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## REPORT TO THE NORTH WALES ECONOMIC AMBITION BOARD

5<sup>th</sup> May 2023

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**TITLE:** North Wales Growth Deal – Quarter 4 Performance and Risk Report

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### 1. PURPOSE OF THE REPORT

- 1.1. The purpose of the report is to present the Quarter 4 (January to March) 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 4 Performance Report and updated Portfolio Risk Register.
- 2.2. That the Board approves the submission of the Quarter 4 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 4 Performance Report
  - Portfolio Risk Register – March 2023
- 4.4. North Wales Growth Deal – Quarter 4 Performance Report
  - 4.4.1. The Quarter 4 performance report provides an overview of progress on the Growth Deal programmes and projects.

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- 4.4.2. This quarter saw the launch of our Growth Deal funding process to select new projects to join the Growth Deal. £30million of capital funding is available, and the process has generated significant interest and resulted in 26 robust applications being received. The assessment process will commence during the next quarter.
- 4.4.3. The Economic Ambition Board approved the Outline Business Case for the Smart Local Energy project, this project will see the establishment of a £25million fund to invest in clean energy and decarbonisation projects across North Wales.
- 4.4.4. The Enterprise Engineering and Optics Centre project launched their £8.35 million tender opportunity to design and construct the new centre that will support manufacturing businesses in the region to decarbonise. The tender invites businesses to submit bids to design and construct the new building at the Plas Coch site, including the installation of a hydrogen application facility and renewable energy photovoltaic panels.
- 4.4.5. The Quarter 4 update is showing projects reporting against the revised portfolio delivery profile approved by the Board in September 2022. Two projects are currently reporting as red due to either risks to the project scope or significant delays to project timescales:
- Glynllifon Rural Economy Hub – planning permission yet to be secured. The pre-planning advised that further bat surveys are needed on land outside of the Glynllifon boundary, this has been actioned but could delay the project by up to one year.
  - Centre for Environmental Biotechnology – project development paused due to match funding issue and exploring alternative locations for the project.

#### 4.5. Portfolio Risk Register – March 2023

- 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 updated with a number of changes recorded in the documents, including revised risk descriptions, revised scoring and mitigating actions, and the commentary has been updated for all risks.
- 4.5.3. While the risk profile has remained stable over the past quarter, one residual risk rating has increased and another has reduced. The risk on planning and statutory consents has increased due to project-level consenting delays; and the risk on Political change has reduced as government priorities and policies continue to be confirmed across relevant sectors such as energy.

### 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 in September 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.

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### APPENDICES:

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| <b>Appendix 1</b> | North Wales Growth Deal – Quarter 4 Performance Report |
| <b>Appendix 2</b> | Portfolio Risk Register – March 2023                   |

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### STATUTORY OFFICERS RESPONSE:

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

“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 (the Host Authority’s Section 151 Officer):**

“I am satisfied that the report is a fair reflection of the financial situation of Ambition North Wales.”