of years of service earned this year – allocated in the Comprehensive Income and Expenditure Statement to the service for which the employees worked.
- Past service cost – the increase in liabilities arising from current year decisions whose effect relates to years of service earned in earlier years – debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non-distributed Costs.
- Net interest on the net defined benefit liability/(asset), i.e. the net interest expense for the Joint Committee – the change during the period in the net defined benefit liability/(asset) that arises from the passage of time charged to the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement – this is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability/(asset) at the beginning of the period – taking into account any changes in the net defined benefit liability/(asset) during the period as a result of contributions and benefit payments.

Remeasurements comprising:

- The return on Plan assets – excluding amounts included in net interest on the net defined benefit liability/(asset) – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.

## **NOTE I – ACCOUNTING POLICIES (continued)**

- Actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
- Asset ceiling adjustment – reduces to the calculated asset ceiling if this is lower than the asset position.
- Contributions paid to the Gwynedd Pension Fund – cash paid as employer's contributions to the Pension Fund in settlement of liabilities; not accounted for as an expense.

In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable by the Joint Committee to the Pension Fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are appropriations to and from the Pensions Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the Pension Fund and pensioners and any such amounts payable but unpaid at the year-end. The balance that arises on the Pensions Reserve thereby measures the impact to the Joint Committee of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

International Accounting Standard (IAS) 19 governs how the long-term liabilities which exist in relation to pension costs should be reported. Local Councils (including Joint Committees) in Wales and England are required to produce their financial statements in accordance with IAS 19.

### **1.4.5 Discretionary Benefits**

The Joint Committee also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

### **1.5 Events after the Reporting Period**

Events after the balance sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the end of the reporting period – the Statement of Accounts is adjusted to reflect such events; and
- those that are indicative of conditions that arose after the reporting period – the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

### **1.6 Prior Period Adjustments, Changes in Accounting Policies, Estimates and Errors**

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change and do not give rise to a prior period adjustment.

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Joint Committee's financial position or financial performance. Where a change is made, it is applied retrospectively (unless not material or stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

## **NOTE I – ACCOUNTING POLICIES (continued)**

### **1.7 Government Grants and Other Contributions**

Grants and contributions relating to capital and revenue expenditure are accounted for on an accruals basis, and recognised immediately in the relevant service line in the Comprehensive Income and Expenditure Statement as income, except to the extent that the grant or contribution has a condition that the Joint Committee has not satisfied.

Grants and contributions funding capital expenditure that have been credited to the Comprehensive Income and Expenditure Statement are not proper income charges due to the capital control regime requirements to finance capital expenditure as part of the Capital Financing Requirement. Therefore, the Joint Committee accounts for these amounts as follows:

- Where a capital grant or contribution has been received, and conditions remain outstanding at the Balance Sheet date, the grant is recognised as a Capital Grant Receipt in Advance on the Balance Sheet. Once the condition has been met, the grant or contribution is transferred to the Comprehensive Income and Expenditure Statement.
- Where a capital grant or contribution has been recognised as income in the Comprehensive Income and Expenditure Statement, and the expenditure to be financed from that grant or contribution has been incurred at the Balance Sheet date, the grant or contribution is transferred from the General Fund to the Capital Adjustment Account, reflecting the application of capital resources to finance expenditure. This transfer is reported in the Movement in Reserves Statement.

### **1.8 Overheads and Support Services**

Charges for services provided by the Central Support Departments within Cyngor Gwynedd are derived from a combination of pre-determined fixed charges, actual recorded staff time, transaction logging and pre-determined formulae.

### **1.9 Reserves**

Specific reserves are created to set aside amounts for future spending schemes. This is done through transfers out of the General Fund Balance in the Movement in Reserves Statement.

Certain reserves, namely “unusable reserves”, are kept for the technical purpose of managing the accounting processes for non-current assets and employee benefits. These do not represent the usable resources of the Joint Committee.

### **1.10 Revenue Expenditure Funded from Capital Under Statute**

Legislation allows some expenditure to be classified as capital for funding purposes when it does not result in the expenditure being carried on the Balance Sheet as an asset. The purpose of this is to enable it to be funded from capital resources rather than be charged to the General Fund. This type of expenditure is valued at historical cost and written down over a year.

### **1.11 Value Added Tax**

Only in a situation when VAT is irrecoverable will VAT be included or charged as ‘irrecoverable VAT’. Since the Joint Committee has not registered for VAT, the VAT is recovered through Cyngor Gwynedd’s VAT registration.

### **1.12 Debtors and Creditors**

The Joint Committee's Accounts are maintained on an accruals basis in accordance with the Code of Accounting Practice. The accounts reflect actual expenditure and income relating to the year in question irrespective of whether the payments or receipts have actually been paid or received in the year.

### **1.13 Long-Term Contracts**

Long-term contracts are accounted for on the basis of charging the Surplus or Deficit on the Provision of Services with the consideration allocated to the performance obligations satisfied based on the goods or services transferred to the service recipient during the financial year.

## **NOTE I – ACCOUNTING POLICIES (continued)**

### **1.14 Joint Operations**

Joint operations are arrangements where the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities relating to the arrangements. The activities undertaken by the Joint Committee in conjunction with other joint operators involve the use of the assets and resources of those joint operators. In relation to its interest in a joint operation, the Joint Committee as a joint operator recognises its share of assets, liabilities, revenue and expenses.

The NWEAB Joint Committee has been categorised as a Joint Operation, making use of the assets and resources of the operators rather than the establishment of a separate entity.

## **NOTE 2 - CHANGE IN ACCOUNTING POLICY**

The Joint Committee's existing accounting policies are amended only insofar as to reflect the guidance in the 2024/25 CIPFA Code of Practice on Local Authority Accounting in the United Kingdom.

## **NOTE 3 - PRIOR PERIOD ADJUSTMENTS**

There are no prior period adjustments during 2024/25.

## **NOTE 4 - ACCOUNTING STANDARDS THAT HAVE BEEN ISSUED BUT HAVE NOT YET BEEN ADOPTED**

The CIPFA Code of Practice on Local Authority Accounting in the United Kingdom requires the expected impact of any accounting standards that have been issued but not yet adopted to be disclosed. This applies to the following new or amended standards within the 2025/26 Code:

- IAS 21 The Effects of Changes in Foreign Exchange Rate (Lack of Exchangeability) issued in August 2023. The amendments to IAS 21 clarify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking, as well as require the disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable.
- IFRS 17 Insurance Contracts issued in May 2017. IFRS 17 replaces IFRS 4 and sets out principles for recognition, measurement, presentation and disclosure of insurance contracts.
- The changes to the measurement of non-investment assets within the 2025/26 Code include adaptations and interpretations of IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets. These include setting out three revaluation processes for operational property, plant and equipment, requiring indexation for tangible non investment assets and a requirement to value intangible assets using the historical cost approach. These have the same effect as requiring a change in accounting policy due to an amendment to standards, which would normally be disclosed under IAS 8. However, the adaptations also include a relief from the requirements of IAS 8 following a change in accounting policy.

The Code requires implementation from 1 April 2025 and therefore there is no impact on the 2024/25 Statement of Accounts. It is not anticipated that the items above will have a significant impact on the information provided in the 2025/26 financial statements.

## **NOTE 5 – CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES**

In applying the accounting policies set out in Note I, the Joint Committee has had to make judgements, estimates and assumptions relating to complex transactions, those involving uncertainty about future events and also the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The judgements, estimates and associated assumptions applied are based on current proper practices, historical experience and other factors that include historical and current assumptions and projections, and actual future projections, professional assessment, current trends, and local factors that are considered to be relevant.

## **NOTE 5 – CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (continued)**

All available and related information is sourced and applied in assessing and determining the position, which is particularly critical when considering such matters as actuarial valuation of pension fund assets and liabilities, earmarked reserves and revenue expenditure funded from capital under statute. However, because these issues cannot be determined with certainty, actual results may subsequently differ from those estimates. The estimates and underlying assumptions are continually reviewed.

## **NOTE 6 – ASSUMPTIONS MADE ABOUT FUTURE AND OTHER MAJOR SOURCES OF ESTIMATION UNCERTAINTY**

The Statement of Accounts contains estimated figures that are based on assumptions made by the Joint Committee about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because certain balances cannot be determined with certainty, actual results could be different from the assumptions and estimates.

The following item in the Joint Committee's Balance Sheet at 31 March 2025 may be considered to be a significant risk (in terms of certainty in estimation of value), with the possibility of material adjustment in the forthcoming financial year:

| Item               | Uncertainties   | Effect if actual results differ from assumptions  |
|--------------------|---|---|
| Pensions liability | Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Joint Committee with expert advice about the assumptions to be applied. | The effects on the net pension liability of changes in individual assumptions are set out in Note 24. |

## **NOTE 7 – MATERIAL ITEMS OF INCOME AND EXPENSE**

Related items include:-

- £2,800k in interest and similar income (Note 11).
- £13,405k in grants and contributions and equivalent expenditure (Note 20).

## NOTE 8 – NOTE TO THE EXPENDITURE AND FUNDING ANALYSIS

| 2024/25   | ADJUSTMENTS BETWEEN FUNDING AND ACCOUNTING BASIS |   |                                  |                            | £'000 |
|---|--|---|----------------------------------|----------------------------|-------|
|   | Adjustments for Capital Purposes (i)<br>£'000    | Net change for the Pensions Adjustments (ii)<br>£'000 | Other Differences (iii)<br>£'000 | Total Adjustments<br>£'000 |       |
| Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts |  |   |                                  |                            |       |
| Programme Management Office   | 0  | (65)  | 12                               | (53)                       |       |
| Accountable Body Support Services   | 0  | 0   | 0                                | 0                          |       |
| Joint Committee   | 0  | 0   | 0                                | 0                          |       |
| Projects  | 10,766   | 0   | 0                                | 10,766                     |       |
| Grant Schemes   | 0  | 0   | 0                                | 0                          |       |
| Income  | (10,643)   | 0   | 0                                | (10,643)                   |       |
| <b>Cost of Services</b>   | <b>123</b>                                       | <b>(65)</b>   | <b>12</b>                        | <b>70</b>                  |       |
| Financing and Investment Income and Expenditure   | (123)  | (1)   | 0                                | (124)                      |       |
| <b>(Surplus) / Deficit on Provision of Services</b>   | <b>0</b>   | <b>(66)</b>   | <b>12</b>                        | <b>(54)</b>                |       |

| 2023/24   | ADJUSTMENTS BETWEEN FUNDING AND ACCOUNTING BASIS |   |                                  |                            | £'000 |
|---|--|---|----------------------------------|----------------------------|-------|
|   | Adjustments for Capital Purposes (i)<br>£'000    | Net change for the Pensions Adjustments (ii)<br>£'000 | Other Differences (iii)<br>£'000 | Total Adjustments<br>£'000 |       |
| Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement amounts |  |   |                                  |                            |       |
| Programme Management Office   | 0  | (35)  | (4)                              | (39)                       |       |
| Accountable Body Support Services   | 0  | 0   | 0                                | 0                          |       |
| Joint Committee   | 0  | 0   | 0                                | 0                          |       |
| Projects  | 1,547  | 0   | 0                                | 1,547                      |       |
| Grant Schemes   | 0  | 0   | 0                                | 0                          |       |
| Income  | (1,547)  | 0   | 0                                | (1,547)                    |       |
| <b>Cost of Services</b>   | <b>0</b>   | <b>(35)</b>   | <b>(4)</b>                       | <b>(39)</b>                |       |
| Financing and Investment Income and Expenditure   | 0  | (1)   | 0                                | (1)                        |       |
| <b>(Surplus) / Deficit on Provision of Services</b>   | <b>0</b>   | <b>(36)</b>   | <b>(4)</b>                       | <b>(40)</b>                |       |

## NOTE 8 – NOTE TO THE EXPENDITURE AND FUNDING ANALYSIS (continued)

### (i) Adjustments for Capital Purposes

- For **Services**, this column adds in revenue expenditure funded from capital under statute.
- For **Financing and Investment Income and Expenditure**, the statutory charges for capital financing and other revenue contributions are deducted from other income and expenditure as these are not chargeable under generally accepted accounting practices.

### (ii) Net Change for the Pensions Adjustments

Net change for the removal of pension contributions and the addition of IAS 19 *Employee Benefits* for pension-related expenditure and income:

- For **Services**, this represents the removal of the employer pension contributions made by the Joint Committee as allowed by statute and the replacement with current service costs and past service costs.
- For **Financing and Investment Income and Expenditure**, the net interest on the defined benefit liability is charged to the Comprehensive Income and Expenditure Statement.

### (iii) Other Differences

Other differences between amounts debited/credited to the Comprehensive Income and Expenditure Statement and amounts payable/receivable to be recognised under statute:

- For **Services**, this represents an adjustment for accumulated absences earned but not taken during the year.
- For **Financing and Investment Income and Expenditure**, the other differences column recognises adjustments to the General Fund for the timing differences for premiums and discounts.

## NOTE 9 – ADJUSTMENTS BETWEEN ACCOUNTING BASIS AND FUNDING BASIS UNDER REGULATIONS

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the Joint Committee in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Joint Committee to meet future expenditure.

| 2024/25   | Usable Reserve<br>General Fund<br>Balance | Movement in<br>Unusable<br>Reserves |
|---|---|-------------------------------------|
|   | £'000                                     | £'000                               |
| <b>ADJUSTMENTS BETWEEN ACCOUNTING BASIS AND FUNDING BASIS UNDER REGULATIONS</b>   |   |                                     |
| <b>Adjustments involving the Capital Adjustment Account</b>   |   |                                     |
| Capital grants and contributions applied  | 10,643                                    | (10,643)                            |
| Revenue expenditure funded from capital under statute   | (10,766)                                  | 10,766                              |
| Capital expenditure financed from revenue balances  | 123                                       | (123)                               |
| <b>Adjustments primarily involving the Pensions Reserve</b>   |   |                                     |
| Reversal of items relating to retirement benefits debited/credited to the Comprehensive Income and Expenditure Statement (Note 24)  | (157)                                     | 157                                 |
| Employer's pensions contributions and direct payments to pensioners payable in the year   | 223                                       | (223)                               |
| <b>Adjustment primarily involving the Accumulated Absences Account</b>  |   |                                     |
| Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements | (12)                                      | 12                                  |
| <b>Total Adjustments</b>  | <b>54</b>                                 | <b>(54)</b>                         |

| 2023/24   | Usable Reserve<br>General Fund<br>Balance | Movement in<br>Unusable<br>Reserves |
|---|---|-------------------------------------|
|   | £'000                                     | £'000                               |
| <b>ADJUSTMENTS BETWEEN ACCOUNTING BASIS AND FUNDING BASIS UNDER REGULATIONS</b>   |   |                                     |
| <b>Adjustments involving the Capital Adjustment Account</b>   |   |                                     |
| Capital grants and contributions applied  | 1,547                                     | (1,547)                             |
| Revenue expenditure funded from capital under statute   | (1,547)                                   | 1,547                               |
| <b>Adjustments primarily involving the Pensions Reserve</b>   |   |                                     |
| Reversal of items relating to retirement benefits debited/credited to the Comprehensive Income and Expenditure Statement (Note 24)  | (142)                                     | 142                                 |
| Employer's pensions contributions and direct payments to pensioners payable in the year   | 178                                       | (178)                               |
| <b>Adjustment primarily involving the Accumulated Absences Account</b>  |   |                                     |
| Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements | 4   | (4)                                 |
| <b>Total Adjustments</b>  | <b>40</b>                                 | <b>(40)</b>                         |

## NOTE 10 – TRANSFERS TO/FROM USABLE RESERVES

The note below sets out the amounts set aside from the General Fund in usable reserves to provide financing for future expenditure plans, with a net increase of £2,610k.

### Usable Reserves

| Note                   | 2024/25 | Balance          | Transfers    | Balance      |                  |
|------------------------|---------|------------------|--------------|--------------|------------------|
|                        |         | 31 March<br>2024 | in           | out          | 31 March<br>2025 |
| 10.1 Earmarked Reserve |         | £'000            | £'000        | £'000        | £'000            |
| 10.1 Earmarked Reserve |         | 278              | 0            | (67)         | 211              |
| 10.2 Projects Reserve  |         | 152              | 0            | (123)        | 29               |
| 10.3 Interest Reserve  |         | 4,734            | 0            | 0            | 4,734            |
| 10.4 Resources Reserve |         | 0                | 2,800        | 0            | 2,800            |
| <b>Total</b>           |         | <b>5,164</b>     | <b>2,800</b> | <b>(190)</b> | <b>7,774</b>     |

- 10.1 Earmarked Reserve - to support future years' budgets and staffing structure.
- 10.2 Projects Reserve - to fund expenditure that supports the delivery of Regional Economic Framework priorities.
- 10.3 Interest Reserve - to fund the cost of borrowing in future years.
- 10.4 Resources Reserve - to fund government requirements and project development costs, and to retain the Portfolio Management Office's capacity.

## NOTE 11 – FINANCING AND INVESTMENT INCOME AND EXPENDITURE

| 2023/24   | 2024/25        |
|---|----------------|
| £'000   | £'000          |
| (1) Net interest on the net pension defined benefit liability/(asset) | (1)            |
| (2,826) Interest receivable and similar income                        | (2,800)        |
| <b>(2,827) Total</b>  | <b>(2,801)</b> |

## NOTE 12 – SHORT-TERM DEBTORS

|                          | 31 March<br>2024 | 31 March<br>2025 |
|--------------------------|------------------|------------------|
|                          | £'000            | £'000            |
| Trade Receivables        | 75               | 89               |
| Prepayments              | 1                | 7                |
| Other Receivable Amounts | 249              | 37               |
| <b>Total</b>             | <b>325</b>       | <b>133</b>       |

## NOTE 13 – CASH AND CASH EQUIVALENTS

The Joint Committee does not have its own bank account and cash is administered by Cyngor Gwynedd within its own accounts. The figure shown in the table each year is the net cash sum held on behalf of the Joint Committee within the Cyngor Gwynedd amounts.

|                                     | 31 March<br>2024 | 31 March<br>2025 |
|-------------------------------------|------------------|------------------|
|                                     | £'000            | £'000            |
| Cash in Bank held by Host Authority | 58,916           | 53,716           |
| <b>Cash and Cash Equivalents</b>    | <b>58,916</b>    | <b>53,716</b>    |

## NOTE 14 – SHORT-TERM CREDITORS

|                | 31 March<br>2024 | 31 March<br>2025 |
|----------------|------------------|------------------|
|                | £'000            | £'000            |
| Trade Payables | 222              | 137              |
| Other Payables | 935              | 4,403            |
| <b>Total</b>   | <b>1,157</b>     | <b>4,540</b>     |

## NOTE 15 – UNUSABLE RESERVES

| 31 March<br>2024                    | 31 March<br>2025 |
|-------------------------------------|------------------|
| £'000                               | £'000            |
| 0 Capital Adjustment Account        | 0                |
| 0 Pensions Reserve                  | 0                |
| (30) Accumulated Absences Account   | (42)             |
| <b>(30) Total Unusable Reserves</b> | <b>(42)</b>      |

## NOTE 15 – UNUSABLE RESERVES (continued)

### 15.1 Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The Account is debited with the cost of acquisition, construction or enhancement as depreciation; impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement. The Account is credited with the amounts set aside by the Joint Committee as finance for the costs of acquisition, construction and enhancement.

