Appendix 2

Medium Term Financial Plan 2026/27 – 2029/30

1. Executive Summary

1.1 Purpose of the MTFP

This Medium-Term Financial Plan (MTFP) will provide a framework for planning and managing the financial resources of Ambition North Wales over the medium term. Its purpose is to ensure that we plan effectively for its statutory obligations, maintain financial sustainability and support the achievement of its strategic objectives.

1.2 Plan Period

The period of this plan is 2027/28 to 2029/30. This plan will be reviewed and updated annually to reflect on the latest information.

1.3 Key Assumptions

The financial forecasts contained within the plan follow the application of a number of key assumptions, including:

- Expected inflation levels.
- National salary awards.
- Welsh Government funding and grants.
- Contributions of the constituent authorities.
- Changes in demand and service activity.
- Impact of new policies and legislation.

To ensure the accuracy of these assumptions we will review them regularly as new information becomes available

1.4 Overall Financial Position

By the end of the 2025/26 period, Ambition North Wales, the North Wales Corporate Joint Committee (CJC) was in a stable financial position, with a funding model based on a combination of constituent authority levies, partner contributions, grants and other sources of income. During 2025/26, the CJC (including Growth Deal) used grants and contributions worth £18.2m and received £2.2m of interest income. The organisation also managed a prudent level of reserves and significant investments to support the delivery of key regional programmes, including the Growth Deal, the Regional Transport Plan and Strategic Planning work.

However, it was noted that the CJC held more reserves than was necessary to remain prudent and the 2026/27 included significant use of reserves in order to minimise the increase in the levy.

The financial outlook over the period of this plan reflects employment cost pressures, inflation and grant funding risks, but also shows significant opportunities to secure further investment in the region.

1.5 Main Risks and Opportunities

Risks

- Inflation and cost pressures higher than forecasts.
- Salary awards and employment costs exceed the provision in the budget.
- Changes to constituent authority, Welsh Government and UK Government funding levels or grant arrangements
- Reliance on grant funding and fixed-term funding sources for strategic programmes.
- Risks of recruiting and retaining staff in specialist areas and key functions.
- Delays in securing or delivering externally funded projects.
- Changes to national and regional legislation, policies or priorities.
- Unnecessary cost of borrowing
- NDR income on Growth Deal projects not received or lower than forecast
- Investment Zone grant funding not available to fund project expenditure
- Investment Zone administration expenditure higher that the funding available

Opportunities

- Securing grant funding and additional investment for regional programs.
- Develop and deliver the North Wales Growth Deal and the Flintshire and Wrexham Investment Zone.
- Strengthen regional collaboration arrangements and shared services.
- Improve operational efficiency and achieve greater value for money.
- Increase investment income and develop new sources of income where appropriate.
- Develop organisational capacity and strategic financial planning to support growth and deliver on the CJC's priorities.

1.6 Summary of the Budget Gap

Whilst there are clear opportunities arising from the increase in the statutory duties on Ambition North Wales to improve regional working and attract significant investment into the region, there remains the challenge of securing funding. The CJC is reliant on the levy that is paid by the 6 constituent councils (plus Eryri National Park Authority for Strategic Planning matters), and the statutory process of setting the annual budget involves agreement on the amount of levy to charge, and its apportionment amongst the authorities.

Work on developing the Medium-Term Financial Plan shows that the following amounts will need to be funded by a combination of levy and use of reserves for the relevant expenditure headings.

