
NORTH WALES ECONOMIC AMBITION BOARD
08/11/2024

Present:

Voting Members – Councillors:- Mark Pritchard (Wrexham County Borough Council) (Vice-chair), Jason McLellan (Denbighshire County Council), Gary Pritchard (Isle of Anglesey County Council), Dave Hughes (Flintshire County Council) and Charlie McCoubrey (Conwy County Borough Council).

Advisors – Professor Joe Yates (Wrexham University), Aled Jones-Griffith (Grŵp Llandrillo Menai) and Paul Spencer (Bangor University).

Chief Officers - Dylan Williams (Isle of Anglesey County Council), Rhun ap Gareth (Conwy County Borough Council), Neal Cockerton (Flintshire County Council), Sioned Williams (Cyngor Gwynedd), Ian Bancroft (Wrexham County Borough Council) and Graham Boase (Denbighshire County Council).

Officers in attendance – Siwan Glyn (Audit Wales)

Host Authority - Iwan G Evans (Monitoring Officer), Dewi Morgan (Statutory Finance Officer), Siân Pugh (Assistant Head of Finance), Sara Jane Jones (Senior Accountant) and Rhodri Jones (Democracy Services Officer).

Ambition North Wales – Alwen Williams (Portfolio Director), Hedd Vaughan-Evans (Head of Operations), Stuart Whitfield (Digital Programme Manager), David Mathews (Land and Property Programme Manager) and Nia Medi Williams (Senior Executive Officer).

Observers – Wendy Boddington (Welsh Government Observer) and Gareth Ashman (UK Government Observer).

1. APOLOGIES

Apologies were received from:-

- Councillor Nia Jeffreys (Cyngor Gwynedd)
- Professor Edmund Burke (Bangor University) with Paul Spencer deputising
- Yana Williams (Coleg Cambria)
- Askar Sheibani (Business Delivery Board)
- Dafydd Gibbard (Cyngor Gwynedd) with Sioned Williams deputising
- Eiliw Hughes (Ambition North Wales)

The Chair welcomed the deputies to the meeting and welcomed Professor Joe Yates to his first Board meeting.

2. DECLARATION OF PERSONAL INTEREST

A declaration of personal interest was received from Alwen Williams (Portfolio Director) for Item 7 due to her appointment as interim Chief Executive of the North Wales Corporate

Joint Committee. It was noted that it was a prejudicial interest and she withdrew from the meeting during the discussion, after the presentation of part of the Report.

3. URGENT ITEMS

No urgent matters were raised.

4. MINUTES OF THE PREVIOUS MEETING

The Chair signed the minutes of the previous meeting, held on 20 September 2024, as a true record.

5. FINAL ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024 AND THE RELEVANT AUDIT

The report was presented by the Statutory Finance Officer.

RESOLVED

To approve:

- **'ISA260' report by Audit Wales in respect of NWEAB.**
- **NWEAB's final Statement of Accounts for 2023/24 (post-audit).**

REASONS FOR THE DECISION

The final version (post-audit) of the Statement of Accounts for 2023/24 is presented here. The main amendments since the pre-audit version were outlined in Appendix 3 of the Audit Wales 'ISA260'.

DISCUSSION

It was confirmed that the annual Statement of Accounts presented in the Report had been prepared in accordance with the Code of Practice on Local Authority Accounting. It was elaborated that this had been verified by Audit Wales, the external auditors of the Ambition Board.

It was explained that information submitted within the Report had already been shared with the Board when the Joint Committee's Revenue and Capital Out-turn Position for 2023/24 was presented (17 May 2024) and when submitting a draft Statement of Accounts (19 July 2024).

It was reported that Audit Wales intended to publish an unqualified audit opinion on the accounts this year. It was explained that this was confirmed after the Board had submitted a Letter of Representation to Audit Wales based on the Statement of Accounts. The need for the Vice-chair and the Statutory Finance Officer to sign the letter and submit it to the auditors, was emphasised.

Attention was drawn to a correction identified within the auditors' Report (ISA260) in Appendix 3. It was confirmed that this was a change to the wording of the Statement of Accounts and it did not affect the financial information.

All officers from Audit Wales and Cyngor Gwynedd's Finance Department were thanked for their work of preparing the Statement of Accounts.

An enquiry was received about a table summarising payments and income between the North Wales Corporate Joint Committee, Local Authorities, Further and Higher Education Establishments for the 2023/24 financial year, detailing the monies owed from the Ambition Board to Wrexham University. In response to the enquiry, the Assistant Head of Finance confirmed that this payment owed to the University related to capital grant funding on one of the Ambition Board projects. Members were reminded that the information seen in the table summarised the information at the end of the financial year and that monies owed had been paid early in this financial year (2024/25).