Note 9 provides details of the source of all the transactions posted to the Account.

|   | 2023/24 | 2024/25   |
|---|---------|---|
|   | £'000   | £'000   |
| <b>0 Balance 1 April</b>  |         | <b>0</b>  |
|   |         | <u>Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:</u> |
| (1,547) Revenue Expenditure funded from Capital under Statute   |         | (10,766)  |
|   |         | <u>Capital financing applied in the year:</u>   |
| 1,547 Grants and contributions credited to Comprehensive Income and Expenditure Statement that have been applied to capital financing |         | 10,643  |
| 0 Revenue provision for the financing of supported capital investment   |         | 123   |
| <b>0 Balance 31 March</b>   |         | <b>0</b>  |

### 15.2 Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Joint Committee accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Joint Committee makes employer's contributions to pension funds or eventually pays any pensions for which it is directly responsible, with funding requirements set aside by the time the benefits are to be paid.

|  | 2023/24 | 2024/25  |
|--|---------|----------|
|  | £'000   | £'000    |
| <b>0 Balance 1 April</b>   |         | <b>0</b> |
| (36) Re-measurements of the net pension defined benefit (liabilities) / assets   |         | (66)     |
| (142) Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement |         | (157)    |
| 178 Employer's pensions contributions and direct payments to pensioners payable in the year  |         | 223      |
| <b>0 Balance 31 March</b>  |         | <b>0</b> |

## NOTE 15 – UNUSABLE RESERVES (continued)

### 15.3 Accumulated Absences Account

The Accumulated Absences Account absorbs the differences that would otherwise appear on the General Fund Balance from accruing for compensated absences earned but not taken in the year, e.g. annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.

| 2023/24   | 2024/25 |
|---|---------|
| £'000   | £'000   |
| (34) Balance 1 April  | (30)    |
| 4 Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements | (12)    |
| (30) Balance 31 March   | (42)    |

## NOTE 16a – CASH FLOW STATEMENT – ADJUSTMENTS TO NET SURPLUS OR DEFICIT ON THE PROVISION OF SERVICES FOR NON-CASH MOVEMENTS

| 2023/24  | 2024/25      |
|--|--------------|
| £'000  | £'000        |
| 1,012 (Increase)/Decrease in Creditors   | 8,000        |
| (156) Increase/(Decrease) in Debtors   | (190)        |
| 36 Pension Liability   | 66           |
| 4 Other non-cash items charged to net surplus/deficit on the provision of services | (12)         |
| <b>896</b>   | <b>7,864</b> |

## NOTE 16b – CASH FLOW STATEMENT – OPERATING ACTIVITIES

| 2023/24                   | 2024/25 |
|---------------------------|---------|
| £'000                     | £'000   |
| (2,826) Interest received | (2,800) |

## NOTE 17 – EXPENDITURE AND INCOME ANALYSED BY NATURE

The Joint Committee's expenditure and income is analysed as follows:

| 2023/24            |   | 2024/25         |
|--------------------|---|-----------------|
| £'000              | <u>Expenditure / Income</u>                             | £'000           |
| <b>Expenditure</b> |   |                 |
| 1,292              | Employee benefits expenses                              | 1,566           |
| 37                 | Premises  | 36              |
| 2                  | Transport   | 2               |
| 1,059              | Supplies and Services                                   | 955             |
| 222                | Third Party   | 217             |
| 0                  | Interest Payments                                       | 0               |
| 1,547              | Revenue Expenditure Funded From Capital Under Statute   | 10,766          |
| <b>4,159</b>       | <b>Total Expenditure</b>                                | <b>13,542</b>   |
| <b>Income</b>      |   |                 |
| (934)              | Partner Contributions                                   | (704)           |
| (2,827)            | Interest and investment income                          | (2,801)         |
| (3,230)            | Grants and other contributions                          | (12,701)        |
| <b>(6,991)</b>     | <b>Total Income</b>                                     | <b>(16,206)</b> |
| <b>(2,832)</b>     | <b>(Surplus) / Deficit on the Provision of Services</b> | <b>(2,664)</b>  |

## NOTE 18 – OFFICERS' REMUNERATION

**18a.** The Accounts and Audit (Wales) Regulations 2014 (as amended) require the Joint Committee to disclose the following information relating to employees appointed as Senior Officers, and whose salary is between £60,000 and £150,000. In compliance with the defined requirements, the pensionable pay, employer's pension contributions and other employer costs are included below (including termination benefits), but the employer's national insurance contributions are excluded. The remuneration paid to the Joint Committee's senior officers is as follows:

| 2023/24            |              |         | Chief Officers       |  |  | 2024/25            |              |         |
|--------------------|--------------|---------|----------------------|--|--|--------------------|--------------|---------|
| Employer's Pension |              |         |                      |  |  | Employer's Pension |              |         |
| Salary             | Contribution | Total   |                      |  |  | Salary             | Contribution | Total   |
| £                  | £            | £       |                      |  |  | £                  | £            | £       |
| 118,095            | 21,764       | 139,859 | Portfolio Director*  |  |  | 119,510            | 20,762       | 140,272 |
| 83,076             | 15,951       | 99,027  | Head of Operations** |  |  | 86,343             | 16,578       | 102,921 |

\* Since 10 October 2022, the Portfolio Director has been seconded to the CJC for two days a week to fulfil the role of the CJC's Chief Executive and receives an honorarium in relation to this role. The CJC recompenses the NWEAB for all employment and associated costs. The remuneration costs disclosed are gross of the reimbursement.

\*\* The Head of Operations undertakes the role of Portfolio Director for two days a week and therefore remuneration received is based on two pay scales.

## NOTE 18 – OFFICERS’ REMUNERATION (continued)

**18b.** Other Joint Committee employees receiving more than £60,000 remuneration for the year (excluding employer’s pension and national insurance contributions) were paid the following amounts. Termination benefits are to be included in the figures; however, there were no cases in 2024/25 and 2023/24.

| <b>Number of other employees who received more than £60,000 and includes remuneration and termination benefits:</b> |                   |                              |  |
|---|-------------------|------------------------------|--|
| <b>Number in<br/>2023/24</b>  |                   | <b>Number in<br/>2024/25</b> |  |
| <b>Total</b>  |                   | <b>Total</b>                 |  |
| 0   | £60,000 - £64,999 | 2                            |  |

## NOTE 19 – EXTERNAL AUDIT COSTS

The Joint Committee has incurred the following costs relating to external audit.

| <b>2023/24</b><br><b>£'000</b>   |  | <b>2024/25</b><br><b>£'000</b> |
|--|--|--------------------------------|
| 25 Fees payable to the auditor appointed by the Auditor General for Wales with regard to external audit services |  | 13                             |
| <b>25 Net Fees</b>   |  | <b>13</b>                      |

## NOTE 20 – GRANT INCOME

**20a.** The Joint Committee credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement:

|   | 2023/24<br>£'000 | 2024/25<br>£'000 | 2024/25<br>£'000 | 2024/25<br>£'000 |
|---|------------------|------------------|------------------|------------------|
| <b>Grants and Contributions Credited to Services</b>          |                  |                  |                  |                  |
| Welsh Government  |                  |                  |                  |                  |
| European Social Fund Priority 5                               | 233              |                  |                  | 0                |
| North Wales Growth Deal Grant*                                | 1,124            |                  |                  | 10,643           |
| Local Energy Grant  | 600              |                  |                  | 186              |
| Local Full Fibre Upgrade Grant                                | 423              |                  |                  | 0                |
| Agri-Food Status Research Grant                               | 19               |                  |                  | 2                |
| Student Placement Grant                                       | 15               |                  |                  | 9                |
|   | 2,414            |                  |                  | 10,840           |
| <b>Other Grants and Contributions</b>                         |                  |                  |                  |                  |
| Partners' Contributions                                       |                  |                  |                  |                  |
| Conwy County Borough Council                                  | 127              |                  |                  | 98               |
| Denbighshire County Council                                   | 121              |                  |                  | 98               |
| Flintshire County Council                                     | 138              |                  |                  | 98               |
| Cyngor Gwynedd  | 129              |                  |                  | 98               |
| Isle of Anglesey County Council                               | 114              |                  |                  | 98               |
| Wrexham County Borough Council                                | 132              |                  |                  | 98               |
| Bangor University   | 64               |                  |                  | 29               |
| Wrexham University  | 41               |                  |                  | 29               |
| Coleg Cambria**   | 28               |                  |                  | 29               |
| Grŵp Llandrillo Menai   | 40               |                  |                  | 29               |
|   | 934              |                  |                  | 704              |
| Cyngor Gwynedd  |                  |                  |                  |                  |
| North Wales Growth Deal Grant                                 | 561              |                  |                  | 714              |
| UK Shared Prosperity Fund                                     | 174              |                  |                  | 885              |
|   | 735              |                  |                  | 1,599            |
| <b>Other</b>  |                  |                  |                  |                  |
| North Wales Corporate Joint Committee                         | 70               |                  |                  | 84               |
| Wrexham County Borough Council – UK Shared Prosperity Fund    | 8                |                  |                  | 174              |
| Betsi Cadwaladr University Health Board and Social Care Wales | 3                |                  |                  | 1                |
| Agri-food Status Research Contributions                       | 0                |                  |                  | 3                |
|   | 81               |                  |                  | 262              |
| <b>Total</b>  |                  | <b>4,164</b>     |                  | <b>13,405</b>    |

\* The North Wales Growth Deal Grant is funded 50% by Welsh Government and 50% by UK Government.

## NOTE 20 – GRANT INCOME (continued)

**20b.** The Joint Committee has received grants, contributions or donations that have yet to be recognised as income as they have conditions attached that could require the monies to be returned to the giver. The balance at the year-end are as follows:

|   | 31 March<br>2024<br>£'000 | 31 March<br>2025<br>£'000 |
|---|---------------------------|---------------------------|
| <b>Grants and Contributions Received in Advance</b> |                           |                           |
| <b>Long Term</b>                                    |                           |                           |
| <b>Capital Grants</b>                               |                           |                           |
| North Wales Growth Deal Grant                       | 29,001                    | 10,793                    |
| <b>Total Long Term</b>                              | <b>29,001</b>             | <b>10,793</b>             |
| <b>Short Term</b>                                   |                           |                           |
| <b>Capital Grants</b>                               |                           |                           |
| North Wales Growth Deal Grant                       | 23,920                    | 30,770                    |
| <b>Revenue Grants and Contributions</b>             |                           |                           |
| Student Placement Grant                             | 8                         | 0                         |
| Agri-Food Status Research Contributions             | 21                        | 17                        |
|   | <hr/> <b>29</b>           | <hr/> <b>17</b>           |
| <b>Total Short Term</b>                             | <b>23,949</b>             | <b>30,787</b>             |
| <b>Total</b>  | <b>52,950</b>             | <b>41,580</b>             |

## NOTE 21 – RELATED PARTIES

The Joint Committee is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Joint Committee or to be controlled or influenced by the Joint Committee. Disclosure of these transactions allows readers to assess the extent to which the Joint Committee might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Joint Committee. To conform to the requirements, this is done by Members and Senior Officers completing a personal declaration, as defined in the CIPFA Code of Practice.

### Function of the Joint Committee

The North Wales Economic Ambition Board's (NWEAB) Joint Committee was established on 1 February 2019 to develop a regional approach to economic growth and to address the challenges and barriers facing the North Wales economy. It covers the six local authority administrative areas of North Wales comprising Gwynedd, Anglesey, Conwy, Denbighshire, Wrexham and Flintshire councils. The Joint Committee also includes the University of Bangor, Wrexham University, Coleg Cambria and Grŵp Llandrillo Menai. In December 2020, the Joint Committee agreed the North Wales Growth Deal with UK Government and Welsh Government securing an investment of £240 million into the North Wales economy as part of the Deal. A Portfolio Management Office has been established to deliver the Growth Deal and the full business case of the first project was approved in December 2021 and is now in its fourth year of delivery.

Summarised below are the payments and income between the Joint Committee, the Local Authorities, Further and Higher Education Establishments and the North Wales Corporate Joint Committee for the 2024/25 financial year. Cyngor Gwynedd has been appointed as host authority for the NWEAB.

|                                       | <b>Payments<br/>made</b><br><b>£'000</b> | <b>Amounts<br/>owed by<br/>the<br/>NWEAB</b><br><b>£'000</b> | <b>Income<br/>Received</b><br><b>£'000</b> | <b>Amounts<br/>owed to<br/>the<br/>NWEAB</b><br><b>£'000</b> |
|---------------------------------------|--|--|--|--|
| Conwy County Borough Council          | 3  | 0  | (98)                                       | 0  |
| Denbighshire County Council           | 12                                       | 0  | (98)                                       | 0  |
| Flintshire County Council             | 5  | 0  | (98)                                       | 0  |
| Cyngor Gwynedd                        | 261                                      | 0  | (1,697)                                    | 0  |
| Isle of Anglesey County Council       | 2  | 0  | (98)                                       | 0  |
| Wrexham County Borough Council        | 0  | 0  | (272)                                      | 0  |
| Bangor University                     | 0  | 582  | (29)                                       | 0  |
| Wrexham University                    | 6,210                                    | 2,850  | (29)                                       | 0  |
| Coleg Cambria                         | 4  | 0  | (29)                                       | 0  |
| Grŵp Llandrillo Menai                 | 0  | 1,002  | (29)                                       | 0  |
| North Wales Corporate Joint Committee | 0  | 4  | (1)  | (83)   |

### Welsh Government

Welsh Government has effective control over the general operations of the Joint Committee, and is responsible for providing the statutory framework and provides the majority of its funding in the form of grants. Grants received from Welsh Government are set out in the subjective analysis in Note 17 which analyses expenditure and income by nature. The position as at 31 March is detailed in Note 20.

### Board Members, Advisers and Officers

Members and advisers of the Joint Committee have influence over the Joint Committee's financial and operating policies.

All Board Members, Advisers and Senior Officers of the Joint Committee have completed declaration forms to declare their interest or relationship in companies, voluntary, charitable or public bodies that have dealings with the Joint Committee.

## NOTE 21 – RELATED PARTIES (continued)

A breakdown of the payments made to these bodies under this heading during 2024/25 and balances at 31 March 2025 is as follows:

| Payments made | Amounts owed by the NWEAB | Income Received | Amounts owed to the NWEAB |
|---------------|---------------------------|-----------------|---------------------------|
| £'000         | £'000                     | £'000           | £'000                     |
| 38            | 19                        | 0               | 0                         |

One of the voting members of the NWEAB is also a member of the Gwynedd Pension Fund Pensions Committee. Details of transactions with the Pension Fund are shown in Note 24.

## NOTE 22 – CAPITAL EXPENDITURE AND CAPITAL FINANCING

The total amount of capital expenditure incurred in the year is shown in the table below (including the value of assets acquired under finance leases), together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the Joint Committee, the expenditure results in an increase in the Capital Financing Requirement (CFR), a measure of the capital expenditure incurred historically by the Joint Committee that has yet to be financed. The CFR is analysed in the second part of this note.

| 31 March<br>2024<br>£'000                | 31 March<br>2025<br>£'000 |
|--|---------------------------|
| 0 Capital Adjustment Account (Note 15.1) | 0                         |
| <b>0 Capital Financing Requirement</b>   | <b>0</b>                  |

The movement in the year is explained as follows:

| 2023/24<br>£'000  | 2024/25<br>£'000 |
|---|------------------|
| <b>0 Capital Financing Requirement 1 April</b>                        | <b>0</b>         |
| 1,547 Funded from capital under statute                               | 10,766           |
| (1,547) Government Grants and other contributions                     | (10,643)         |
| 0 Revenue provision for the financing of supported capital investment | (123)            |
| <b>0 Capital Financing Requirement 31 March</b>                       | <b>0</b>         |

## NOTE 23 – EXIT PACKAGES

There were no exit packages during 2024/25 or 2023/24.

## NOTE 24 – PENSION COSTS

As part of the terms and conditions of employment of its officers and other employees, the Joint Committee makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable until employees retire, the Joint Committee has a commitment to make the payments. These need to be disclosed at the time that employees earn their future entitlement.

The NWEAB participates in two post-employment schemes:

- a) **The Local Government Pension Scheme** administered locally by Cyngor Gwynedd. This is a funded defined benefit scheme based on final salary for service up to 31 March 2014 and based on a career average salary from 1 April 2014. The Joint Committee and the employees pay contributions into the fund, calculated at a level intended to balance the pensions liabilities with investment assets.
- b) **Arrangements for the award of discretionary post-retirement benefits upon early retirement.** This is an unfunded defined benefit arrangement, under which liabilities are recognised when awards are made. However, there are no investment assets built up to meet these pension liabilities, and cash has to be generated to meet actual pensions payments as they eventually fall due.

The Gwynedd Pension Fund is operated under the regulatory framework for the Local Government Pension Scheme and the governance of the scheme is the responsibility of the Pensions Committee of Cyngor Gwynedd. Policy is determined in accordance with the Local Government Pensions Scheme Regulations.

The principal risks to the Joint Committee from the scheme are the longevity assumptions, statutory changes to the scheme, structural changes to the scheme (such as large-scale withdrawals from the scheme), changes to inflation, bond yields and the performance of equity investments held by the scheme. These are mitigated to a certain extent by the statutory requirements to charge the amounts required by statute as described in the accounting policies note to the General Fund.

### Transactions Relating to Post-employment Benefits

The Joint Committee recognises the cost of retirement benefits in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge it is required to make is based on the cash payable in the year, so the real cost of post-employment/retirement benefits is reversed out of the General Fund via the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Fund Balance via the Movement in Reserves Statement during the year.