	2027/28 (£)	2028/29 (£)	2029/30 (£)
Total Non-levy Income	(470,000)	(470,000)	(470,000)
Total Expenditure	2,633,830	2,593,000	2,682,080
Deficit to be funded by levy and reserves	**2,163,830**	**2,123,000**	**2,212,080**

2. Strategic Context

2.1 Objectives, Priorities and Programmes

The statutory duties of Ambition North Wales, the North Wales Corporate Joint Committee are set out in regulations made in accordance with the Welsh Government's powers as outlined in the Local Government and Elections (Wales) Act 2021. In particular, regulations 11 to 14 of the North Wales Corporate Joint Committee Regulations 2021 outline the statutory functions of Ambition North Wales:

- Economic Well-being
- Development of Regional Transport Policy
- Strategic Planning

A significant factor in fulfilling the Economic Well-being duty was the transfer of the North Wales Growth Deal from the North Wales Economic Ambition Board, a standalone Joint Committee (pursuant to the Local Government Act 1972) with Cyngor Gwynedd as the host authority, to the North Wales Corporate Joint Committee, Ambition North Wales, a standalone corporate body on 1 April 2025.

In order to fulfil these statutory powers, Ambition North Wales is responsible for carrying out strategic and regional functions across North Wales, working in partnership with the constituent authorities, Welsh Government, UK Government and other key stakeholders. The Medium-Term Financial Plan provides the financial framework that supports the delivery of these priorities in a sustainable and affordable manner.

Throughout the scheme period, we will continue to focus on fulfilling our statutory functions and developing programmes that contribute to the economic growth, connectivity and sustainability of the region. The main strategic priorities include:

- Develop and implement the Strategic Development Plan for North Wales.
- Delivering the Regional Transport Plan and supporting better connectivity across the region.
- Lead and deliver the North Wales Growth Deal and its portfolio of programmes and projects.
- To support the development and operation of the Flintshire and Wrexham Investment Zone.
- Developing the skills and capacity of the workforce through the work of the Regional Skills Partnership.
- Ensure sound governance, performance and financial management arrangements.
- To develop the organisational and operational capacity of the CJC to meet the organisation's growing responsibilities.

We seek to ensure that financial resources are directed to these priorities whilst maintaining financial resilience and effective risk management. In developing the plan, consideration will be given to the resources available, the financial pressures facing the public sector, and the need to deliver value for money while delivering outcomes for communities, businesses and stakeholders across North Wales.

This plan also reflects the importance of regional working and ensuring that the CJC's investments contribute to achieving the vision of a more vibrant, sustainable and resilient economy for North Wales, supporting economic growth, skills development and strategic infrastructure improvements across the region.

2.2 External Factors Affecting the Financial Situation

The financial position of the CJC will be influenced by a number of external factors that may affect the organisation's funding levels, costs and priorities. These factors will be monitored and taken into account in the development and updating of the plan.

Factor	Potential Impact
Funding from the Partners	A reluctance to continue to support Ambition North Wales financially, leading to insufficient levy.
Government Funding	Changes to funding levels, grant arrangements or grant profile.
Inflation	Increase in employment, contract, and service costs.
Economic Conditions	Impact on operating costs, investment and funding opportunities.
Policy Developments and Legislation	New requirements or changes to the priorities of the CJC.
Stakeholder Expectations	Pressure to deliver regional outcomes and achieve value for money.

We will regularly review the impact of these factors as part of our financial planning, risk management and budget-setting arrangements.

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3. Planning Assumptions

The financial forecasts in this plan are based on a number of assumptions regarding income, expenditure and economic conditions. These assumptions are used as a basis for the development of the financial forecasts over the period of the plan.

3.1 Income Assumptions

The following table summarises the main income assumptions used in the preparation of the plan.

Area	Assumption
Partner Contributions (Growth Deal)	Contribution from 6 councils and 4 education bodies to fund the implementation of the Growth Deal. This is a contractually agreed amount, and its implementation is not dependent on wider levy decisions. This MTFP assumes that the partner contributions will continue as agreed between the partners.
Levy Income	In accordance with statutory requirements, the levy will continue to be levied on the 6 constituent councils and Eryri National Park Authority. The amount to be collected by levy, and its allocation to the constituent members, must be determined before the end of January for the following financial year.
Project Funding	It is envisaged that 2.15% of the Growth Deal grant can continue to be used towards the Portfolio Management Office revenue costs
Interest Income	Based on cash levels and interest rates forecast by the Bank of England and the appointed treasury management consultants.
Partner Interest Contributions	Based on NDR income, capital expenditure profile, grant profile and forecasted interest rate

3.2 Expenditure Assumptions

The following table summarises the main expenditure assumptions used in the preparation of the plan.