6. NORTH WALES GROWTH DEAL - QUARTER 2 PERFORMANCE AND RISK REPORT 2024/25

The report was presented by the Head of Operations.

RESOLVED

- **To consider and note the Quarter 2 Performance Report and updated Portfolio Risk Register.**
- **To approve the submission of the Quarter 2 Performance Report to the Welsh Government and UK Government as well as the local authority scrutiny committees.**

REASONS FOR THE DECISION

Quarterly reporting on progress against the North Wales Growth Deal is one of the requirements of the Final Growth Deal Agreement. Following consideration by the Ambition Board, the reports will be shared with the Welsh Government, UK Government and the local authority scrutiny committees.

DISCUSSION

An update had been provided on the progress of the Board's Programmes against the North Wales Growth Deal, detailing the following main developments:

- **Low Carbon Energy Programme** - Members were reminded that a 'Cydnerth' Outline Business Case had been approved by the Board in July. It was noted that significant progress had been made to strengthen the off-take position for Holyhead Hydrogen Hub with a Memorandum of Understanding in place to move the project forward. It was confirmed that there was significant interest in the 'SelltoWales' project as part of the Smart Local Energy scheme.
- **Land and Property Programme** - It was explained that positive developments could be seen in projects such as Warren Hall, Western Gateway, Former North Wales Hospital, Parc Bryn Cegin and Wrexham Gateway. It was recognised that a delay could be seen in the Holyhead Port and Kinmel Studios projects and that the projects appeared red on the Risk Register.
- **Advanced Manufacturing Innovation Programme** - It was assured that the work of constructing the Enterprise Engineering and Optics Centre was developing well and that a further procurement campaign for the project had been launched. Members were reminded that the Business Justification Case for the Centre for Environmental Biotechnology had been approved by the Board in July 2024 and the project was working towards signing the Grant Funding Agreement.
- **Agri-Food and Tourism Programme** - It was confirmed that the Responsible Adventure project was continuing to develop an Outline Business Case to be presented to the Board. It was noted that the Full Business Case of the Tourism

Talent Network had been approved by the Board in September 2024. It was recognised that Glynllifon's Rural Economy Hub project continued to appear red on the risk register and was considering options following feedback on their environmental inspection.

- **Digital Programme** – Attention was drawn to recent engagement developments of the 4G+ Connected Key Sites and Corridors project. Members were also reminded that the 'Advanced Wireless' Outline Business Case and the Business Justification Case of the LPWAN project had been approved by the Board in recent months.

It was confirmed that there was no change in rating for the North Wales Growth Deal Portfolio Risk Register.

7. FUNCTIONS OF THE NORTH WALES ECONOMIC AMBITION BOARD - TRANSFER TO THE CORPORATE JOINT COMMITTEE

The report was submitted by the Portfolio Director and Chief Officer of Isle of Anglesey County Council.

DECISION

- 1. To accept the update on work to establish the North Wales CJC including the transfer of the Growth Deal and progressing on tasks required to carry out the statutory duties of the CJC.**
- 2. To authorise the Portfolio Director to agree on a revised programme and transfer date with the Local Authorities and Higher and Further Education partners within the target date of 31 March 2025.**
- 3. To approve the extension of the temporary arrangements to release the Portfolio Director's time for two days per week to undertake the Interim Chief Executive role until 31 March 2025 or the transfer date, depending on which comes first.**

REASONS FOR THE DECISION

In December 2021/January 2022, the Cabinet and Executives in each of the six Local Authorities and the wider Ambition Board partnership agreed, in principle, that the functions of the North Wales Economic Ambition Board (the Ambition Board) should be transferred by way of a delegation agreement to the CJC. The statutory framework and the establishment of the CJC require the focus and resources needed to develop the transfer work. Approval from all partner organisations and governments is required before the transfer can take place.

The functions and partnership organisation of the Ambition Board are currently set out in GA2. This also includes the governance and long-term arrangements for financially supporting the Growth Deal and the Portfolio Management Office to deliver the plan. Under the proposed delegation agreement, the Growth Deal and associated financial arrangements would transfer to the CJC and would respond in part to the power given to the CJC to promote regional economic well-being. This Economic Well-being function co-exists with the economic development powers of each of the councils in the north. Regional partners will need to agree and co-develop how these functions will work regionally, as part of the establishment of the CJC. It also needs to be recognised that the original decisions in principle to transfer the Growth Deal were taken when the CJC concept was still being developed. Therefore, the exact model for the transfer arrangements will be agreed with partners as part of the next steps.