## NOTE 24 – PENSION COSTS (continued)

| <b>Change in the Fair Value of Plan Assets, Defined Benefit Obligation and Net Liability</b> | <b>Net (liability) /asset</b> |                      |
|--|-------------------------------|----------------------|
|  | <b>31 March 2024</b>          | <b>31 March 2025</b> |
|  | <b>£'000</b>                  | <b>£'000</b>         |
| Fair Value of Plan Assets  | 1,540                         | 1,955                |
| Present Value of Funded Liabilities  | (1,397)                       | (1,551)              |
| Effect of the asset ceiling  | (143)                         | (404)                |
| <b>Opening Position at 1 April</b>   | <b>0</b>                      | <b>0</b>             |
| Service Cost   |                               |                      |
| - Current Service Cost*  | (143)                         | (158)                |
| <b>Total Service Cost</b>  | <b>(143)</b>                  | <b>(158)</b>         |
| Net interest   |                               |                      |
| - Interest Income on Plan Assets   | 79                            | 102                  |
| - Interest Cost on Defined Benefit Obligation  | (71)                          | (81)                 |
| - Interest on the effect of the asset ceiling  | (7)                           | (20)                 |
| <b>Total Net Interest</b>  | <b>1</b>                      | <b>1</b>             |
| <b>Total Defined Benefit Cost Recognised in Profit/(Loss)</b>                                | <b>(142)</b>                  | <b>(157)</b>         |
| Cash flows   |                               |                      |
| - Participants' contributions  | 0                             | 0                    |
| - Employer contributions   | 171                           | 225                  |
| - Benefits paid  | 0                             | 0                    |
| <b>Expected Closing Position</b>   | <b>29</b>                     | <b>68</b>            |
| Remeasurements   |                               |                      |
| - Change in demographic assumptions  | 9                             | 3                    |
| - Change in financial assumptions  | 158                           | 503                  |
| - Other experience**   | (42)                          | 14                   |
| - Return on Assets excluding amounts included in net interest                                | 100                           | (11)                 |
| - Changes in the effect of the asset ceiling   | 150                           | 424                  |
| <b>Total remeasurements recognised in Other Comprehensive Income (OCI)</b>                   | <b>375</b>                    | <b>933</b>           |
| Fair Value of Plan Assets  | 1,955                         | 2,354                |
| Present Value of Funded Liabilities  | (1,551)                       | (1,353)              |
| <b>Closing Position at 31 March</b>  | <b>404</b>                    | <b>1,001</b>         |

\* The current service cost includes an allowance for administration expenses of 0.6% of payroll.

\*\* Within this other experience item, the funded obligations have decreased at 31 March 2025 by £14,000 as a result of the pension increase order being different to the previous assumption. The other experience on 31 March 2024 obligations includes an allowance of £42,000 for the April 2024 pension increase order impact.

## NOTE 24 – PENSION COSTS (continued)

### Pensions assets and liabilities recognised in the Balance Sheet

The amount included in the Balance Sheet arising from the Joint Committee's obligation in respect of its defined benefit plan is as follows:

|   | 31 March 2024<br>£'000 | 31 March 2025<br>£'000 |
|---|------------------------|------------------------|
| Fair Value of Plan Assets   | 1,955                  | 2,354                  |
| Present Value of Funded Obligations                                   | (1,551)                | (1,353)                |
| <b>Sub-total</b>  | <b>404</b>             | <b>1,001</b>           |
| Effect of IAS 19/ IFRIC 14  | (404)                  | (1,001)                |
| <b>Net Asset/ (Liability) Arising From Defined Benefit Obligation</b> | <b>0</b>               | <b>0</b>               |

The actuarial valuation of the Joint Committee's pension scheme liabilities and pensions reserve shown on the Balance Sheet reports a net asset or liability of zero. The Joint Committee's Actuary, Hymans Robertson LLP, determined that the fair value of the Joint Committee's pension plan assets outweighed the present value of the plan obligations at 31 March 2025 resulting in a pension plan asset. IFRIC 14 and IAS 19 Employee Benefits require that, where a pension plan asset exists, it is measured at the lower of:

- The surplus in the defined benefit plan; and
- The asset ceiling, which is capped at £0

The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The Joint Committee's Actuary calculated the asset ceiling as the net present value of future service costs less net present value of future contributions. The calculated asset ceiling for 2024/25 results in greater future service contributions than future service costs so the economic benefit is limited to zero. The Joint Committee relies and places assurance on the professional judgement of the Actuary and the assumptions used to calculate this actuarial valuation.

### The Major Categories of Plan Assets as a Percentage of Total Plan Assets

The Actuary has provided a detailed breakdown of Fund assets in accordance with the requirements of IAS 19. This analysis distinguishes between the nature and risk of those assets, and to further break them down between those with a quoted price in an active market, and those that are not quoted. The asset split for the NWEAB is assumed to be in the same proportion to the Fund's asset allocation as at 31 December 2024. The split is shown in the table below. The actuary estimates the bid value of the Fund's assets as at 31 March 2025 to be £3.18bn based on information provided by the Administering Authority and allowing for index returns where necessary. Only a portion of the Fund is relevant to the NWEAB.

## NOTE 24 – PENSION COSTS (continued)

### Fair Value of Employer Assets

The asset values below are at bid value as required under IAS 19.

| Asset Category                          | At 31 March 2024                |              |                |            | At 31 March 2025                |              |                |            |
|---|---------------------------------|--------------|----------------|------------|---------------------------------|--------------|----------------|------------|
|   | Quoted Prices in Active Markets |              | Total<br>£'000 | %          | Quoted Prices in Active Markets |              | Total<br>£'000 | %          |
|   | £'000                           | £'000        |                |            | £'000                           | £'000        |                |            |
| <b>Private Equity</b>                   |                                 |              |                |            |                                 |              |                |            |
| All                                     | 0                               | 102          | 102            | 5          | 0                               | 127          | 127            | 5          |
| <b>Real Estate</b>                      |                                 |              |                |            |                                 |              |                |            |
| UK Property                             | 0                               | 136          | 136            | 7          | 0                               | 150          | 150            | 6          |
| <b>Investment Funds and Unit Trusts</b> |                                 |              |                |            |                                 |              |                |            |
| Equities                                | 0                               | 1,088        | 1,088          | 56         | 0                               | 1,300        | 1,300          | 55         |
| Bonds                                   | 0                               | 0            | 0              | 0          | 0                               | 692          | 692            | 29         |
| Infrastructure                          | 0                               | 0            | 0              | 0          | 0                               | 69           | 69             | 3          |
| Other                                   | 0                               | 556          | 556            | 28         | 0                               | 0            | 0              | 0          |
| <b>Derivatives</b>                      |                                 |              |                |            |                                 |              |                |            |
| Inflation                               | 0                               | 48           | 48             | 3          | 0                               | 0            | 0              | 0          |
| <b>Cash and Cash Equivalents</b>        |                                 |              |                |            |                                 |              |                |            |
| All                                     | 0                               | 25           | 25             | 1          | 0                               | 16           | 16             | 1          |
| <b>Total</b>                            | <b>0</b>                        | <b>1,955</b> | <b>1,955</b>   | <b>100</b> | <b>0</b>                        | <b>2,354</b> | <b>2,354</b>   | <b>100</b> |

### Basis for estimating assets and liabilities

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, life expectancy and salary levels. Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2023 model, with a 15% weighting of 2023 (and 2022) data, a 0% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long term rate of improvement of 1.5% p.a. for both males and females.

Both the Gwynedd Pension Scheme and Discretionary Benefits liabilities have been estimated by Hymans Robertson, an independent firm of actuaries. Estimates for the Gwynedd Pension Fund were based on the latest full valuation of the scheme as at 31 March 2022. The significant assumptions used by the Actuary in the following table have had a significant impact on the values of the assets and liabilities as follows:

## NOTE 24 – PENSION COSTS (continued)

|  | 31 March 2024 | 31 March 2025 |
|--|---------------|---------------|
| <b>Financial Assumptions</b>   | % p.a.        | % p.a.        |
| Pensions Increase Rate   | 2.75          | 2.70          |
| Salary Increase Rate   | 3.25          | 3.20          |
| Inflation Rate   | 2.75          | 2.70          |
| Discount Rate  | 4.85          | 5.85          |
| Long-term expected rate of return on all categories of assets            | 4.85          | 5.85          |
| <b>Take-up option to convert annual pension into retirement lump sum</b> |               |               |
| for pre-April 2008 service   | 65            | 65            |
| for post-April 2008 service  | 65            | 65            |
| <b>Mortality assumptions</b>   | <b>Years</b>  | <b>Years</b>  |
| Longevity at 65 for current pensioners                                   |               |               |
| Men  | 20.8          | 20.7          |
| Women  | 23.7          | 23.7          |
| Longevity at 65 for future pensioners                                    |               |               |
| Men  | 22.5          | 22.4          |
| Women  | 25.5          | 25.4          |

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. In order to quantify the impact of a change in the financial assumptions used, the Actuary has calculated and compared the value of the scheme liabilities as at 31 March 2025 on varying bases. The approach taken is consistent with that adopted to derive the IAS 19 figures provided in this note.

To quantify the uncertainty around life expectancy, the Actuary has calculated the difference in cost to the Joint Committee of a one-year increase in life expectancy. For sensitivity purposes this is assumed to be an increase in the cost of benefits of broadly 3-5%. In practice the actual cost of a one-year increase in life expectancy will depend on the structure of the revised assumption (i.e. if improvements to survival rates predominantly apply at younger or older ages).

The figures in the table below have been derived based on the membership profile of the Joint Committee as at 31 March 2022, the date of the most recent actuarial valuation. The approach taken in preparing the sensitivity analysis shown is consistent with that adopted in the previous year.

| <b>Impact on the Defined Benefit Obligation in the Scheme</b> | <b>Approximate increase to<br/>Defined Benefit<br/>Obligation</b> | <b>Approximate monetary<br/>amount</b> |                      |
|---|---|--|----------------------|
|   |   | <b>31 March 2025</b>                   | <b>31 March 2025</b> |
|   |   | %                                      | £'000                |
| 0.1% decrease in real discount rate                           | 3   | 42                                     |                      |
| 1 year increase in member life expectancy                     | 4   | 54                                     |                      |
| 0.1% increase in the salary increase rate                     | 0   | 2                                      |                      |
| 0.1% increase in the pension increase rate                    | 3   | 41                                     |                      |

## **NOTE 24 – PENSION COSTS (continued)**

### **Impact on the Joint Committee's Cash Flows**

One of the objectives of the scheme is that employer contributions should be kept at as constant a rate as possible. The Joint Committee has agreed a strategy with the fund's Actuary to achieve a funding level of 100% over the next 17 years. Funding levels are monitored on an annual basis.

The contributions paid by the Joint Committee are set by the Fund Actuary at each triennial valuation, or at any other time as instructed to do so by the Administering Authority. The contributions payable over the period to 31 March 2025 are set out in the Rates and Adjustments certificate. For further details on the approach adopted to set contribution rates for the Joint Committee, please refer to the 2022 actuarial report dated 28 March 2023.

### **Information about the Defined Benefit Obligation**

| <b>Liability Split<br/>31 March 2025</b> |              |              |
|--|--------------|--------------|
|  | <b>£'000</b> | <b>%</b>     |
| Active Members                           | 1,348        | 99.6         |
| Deferred Members                         | 5            | 0.4          |
| Pensioner Members                        | 0            | 0.0          |
| <b>Total</b>                             | <b>1,353</b> | <b>100.0</b> |

The above figures are for funded obligations only and do not include unfunded pensioner liabilities. The durations are effective at the previous formal valuation as at 31 March 2022. As at the date of the most recent valuation, the duration of the Employer's funded obligations is 31 years.

### **Impact in Future Years**

The total contributions expected to be made to the Local Government Pensions Scheme by the Joint Committee in the year to 31 March 2026 is £225k.

As the Actuary's report is based on estimates and due to timing issues, an adjustment of -£1,518 has been made in 2024/25 (£7,328 in 2023/24), to bring the position in the Scheme based on the Actuarial figures in line with the closing position as at 31 March 2025 (before applying any asset ceiling adjustments). This variance has been treated as Actuarial Gains and Losses on Pension Assets and Liabilities.

## **NOTE 25 – EVENTS AFTER THE REPORTING PERIOD**

The Statement of Accounts was authorised by the responsible financial officer on 18 November 2025. Events taking place after this date are not reflected in the financial statements or related notes. Where events taking place before this date provided information about conditions existing at 31 March 2025, the figures in the financial statements and notes have been adjusted in all material respects to reflect its impact. The accounts have been updated since published subject to audit, to incorporate auditor recommendations.

# 2024-2025 Annual Governance Statement

## Introduction

### Ambition North Wales

The Economic Ambition Board partnership was established in 2012 to develop a regional approach to economic growth and to address the challenges and barriers facing the North Wales economy. The partnership which covered the six local authority administrative areas of North Wales comprising the councils of Gwynedd, Anglesey, Conwy, Denbighshire, Wrexham and Flintshire. The partnership also includes Bangor University, Wrexham University, Coleg Cambria and Grŵp Llandrillo Menai.

A Portfolio Management Office was appointed in 2019 to lead on the delivery of the North Wales Growth Deal.

In December 2020, the partnership agreed the North Wales Growth Deal with UK Government and Welsh Government securing an investment of £240million into the North Wales economy as part of the Deal.

In 2021 the Economic Ambition Board endorsed Ambition North Wales as the new brand for the Economic Ambition Board and the North Wales Growth Deal.

On 1st April 2025, the responsibility for delivering the Growth Deal transferred from the Economic Ambition Board to the North Wales Corporate Joint Committee. The Corporate Joint Committee comprises of the six local authorities and the Eryri National Park Authority and has new responsibilities for regional transport and strategic planning as well as a responsibility to enhance and promote the economic well-being of North Wales. The Corporate Joint Committee agreed to adopt the brand of Ambition North Wales.

The governance of the Growth Deal is now overseen by the Economic Wellbeing Sub-Committee of the Corporate Joint Committee. Reference in this document to the Economic Ambition Board relate to decisions taken before 1st April 2025.

## Purpose

The Economic Ambition Board was established by local authority partners as a joint committee in 2019 and is the decision-making body for the North Wales Growth Deal, as well as leading on regional economic collaboration.

Having secured the Growth Deal in December 2020, the partners entered into 'Governance Agreement 2'. This agreement, which is a legally binding document, defines the role and function of the Economic Ambition Board and its use of delegated powers. It also outlines the decision-making structures and democratic accountability.

The North Wales Corporate Joint Committee is a corporate body established by the North Wales Corporate Joint Committee Regulations 2021, the "Establishment Regulations". The Corporate Joint Committee has a duty to prepare and publish a Constitution, the Constitution was first published on the 1st April 2025 and will be reviewed and amended as necessary. The Constitution describes how the Corporate Joint Committee is made up, and its role, functions, membership and procedural rules.

As part of the transfer to the Corporate Joint Committee the partners entered into an "Agreement in relation to the delivery of the North Wales Growth Deal by the North Wales Corporate Joint Committee". This agreement brings 'Governance Agreement 2' to an end. This new agreement sits alongside the governance of the Corporate Joint Committee and the Growth Deal documents in order to achieve the continued implementation of the Growth Deal.

The Growth Deal's governance arrangements enable decisions to be made in an open and transparent way for the benefit of the whole of the region. While the Economic Ambition Board (up until 31 March 2025) then the Economic Well-being Sub-Committee (post 1<sup>st</sup> April 2025) acts as the decision-making body for the Growth Deal, there are strong links both formal and informal to the Welsh and UK Governments as funders of the Deal.

Ambition North Wales has adopted a delivery model based on a best practice approach to portfolio, programme and project management. This approach is an integrated way of meeting an organisation's ambition, driving better decisions and increasing the likelihood of successful outcomes.

## North Wales Growth Deal

The aim of the Growth Deal is to build a more vibrant, sustainable, and resilient economy in North Wales. Building on the region's strengths to boost productivity and tackling long term challenges and economic

barriers to deliver inclusive growth. The approach is to promote growth in a scalable, inclusive, and sustainable way in line with Wellbeing of Future Generations (Wales) Act 2015.

The Growth Deal aims to bring over £1 billion of investment to North Wales in order to generate over 4,000 new jobs and an increase in GVA of £2.4 billion. The UK and Welsh governments have committed to jointly investing £240 million capital over a 15-year period, with the remainder leveraged from private and public sources.

The desired outcomes of this investment are to be delivered through the delivery of a portfolio of five separate programmes which:

- build on our regional strengths in manufacturing and low carbon energy
- target digital innovation and infrastructure to better connect the region
- invest in key sites and premises for the developer market
- enable innovation to boost productivity
- support our key industries in tourism and agriculture to develop for the future.

## **Growth Deal Programmes**

The five programmes are

- Low Carbon Energy,
- Agri-food and Tourism,
- Innovation in High-Value Manufacturing,
- Digital Connectivity,
- Land and Property.

# Governance Framework

Ambition North Wales has an established governance framework based on best practice. Governance Agreement 2 (pre 31<sup>st</sup> March 2025) and “Agreement in relation to the delivery of the North Wales Growth Deal by the North Wales Corporate Joint Committee” (post 1<sup>st</sup> April 2025) defines the functions, powers and accountability structures for the Board/Sub-Committee and the North Wales Growth Deal. The North Wales Growth Deal has an adopted portfolio, programme and project management structure and have developed a project management framework to underpin the delivery of the North Wales Growth Deal.

The Governance Framework comprises of the systems, processes, cultures and values by which the Board/Sub-Committee is directed and controlled and also the way it accounts to, engages with and leads the Region. It enables the Board/Sub-Committee to monitor the achievement of its strategic objectives and to consider whether those objectives are/have led to the delivery of appropriate, relevant, value for money projects.

The system of internal control is a significant part of that framework and is designed to manage risk to an appropriate level. It aims to identify and prioritise the risks to the achievement of Ambition North Wales’ policies, aims and objectives. It evaluates the likelihood and impact of identified risks being realised and to manage individual risks appropriately.

Ambition North Wales has adopted and implemented a code of Corporate Governance based on the Framework ‘Delivering Good Governance in Local Government’ published by the Chartered Institute of Public Finance and Accountancy (CIPFA) and Society of Local Authority Chief Executives and Senior Managers (SOLACE).

The governance framework described above has been in place at Ambition North Wales for the year ending 31 March 2025 and remains applicable up to the date of the approval of the Statement of Accounts.

This section sets out how Ambition North Wales delivers against the seven fundamental principles of corporate governance as set out by CIPFA/SOLACE:

## **1. Integrity and Values**

Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.

- The expectations of the Portfolio Management Office, Committee Members and the Accountable Body are set out within the ‘Governance Agreement 2’, ‘Agreement in relation to the delivery of the North Wales Growth Deal by the North Wales Corporate Joint Committee’ and the Constitution. The Agreements and Constitution set out the procedure for meetings, decision making structures, democratic accountability, delegations’ policy, scrutiny arrangements and includes the Code of Conduct.

- A conflict of interest policy is in place covering the Growth Deal, specifically for the portfolio, programme and project boards. Portfolio Management Office staff and representatives on the Economic Ambition Board (pre 31<sup>st</sup> March 2025), Committees (post 1<sup>st</sup> April 2025), Portfolio Board, Business Delivery Board (pre 31<sup>st</sup> March 2025), Programme and Project Boards are all required to complete a Conflict of Interest form annually. Individual and organisational interest should be declared. Declarations of interest is a standing item on the agenda of the Committees, Economic Ambition Board, Portfolio Board, Business Delivery Board and all Programme and Project Boards.
- Internal and External audit arrangements are in place.
- As required by the Local Government (Wales) Measure 2011, and outlined in the Constitution, the Corporate Joint Committee must establish a sub-committee known as the Governance and Audit Sub-Committee. The membership shall consist of 9 members, 6 of whom shall be elected members drawn from and nominated by the Governance and Audit Committees of each of the 6 Constituent Councils and 3 of whom shall be Lay Members. This Sub-Committee will be established during 2025/26.
- All reports to the Economic Ambition Board, Corporate Joint Committee and Sub Committees include comments by legal/finance statutory officers, or their deputies, prior to publication.
- The Monitoring Officer ensures compliance on all decisions undertaken by the Economic Ambition Board, Corporate Joint Committee and Sub Committees.
- Scrutiny arrangements are in place with all 6 local authorities.
- Outlined in the Constitution, the Corporate Joint Committee must establish a sub-committee known as the Joint Overview and Scrutiny Committee, playing a vital role in ensuring transparency and accountability within the Corporate Joint Committee's operations. This Sub-Committee will be established during 2025/26.
- The Portfolio Management Office have developed and committed to a set of values for the team:
  - to be ambitious
  - to work collaboratively
  - to do the right thing
  - to make a difference.

