



REPORT TO THE NORTH WALES ECONOMIC AMBITION BOARD
8th November 2024

TITLE: North Wales Growth Deal – Quarter 2 Performance and Risk Report
AUTHOR: Hedd Vaughan-Evans, Head of Operations

1. PURPOSE OF THE REPORT

- 1.1. The purpose of the report is to present the Quarter 2 (July to September) Growth Deal report and updated Portfolio Risk Register.
- 1.2. Quarterly reporting on progress against the North Wales Growth Deal is a requirement of the Final Deal Agreement. Following consideration by the North Wales Economic Ambition Board, the reports will be shared with Welsh Government, UK Government and the local authority scrutiny committees.

2. DECISION SOUGHT

- 2.1. That the Board consider and note the Quarter 2 Performance Report and updated Portfolio Risk Register.
- 2.2. That the Board approves the submission of the Quarter 2 Performance Report to Welsh Government and UK Government, as well as the local authority scrutiny committees.

3. REASONS FOR THE DECISION

- 3.1. As stated in the report.

4. BACKGROUND AND RELEVANT CONSIDERATIONS

- 4.1. In December 2020, the Economic Ambition Board and the Welsh and UK Governments agreed the Final Deal Agreement for the North Wales Growth Deal.
- 4.2. Regular reporting on progress against the North Wales Growth Deal is a requirement of the Final Deal Agreement.
- 4.3. This report includes two appendices:
 - North Wales Growth Deal – Quarter 2 Performance Report
 - Portfolio Risk Register – September 2024
- 4.4. [North Wales Growth Deal – Quarter 2 Performance Report](#)
- 4.4.1. The Quarter 2 performance report provides an overview of progress on the Growth Deal programmes and projects.

- 4.4.2. During the quarter, the Economic Ambition Board approved a number of business cases:
 - Outline Business Case for the Cydnerth project;
 - Outline Business Case for the Advanced Wireless project;
 - Business Justification Case for the Centre for Environmental Biotechnology project;
 - Business Justification Case for the LPWAN project;
 - Full Business Case for the Tourism Talent Network project.
- 4.4.3. Construction of the Enterprise Engineering and Optics Centre is progressing well, with the procurement for the optic refurbishment, equipment and hydrogen element launched.
- 4.4.4. The tender for the Smart Local Energy Fund Manager launched on Sell2Wales, there was significant interest in the opportunity.
- 4.4.5. The Section 106 agreement for Former North Wales Hospital project was agreed by Denbighshire County Council planning committee in July subject to complying with pre commencement planning conditions.
- 4.4.6. Market engagement for the Connected Key Sites and Corridors '4G+' project started in collaboration with Growing Mid Wales.
- 4.4.7. The Quarter 2 update is showing projects reporting against the revised portfolio delivery profile approved by the Board. Six projects are currently reporting as red due to either risks to the project scope or significant delays to project timescales:
 - Connecting the Last Few % - The UK Government investment in broadband in the region due to commence following current procurement for its 'cross regional' framework. Outcome of this will define premises for Growth Deal intervention;
 - Trawsfynydd – uncertainty on the delivery timescales due to the decisions required by Great British Nuclear and UK Government on technology and site selection.
 - Deeside Anaerobic Digestion Plant – ongoing discussions with a private sector funder regarding project funding options.
 - Holyhead Gateway – project development paused pending the outcome of Stena Line's commercial negotiations with the offshore energy sector.
 - Kimmel Studios – Stage Fifty the project sponsor have been placed into administration, with the project is currently under review. Revised proposals to be tabled for consideration by the end of 2024.
 - Glynllifon Rural Economy Hub – project delays and a need to re-scope the project.

4.5. Portfolio Risk Register – September 2024

- 4.5.1. The Portfolio Risk Register is updated on a regular basis by the Portfolio Management Office and reviewed by the Portfolio Board and the North Wales Economic Ambition Board on a quarterly basis.
- 4.5.2. The risk register has been fully reviewed by the Portfolio Management Office, there were no changes to gross or residual risk scores..
- 4.5.3. While the risk profile has remained stable over the past quarter, the risk profile does remain high with a number of red residual risks including affordability, delay, planning and statutory consents, public and private sector investment, and spending objectives.

5. FINANCIAL IMPLICATIONS

- 5.1. There are no financial implications arising directly from approving the decision sought in this report.
- 5.2. The revised delivery and expenditure profile approved by the Board is included in the quarterly report.

6. LEGAL IMPLICATIONS

- 6.1. There are no direct legal implications arising from the report.
- 6.2. Regular reporting on Growth Deal performance is part of the agreed governance framework and a key requirement of the Final Deal agreement.

APPENDICES:

- | | |
|-------------------|--|
| Appendix 1 | North Wales Growth Deal – Quarter 2 Performance Report |
| Appendix 2 | Portfolio Risk Register – September 2024 |

STATUTORY OFFICERS RESPONSE:

i. Monitoring Officer:

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

ii. Statutory Finance Officer:

“I am satisfied that the report is a fair reflection of the financial situation of Ambition North Wales during quarter 2. Implementing the decision sought will not create a new spending commitment. I will continue to assist the Portfolio Management Office in managing the relevant risks.”