Area	Assumption
Staffing structure	That the staffing structure of the CJC will need to reflect current and emerging duties placed on the organisation.
Salary Awards	In line with the latest national forecasts and the information available.
Salary Increases	Includes contractual costs where applicable.
National Insurance	Reflects any known changes to contribution rates.
Pension Contributions	Based on expected employer rates and will reflect any known changes to contribution rates.
Inflation	Includes provision for employment costs, contracts and services. Assumptions are made in accordance with the latest forecast information available from the Bank of England and the appointed treasury management consultants.
Third party costs	Will include prudent assumptions of the costs of the support services provided by Cyngor Gwynedd and other third-party providers, as set out in contracts and service level agreements.
Property Costs	Includes utility charges, rents and associated costs where applicable.

3.3 Reviewing Assumptions

As already stated, the assumptions used in the plan will be reviewed and updated regularly to ensure that they reflect the most recent information and circumstances. This will need to be undertaken at least annually, but in practice it will need to be undertaken during the year as emerging data and information is received. Any material changes to funding levels, inflation, employment costs or economic conditions will be taken into account when updating the financial forecasts.

4. Financial Base

4.1 Base Budget for the Current Year

The following is the 2026/27 base budget for the Corporate Joint Committee, as approved on 23 January 2026. It does not include costs relating to the North Wales Growth Deal, Investment Zone or the Regional Skills Partnership which are not funded through the levy, but by a separate contractual agreement and grant.

Category	2026/27 Budget (£)
Employees	956,920
Travel	3,110
Supplies and Services	654,630
Support services	273,220
Set-up Costs	71,890
Income (non-levy, including contributions from reserves)	(944,590)
Total Net Expenditure	**1,015,180**

4.2 Financial Forecast Starting Point

The baseline budget is used as the basis for the development of the financial forecasts over the period of this plan. The forecasts take into account the impact of the planning assumptions, including:

- Inflation.
- Salary awards.
- Changes in finance.
- Service pressures and programs.
- Changes to the responsibilities of the CJC.

This approach enables the Corporate Joint Committee to assess financial sustainability, identify potential budget gaps and support decisions regarding priorities and resource utilisation.

4.3 Changes to the Base

The biggest change in the financial base was the transfer of the North Wales Growth Deal and the Portfolio Management Office, together with the Regional Skills Partnership, to the North Wales Corporate Joint Committee on the 1st of April 2025. This transfer resulted in the transfer of significant assets, liabilities, reserves and operational responsibilities to the CJC, increasing the size and complexity of the organisation's activity.

5. Three-Year Financial Outlook

This section presents the projected income, expenditure and overall financial position forecasts for the CJC over the period of this plan. The forecasts are based on the assumptions set out in Section 3.

5.1 Income Forecasts

The following table summarises the projected income over the period of the scheme.

Source of Income	2027/28 (£)	2028/29 (£)	2029/30 (£)
Interest on Balances	(20,000)	(20,000)	(20,000)
Regional Transport Plan Grant	(450,000)	(450,000)	(450,000)
Total non-levy Income	**(470,000)**	**(470,000)**	**(470,000)**

The income forecasts reflect current funding arrangements, known grants and assumptions regarding other sources of income.

5.2 Expenditure Forecasts

The following table summarises the projected expenditure over the period of the MTFP.

Forecast Expenditure	2027/28 (£)	2028/29 (£)	2029/30 (£)
Corporate Joint Committee	1,220,090	1,354,100	1,446,490
Strategic Development Plan	814,210	634,690	625,910
Regional Transport Plan	599,530	604,210	609,680
Total Expenditure Budget	**2,633,830**	**2,593,000**	**2,682,080**

The expenditure forecasts include the impact of salary awards, inflation, contractual commitments and other projected cost pressures over the plan period.