## 2. Openness and engagement

Ensuring openness and comprehensive stakeholder engagement.

- The Economic Ambition Board, Corporate Joint Committee and its Sub Committee meetings are public meetings with the publication of agendas, papers and minutes. These are currently available on the website of Cyngor Gwynedd, which was the host authority of the Economic Ambition Board up to 31 March 2025.

- The decision-making process is outlined within Governance Agreement 2 and the Constitution.
- Reports relating to the Growth Deal and economic well-being are discussed by the Portfolio Board before submission to the Economic Ambition Board/Economic Well-being Sub-Committee. Where appropriate consultation takes place with Programme and Project Boards, Governments and key stakeholders.
- The scrutiny arrangements allow participation from the members of all six local authorities.
- The Portfolio Management Office promotes Ambition North Wales and encourages engagement with the wider community of North Wales as outlined with the Communications Strategy.

### **3. Making a difference**

Defining outcomes in terms of sustainable economic, social, and environmental benefits.

- Ambition North Wales have a clear vision in place; “To build a more vibrant, sustainable and resilient economy in North Wales.”
- Ambition North Wales have a Carbon emissions and biodiversity Statement and Methodology.
- A benefits realisation framework has been developed to support the delivery of the Growth Deal.
- The Portfolio Management Office presents quarterly and annual progress reports to both Governments, the Economic Ambition Board/Economic Well-being Sub-Committee and local authority Scrutiny Committees.

### **4. Making sure we achieve what we set out to do**

Determining the interventions necessary to optimise the achievement of the intended outcomes.

- Ambition North Wales have appointed a Portfolio Management Office to ensure the delivery of the Growth Deal.
- A Senior Responsible Officer has been appointed for the Growth Deal Portfolio.
- Senior Responsible Officers have been appointed to each Growth Deal Programme and Project.
- The Growth Deal Portfolio is supported by a detailed Portfolio Business Case.
- All Programmes are supported by detailed business cases.
- All Projects are required to submit detailed business cases.
- All business cases are developed in line with the Better Business Case guidance.
- A Streamlined Assurance and Approval Process for business cases has been developed by Ambition North Wales, and agreed with the Sub-Committee and both Governments. The aim is to streamline processes and speed up delivery and a more flexible and tailored approach to be implemented.

## **5. Valuing our people; engaging, leading and supporting**

Developing capacity and the capability of leadership and individuals.

- Ambition North Wales ensures that the Portfolio Management Office officers have the correct skills and knowledge to fulfil their roles effectively. To ensure this the Portfolio Management Office provides a comprehensive induction for all new officers as well as providing job related training.
- The governance structure includes a Business Delivery Board. The Business Delivery Board Chair was an advisor to the Economic Ambition Board until 31<sup>st</sup> March 2025. During 2025 Ambition North Wales will establish a new Business Advisory Board, with the Chair and Vice Chair taking roles as Non-Executive Advisors.
- Governance Agreement 2 (for pre 31<sup>st</sup> March 2025) and the Constitution (post 1<sup>st</sup> April 2025) sets out clearly the roles and responsibilities of members, advisers and officers.
- Regular Portfolio Board and Committee meetings are held.

## **6. Managing risks, performance and finance**

Managing risks and performance through robust internal control and strong public financial management.

- A Risk Management Plan is in place, with quarterly Growth Deal Performance and Risk Reports presented to the Portfolio Board and the Economic Ambition Board/Economic Well-being Sub-Committee.
- The Portfolio, Programmes and Projects complete Risk Profile Assessments in advance of any assurance activity.
- The Portfolio Business Case and Programme Business Cases are updated and approved on an annual basis.
- The Accountable Body's Section 151 Officer presents quarterly Financial Reports to the Portfolio Board, the Economic Ambition Board/Sub-Committee, and the Corporate Joint Committee.
- The Annual Budget is set jointly by Cyngor Gwynedd (as the Host Authority) Finance Team and the Portfolio Management Office. The Annual Budget is agreed by the Economic Ambition Board/Corporate Joint Committee. Robust financial management processes are in place.
- Ambition North Wales is subject to internal audits by the host authority up to 31 March 2025. From 1 April 2025 internal audit is provided by Cyngor Gwynedd on a contractual basis. The external auditors are Audit Wales.
- Annual Audit reports are submitted by Audit Wales to the Economic Ambition Board/Corporate Joint Committee.
- During 2025, the Corporate Joint Committee will establish a sub-committee known as the Governance and Audit Sub-Committee as required by the Local Government (Wales) Measure 2011. The Committee

will oversee the Corporate Joint Committee's financial affairs, risk management, internal control, performance management and corporate governance arrangements.

## **7. Good transparency and accountability**

Implementing good practices in transparency, reporting, and audit to deliver effective accountability.

- The Portfolio Management Office has developed an Integrated Assurance and Approval Plan, Monitoring and Evaluation Plan and Portfolio Business Plan.
- The Economic Ambition Board, Corporate Joint Committee, and Sub Committees meeting papers are published on the website of Cyngor Gwynedd (as Host Authority prior to 31 March 2025 and subsequently the contacted provider of Democratic Services) as well as Ambition North Wales' website. This includes quarterly performance and risk reports.
- Ambition North Wales have an annual Portfolio and Programme Project Assessment Review (PAR) focussing on the delivery of the Growth Deal.
- Quarterly meetings with Welsh Government and UK Government.
- Projects have assurance reviews throughout the life of the projects.
- Implementation of Internal Audit and Audit Wales recommendations.
- The Economic Ambition Board have adopted the Code of Corporate Governance based on CIPFA framework.

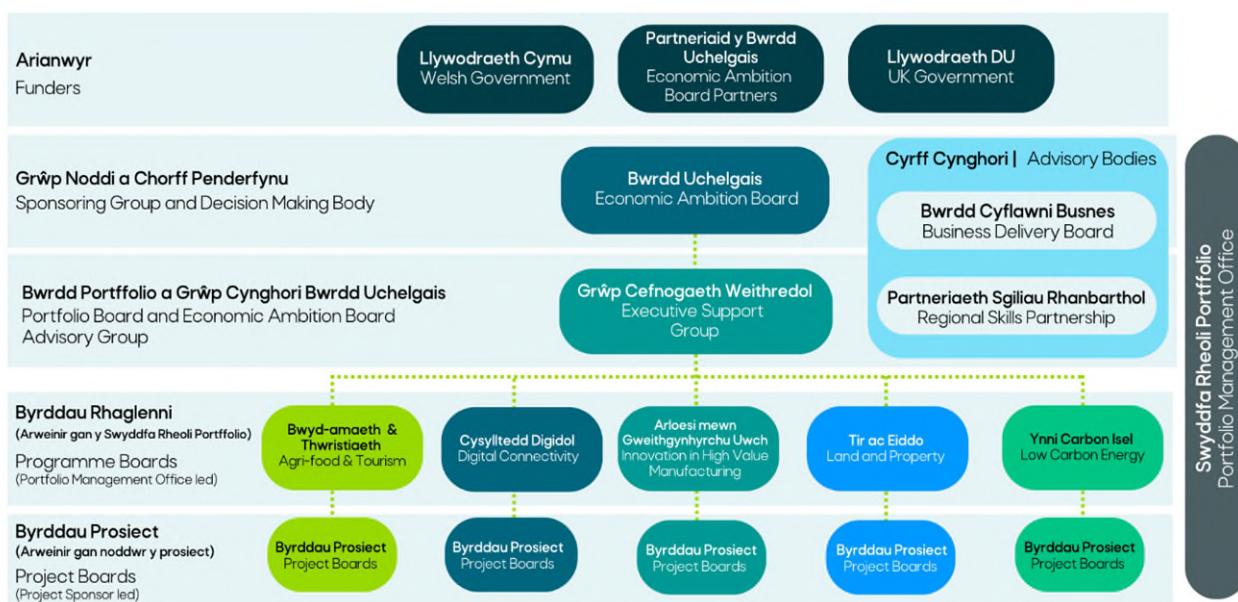
# Growth Deal Governance

Ambition North Wales has developed a Project Management Framework that sets out how an Ambition North Wales project is to be directed, managed, defined and communicated.

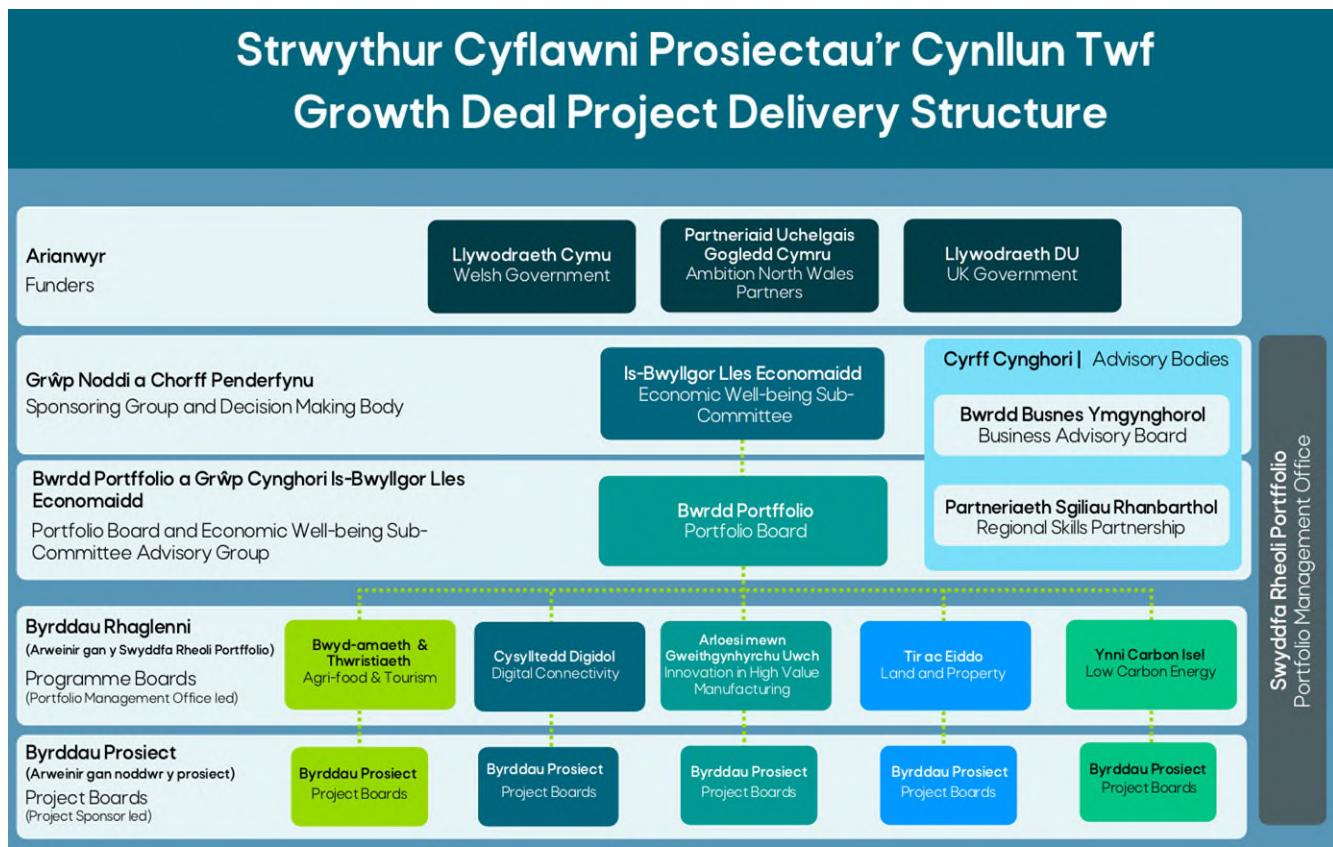
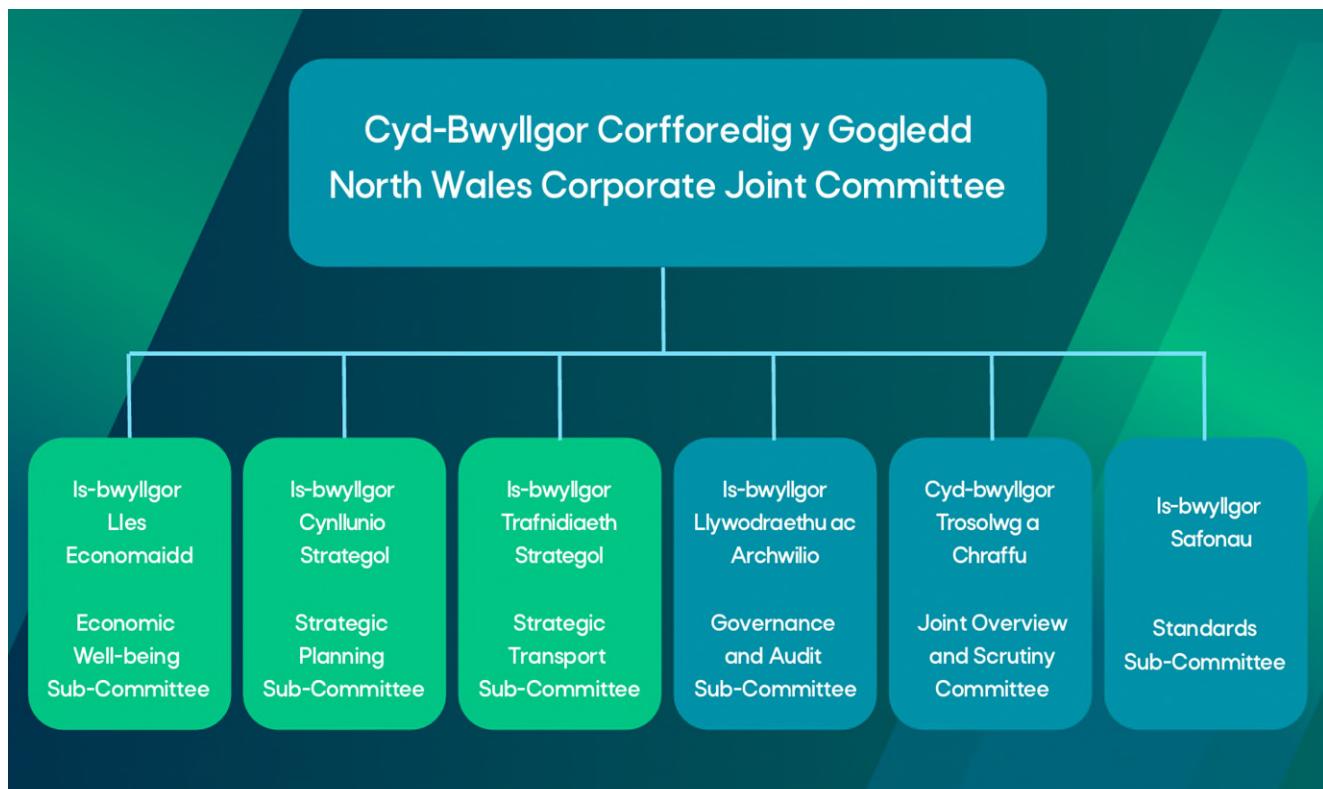
The Framework provides a best-practice approach that will help achieve co-ordination across the organisation's projects by adopting a single method so they are executed in the same manner, thus providing consistency, continuity and clarity in the approach, communication and products created. This Framework is aligned with HM Government project guidance with methods tailored to meet Ambition North Wales' requirements.

The diagram below provides a visual overview of the framework:

Up until 31<sup>st</sup> March 2025:



From 1<sup>st</sup> April 2025:



All Ambition North Wales projects' business cases are developed in line with the 'Better Business Cases' guidance and the Five Case model developed by Welsh Government and HM Treasury as well as HM Treasury's Green Book guide. Business cases are subject to independent Gateway Reviews by Welsh Government Integrated Assurance Hub, at all key decision points, in line with Cabinet Office Gateway Process. Sponsor procurement arrangements are scrutinised as part of this process.

Ambition North Wales has a Conflict of Interest policy, which sets out the guidelines and procedures for identifying, monitoring and controlling cases, whether they are real or potential. In line with the policy, the process mandates every individual to declare their interests in a pro forma register, and evidence of this was seen. A description, together with the details of any contact attached to the programmes with which it relates, is recorded, and the pro forma is signed and kept on the portfolio office records. Elected members and advisers were subject to these arrangements in respect of conflict of interests through their code of conduct or the equivalent arrangements in Governance Agreement 2 (pre 31<sup>st</sup> March 2025) and the Constitution (post 1<sup>st</sup> April 2025).

The funding agreement between Ambition North Wales and the main project sponsors encompasses conflicts of interest as well as the need to procure in a transparent, competitive and sustainable manner.

## **Significant Governance Issues**

There were no significant governance issues within the year.

## Assurance

The Portfolio Management Office worked with the Welsh Government Assurance Hub to develop an Integrated Assurance and Approval Plan (IAAP) that sets out the assurance activities that will be undertaken at portfolio, programme and project level for the North Wales Growth Deal.

As part of the IAAP, assurance activities will take place across all levels of the Growth Deal – portfolio, programme and project. The North Wales Growth Deal will utilise the pre-defined Gateway 0-5 and flexible Project Assessment Reviews (PAR) as appropriate and proportionate.

The North Wales Growth Deal IAAP covers the portfolio, programmes and projects.

The portfolio, five programmes and projects within the North Wales Growth Deal will be required to complete Risk Profile Assessments (RPA) in advance of any assurance activity taking place.

It has been agreed with the Welsh Government Integrated Assurance Hub that there will be an annual Portfolio and Programme Project Assessment Review (PAR) focusing on the delivery of the Growth Deal.

At project level while the exact nature and timing of reviews will be agreed between the Portfolio Management Office, the Welsh Government Integrated Assurance Hub and the Project SRO, the following principles are to be applied:

- Project assurance reviews will take place throughout the life of the project at pre-agreed stages, including before key decision points. The level of assurance may vary per project, but would include a minimum of two external Gateway reviews per project, including a Gateway 2 review and a benefits realisation review. The rationale for the proposed approach is set out below:
  - Project Gateway 1 (SOC) – Only required for new projects or those currently at concept stage due to the approved Programme Business Case. All other projects to produce combined SOC/OBC for Gateway 2.
  - Project Gateway 2 (OBC) – Required for all projects within the Growth Deal.
  - Project Gateway 3 (FBC) – Decision on whether Gateway 3 is required on a project by project basis. Agreed between Portfolio Management Office and Welsh Government Integrated Assurance Hub taking into account recommendations from Gateway 2.
  - Project Gateway 4 (Implementation) – Portfolio Management Office decision on whether Gateway 3 is required on a project by project basis.
  - Project Gateway 5 (Benefits Realisation) – Required for all projects within Growth Deal.