In order to implement the transfer, there are key legal issues that are being developed

1. Agreement with the Governments on the transfer (novation) of the Growth Deal to the CJC and the model for achieving this. The principle of transfer has received government support.
2. Formal decisions by the parties to Governance Agreement 2 (GA2) and the CJC to agree to transfer the functions of the Growth Deal and the function of the Accountable Body to the CJC.
3. Create a Collaboration Agreement between the GA2 parties and the Corporate Joint Committee. The agreement will be a successor to GA2 and will in many ways reflect the current arrangements. However, the different corporate status of the CJC will mean that aspects of the agreement will need to be approached in different ways. These reflect the fact that GA2 created a Joint Committee of Constituent Councils with delegated powers while the CJC (despite its name) was a statutory corporation. The aim, however, is to reflect and seek to replicate the partnership arrangements within the transfer model and to provide a contractual framework to ensure that the Growth Deal is delivered and to continue the partners' financial commitments to the project.

1 November has been set as a provisional target date for the transfer of functions from the Ambition Board to the North Wales Corporate Joint Committee. This date was contingent on the receipt of the required transfer approvals and a number of key steps and decisions remain incomplete. These include:

- agreement on the governance model for decision making.
- circulating and agreeing the draft GA3 (successor to GA2) to make coding arrangements.
- reaching a novation agreement for the Growth Deal with the Welsh Government.
- completion of a GA3 partnership agreement.

Therefore a transfer date of 1 November 2024 is unachievable.

DISCUSSION

It was explained that the discussion presented a further update on the process of establishing the North Wales Corporate Joint Committee (CJC), detailing the transfer of some of the functions of the Ambition Board to the CJC.

Members were reminded that Cabinet Members and Chief Officers of the Local Authorities had agreed to this transfer in principle with the Board's partners. It was noted that 1 November 2024 had been considered as a target date for the transfer, subject to the receipt of approval of it by all Board partners, the entering legal agreements and the need to complete necessary steps. It was acknowledged that it was not possible to transfer on this draft date.

A revised transfer timetable for the transfer of the Growth Deal was reported. It was confirmed that options were being considered and it was aimed at ensuring all appropriate steps to enable the transfer to be delivered no later than 31 March 2025.

The Portfolio Director left the meeting for Members to discuss temporary arrangements to free up the Portfolio Director's time to undertake the role of Interim Chief Executive of the CJC until 31 March 2025, or the transfer date (if the transfer took place before this date).

It was confirmed that there were no legal developments arising as approving this arrangement would only be an extension of existing arrangements.

Concern was expressed that the draft transfer date was being withdrawn due to the complexity of the appropriate steps and that this was having an impact on developments. Assurance was sought for the transfer to be implemented as soon as possible so that a full-time Chief Executive could be employed to provide leadership to the CJC.

8. EXCLUSION OF PRESS AND PUBLIC

RESOLVED to exclude the press and public from the meeting during the discussion of Item 9 as it is likely that exempt information will be disclosed as defined in Paragraph 14 of Annex 12A of the Local Government Act 1972 - Information regarding the financial or business transactions of any particular person (including the authority holding such information).

There was an acknowledged public interest in being open about the use of public resources and related financial issues. It was recognised, however, that there were occasions in order to protect public financial and commercial interests, where such information must be discussed without being publicised. The reports related specifically to financial and business matters and related discussions. Publication of such commercially sensitive information could adversely affect the interests of the bodies and the Councils and undermine the confidence of other Growth Deal participants in sharing sensitive information for consideration. This would be contrary to the wider public interest of securing the best overall outcome.

9. UPDATE ON THE 2024 PORTFOLIO BUSINESS CASE

The report was presented by

DECISION

- 1. To approve the 2024 update of the Portfolio Business Case and its submission to the Welsh Government and UK Government as part of the annual award of funding process.**
- 2. To request that the Portfolio Director submit all required documentation and change request form to the Welsh and UK Governments as part of the annual award of funding process and delegate to the Portfolio Director, in consultation with the Vice-chair of the North Wales Ambition Board, the Monitoring Officer and the s151 Officer, authority to negotiate with the Welsh Government and UK Government on the timing of the award of funding and to make any minor amendments for either government.**
- 3. To note the Gateway Review report and request that the Portfolio Director develop an action plan to address the recommendations.**
- 4. To approve the withdrawal of the Deeside Anaerobic Digestion plant project from the North Wales Growth Deal.**
- 5. To agree the approach to projects that are at risk of reallocation of funding and ask the Portfolio Director to initiate the process and report to the Board on the main decision points set out in Appendix 5.**
- 6. To arrange a meeting with relevant Welsh Government and UK Government Ministers, ensuring that additional strategic matters are arranged in advance to provide further certainty in the North Wales Economic Ambition Board Portfolio Business Case.**

REASONS FOR THE DECISION

The reasons were stated within the report.

DISCUSSION

The report was discussed.

The meeting started at 09:30am and ended at 11:05am.

Chair