5.3 General Financial Position

A comparison of the anticipated income and expenditure provides an overview of the CJC's financial position over the period of the MTFP.

These are the amounts that will need to be funded by a combination of the use of reserves and charging a levy on the constituent authorities.

	2027/28 (£)	2028/29 (£)	2029/30 (£)
Total Non-levy Income	(470,000)	(470,000)	(470,000)
Total Expenditure	2,633,830	2,593,000	2,682,080
Deficit	**2,163,830**	**2,123,000**	**2,212,080**

There is some limited scope for varying the exact combination and proportion of levy / reserves to be used over the period of the MTFP. These are set out below.

6. Areas of Expenditure

6.1 Growth Deal

The Growth Deal is subject to separate funding arrangements and is not funded through the levy. It also has separate reserves which cannot be used to fund the wider activities of the Corporate Joint Committee.

Although the CJC has to date received more grant income than it has spent on Growth Deal projects, a medium-term temporary funding gap is forecasted between the expenditure profile of the Growth Deal and the expected profile of government funding received from UK and Welsh Governments. In 2020, the North Wales Economic Ambition Board, commissioned an independent treasury advisory company to model the cost of borrowing and the corresponding annual partner contributions required to meet this cost of which have been included in the budgets since 2021/22. There are numerous variables (NDR income, capital expenditure profile, grant profile and forecasted interest rate) that can affect these costs, and the partner contributions are re-calculated annually to reflect the most up to date information.

A specific interest reserve has been created and it is ringfenced to fund these costs and includes the partner contributions as well as the interest on Growth Deal balances (except for 2024/25 and 2025/26 where a Board decision was made for the interest to be transferred to the resources reserve to fund additional government requirements, project development and the retention of Portfolio Management Office's capacity for an additional two years beyond March 2026).

In 2023/24 and 2024/25, both Governments withheld their funding and although a revised grant profile has been received by UK Government, Welsh Government have not yet confirmed their revised grant profile to include the £16m funding that was withheld. We are currently forecasting that in 2027/28, the CJC will need to borrow to fund the capital expenditure. Another factor that will increase the cost of borrowing unnecessarily is the timing of the grant received from governments, with grant payments received at the end of the financial year and on some occasions have slipped to the following financial year.

6.2 Investment Zone

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 and £220,000 each to Flintshire County Council and Wrexham County Borough Council. The end of July 2026 review identified that the administration allocation alone will not be sufficient to fund the CJC's costs for 2026/27, therefore the interest on Investment Zone balances will be used for this funding gap. The use of interest is a temporary arrangement as interest receivable on balances will decrease as the cash outflows of the

Investment Zone grant increases, and the CJC will need measures in place to ensure that the expenditure remains within the funding envelope in future years.

6.3 Regional Skills Partnership

The Regional Skills Partnership ensures skills development is embedded in major investment programmes including the Growth Deal and the Investment Zone. It's funded by an annual grant from Welsh Government with most of the expenditure made on employees, events and meetings, marketing and communication and the skills portal.

6.4 Local Growth Fund

The Local Growth Fund (LGF) is an investment programme supporting productivity growth and tackling economic inequalities across Wales between 2026 and 2029. It supports investment in productive and competitive businesses, skills and support to help people into work and regional infrastructure.

During 2027–29 (and thereafter subject to any extension), responsibility for planning and oversight of delivery of the LGF will transfer from Cyngor Gwynedd to the North Wales Corporate Joint Committee, who will lead regional planning, prioritisation, and portfolio selection.

The administration costs are capped at 4% of total LGF allocations in each financial year and therefore the CJC will need to work within their financial envelope.

6.5 Corporate Joint Committee

This budget group contains the net costs of fulfilling the statutory duties of Ambition North Wales other than the Growth Deal, Investment Zone, Regional Skills Partnership, Strategic Development Plan and Regional Transport Plan. In addition to the operational costs, this group also includes the corporate core of the organisation, and the costs attached to running a local authority body including statutory functions such as the Chief Executive, S151 Officer and Monitoring Officer, and a range of other corporate functions such as policy, procurement and other support services. Whilst some of these costs are payable to Cyngor Gwynedd as a provider of support services through service level agreements, the MTFP addresses the current capacity issues within some of the core functions of Ambition North Wales.