- Project Assessment Review (PAR) – may be used in place of Gateway 1-5 where the Portfolio Management Office in consultation with the Welsh Government Assurance Hub consider it a more appropriate review mechanism.
- Consequential Assurance Reviews may be required following a Gateway Review where a project receives an Amber/Red or Red delivery confidence assessment, or when issues or concerns are raised in between the traditional Gates 1-5.

In 2025, a Streamlined Assurance and Approval Process was approved. The aim of the process is to move projects into delivery quicker by adopting a risk-based approach to business case requirements and Gateway Reviews.

As part of the streamlined process, projects will still be required to produce business cases in line with Better Business Case guidance and economic appraisals in line with the Green Book. However, a more flexible and tailored approach will be implemented:

- Increased use of single stage business cases:

- Business Justification Case+

Business Justification Cases+ are shorter business cases completed in line with government guidance but with additional content on procurement, finance and economic impact to enable assessment against Growth Deal requirements.

These business cases would be utilised in the following scenarios:

- For all projects under £10m total investment unless deemed high risk by the PMO.
- For projects under £25m where Growth Deal contribution represents less than 25% of the total investment unless deemed high risk by the PMO.
- For any other projects where a decision is required within a fixed timescale to enable delivery to commence within 12 months subject to agreement with UK/WG officials.

- Single Stage FBC

Single stage FBCs can be presented for projects that do not meet the BJC+ criteria in the following circumstances:

- Where procurement has been completed already in line with ANW requirements.
    - Where an investment decision is required within a fixed timescale to enable delivery to commence within 12 months.

- In all other cases, the traditional OBC-FBC route would be used.

The Growth Deal committed as part of the Final Deal Agreement that every project would undertake Gateway 2 (OBC) and Gateway 5 (Benefits Realisation) reviews. This is in addition to a Portfolio/Programme PAR assurance review that takes place annually. Given the number of programmes/projects within the Growth Deal this is not considered to be a sustainable position and the assurance requirements including time/resources/cost can add considerable delays into the process.

The streamlined process is for a more risk-based approach that mirrors the internal approach of government allowing reviews to be targeted at the highest risk projects where they can make the greatest impact.

Projects complete the required Risk Potential Assessment (RPA) form with the PMO and submit to Welsh Government Assurance Hub for review. Projects with an overall summary assessment of 'Low Risk' or 'Medium Risk' would not be required to undertake a Gateway 2 Review or equivalent.

This aligns with the criteria used to determine which projects can use the streamlined BJC+ or single stage FBC business case routes.

All projects are still required to undertake Gateway 5 Benefits Realisation reviews.

The table below provides a high-level summary of the most recent Gateway Reviews undertaken for the North Wales Growth Deal:

**Summary of recent North Wales Growth Deal Gateway Reviews**

|  | Type of Review                  | Date           | Delivery Confidence Assessment |
|--|---------------------------------|----------------|--------------------------------|
| <b>Portfolio and Programme Reviews</b> |                                 |                |                                |
| North Wales Growth Deal                | Portfolio and Programme PAR     | September 2023 | AMBER/RED                      |
| North Wales Growth Deal                | Assurance of Action Plan Review | December 2023  | AMBER/GREEN                    |
| North Wales Growth Deal                | Portfolio and Programme PAR     | October 2024   | RED                            |
| <b>Project Reviews</b>                 |                                 |                |                                |
| Holyhead Gateway                       | Gateway 2                       | June 2023      | AMBER**                        |
| Centre for Environmental Biotechnology | Gateway 2 PAR                   | September 2023 | AMBER                          |
| Cydneth (Morlais)                      | Gateway 2                       | September 2023 | AMBER                          |
| Deeside Anaerobic Digestion Plant      | Gateway 2/3                     | November 2023  | AMBER                          |
| Connected Key Sites and Corridors      | Gateway 2                       | November 2023  | AMBER                          |
| Holyhead Hydrogen Hub                  | Gateway 2                       | March 2024     | AMBER/GREEN                    |
| Former North Wales Hospital            | Gateway 3                       | April 2024     | AMBER                          |
| Connected Campuses                     | Gateway 2                       | May 2024       | AMBER                          |
| Parc Bryn Cegin                        | Gateway 2                       | September 2024 | AMBER                          |
| Responsible Adventure                  | Gateway 2                       | November 2024  | AMBER                          |

\* AAP - Assurance of Action Plan Review. This is a follow up review to confirm sufficient progress has been made addressing the recommendations of the initial review where a Red or Amber-Red rating was given.

\*\* The review team highlighted a significant consenting risk outside the projects control relating to the Harbour Revision Order. This has since been approved by Welsh Government, removing the risk.

# Audit

## Internal and External Audit Arrangements

Cyngor Gwynedd provide internal audit services for Ambition North Wales and audit reports in relation to the Board/Committee shall be considered in accordance with its usual rules and practices. Internal Audit will undertake their work in accordance as far as is practicable with the Public Sector Internal Audit Standards and the Local Government Application Note for the United Kingdom Public Sector Internal Audit Standards. For the avoidance of doubt an annual internal audit report shall be submitted by the Accountable Body Audit Manager to the Economic Ambition Board/Corporate Joint Committee. .

External Audit services are provided through Audit Wales who will review and comment the financial aspects of Corporate Governance which include the legality of financial transactions, financial standing, systems of Internal Financial Control and standards of financial conduct and fraud and corruption.

## Risk Management

Ambition North Wales has adopted a Risk and Issues Framework for the delivery of the North Wales Growth Deal. The Framework sets out how risks and issues will be managed at the appropriate level across the portfolio with clear escalation processes in place.

The Portfolio's approach to risk management is outlined in the Growth Deal Risk and Issues Management Strategy and User Guide. This document defines and articulates the risk management principles, concepts, structures, processes, tools and associated roles and responsibilities implemented to ensure that risks to Programme objectives are effectively managed.

The key principles and concepts outlined in this strategy are drawn from OGC Management of Risk literature. These principles and concepts have been appropriately tailored to the requirements of the North Wales Growth Deal.

The Risk and Issues Management Strategy is owned by the Portfolio Management Office and stored in their document management system. Each project will be required to set out their risk management strategy as part of the project business cases.

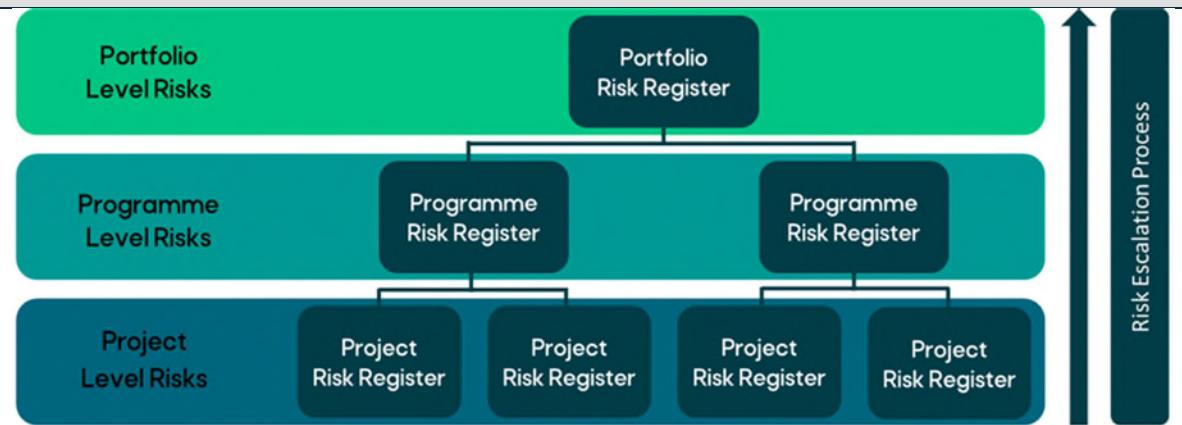
The Strategy sets out the three levels of risk associated with the delivery of the Growth Deal with a clear escalation process in place between the three levels.

**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.

**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.

**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.

Figure 1.1 Risk Escalation Process



Source: Ambition North Wales

## Summary and Conclusion

The governance and assurance arrangements in place are robust, transparent and based on best practice. As the Growth Deal matures and enters the delivery phase, it is important that the arrangements and processes are continuously reviewed and adapted to maintain best fit with the relevant phase of the Deal. It will become increasingly important to ensure flexibility and agility within the agreed processes to continue with progressing the existing projects along with reserve list projects into delivery.

During the transition into the North Wales Corporate Joint Committee and its new governance structure, the arrangements and processes have been adapted to ensure continuity, accountability and effective oversight. The Corporate Joint Committee, through its Economic Wellbeing Sub-Committee, now provides the framework for governance, ensuring that the Growth Deal continues to be delivered with integrity, transparency and in the best interests of the region.

Ambition North Wales remains committed to maintaining strong governance and assurance arrangements, and to keeping these under regular review so that they continue to support collaboration, value for money, and the successful delivery of the North Wales Growth Deal.

**Signed on behalf of Ambition North Wales**

 M

Councillor Mark Pritchard  
Chair of the Corporate Joint Committee

 Alwen Williams

Alwen Williams  
Chief Executive

# Proposed Audit Report

## The report of the Auditor General for Wales to the members of North Wales Corporate Joint Committee

### Opinion on financial statements

I have audited the financial statements of North Wales Economic Ambition Board Joint Committee for the year ended 31 March 2025 under the Public Audit (Wales) Act 2004.

North Wales Economic Ambition Board Joint Committee's financial statements comprise the Expenditure and Funding Analysis, the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement and the related notes, including the material accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2024-25.

In my opinion, in all material respects, the financial statements:

- give a true and fair view of the financial position of North Wales Economic Ambition Board Joint Committee as at 31 March 2025 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2024-25.

### Basis of opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of financial statements and regularity of public sector bodies in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report.

My staff and I are independent of the North Wales Economic Ambition Board Joint Committee in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

I note that the North Wales Economic Ambition Board formally ceased operations on 31 March 2025, with its functions and services transferred to the North Wales Corporate Joint Committee. In line with Practice Note 10, the continued provision of service approach applies in the public sector context, whereby the going concern basis remains appropriate if the underlying services are expected to continue, even if the entity itself ceases to operate.

My responsibilities and the responsibilities of the responsible financial officer with respect to going concern are described in the relevant sections of this report.

## **Other Information**

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The Responsible Financial Officer is responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

## **Opinion on other matters**

In my opinion, based on the work undertaken in the course of my audit:

- the information contained in the Narrative Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2024-25; and
- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with guidance.

## **Matters on which I report by exception**

In the light of the knowledge and understanding of North Wales Economic Ambition Board Joint Committee and its environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report or the Governance Statement.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- I have not received all the information and explanations I require for my audit;
- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team; or
- the financial statements are not in agreement with the accounting records and returns.

## **Responsibilities of the responsible financial officer for the financial statements**

As explained more fully in the Statement of Responsibilities for the Statement of Accounts, the responsible financial officer is responsible for:

- the preparation of the statement of accounts which give a true and fair view and comply with proper practices;
- maintaining proper accounting records;
- internal controls as the responsible financial officer determines is necessary to enable the preparation of statements of accounts that are free from material misstatement, whether due to fraud or error;
- assessing the North Wales Economic Ambition Board Joint Committee's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible financial officer anticipates that the services provided by the North Wales Economic Ambition Board Joint Committee will not continue to be provided in the future.

## **Auditor's responsibilities for the audit of the financial statements**

My responsibility is to audit the financial statements in accordance with the Public Audit (Wales) Act 2004.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- enquiring of management, the Head of Internal Audit, Cyngor Gwynedd and those charged with governance, including obtaining and reviewing supporting documentation relating to North Wales Economic Ambition Board Joint Committee's policies and procedures concerned with:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in management override;
- obtaining an understanding of North Wales Economic Ambition Board Joint Committee's framework of authority as well as other legal and regulatory frameworks that North Wales Economic Ambition Board Joint Committee operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of North Wales Economic Ambition Board Joint Committee; and
- obtaining an understanding of related party relationships.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management and North Wales Economic Ambition Board Joint Committee about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments;
- assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and
- evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the North Wales Economic Ambition Board Joint Committee's controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

### **Other auditor's responsibilities**

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

### **Certificate of completion of audit**

I certify that I have completed the audit of the accounts of North Wales Economic Ambition Board Joint Committee in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Auditor General for Wales' Code of Audit Practice.



Adrian Crompton  
Auditor General for Wales  
1 December 2025

1 Capital Quarter  
Tyndall Street  
Cardiff, CF10 4BZ

The maintenance and integrity of Cyngor Gwynedd's website is the responsibility of the Head of Corporate Services and the Head of Operations for Ambition North Wales' website; the work carried out by auditors does not involve consideration of these matters and accordingly auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

## **Glossary**

**Actuarial Gains and Losses** - For a defined benefit pension scheme, the changes in actuarial surpluses that arise because events have not coincided with the actuarial assumptions made for the last valuation (experience gains and losses) or the actuarial assumptions have changed.

**Asset** - Items of worth that are measurable in terms of value.

- A current asset will be consumed or will cease to have material value within the next financial year.
- A non-current asset provides benefit to the Joint Committee and to the services it provides for a period of more than one year.

**Balances (or Reserves)** - These represent accumulated funds available to the Joint Committee. Some balances (reserve) may be earmarked for specific purposes for funding future defined initiatives or meeting identified risks or liabilities.

**Capital Adjustment Account** - A reserve set aside from revenue resources or capital receipts to fund capital expenditure or the repayment of external loans and certain other capital financing transactions.

**Capital Expenditure** - Expenditure on the procurement of a non-current asset, which will be used in providing services beyond the current accounting period or expenditure that adds to, and not merely maintains, value of an existing non-current asset.

**Capital Financing** - Funds obtained to pay for capital expenditure. There are various methods of financing capital expenditure including borrowing, leasing, direct revenue financing, usable capital receipts, capital grants, capital contributions, revenue reserves and earmarked reserves.

**CIPFA (Chartered Institute of Public Finance and Accounting)** - The professional institute for accountants working in the public sector.

**Creditors** - Amounts owed by the Joint Committee for work done, goods received or services rendered, for which payments have not been made by the end of that accounting period.

**Current Service Cost** - The increase in the present value of a defined benefit pension scheme's liabilities expected to arise from employee service in the current period.

**Debtors** - Amount owed to the Joint Committee for work done, goods received or service rendered within the accounting period, but for which payment has not been received by the end of that accounting period.

**Defined Benefit Scheme** - A pension or other retirement benefit scheme other than a defined contribution scheme.

**Defined Contribution Scheme** - A pension or other retirement benefit scheme into which an employee pays regular fixed contributions as an amount or as a percentage of pay, and will have no legal or constructive obligation to pay further contributions if the scheme does not have sufficient assets to pay all employees benefits relating to the employee Service in the current and prior periods.

**Depreciation** - A measure of the cost of the economic benefits of the tangible fixed assets consumed during the period.

**Fair Value** - The price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

**General Fund** - This is the main revenue fund of the Joint Committee and it includes the net cost of all services financed by partners' contributions and Government grants.

**International Financial Reporting Standards (IFRS)** - A suite of accounting standards used across the world. They must be applied by all reporting entities to all financial statements in order to provide a true and fair view of the entity's financial position, and a standardised method of comparison with financial statements of the other entities.

**Liability** - Amounts due to individuals or organisations which will have to be paid at some time in the future.

**Related Parties** - Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions.

# Audit of Accounts Report – North Wales Economic Ambition Board Joint Committee

Audit year: 2024-25

Date issued: October 2025

Document reference 5111A2025



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For further information, or if you require any of our publications in an alternative format and/or language, please contact us by telephone on 029 2032 0500, or email [info@audit.wales](mailto:info@audit.wales).

We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

Mae'r ddogfen hon hefyd ar gael yn Gymraeg. This document is also available in Welsh.

# Introduction



I am pleased to share my Audit of Accounts Report for the North Wales Economic Ambition Board Joint Committee (the Joint Committee), covering the final year of its operations prior to the transfer of its functions to the North Wales Corporate Joint Committee on 1 April 2025.

The Report summarises the main findings from my audit of your 2024-25 accounts. My team have already discussed these findings with the Deputy Section 151 officer.

My team have substantially completed the audit work as set out in my Audit Plan dated July 2025.

Since my Audit Plan, I have updated materiality to reflect the 2024-25 accounts. I have not identified any new audit risks. My response to previously identified risks is set out in **Appendix 1**.

I am required to provide an opinion on whether the accounts have been properly prepared, and give a true and fair view, in all material aspects. My proposed audit opinion and basis for it is outlined on page 15.

It is the responsibility of the those charged with governance, i.e. the North Wales Corporate Joint Committee, to address any matters raised in my report and provide me with a Letter of Representation.

I would like to extend my gratitude to the officers and staff of the Joint Committee for their cooperation throughout the audit process which has been invaluable in completing this audit effectively.

# Your audit at a glance



We intend to issue an **unqualified opinion** on the accounts

See [Appendix 4](#)



There are no **other significant matters** to report.

See [Audit findings](#)



There is one **uncorrected misstatement** in the accounts which we wish to draw to your attention.

See [Audit findings](#)



We are aiming to certify your accounts on **1 December** following approval of the accounts at the North Wales Corporate Joint Committee on **28 November 2025**. This falls after the statutory deadline of 31 October, which could not be met due to the timing of the Committee meeting.

# Materiality

I use professional judgement to set a materiality threshold to identify and correct misstatements that could affect users' decisions, considering both financial errors and disclosure requirements according to the applicable accounting framework and laws. My team updates materiality throughout the audit and I include in this report matters that exceed my reporting threshold, as set out below:

| Materiality   | Reporting threshold (trivial) |
|---|-------------------------------|
| Set at 2% of gross expenditure based upon 2024-25 draft financial statements. | Set at 5% of materiality.     |
| <b>£271,000</b>   | <b>£14,000</b>                |

There are some areas of the accounts that may be of more importance to the user of the accounts. We confirm lower materiality levels for these:

|  |   |
|--|---|
| <b>Senior Officer Remuneration</b><br>£1,000 | <b>Related party disclosures (individuals)</b><br>£10,000 |
|--|---|

# Audit Findings

## Misstatements

A misstatement arises where information in the accounts is not in accordance with accounting standards.

### Uncorrected misstatements

We set out below the one misstatement we identified in the accounts, which has been discussed with management but remains uncorrected. We request that this misstatement be corrected.

If you decide not to correct this misstatement, we ask that you provide us with the reasons in writing for not correcting it:

- We identified an issue with a creditor transaction relating to support services received from a company which failed our testing. Although the accrual covered services for February and March 2025, confirmation from the supplier indicated that service delivery extended into the 2025-26 financial year. As the company was unable to estimate the portion delivered in 2024-25, the full sample value of £57,066.67 was deemed misstated. Extended testing did not identify similar issues.

### Corrected misstatements

During our audit, we identified misstatements that have been corrected by management, but which we consider should be drawn to your attention.

These are set out in **Appendix 2**.

## Other significant issues

International Standard on Auditing 260 requires us to communicate with those charged with governance. We must tell you significant findings from the audit and other matters if they are significant to your oversight of the Joint Committee's financial reporting process.

There were no such issues identified during the audit.

## Further considerations for 2025-26

We will work with the Joint Committee and the wider sector to review our ambition to bring forward the audit deadline to September 2026 as part of the 2025-26 accounts audit process. In order to meet these deadlines, it will be imperative that the accounts and the annual governance statement are received on time, are of a high quality and are fully supported, with all working papers available and quality assessed at the commencement of the audit, and staff are available throughout the audit window to ensure audit queries are resolved in a timely manner.

The draft financial statements were received by the agreed deadline of 30 June and working papers were prepared in readiness for the start of the audit process. However, we are conscious that the planned reduction in the accounts preparation and audit windows next year may present challenges in meeting future deadlines.

## Proposed audit opinion

### Audit opinion

We intend to issue an unqualified audit opinion on this year's accounts once you have provided us with a Letter of Representation (see below).

Our proposed audit report is set out in **Appendix 3**.

### Letter of representation

A Letter of Representation is a formal letter in which you confirm to us the accuracy and completeness of information provided to us during the audit. Some of this information is required by auditing standards; other information may relate specifically to your audit.

The letter we are requesting you to sign is included in **Appendix 4**, which includes additional representations on the uncorrected misstatement identified above.

# Audit team and ethical compliance

The main members of my team who carried out the audit work, together with their contact details, are summarised in **Exhibit 1**.

## Exhibit 1: my local audit team

**Engagement Lead** Matthew Edwards  
[matthew.edwards@audit.wales](mailto:matthew.edwards@audit.wales)

**Audit Manager** Yvonne Thomas  
[yvonne.thomas@audit.wales](mailto:yvonne.thomas@audit.wales)

**Senior Auditor** Siwan Glyn  
[siwan.glyn@audit.wales](mailto:siwan.glyn@audit.wales)

## Compliance with ethical standards

We confirm that:

- we have complied with the ethical standards we are required to follow in carrying out our work;
- we have remained independent of ourselves.
- our objectivity has not been comprised; and
- we have no relationships that could undermine our independence or objectivity.

The safeguards outlined in the Audit Plan regarding the Audit Manager's acquaintance with a member of the Joint Committee's Executive Group were appropriately implemented. As the role did not involve direct contact outside formal meetings, and suitable procedures were in place to manage any potential conflict, independence was maintained.

# Appendix 1 – Audit risks and outcomes

My Audit Plan set out the risks of material misstatement for the audit of North Wales Economic Ambition Board Joint Committee accounts. **Exhibit 2** lists these audit risks and sets out how they were addressed as part of the audit. No additional audit risks have been identified since that need to be brought to your attention.

## Exhibit 2: audit risks reported previously, work done and outcome

| Audit risk   | Work done  | Outcome  |
|--|--|--|
| <b>Risk of management override</b><br><br>The risk of management override of controls is present in all entities. Due to the unpredictable way in which such override could occur, it is viewed as a significant risk [ISA 240.32-33]. | <p>The audit team:</p> <ul style="list-style-type: none"><li>• tested the appropriateness of journal entries and other adjustments made in preparing the financial statements;</li><li>• reviewed accounting estimates for bias; and</li><li>• evaluated the rationale for any significant transactions outside the normal course of business.</li></ul> | My audit work did not identify any instances of management override of controls. |

## **Valuation of pension fund net liability/surplus**

The Local Government Pension scheme (LGPS) pension fund liability as reflected in the financial statements are material estimates.

The nature of this estimate means that it is subject to a high degree of estimation uncertainty as it is sensitive to small adjustments in the assumptions used in its calculation.

The impact of economic conditions, particularly interest rate levels also has a significant impact on the liability. For example, at 31 March 2024, the liability was in fact a surplus, primarily due to higher interest rates.

There are also several legal cases potentially impacting on the valuation of the net liability.

There is a risk therefore that the liability/surplus is materially misstated.

The audit team:

- evaluated the instructions issued by management to their management experts (actuary) for this estimate and the scope of the actuary's work;
- assessed the competence, capabilities and objectivity of the actuary who carried out the valuations;
- assessed the accuracy and completeness of the information provided by the Joint Committee to the actuary to estimate the liability;
- tested the accuracy of the pension fund net liability and disclosures in the financial statements with the actuarial report from the actuary;
- assessed the reasonableness of the assumptions made by the actuary by reviewing the report of the consulting actuary (auditor's expert) and undertook any additional procedures required; and
- assessed whether any legal cases could have a material impact on the net liability, and if so, confirmed that this has been appropriately recognised and disclosed within the financial statements.

My audit work did not identify any issues with the valuation of the pension valuation. See Appendix 2 for my findings on the presentation of the pension valuations.

## **Implementation of International Accounting Standard (IFRS) 16 - Leases**

Local Government bodies are required to adopt IFRS16 Leases from 1 April 2024.

This significantly changes the accounting treatment and disclosures required for leased assets and means that most leases will result in an asset and liability on balance sheets.

There is a risk that the requirements of the IFRS are not appropriately adopted and as a result the financial statements are materially misstated.

Our findings confirmed that the body did not hold any lease contracts in its own name. Instead, all relevant lease arrangements were held in the name of the host authority. As a result, there was no requirement for the body to disclose a lease-related note under IFRS 16 in its financial statements.

My audit work did not identify any issues with the disclosures of IFRS 16.

## Appendix 2 – Summary of corrections made

During our audit, we identified the following misstatements that have been corrected by management, but which we consider should be drawn to your attention.

| Value of correction | Accounts area  | Explanation                                     |
|---------------------|--|---|
| £233,000            | <b>Note 13 Cash and cash equivalents / Note 14 Short term creditors</b><br><br>Our audit testing identified that transactions classified as cash in transit as of 31 March 2025 were incorrectly recognised as creditors. Given that the payment instruction to the bank had been made before year end, the entity no longer held a present obligation in respect of the liability, nor did it retain control over the associated asset. Consequently, short-term creditors and Cash in bank were overstated by £233,000.<br><br>Short-term creditors has been amended from £4.773 million to £4.540 million. Cash in bank has been amended from £53.949 million to £53.716 million. Corresponding adjustments have also been made to the Cashflow note.<br><br>Given the limited guidance in the CIPFA Code of Practice for this particular scenario, the IFRS Conceptual Framework was consulted | To ensure accuracy of the financial statements. |

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to ensure the accounting treatment  
was appropriately supported.

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|                 |   |   |
|-----------------|---|---|
| Disclosure only | <b>Note 24 Pensions cost</b><br>The asset and liability figures presented in relation to the asset ceiling did not correctly add up to the reported net (liability)/asset figure, resulting in a cross-casting error. The CIPFA Code of Practice does not require separate disclosure of asset and liability components, it was agreed to simplify the presentation by disclosing only the net position, thereby resolving the inconsistency. | To ensure accuracy of the financial statements. |
|-----------------|---|---|

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There have also been a small number of minor amendments as a result of our work.

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# Appendix 3 – Proposed audit report

## **The report of the Auditor General for Wales to the members of North Wales Corporate Joint Committee**

### **Opinion on financial statements**

I have audited the financial statements of North Wales Economic Ambition Board Joint Committee for the year ended 31 March 2025 under the Public Audit (Wales) Act 2004.

North Wales Economic Ambition Board Joint Committee's financial statements comprise the Expenditure and Funding Analysis, the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement and the related notes, including the material accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2024-25.

In my opinion, in all material respects, the financial statements:

- give a true and fair view of the financial position of North Wales Economic Ambition Board Joint Committee as at 31 March 2025 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2024-25.

### **Basis of opinion**

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of financial statements and regularity of public sector bodies in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report.

My staff and I are independent of the North Wales Economic Ambition Board Joint Committee in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

I note that the North Wales Economic Ambition Board formally ceased operations on 31 March 2025, with its functions and services transferred to the North Wales Corporate Joint Committee. In line with Practice Note 10, the continued provision of service approach applies in the public sector context, whereby the going concern basis remains appropriate if the underlying services are expected to continue, even if the entity itself ceases to operate.

My responsibilities and the responsibilities of the responsible financial officer with respect to going concern are described in the relevant sections of this report.

### **Other Information**

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The Responsible Financial Officer is responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

### **Opinion on other matters**

In my opinion, based on the work undertaken in the course of my audit:

- the information contained in the Narrative Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2024-25; and
- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with guidance.

### **Matters on which I report by exception**

In the light of the knowledge and understanding of North Wales Economic Ambition Board Joint Committee and its environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report or the Governance Statement.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- I have not received all the information and explanations I require for my audit;
- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team; or
- the financial statements are not in agreement with the accounting records and returns.

### **Responsibilities of the responsible financial officer for the financial statements**

As explained more fully in the Statement of Responsibilities for the Statement of Accounts, the responsible financial officer is responsible for:

- the preparation of the statement of accounts which give a true and fair view and comply with proper practices;
- maintaining proper accounting records;
- internal controls as the responsible financial officer determines is necessary to enable the preparation of statements of accounts that are free from material misstatement, whether due to fraud or error;
- assessing the North Wales Economic Ambition Board Joint Committee's ability to continue as a going concern, disclosing as

applicable, matters related to going concern and using the going concern basis of accounting unless the responsible financial officer anticipates that the services provided by the North Wales Economic Ambition Board Joint Committee will not continue to be provided in the future.

### **Auditor's responsibilities for the audit of the financial statements**

My responsibility is to audit the financial statements in accordance with the Public Audit (Wales) Act 2004.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- enquiring of management, the Head of Internal Audit, Cyngor Gwynedd and those charged with governance, including obtaining and reviewing supporting documentation relating to North Wales Economic Ambition Board Joint Committee's policies and procedures concerned with:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in management override;

- obtaining an understanding of North Wales Economic Ambition Board Joint Committee's framework of authority as well as other legal and regulatory frameworks that North Wales Economic Ambition Board Joint Committee operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of North Wales Economic Ambition Board Joint Committee; and
- obtaining an understanding of related party relationships.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management and North Wales Economic Ambition Board Joint Committee about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments;
- assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and
- evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the North Wales Economic Ambition Board Joint Committee's controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

### **Other auditor's responsibilities**

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

### **Certificate of completion of audit**

I certify that I have completed the audit of the accounts of North Wales Economic Ambition Board Joint Committee in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Auditor General for Wales' Code of Audit Practice.

Adrian Crompton  
Auditor General for Wales  
1 December 2025

1 Capital Quarter  
Tyndall Street  
Cardiff, CF10 4BZ

# Appendix 4 – Letter of representation

## Final Letter of Representation

[Audited body's letterhead]

Auditor General for Wales  
Wales Audit Office  
1 Capital Quarter  
Cardiff  
CF10 4BZ

13 November 2025

### Representations regarding the 2024-25 financial statements

This letter is provided in connection with your audit of the financial statements of North Wales Economic Ambition Board Joint Committee for the year ended 31 March 2025 for the purpose of expressing an opinion on their truth and fairness and their proper preparation.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

### Management representations

#### Responsibilities

We have fulfilled our responsibilities for:

- the preparation of the financial statements in accordance with legislative requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2024-25; in particular the financial statements give a true and fair view in accordance therewith;
- the design, implementation, maintenance and review of internal control to prevent and detect fraud and error.

#### Information provided

We have provided you with:

- full access to:

- all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;
- additional information that you have requested from us for the purpose of the audit; and
- unrestricted access to staff from whom you determined it necessary to obtain audit evidence;
- the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- our knowledge of fraud or suspected fraud that we are aware of and that affects North Wales Economic Ambition Board Joint Committee and involves:
  - management;
  - employees who have significant roles in internal control; or
  - others where the fraud could have a material effect on the financial statements;
- our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others;
- our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements;
- the identity of all related parties and all the related party relationships and transactions of which we are aware.

### **Financial statement representations**

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed

to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. The effects of the following uncorrected misstatements identified during the audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole:

- A creditor accrual was included for services received in February and March 2025, however confirmation from the supplier indicated that service delivery extended into the 2025-26 financial year. As the company was unable to estimate the portion delivered in 2024-25, the full amount of £57,066.67 was deemed misstated.

The Joint Committee has opted not to process this adjustment within the financial statements in 2024-25 as it has an immaterial impact on the accounts.

### **Representations by the North Wales Corporate Joint Committee**

We acknowledge that the representations made by management, above, have been discussed with us.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by the North Wales Corporate Joint Committee on 28 November 2025.

We confirm that we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that it has been communicated to you. We confirm that, as far as we are aware, there is no relevant audit information of which you are unaware.

Signed by:

Dewi Aeron Morgan

Head of Finance,

Cyngor Gwynedd

28 November 2025

Signed by:

Councillor Mark Pritchard

Chair of North Wales Corporate

Joint Committee

28 November 2025

# Audit quality

Our commitment to audit quality in Audit Wales is absolute. We believe that audit quality is about getting things right first time.

We use a three lines of assurance model to demonstrate how we achieve this. We have established an Audit Quality Committee to co-ordinate and oversee those arrangements. We subject our work to independent scrutiny by the Institute of Chartered Accountants in England and Wales and our Chair of the Board, acts as a link to our Board on audit quality. For more information see our [Audit Quality Report 2024](#).



## Our People

- Selection of right team
- Use of specialists
- Supervisions and review



## Arrangements for achieving audit quality

### Selection of right team

|                  |                            |
|------------------|----------------------------|
| • Audit platform | • Learning and development |
| • Ethics         | • Leadership               |
| • Guidance       | • Technical support        |
| • Culture        |                            |



### Independent assurance

|                       |                           |
|-----------------------|---------------------------|
| • EQRs                | • Peer review             |
| • Themed reviews      | • Audit Quality Committee |
| • Cold reviews        |                           |
| • Root cause analysis | • External monitoring     |

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Our newsletter which provides you with regular updates on our public service audit work, good practice, and events.



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Website: [www.audit.wales](http://www.audit.wales)

We welcome correspondence and telephone calls in Welsh and English.

Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.



# Minor Joint Committees in Wales

## Annual Return for the Year Ended 31 March 2025

### Accounting statements 2024-25 for:

Name of Committee:

North Wales Corporate Joint Committee

|  | Year ending          |                      | Notes and guidance   |
|--|----------------------|----------------------|--|
|  | 31 March 2024<br>(£) | 31 March 2025<br>(£) |  |
| <b>Statement of income and expenditure/receipts and payments</b> |                      |                      |  |
| 1. Balances brought forward                                      | 238,098              | 892,560              | Total balances and reserves at the beginning of the year as recorded in the financial records. Must agree to line 7 of the previous year.  |
| 2. (+) Income from local taxation/levy                           | 764,820              | 764,820              | Total amount of income received/receivable in the year from levy/contribution from principal bodies.   |
| 3. (+) Total other receipts                                      | 47,344               | 238,240              | Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants.  |
| 4. (-) Staff costs   | -92,514              | -100,566             | Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, taxable allowances, PAYE and NI (employees and employers), pension contributions and termination costs. Exclude reimbursement of out-of-pocket expenses. |
| 5. (-) Loan interest/capital repayments                          | 0                    | 0                    | Total expenditure or payments of capital and interest made during the year on external borrowing (if any).   |
| 6. (-) Total other payments                                      | -65,188              | -682,383             | Total expenditure or payments as recorded in the cashbook minus staff costs (line 4) and loan interest/capital repayments (line 5).  |
| 7. (=) Balances carried forward                                  | 892,560              | 1,112,671            | Total balances and reserves at the end of the year. Must equal $(1+2+3) - (4+5+6)$ .   |
| <b>Statement of balances</b>                                     |                      |                      |  |
| 8. (+) Debtors   | 294,873              | 90,315               | <b>Income and expenditure accounts only:</b> Enter the value of debts owed to the Committee at the year-end.   |
| 9. (+) Total cash and investments                                | 852,363              | 1,421,277            | <b>All accounts:</b> The sum of all current and deposit bank accounts, cash holdings and investments held at 31 March. This must agree with the reconciled cashbook balance as per the bank reconciliation.  |
| 10. (-) Creditors  | -254,676             | -398,921             | <b>Income and expenditure accounts only:</b> Enter the value of monies owed by the Committee (except borrowing) at the year-end.   |
| 11. (=) Balances carried forward                                 | 892,560              | 1,112,671            | <b>Total balances should equal line 7 above:</b> Enter the total of $(8+9-10)$ .   |
| 12. Total fixed assets and long-term assets                      | 0                    | 0                    | The asset and investment register value of all fixed assets and any other long-term assets held as at 31 March.  |
| 13. Total borrowing  | 0                    | 0                    | The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).   |

## Annual Governance Statement

We acknowledge as the members of the Committee, our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31 March 2025, that:

|   | Agreed? |     | 'YES' means that the Committee:<br>properly sets its budget and<br>manages its money and prepares<br>and approves its accounting<br>statements as prescribed by law.' | PG Ref   |
|---|---------|-----|---|----------|
|   | Yes     | No* |   |          |
| 1. We have put in place arrangements for: <ul style="list-style-type: none"> <li>• effective financial management during the year; and</li> <li>• the preparation and approval of the accounting statements.</li> </ul>   | Yes     |     | Properly sets its budget and manages its money and prepares and approves its accounting statements as prescribed by law.  | 6, 12    |
| 2. We have maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption, and reviewed its effectiveness.   | Yes     |     | Made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.   | 6, 7     |
| 3. We have taken all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and codes of practice that could have a significant financial effect on the ability of the Committee to conduct its business or on its finances. | Yes     |     | Has only done things that it has the legal power to do and has conformed to codes of practice and standards in the way it has done so.                                | 6        |
| 4. We have provided proper opportunity for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit (Wales) Regulations 2014.   | Yes     |     | Has given all persons interested the opportunity to inspect the committee's accounts as set out in the notice of audit.   | 6, 23    |
| 5. We have carried out an assessment of the risks facing the Committee and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.   | Yes     |     | Considered the financial and other risks it faces in the operation of the Committee and has dealt with them properly.   | 6, 9     |
| 6. We have maintained an adequate and effective system of internal audit of the accounting records and control systems throughout the year and have received a report from the internal auditor.  | Yes     |     | Arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether these meet the needs of the Committee.    | 6, 8     |
| 7. We have considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on the Committee and, where appropriate, have included them on the accounting statements.                                | Yes     |     | Disclosed everything it should have about its business during the year including events taking place after the year-end if relevant.                                  | 6        |
| 8. We have taken appropriate action on all matters raised in previous reports from internal and external audit.   | Yes     |     | Considered and taken appropriate action to address issues/weaknesses brought to its attention by both the internal and external auditors.                             | 6, 8, 23 |

\* Please provide explanations to the external auditor on a separate sheet for each 'no' response given; and describe what action is being taken to address the weaknesses identified.