Corporate Joint Commitee	2027/28 (£)	2028/29 (£)	2029/30 (£)
Employees	875,560	1,000,980	1,079,000
External Consultants	37,260	38,560	39,900
Travel	3,110	3,750	4,430
Supplies and Services	191,780	194,490	202,760
Support services	149,640	154,880	160,300
Income - Interest on balances	(20,000)	(20,000)	(20,000)
Total Net Expenditure	**1,200,090**	**1,334,100**	**1,426,490**

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6.6 Strategic Development Plan (SDP)

A report to the Strategic Planning Sub-Committee on 4th September 2025 highlighted that the Regulations relating to developing the SDP clearly set out that the production of an SDP is a statutory duty for the CJC, and implicit with that is the responsibility to meet the full costs of doing so. Apart from some early modest start-up grant funding, there is no identified funding for the SDP from Welsh Government, unlike a published commitment to support Regional Transport Plan work. As things stand, it is therefore up to the CJC to meet the full costs of the SDP.

Work undertaken since September 2025 have allowed the CJC to develop and refine its financial forecasts, and as can be seen from the table below, expenditure is expected to fall after 2027/28 as the need for external consultants (shown under Supplies and Services) reduces significantly, with responsibilities bought in-house.

Strategic Development Plan	2027/28 (£)	2028/29 (£)	2029/30 (£)
Employees	232,040	300,440	375,160
Travel	950	980	1,010
Supplies and Services	531,380	281,680	196,340
Support services	49,840	51,590	53,400
Total Net Expenditure	**814,210**	**634,690**	**625,910**

6.7 Regional Transport Plan

The function of developing policies for the promotion and encouragement of safe, integrated, efficient and economic transport to, from and within their area and to develop policies for the implementation in their area of the Wales Transport Strategy, in respect of the area of each constituent council, is to be exercised by the North Wales CJC, and not by the constituent council.

In practice, this means that Ambition North Wales must carry out the function of developing and producing a Regional Transport Plan and related regional policies in collaboration with Local Authorities and partners. Through the Strategic Transport Sub-committee, Ambition North Wales has responsibilities to manage projects and programmes. This role is achieved by co-ordinating, planning and developing the relevant project programmes and making recommendations to the Corporate Joint Committee. The responsibility to monitor and review the level and use of resources including staff is undertaken by Strategic Transport Sub-committee.

Regional Transport Plan	2027/28 (£)	2028/29 (£)	2029/30 (£)
Employees	207,740	215,020	222,550
Travel	520	540	560
Supplies and Services	341,940	337,590	333,720
Support services	49,330	51,060	52,850
Income - Regional Transport Plan Grant	(450,000)	(450,000)	(450,000)
Total Net Expenditure	**149,530**	**154,210**	**159,680**

Indicative funding for the grant has been received for 2027/28 and 2028/29. In developing this MTFP there is an assumption that funding will remain constant in 2029/30, but this is yet to be confirmed. The situation will be kept under review.

7. Funding

The CJC's funding model relies on a combination of constituent authority contributions, grants and other sources of funding. Managing these sources effectively is essential to ensure financial sustainability and achieve our priorities.

7.1 Use of reserves

The table below shows the reserves situation of NWCJC (not including any Growth Deal and Regional Skills Partnership reserves, which are ring-fenced).

	£
Total reserve at 31 March 2026	(1,636,007)
Usage in 2026/27 (approved in budget)	624,590
Usage in 2026/27 (estimated as part of July 2026 financial review)	39,874
Total reserve at 31 March 2027	(971,543)
5% of 2027/28 gross revenue budget in reserve	131,692
Total available reserve for 2027/28	**(839,851)**

As can be seen, in addition to the £624.6k approved to fund the 2026/27 budget, the end of July 2026 review estimates that an additional £40k will be needed during the year to deal with a forecast overspend.

In line with generally accepted good practice, there is a need to keep approximately 5% of Gross Revenue Expenditure as a General Reserve. This would leave approximately £840k to be used as part of the budgeting for forthcoming years.

7.2 Partner Authorities' levy contributions

The levy contributions of the constituent local authorities are a key source of funding for the CJC. The level of contributions is reviewed annually taking into account the financial requirements, regional priorities and affordability for the partners.

Option 1 - Keep the levy the same as 2026/27 and use the reserves to balance the budget

	Strategic Planning	Other functions	Total Levy
Authority	(£)	(£)	(£)
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)
Total Levy	**(388,170)**	**(627,010)**	**(1,015,180)**
Use of reserves	(426,040)	(722,610)	(1,148,650)

This option is to freeze the levy in 2027/28 at the same rate as 2026/27 and to use reserves to fill the funding gaps, after keeping 5% of 2027/28 gross revenue expenditure as a General Reserve. This would require £1,148,650 of reserves, which the CJC does not have. This proposal is therefore not feasible as there would be a funding deficit of £308,799.

Since freezing the levy is not feasible, it follows that not charging a levy at all in 2027/28 is not possible either.

Option 2 - Increase the levy and not using reserves

	Total Levy	(Increase) / Decrease	%
Authority	(£)	(£)	
Conwy County Borough Council	(350,500)	(185,720)	113%
Denbighshire County Council	(305,760)	(162,720)	114%
Flintshire County Council	(485,130)	(258,140)	114%
Cyngor Gwynedd	(351,050)	(186,260)	113%
Isle of Anglesey County Council	(213,350)	(112,740)	112%
Wrexham County Borough Council	(429,300)	(227,990)	113%
Eryri National Park Authority	(28,740)	(15,080)	110%
Total Levy	**(2,163,830)**		

With this option, the CJC would retain the reserves it expects to have in place at the end of 2026/27 and make no further use of them. Although this means that reserves would be available to balance the budget in future years, this cannot be justified in that all the constituent authorities would face an 113% increase in their levy for 2027/28.

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Option 3 - Increase the levy and use a proportion of the reserves available

	Total Levy 2027/28	(Increase) / Decrease	%
Authority	(£)	(£)	
Conwy County Borough Council	(282,480)	(117,700)	71%
Denbighshire County Council	(246,410)	(103,370)	72%
Flintshire County Council	(390,980)	(163,990)	72%
Cyngor Gwynedd	(282,930)	(118,140)	72%
Isle of Anglesey County Council	(171,950)	(71,340)	71%
Wrexham County Borough Council	(345,990)	(144,680)	72%
Eryri National Park Authority	(23,160)	(9,500)	70%
Total Levy	**(1,743,900)**		
Use of reserves	(419,930)		

Available reserve remaining (after the 5% general reserve allocation) at 31 March 2028: £419,921.

This option involves using 50% of the available reserves at the start of each financial year for 2027/28, 2028/29 and 2029/30. This would provide a balance of being able to use some of the reserves in each of three financial years in order to dampen the levy increases. With this option, the levy would need to increase by approximately 71% in 2027/28, but with lower increases of approximately 10% in the following two years.

Option 4 - Use all the available reserves (£839,850) in 2027/28

	Total Levy 2027/28	(Increase) / Decrease	%
Authority	(£)	(£)	
Conwy County Borough Council	(214,460)	(49,680)	30%
Denbighshire County Council	(187,070)	(44,030)	31%
Flintshire County Council	(296,830)	(69,840)	31%
Cyngor Gwynedd	(214,800)	(50,010)	30%
Isle of Anglesey County Council	(130,540)	(29,930)	30%
Wrexham County Borough Council	(262,680)	(61,370)	30%
Eryri National Park Authority	(17,600)	(3,940)	29%
Total Levy	**(1,323,980)**		
Use of reserves	(839,850)		

This option involves using all the available reserves to set the 2027/28 budget, keeping the levy increases at approximately 30%. The effect of this is that there would not be reserves available to balance the budgets in 2028/29 and 2029/30, leading to levy increases of over 60% for the 6 constituent councils in 2028/29 but with a smaller increase in 2029/30.