## Additional disclosure notes\*

The following information is provided to assist the reader to understand the accounting statement and/or the Annual Governance Statement

1.

2.

3.

\* Include here any additional disclosures the Committee considers necessary to aid the reader's understanding of the accounting statement and/or the annual governance statement.

## Committee approval and certification

The Committee is responsible for the preparation of the accounting statements and the annual governance statement in accordance with the requirements of the Public Audit (Wales) Act 2004 (the Act) and the Accounts and Audit (Wales) Regulations 2014.

|  |   |
|--|---|
| <b>Certification by the RFO</b><br>I certify that the accounting statements contained in this Annual Return present fairly the financial position of the Committee, and its income and expenditure, or properly present receipts and payments, as the case may be, for the year ended 31 March 2025. | <b>Approval by the Committee</b><br>I confirm that these accounting statements and Annual Governance Statement were approved by the Committee under minute reference:<br><br><b>Minute ref:</b> |
| <b>RFO signature:</b><br>   | <b>Chair signature:</b><br>  |
| <b>Name:</b> Dewi Aeron Morgan   | <b>Name:</b> Mark Pritchard   |
| <b>Date:</b> 19/11/2025  | <b>Date:</b> 28/11/2025   |

## Annual internal audit report to:

Name of Committee:

North Wales Corporate Joint Committee

The Committee's internal audit, acting independently and on the basis of an assessment of risk, has included carrying out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ending 31 March 2025.

The internal audit has been carried out in accordance with the Committee's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and the internal audit conclusions on whether, in all significant respects, the following control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the Committee.

|   | Agreed? |     |     |               | Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to the Committee) |
|---|---------|-----|-----|---------------|---|
|   | Yes     | No* | N/A | Not covered** |   |
| 1. Appropriate books of account have been properly kept throughout the year.  | ✓       |     |     |               |   |
| 2. Financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.  | ✓       |     |     |               |   |
| 3. The Committee assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.  | ✓       |     |     |               |   |
| 4. The annual precept/levy/resource demand requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored, and reserves were appropriate. | ✓       |     |     |               |   |
| 5. Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for.   | ✓       |     |     |               |   |
| 6. Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for.   |         |     | ✓   |               |   |
| 7. Salaries to employees and allowances to members were paid in accordance with minuted approvals, and PAYE and NI requirements were properly applied.                                  | ✓       |     |     |               |   |
| 8. Asset and investment registers were complete, accurate, and properly maintained.   |         |     | ✓   |               |   |

|  | Agreed? |     |     |               | Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to Committee) |
|--|---------|-----|-----|---------------|---|
|  | Yes     | No* | N/A | Not covered** |   |
| 9. Periodic and year-end bank account reconciliations were properly carried out.   | ✓       |     |     |               |   |
| 10. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments/income and expenditure), agreed with the cashbook, were supported by an adequate audit trail from underlying records, and where appropriate, debtors and creditors were properly recorded. | ✓       |     |     |               |   |

| For any risk areas identified by the Committee (list any other risk areas below or on separate sheets if needed) adequate controls existed: |         |     |     |               |   |
|---|---------|-----|-----|---------------|---|
|   | Agreed? |     |     |               | Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to Committee) |
|   | Yes     | No* | N/A | Not covered** |   |
| 11.   |         |     |     |               |   |
| 12.   |         |     |     |               |   |
| 13.   |         |     |     |               |   |

\* If the response is 'no', please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

\*\* If the response is 'not covered', please state when the most recent internal audit work was done in this area and when it is next planned, or if coverage is not required, internal audit must explain why not.

My detailed findings and recommendations which I draw to the attention of the Committee are included in my detailed report to the Committee dated May 2025.

### Internal audit confirmation

I/we confirm that as the Committee's internal auditor, I/we have not been involved in a management or administrative role within the Committee (including preparation of the accounts) or as a member of the Committee during the financial years 2023-24 and 2024-25. I also confirm that there are no conflicts of interest surrounding my appointment.

|  |
|--|
| Name of person who carried out the internal audit: Bleddyn Rhys      |
| Signature of person who carried out the internal audit: Bleddyn Rhys |
| Date: 04/06/2025   |

## Auditor General's report and audit opinion

I certify that I have completed the audit of the Annual Return for the year ended 31 March 2025 of North Wales Corporate Joint Committee. My audit has been conducted on behalf of the Auditor General for Wales and in accordance with the requirements of the Public Audit (Wales) Act 2004 (the 2004 Act) and guidance issued by the Auditor General for Wales.

### **Audit opinion: Unqualified**

On the basis of my audit, in my opinion no matters have come to my attention to give cause for concern that, in any material respect, the information reported in this Annual Return:

- has not been prepared in accordance with proper practices;
- that relevant legislative and regulatory requirements have not been met;
- is not consistent with the Joint Committee's governance arrangements; and
- that the Joint Committee does not have proper arrangements in place to secure economy, efficiency and effectiveness in its use of resources.

### **Other matters and recommendations**

There are no further matters I wish to draw to the Joint Committee's attention.

|   |                         |
|---|-------------------------|
|  |                         |
| <b>Adrian Crompton</b><br><b>Auditor General for Wales</b>                          | <b>Date: 01-12-2025</b> |



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## GOVERNANCE AND AUDIT SUB-COMMITTEE

**13 January 2026**

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**TITLE:** 2026/27 Budget, Levy on Constituent Authorities and Partner Contributions

**AUTHOR:** Dewi A. Morgan, Head of Finance (CJC's Statutory Finance Officer)  
Sian Pugh, Assistant Head of Finance

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### **1. PURPOSE OF THE REPORT**

- 1.1. The purpose of this report is to provide the Governance and Audit Sub-committee the proposed North Wales Corporate Joint Committee (CJC) and Growth Deal budget for 2026/27 (Appendix A) for consideration prior to the CJC meeting on 23 January 2026.

### **2. DECISION SOUGHT**

- 2.1. To consider the information and the decisions sought in Appendix A.

### **3. REASON FOR THE DECISION**

- 3.1. It is a statutory requirement for the CJC to approve its budget, and the allocation of the levy to the councils and National Park Authority, at a meeting of the CJC by 31 January annually and therefore the appendices of this report will be presented in its meeting on 23 January 2026.
- 3.2. The Governance and Audit Sub-committee is hereby given the opportunity to consider the proposals in Appendix A and to scrutinise the information before the budget is presented to the CJC.

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### **APPENDICES:**

**Appendix A:** Report to the North Wales Corporate Joint Committee meeting 23 January 2026

**Appendix 1:** North Wales Corporate Joint Committee's 2026/27 Revenue Budget

**Appendix 2:** Growth Deal's 2026/27 Revenue Budget 2026/27

**Appendix 3:** Growth Deal's 2026/27 Capital Budget

**STATUTORY OFFICERS RESPONSE:**

i. **Monitoring Officer:**

The report enables the sub-committee to exercise its powers to review and scrutinise the requirements involved in establishing the CJC's budget and levy.

ii. **Statutory Finance Officer:**

Report author.



## **NORTH WALES CORPORATE JOINT COMMITTEE**

**23 January 2026**

**TITLE:** 2026/27 Budget, Levy on Constituent Authorities and Partner Contributions

**AUTHOR:** Dewi A. Morgan, Head of Finance (CJC's Statutory Finance Officer)  
Sian Pugh, Assistant Head of Finance

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### **1. PURPOSE OF THE REPORT**

- 1.1. The purpose of this report is to provide the proposed North Wales Corporate Joint Committee (CJC) and Growth Deal budget for 2026/27.

### **2. DECISION SOUGHT**

#### **North Wales Corporate Joint Committee**

- 2.1. To approve the budget for 2026/27 as presented in Appendix 1.
- 2.2. To approve the levy on the constituent authorities as noted in Appendix 1.

#### **Growth Deal**

- 2.3. To approve the Growth Deal's revenue budget for 2026/27 as presented in Appendix 2.
- 2.4. To approve the funding contributions to include the partner contributions, local authorities' supplementary contributions and partner interest contributions.
- 2.5. To approve the Growth Deal's capital budget for 2026/27 as presented in Appendix 3.

### **3. REASON FOR THE DECISION**

- 3.1. It is a statutory requirement for the CJC to approve its budget at a meeting of the CJC by 31 January annually.
- 3.2. The Growth Deal also requires an annual budget to be approved in order to operate effectively within the funding available.

### **4. BACKGROUND AND RELEVANT CONSIDERATIONS**

- 4.1. Regulations 16 and 17 of The North Wales Corporate Joint Committee Regulations set out the details of the process to be used to agree and fund the costs. Again for 2026/27, it is

recommended that the CJC's budget is funded by means of a levy apportioned between the constituent authorities based on the population relevant to the field of work.

4.2. The Delivery and Funding Agreement sets out the funding arrangements for the Growth Deal. As per the Agreement, the budget for 2026/27 shall consist of the annual contributions from partner authorities, supplementary contributions from local authorities and contributions to finance the cost of borrowing of projects.

## 5. FINANCIAL IMPLICATIONS

### North Wales Corporate Joint Committee

5.1. The CJC budget for 2026/27 is shown in Appendix 1 and has been split to four headings which are Strategic Planning, Transport, Investment Zone and corporate functions. This allows the constituent authorities' contributions to be levied separately for 'Planning' and 'Other' functions.

5.2. The total expenditure budget for 2026/27 is £2,159,770, with £200,000 funded from the Investment Zone allocation, £100,000 from the Welsh Government Regional Transport Plan Grant, £200,000 from the Welsh Government CJC Grant, £20,000 interest income, £624,590 from the reserve (which will leave around £0.8m in the reserve at 31 March 2027) and £1,015,180 from the levy on constituent authorities.

5.3. The budget has overall increased due to additional resources and services required to facilitate the work of the CJC going forwards. The increase is mainly shown within employees, supplies and services and support services lines, with additional budget lines added such as training, advertising and recruitments costs, premises, marketing and bank costs. The projects line (in the supplies and services heading) relates to expenditure that will be funded by the Welsh Government CJC grant – this will be further analysed when further information is available.

5.4. In order to further support governance arrangements across the CJC (including the Investment Zone and Growth Deal), 1 FTE Monitoring Officer and 0.6 FTE Section 151 Officer are required. The Monitoring Officer and Section 151 Officer costs under the support services heading are based on 0.35 FTE and 0.18 FTE respectively (which are then split between CJC and Growth Deal). In order to increase capacity to meet these requirements, an additional £129,790 has been budgeted, with £81,110 to the CJC, £16,230 to the Investment Zone and £32,450 to the Growth Deal.

5.5. The net expenditure budget is summarised below:

- Strategic Planning (6 Leaders and Chair of the Park - simple majority, quorum = 5)
- Other Functions of the CJC including Transport (6 Leaders - simple majority, quorum = 5).

| Strategic Planning | Transport | Corporate Joint Committee | Budget Total |
|--------------------|-----------|---------------------------|--------------|
| £                  | £         | £                         | £            |
| 388,170            | 179,130   | 447,880                   | 1,015,180    |

5.6. In accordance with the legislation, the CJC's general budget and the Transport budget will be funded by the six North Wales authorities, while the Eryri National Park Authority will also contribute towards the Strategic Planning budget (where they will have a vote). The levy for each constituent authority has been divided based on the population figures and the total net budget.

5.7. The levy on the constituent authorities is noted below:

- Strategic Planning (Unanimity, quorum = 7)
- Other Functions (Unanimity, quorum = 6)

|                                 | Strategic<br>Planning | Other functions  | Total Levy         |
|---------------------------------|-----------------------|------------------|--------------------|
|                                 | £                     | £                | £                  |
| Conwy County Borough Council    | (61,450)              | (103,330)        | (164,780)          |
| Denbighshire County Council     | (54,690)              | (88,350)         | (143,040)          |
| Flintshire County Council       | (86,790)              | (140,200)        | (226,990)          |
| Cyngor Gwynedd                  | (56,130)              | (108,660)        | (164,790)          |
| Isle of Anglesey County Council | (38,480)              | (62,130)         | (100,610)          |
| Wrexham County Borough Council  | (76,970)              | (124,340)        | (201,310)          |
| Eryri National Park Authority   | (13,660)              |                  | (13,660)           |
| <b>Total Levy</b>               | <b>(388,170)</b>      | <b>(627,010)</b> | <b>(1,015,180)</b> |

5.8. The levy has increased by £112,700 for 2026/27 due to inflation (3.5%) and the additional costs of increasing the capacity of the Monitoring Officer and the Section 151 Officer for the CJC (£81,110).

5.9. Final approval by the UK and Welsh Governments of the Flintshire and Wrexham Investment Zone was announced in the 2025 Budget. Over the ten-year duration of the Investment Zone, a total of £6.4m is available to support the programme's administration. From this allocation, £200,000 per annum is allocated to the CJC to undertake its statutory role as the accountable body. Legal support will be required in 2026/27, and therefore budget has been allocated to the relevant lines, with the remaining budget allocated to set-up costs. Budget headings such as support services for the Investment Zone will need to be reviewed when further information on the requirements becomes available.

## Growth Deal

### Revenue Budget

5.10. Appendix 2 sets out the proposed Growth Deal revenue budget per expenditure heading and the corresponding funding streams for the year.

5.11. The total expenditure budget for 2026/27 is £2,946,070, with £469,900 funded by partner contributions, £240,000 by local authorities' supplementary contributions, £154,090 by partner interest contributions, £660,000 from the 2.15% of the North Wales Growth Deal grant allocated to fund revenue expenditure, £435,350 from the top-slice of the projects' allocation

of the North Wales Growth Deal grant to fund posts specific to these projects and £986,730 from the resources reserve.

5.12. In its meeting in February 2025, the North Wales Economic Ambition Board approved the transfer of the interest received on the Growth Deal grant balances in 2024/25 and 2025/26 to a specific reserve to fund the additional government roles, the retention of the Portfolio Management Office capacity for an additional two years as well as project development costs. The use of this reserve in 2026/27 will leave an estimated balance of around £2.9m at 31 March 2027.

5.13. The contributions from partners are summarised below:

|                                 | Partner Contributions | Local Authorities' Supplementary Contributions | Partner Interest Contributions | Total Contributions |
|---------------------------------|-----------------------|--|--------------------------------|---------------------|
|                                 | £                     | £  | £                              | £                   |
| Conwy County Borough Council    | (58,730)              | (40,000)                                       | (18,140)                       | (116,870)           |
| Denbighshire County Council     | (58,730)              | (40,000)                                       | (6,070)                        | (104,800)           |
| Flintshire County Council       | (58,730)              | (40,000)                                       | (9,140)                        | (107,870)           |
| Cyngor Gwynedd                  | (58,730)              | (40,000)                                       | (6,780)                        | (105,510)           |
| Isle of Anglesey County Council | (58,730)              | (40,000)                                       | (28,370)                       | (127,100)           |
| Wrexham County Borough Council  | (58,730)              | (40,000)                                       | (18,970)                       | (117,700)           |
| Bangor University               | (29,380)              |  | (23,270)                       | (52,650)            |
| Wrexham University              | (29,380)              |  | (24,250)                       | (53,630)            |
| Coleg Cambria                   | (29,380)              |  |                                | (29,380)            |
| Grŵp Llandrillo Menai           | (29,380)              |  | (19,100)                       | (48,480)            |
| <b>Total Contributions</b>      | <b>(469,900)</b>      | <b>(240,000)</b>                               | <b>(154,090)</b>               | <b>(863,990)</b>    |

5.14. Partner contributions will remain the same as 2025/26 due to the reduction of the employer pension contribution rate from 2026/27 offsetting the out-turn adjustment for 2025/26 and the estimated salary inflation for 2026/27.

5.15. The supplementary contributions were approved as part of the Delivery and Funding Agreement and are provided by each Council on an ongoing basis to partly fund the annual budget of the Growth Deal.

5.16. In 2020, Arlingclose (independent treasury advisory company) were commissioned to model the cost of borrowing and the corresponding annual partner contributions required to meet this cost, and contributions were included in the 2021/22 budget onwards. Although a lot of the variables that can affect these costs remain uncertain, these revised contributions for 2026/27 are based on the most up to date information available and level of contributions required for the remaining years will be reviewed again as more information becomes available during the year.

5.17. Changes in projects in the capital profile have led to an overall increase in the estimated cost of borrowing and also have altered partners' share of the borrowing cost, which is reflected in the partner interest contributions levels. Some partners also lead their own Growth Deal

projects, and the associated cost of borrowing has therefore been added to their interest contributions.

### Capital Budget

- 5.18. The capital budget reflects the most recent expenditure profile for each project within the Growth Deal over the period 2021/22 to 2034/25, as well as the 2.15% top-slice to fund the revenue budget over the same period. It's based on the latest projects' timescale, and it will be reviewed during the year as the business cases are approved.
- 5.19. Following a portfolio review by Ambition North Wales, some Growth Deal projects were removed in 2025/26 and a Reserve List was established. This led to changes in the capital profile, where new projects that were on the Reserve List secured funding following the approval of their business cases, and some projects that were previously in the capital profile were moved to the Reserve List.
- 5.20. Although the £240m capital expenditure will be funded by the Growth Deal grant, the timing of the grant receipt will mean that borrowing will be required in the short term. The cost of borrowing will be funded by partners and project sponsors, and partners have already been contributing an annual sum towards these costs which has been set aside in a specific reserve.
- 5.21. The Portfolio Management Office will be working to agree a revised drawdown funding profile of the Growth Deal grant with Welsh Government and UK Government.
- 5.22. With capital projects, there is always a risk of overspending, and controls will be put in place to limit overspending costs on specific projects. For regional projects, the Portfolio Management Office will be responsible for controlling expenditure and ensuring that sufficient contingency budgets are included in the project business cases. Overspend would be a matter for the project sponsor to deal with in relation to their own projects.
- 5.23. Regular budget monitoring reports of the CJC and Growth Deal will be presented to Ambition North Wales staff during the year. A further detailed review will also be undertaken at the end of July 2026 and December 2026 and presented to CJC and appropriate sub-committee meetings, with any issues highlighted and appropriate steps taken.

## **6. IMPACT ASSESSMENT**

- 6.1. The Corporate Joint Committee is subject to duties under the Equality Act 2010 and the Well-being of Future Generations (Wales) Act 2015.
- 6.2. In accordance with the legal duties under the Equality Act 2010, when making decisions, the Corporate Joint Committee must give due attention to the need (1) to eliminate unlawful discrimination (2) advance equality of opportunity and (3) encourage good relations based on the protected characteristics. As setting a budget falls within the decisions which can be considered strategically, there is a duty to give due attention to operating in a way which is designed to minimise inequalities which stem from socio-economic disadvantage. As the Corporate Joint Committee is still in its early years, it is not considered that any specific impacts stem from the decisions submitted.