7.2 Funding of Regional Programmes

Many of the CJC's activities depend on grants and external funding. We will monitor funding levels, new opportunities, grant expiry dates and long-term funding risks.

7.3 Shared Service Arrangements

Where appropriate, Ambition North Wales uses shared services to ensure efficiency and value for money. These arrangements currently include financial services, human resources, democratic support services, ICT and other corporate services.

7.4 Analysis of Grant Dependency

Reliance on grant funding poses financial risk, particularly where grants are fixed-term. We will monitor the level of reliance on grants, funding expiration dates and opportunities to vary sources of income.

Application	Grant Source
North Wales Growth Deal	Welsh Government / UK Government
Investment Zone	Welsh Government / UK Government
Strategic Development Plan	No current grant
Regional Transport Plan	Welsh Government
Regional Skills Partnership	Welsh Government

Ambition North Wales remains dependent on grant funding to support a number of its strategic programmes. Any reduction or change in grant arrangements will be a significant risk to the achievement of the organisation's priorities.

8. Reserve Strategy

Reserves are a key part of the CJC's financial management and provide financial resilience to manage risks, respond to unforeseen events and support one-off costs. The table below shows the forecast overall reserves position for the period of this MTFP.

Reserve Category	As at 1/4/2027	As at 31/3/2030
	(£)	(£)
General Reserves	131,692	131,692
Earmarked Reserves	839,851	0
Total Amount	**971,543**	**131,692**

The General Reserves represents 5% of the 2027/28 gross revenue budget with the remaining reserves balance earmarked.

8.2 Proposed Use of Reserves

Where appropriate, reserves may be used for:

- One-time cost financing.
- Managing short-term financial risks or pressures.
- Supporting the CJC's projects and priorities.
- Mitigate the impact of fluctuations in income or expenditure.
- Assist with organisational changes or transformation.

Any use of reserves will be thoroughly considered in the context of longer-term financial sustainability, and the position will be reported regularly to the Corporate Joint Committee and the Governance and Audit Sub-Committee as part of the financial reviews.

The Growth Deal and Regional Skills Partnership reserves are ring-fenced and are not considered as part of the reserves position shown above.

8.3 Minimum Level of Reserves

The CJC maintains an appropriate level of overall reserves in order to protect the organisation from unexpected risks and costs. General reserves will initially be approximately 5% of the estimated Gross Revenue Expenditure for 2027/28, and will be reviewed annually, taking into account the key financial risks, funding uncertainty, and the level of earmarked reserves.

8.4 Earmarked Reserves

Reserves are held earmarked for specific purposes, such as:

- Growth Deal Reserve
- Growth Deal Project Reserve
- Growth Deal Interest Reserve
- Growth Deal Resources Reserve
- Growth Deal Interest Holding Account
- Regional Skills Partnership Reserve

Growth Deal nor the Regional Skills Partnership reserves cannot be used to fund or subsidise other activities of Ambition North Wales.

We will review these reserves regularly to ensure they remain appropriate and relevant.

8.5 Reserve Forecasts

Reserve levels will be monitored throughout the plan period to ensure that they remain adequate to support the financial resilience of the organisation. Any material changes will be reflected in the financial forecasts and the annual budgeting process.

9. Risk Assessment

The plan includes an assessment of the main risks that could affect the financial position of the CJC over its lifetime. These risks are regularly monitored and reviewed as part of the organisation's governance and financial management arrangements.

9.1 Key Financial Risks

The following table summarises the main risks facing the CJC and the relevant mitigation measures.

Risk	Effect	Probability	Mitigation Actions
Reduction in grant funding	High	Medium	Varying funding sources and monitoring new grant opportunities
Inflation higher than forecast	High	Medium	Appropriate contingency provision and regular review of assumptions
Pressure to recruit and retain staff	Medium	Medium	Workforce planning and labour market monitoring
Higher salary awards than assumptions	High	Medium	Reviewing pay budgets and monitoring national negotiations
Delay or failure to secure external funding	High	Medium	Strengthening project planning and development processes
Changes in legislation or policy	Medium	Medium	Monitoring policy developments and planning ahead
Increase in contract and service costs	Medium	Medium	Managing contracts effectively and reviewing procurement arrangements
Reliance on a small number of funding sources	High	Low/Medium	The CJC can explore alternative sources of funding, but the options are extremely limited.
Unnecessary cost of borrowing	High	High	Negotiations with both UK and Welsh Governments on the profile and timing of Growth Deal Grant Funding.
NDR income on Growth Deal projects not received or lower than forecast	Medium	Medium	Welsh Government minister approval required on NDR income as well as agreements on NDR income split between the Growth Deal, Freeport and Investment Zone schemes are required.
Investment Zone grant funding not available to fund project expenditure	High	Low/Medium	Negotiations with both UK and Welsh Governments on the profile and timing of Investment Zone Grant Funding.

Investment Zone administration expenditure higher that the funding available	Medium	Medium	Interest income used in the short-term, but measures need to be put in place to ensure that the expenditure remains within the funding envelope in future years.

9.2 Financial Risk Management

Ambition North Wales manages financial risks by:

- Reviewing the plan annually.
- Regularly monitoring financial performance.
- Maintain an appropriate level of reserves.
- Update forecasts and assumptions as new information becomes available.
- Integrate risk management into planning and decision-making processes.

9.3 Conclusion

Risk management is an integral part of Ambition North Wales's financial sustainability. The risks identified in the plan will be reviewed regularly to ensure that the organisation is able to respond effectively to changes in funding, costs and the wider operating environment.

Current Posts, excluding those wholly funded by Growth Deal and/or Investment Zone

Job title	Budget Apportionment			Notes
	Corporate Joint Committee	Strategic Planning	Transport	
Chief Executive	100%			
PA to the Chief Executive	100%			
Funding Project Manager	50%			Remainder funded through Growth Deal
Strategic Communication and Engagement Lead	50%			Remainder funded through Growth Deal
Operations and Resources Manager	25%			Remainder funded through Growth Deal
Procurement and Social Value Manager	25%			Remainder funded through Growth Deal
Senior Procurement Officer	75%			Remainder funded through Growth Deal
Corporate Support Officer	100%			
Senior Operations Officer	75%			Remainder funded through Growth Deal
Senior Policy Officer	100%			
Programme Manager	25%			Until mid Year 1, funded by IZ and LGF
Monitoring Officer	40%	5%	10%	Remainder funded through Growth Deal and IZ
Deputy Monitoring Officer	75%	5%	5%	Remainder funded through Growth Deal and IZ
Lawyer	15%	5%		Remainder funded through Growth Deal and IZ

Job title	Budget Apportionment			Notes
	Corporate Joint Committee	Strategic Planning	Transport	
Commercial Manager	33%			Remainder funded through Growth Deal and IZ
Regional Strategic Development Planning Manager		100%		
Senior Planner		100%		
Senior Transport Officer			100%	
Transport Officer			100%	
Transport Officer			100%	

All posts which are already filled are fixed term, apart from the Chief Executive and PA to the CEO who are permanent appointments

Additional Posts included in MTFP and subject to budgetary approval

Job title	Budget Apportionment			Notes
	Corporate Joint Committee	Strategic Planning	Transport	
Communications Officer	50%			From Year 1. Remainder funded through Growth Deal
Corporate Director (Resources)	100%			From Year 1
Senior Planner		100%		From Year 1
Operations Officer	25%			From Year 2. Remainder funded through Growth Deal
Policy Officer	100%			From Year 2
Technical Support Officer		100%		From Year 2
Programme Officer		100%		From Year 3
Systems/ Data Analyst	33%			From Year 3. Remainder funded through Growth Deal and IZ