6.3. The Well-being of Future Generations (Wales) Act 2015 involves improving the social, economic, environmental and cultural well-being of Wales. The act places a well-being duty on public bodies which is aimed at delivering the seven well-being goals, namely a prosperous, resilient, healthier, more equal Wales with cohesive communities and a vibrant culture with a thriving Welsh language and which is globally responsible. Given the context, the recommendations are in accordance with these duties.

## 7. **LEGAL IMPLICATIONS**

7.1. Regulations 16 and 17 of The North Wales Corporate Joint Committee Regulations 2021 set out the details of the process to be used to agree and fund the costs. These regulations place specific requirements regarding the calculation and approval of the budget requirement (Regulation 16) and then, as a second step, agreeing the levy contributions of the constituent authorities (Regulation 17). According to statute, the Corporate Joint Committee must adopt the Budget by 31 January 2026. If the Corporate Joint Committee fails to agree on the contributions, Welsh Ministers have statutory powers to instruct the distribution of contributions.

7.2. It is noted in the decisions sought that there are specific requirements regarding quorum and voting in relation to these decisions. Therefore, it must be ensured that voting is arranged in a way which reflects on the one hand the specific voting rights involved with setting the budget and on the other hand the need for unanimity on the decisions on the levy, again while separating both elements.

7.3. Senior Officers of Ambition North Wales as well as the Monitoring Officer have contributed to this budget.

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## APPENDICES:

**Appendix 1:** North Wales Corporate Joint Committee's 2026/27 Revenue Budget

**Appendix 2:** Growth Deal's 2026/27 Revenue Budget

**Appendix 3:** Growth Deal's 2026/27 Capital Budget

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## STATUTORY OFFICERS RESPONSE:

i. **Monitoring Officer:**

The report summarises the technical requirements involved with these decisions together with the statutory duties involved with establishing the budget and levy.

ii. **Statutory Finance Officer:**

Report author.

|  | Strategic Planning | Transport        | Investment Zone    | Corporate Joint Committee | Total Budget          |
|--|--------------------|------------------|--------------------|---------------------------|-----------------------|
| <b>Expenditure</b>   | <b>(£)</b>         | <b>(£)</b>       | <b>(£)</b>         | <b>(£)</b>                | <b>(£)</b>            |
| <b>Employees</b>   |                    |                  |                    |                           |                       |
| Employee expenditure (Pay, N.I. & Superannuation)              | 253,280            | 116,890          | 0                  | 495,550                   | 865,720               |
| Additional Monitoring Officer and Section 151 Officer Capacity | 0                  | 0                | 16,230             | 81,110                    | 97,340                |
| Lay members allowance  | 0                  | 0                | 0                  | 2,090                     | 2,090                 |
| Training   | 0                  | 0                | 0                  | 6,000                     | 6,000                 |
| Advertising and recruitment costs                              | 0                  | 0                | 0                  | 2,000                     | 2,000                 |
| <b>Employees Total</b>   | <b>253,280</b>     | <b>116,890</b>   | <b>16,230</b>      | <b>586,750</b>            | <b>973,150</b>        |
| <b>Travel</b>  |                    |                  |                    |                           |                       |
| Travel and subsistence   | 920                | 400              | 0                  | 1,790                     | 3,110                 |
| <b>Travel Total</b>  | <b>920</b>         | <b>400</b>       | <b>0</b>           | <b>1,790</b>              | <b>3,110</b>          |
| <b>Supplies and services</b>                                   |                    |                  |                    |                           |                       |
| Premises   | 0                  | 0                | 0                  | 16,070                    | 16,070                |
| Tools and equipment  | 3,390              | 1,450            | 0                  | 6,540                     | 11,380                |
| Miscellaneous supplies   | 920                | 400              | 0                  | 1,780                     | 3,100                 |
| Marketing  | 0                  | 0                | 0                  | 10,000                    | 10,000                |
| Bank costs   | 0                  | 0                | 0                  | 1,720                     | 1,720                 |
| Engagement and meetings  | 960                | 1,200            | 0                  | 2,880                     | 5,040                 |
| Audit Wales' fees  | 0                  | 0                | 0                  | 41,480                    | 41,480                |
| External consultants   | 250,000            | 100,000          | 0                  | 10,560                    | 360,560               |
| Insurance  | 2,280              | 1,060            | 0                  | 4,530                     | 7,870                 |
| Systems  | 34,940             | 6,170            | 0                  | 14,800                    | 55,910                |
| Projects   | 0                  | 0                | 0                  | 141,500                   | 141,500               |
| <b>Supplies and services Total</b>                             | <b>292,490</b>     | <b>110,280</b>   | <b>0</b>           | <b>251,860</b>            | <b>654,630</b>        |
| <b>Support Services</b>  |                    |                  |                    |                           |                       |
| Finance Services Support (includes S151 Officer)               | 12,090             | 11,330           | 0                  | 49,080                    | 72,500                |
| Legal (includes Monitoring Officer)                            | 10,980             | 10,980           | 34,140             | 47,600                    | 103,700               |
| Democratic Support   | 14,720             | 18,390           | 0                  | 44,140                    | 77,250                |
| Corporate Services   | 7,920              | 8,610            | 0                  | 19,750                    | 36,280                |
| Information Technology   | 5,250              | 2,250            | 0                  | 10,130                    | 17,630                |
| <b>Support Services Total</b>                                  | <b>50,960</b>      | <b>51,560</b>    | <b>34,140</b>      | <b>170,700</b>            | <b>307,360</b>        |
| <b>Set-up costs</b>  |                    |                  |                    |                           |                       |
| Legal  | 0                  | 0                | 0                  | 13,390                    | 13,390                |
| External consultants   | 0                  | 0                | 0                  | 58,500                    | 58,500                |
| Investment Zone  | 0                  | 0                | 149,630            | 0                         | 149,630               |
| <b>Set-up costs Total</b>                                      | <b>0</b>           | <b>0</b>         | <b>149,630</b>     | <b>71,890</b>             | <b>221,520</b>        |
| <b>Total Expenditure Budget</b>                                | <b>597,650</b>     | <b>279,130</b>   | <b>200,000</b>     | <b>1,082,990</b>          | <b>2,159,770</b>      |
| Welsh Government - Regional Transport Plan Grant               | 0                  | (100,000)        | 0                  | 0                         | (100,000)             |
| Welsh Government - CJC Grant                                   | 0                  | 0                | 0                  | (200,000)                 | (200,000)             |
| Investment Zone  | 0                  | 0                | (200,000)          | 0                         | (200,000)             |
| Interest on balances   | 0                  | 0                | 0                  | (20,000)                  | (20,000)              |
| Contribution from reserve                                      | (209,480)          | 0                | 0                  | (415,110)                 | (624,590)             |
| <b>Total Net Expenditure Budget</b>                            | <b>388,170</b>     | <b>179,130</b>   | <b>0</b>           | <b>447,880</b>            | <b>1,015,180</b>      |
| <b>Income</b>  | <b>(£)</b>         | <b>(£)</b>       | <b>(£)</b>         | <b>(£)</b>                | <b>(2025/26 Levy)</b> |
| <b>Partners Contributions through a levy</b>                   |                    |                  |                    |                           |                       |
| Conwy County Borough Council                                   | (61,450)           | (103,330)        |                    | (164,780)                 | (146,820)             |
| Denbighshire County Council                                    | (54,690)           | (88,350)         | (143,040)          | (126,710)                 | (16,330)              |
| Flintshire County Council                                      | (86,790)           | (140,200)        | (226,990)          | (203,270)                 | (23,720)              |
| Cyngor Gwynedd   | (56,130)           | (108,660)        | (164,790)          | (144,690)                 | (20,100)              |
| Isle of Anglesey County Council                                | (38,480)           | (62,130)         | (100,610)          | (90,340)                  | (10,270)              |
| Wrexham County Borough Council                                 | (76,970)           | (124,340)        | (201,310)          | (177,520)                 | (23,790)              |
| Eryri National Park Authority                                  | (13,660)           |                  | (13,660)           | (13,130)                  | (530)                 |
| <b>Total Income Budget</b>                                     | <b>(388,170)</b>   | <b>(627,010)</b> | <b>(1,015,180)</b> | <b>(902,480)</b>          | <b>(112,700)</b>      |
| <b>Relevant population</b>                                     |                    |                  |                    |                           |                       |
| Conwy County Borough Council                                   | 110,381            | 114,891          |                    |                           |                       |
| Denbighshire County Council                                    | 98,202             | 98,202           |                    |                           |                       |
| Flintshire County Council                                      | 155,867            | 155,867          |                    |                           |                       |
| Cyngor Gwynedd   | 100,787            | 120,813          |                    |                           |                       |
| Isle of Anglesey County Council                                | 69,097             | 69,097           |                    |                           |                       |
| Wrexham County Borough Council                                 | 138,245            | 138,245          |                    |                           |                       |
| Eryri National Park Authority                                  | 24,536             |                  |                    |                           |                       |
| <b>Total population</b>  | <b>697,115</b>     | <b>697,115</b>   |                    |                           |                       |

| Expenditure  | (£)              |
|--|------------------|
| <b>Portfolio Management Office</b>                             |                  |
| Employee Expenditure (Pay, N.I. & Superannuation)              | 1,651,470        |
| Additional Government Roles                                    | 213,540          |
| Additional Monitoring Officer and Section 151 Officer Capacity | 32,450           |
| Advertising and Assessment of Candidates                       | 5,000            |
| Travel and Subsistence   | 10,000           |
| Training   | 18,000           |
| Engagement and Meetings  | 15,000           |
| Communications and Public Relations                            | 25,000           |
| Supplies and Services  | 15,000           |
| Premises   | 32,150           |
| Portfolio and Programme Development                            | 30,000           |
| Insurance  | 15,720           |
| Systems  | 9,870            |
| <b>Total Portfolio Management Office</b>                       | <b>2,073,200</b> |
| <b>Accountable Body Support Services</b>                       |                  |
| Finance Services Support                                       | 116,870          |
| Legal (includes Monitoring Officer)                            | 50,740           |
| Democratic Support   | 29,430           |
| Corporate Services   | 42,970           |
| Information Technology   | 42,420           |
| <b>Total Accountable Body Support Services</b>                 | <b>282,430</b>   |
| <b>Joint Committee</b>   |                  |
| External Legal Support   | 18,000           |
| External Financial Fees  | 10,000           |
| External Audit Fee   | 28,350           |
| Business Delivery Board  | 25,000           |
| <b>Total Joint Committee</b>                                   | <b>81,350</b>    |
| <b>Projects</b>  |                  |
| Project Business Case Development                              | 100,000          |
| External Legal Support   | 150,000          |
| External Finance Support                                       | 30,000           |
| External Procurement Support                                   | 50,000           |
| Assurance  | 25,000           |
| <b>Total Projects</b>  | <b>355,000</b>   |
| <b>Transfers to reserves</b>                                   |                  |
| Partner interest contributions                                 | 154,090          |
| <b>Total Transfers to reserves</b>                             | <b>154,090</b>   |
| <b>Total Expenditure</b>                                       | <b>2,946,070</b> |

## 2026/27 Growth Deal Budget

| Income  | (£)                |
|---|--------------------|
| <b>Funding Contributions</b>                          |                    |
| <b>Partner Contributions</b>                          |                    |
| Conwy County Borough Council                          | (58,730)           |
| Denbighshire County Council                           | (58,730)           |
| Flintshire County Council                             | (58,730)           |
| Cyngor Gwynedd  | (58,730)           |
| Isle of Anglesey County Council                       | (58,730)           |
| Wrexham County Borough Council                        | (58,730)           |
| Bangor University                                     | (29,380)           |
| Wrexham University                                    | (29,380)           |
| Coleg Cambria   | (29,380)           |
| Grŵp Llandrillo Menai                                 | (29,380)           |
| <b>Local Authorities' Supplementary Contributions</b> |                    |
| Conwy County Borough Council                          | (40,000)           |
| Denbighshire County Council                           | (40,000)           |
| Flintshire County Council                             | (40,000)           |
| Cyngor Gwynedd  | (40,000)           |
| Isle of Anglesey County Council                       | (40,000)           |
| Wrexham County Borough Council                        | (40,000)           |
| <b>Partner Interest Contributions</b>                 |                    |
| Conwy County Borough Council                          | (18,140)           |
| Denbighshire County Council                           | (6,070)            |
| Flintshire County Council                             | (9,140)            |
| Cyngor Gwynedd  | (6,780)            |
| Isle of Anglesey County Council                       | (28,370)           |
| Wrexham County Borough Council                        | (18,970)           |
| Bangor University                                     | (23,270)           |
| Wrexham University                                    | (24,250)           |
| Grŵp Llandrillo Menai                                 | (19,100)           |
| <b>Other</b>  |                    |
| North Wales Growth Deal grant                         | (660,000)          |
| North Wales Growth Deal grant (Projects staff)        | (435,350)          |
| Resources Reserve                                     | (986,730)          |
| <b>Total Income</b>                                   | <b>(2,946,070)</b> |
| <b>Net Budget</b>                                     | <b>0</b>           |

2026/27 North Wales Growth Deal Capital Budget

Appendix 3

| Programme                                    | Project                                     | Project Sponsor                    | 2021/22<br>(£m) | 2022/23<br>(£m) | 2023/24<br>(£m) | 2024/25<br>(£m) | 2025/26<br>(£m) | 2026/27<br>(£m) | 2027/28<br>(£m) | 2028/29<br>(£m) | 2029/30<br>(£m) | 2030/31<br>(£m) | 2031/32<br>(£m) | 2032/33<br>(£m) | 2033/34<br>(£m) | 2034/35<br>(£m) | Total<br>(£m) |
|--|---|------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|---------------|
| Digital                                      | Digital Signal Processing Centre (DSP)      | Bangor University                  | 0.12            | 1.64            | 0.39            | 0.00            | 0.65            | 0.16            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 2.96          |
| Digital                                      | 4G+ (Connected Key Sites and Corridors)     | Ambition North Wales               | 0.00            | 0.00            | 0.00            | 0.00            | 0.29            | 2.82            | 2.36            | 0.57            | 0.13            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 6.17          |
| Digital                                      | LPWAN (Connected Campuses)                  | Ambition North Wales               | 0.00            | 0.00            | 0.00            | 0.00            | 0.15            | 0.52            | 0.43            | 0.00            | 0.00            | 0.00            | 0.02            | 0.02            | 0.00            | 0.00            | 1.14          |
| Digital                                      | Advanced Wireless (Connected Campuses)      | Ambition North Wales               | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 4.09            | 6.76            | 8.56            | 0.13            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 19.54         |
| Low carbon energy                            | Cydnherth (Morlais)                         | Menter Môn                         | 0.00            | 0.00            | 0.00            | 0.00            | 8.87            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 8.87          |
| Low carbon energy                            | Egni  | Bangor University                  | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 3.94            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 3.94          |
| Low carbon energy                            | Clean Local Energy                          | Ambition North Wales               | 0.00            | 0.00            | 0.00            | 0.00            | 1.83            | 5.63            | 6.95            | 6.20            | 4.02            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 24.63         |
| Low carbon energy                            | Holyhead Hydrogen Hub                       | Menter Môn                         | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 3.80            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 3.80          |
| Land and property                            | Former North Wales Hospital, Denbigh        | NWH Ltd (Jones Bros)               | 0.00            | 0.00            | 0.00            | 0.00            | 0.50            | 1.50            | 4.94            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 6.94          |
| Land and property                            | Parc Bryn Cegin Strategic Site              | Ambition North Wales               | 0.00            | 0.00            | 0.00            | 0.00            | 0.15            | 5.76            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 5.91          |
| Land and property                            | Wrexham Gateway                             | Wrexham County Borough Council     | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 1.20            | 3.59            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 4.79          |
| Land and property                            | Gogledd Môn Sites and Premises              | Isle of Anglesey County Council    | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 5.32            | 1.68            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 7.00          |
| Land and property                            | Freeport Gateway                            | Isle of Anglesey County Council    | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 2.70            | 0.78            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 3.48          |
| Land and property                            | Albert Gubay Business School                | Bangor University                  | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 5.99            | 1.32            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 7.31          |
| Land and property                            | Padeswood                                   | Transport for Wales / Network Rail | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 2.10            | 2.10            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 4.20          |
| Land and property                            | Port of Mostyn                              | Port of Mostyn                     | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 4.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 4.00          |
| Innovation in High Value Manufacturing       | Centre of Environmental Biotechnology (CEB) | Bangor University                  | 0.00            | 0.00            | 0.00            | 0.58            | 1.68            | 0.70            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 2.96          |
| Innovation in High Value Manufacturing       | Enterprise Engineering & Optics Centre      | Wrexham University                 | 0.00            | 0.00            | 0.75            | 9.06            | 2.18            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 11.99         |
| Innovation in High Value Manufacturing       | Society 5.0                                 | Wrexham University                 | 0.00            | 0.00            | 0.00            | 0.00            | 1.50            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 1.50          |
| Innovation in High Value Manufacturing       | Project Prince                              | Knauf                              | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 3.20            | 11.20           | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 14.40         |
| Agri-food and tourism                        | Glynllifon Rural Economy Hub                | Grŵp Llandrillo Menai              | 0.00            | 0.00            | 0.00            | 0.00            | 1.00            | 6.87            | 3.79            | 0.16            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 11.82         |
| Agri-food and tourism                        | Tourism Talent Network                      | Grŵp Llandrillo Menai              | 0.00            | 0.00            | 0.00            | 1.00            | 2.00            | 1.35            | 0.08            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 4.43          |
| Agri-food and tourism                        | Responsible Adventure                       | Zip World                          | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 4.71            | 1.49            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 6.20          |
| Agri-food and tourism                        | Venue Cymru                                 | Conwy County Borough Council       | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 1.25            | 3.44            | 0.31            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 5.00          |
| Reserve List projects                        | n/a   | n/a                                | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 0.00            | 9.81            | 19.69           | 20.00           | 12.37           | 0.00            | 0.00            | 0.00            | 0.00            | 61.87         |
| <b>Projects Sub Total</b>                    |   |                                    | <b>0.12</b>     | <b>1.64</b>     | <b>1.14</b>     | <b>10.64</b>    | <b>20.80</b>    | <b>66.41</b>    | <b>58.33</b>    | <b>39.08</b>    | <b>24.28</b>    | <b>12.37</b>    | <b>0.02</b>     | <b>0.02</b>     | <b>0.00</b>     | <b>0.00</b>     | <b>234.85</b> |
| 2.15% to fund the Growth Deal revenue budget |   |                                    | 0.22            | 0.28            | 0.56            | 0.71            | 1.35            | 0.66            | 0.50            | 0.30            | 0.15            | 0.10            | 0.10            | 0.10            | 0.07            | 0.05            | 5.15          |
| <b>Anticipated expenditure by 31/03</b>      |   |                                    | <b>0.34</b>     | <b>1.92</b>     | <b>1.70</b>     | <b>11.35</b>    | <b>22.15</b>    | <b>67.07</b>    | <b>58.83</b>    | <b>39.38</b>    | <b>24.43</b>    | <b>12.47</b>    | <b>0.12</b>     | <b>0.12</b>     | <b>0.07</b>     | <b>0.05</b>     | <b>240.00</b> |